

The Sandur Manganese & Iron Ores Limited

(An ISO 9001:2015; ISO 14001:2015 and OHSAS 18001:2007 certified company)
CIN:L85110KA1954PLC000759; Website: www.sandurgroup.com

REGISTERED OFFICE

'SATYALAYA', No.266
Ward No.1, Palace Road
Sandur - 583 119, Ballari District,
Karnataka, India
Telephone: +91 08395 260301
Fax: +91 8395 260473



CORPORATE OFFICE

'SANDUR HOUSE', No.9,
Bellary Road, Sadashivanagar
Bengaluru - 560 080,
Karnataka, India
Telephone: +91 80 4152 0176 / 179
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30 August 2021

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001

Dear Sir / Madam,

Sub – Submission of Annual Report 2020-21

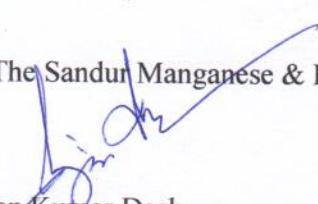
Pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report for financial year 2020-21 containing, inter-alia, Notice convening 67th Annual General Meeting of the Company on Wednesday, 22 September 2021 at 11:00 a.m. through video conferencing ("VC").

The Exchange is requested to kindly take note of the above.

Thanking You.

Yours faithfully

for The Sandur Manganese & Iron Ores Limited


Bijan Kumar Dash
Company Secretary &
Chief Compliance Officer

Encl: A/a

Annual report for the financial year 2020-21

MINES OFFICE: Deogiri - 583112, Sandur Taluk, Ballari District

Tel: +91 8395 271025 / 28 / 29 / 40; Fax: +91 8395 271066

PLANT OFFICE: Metal & Ferroalloy Plant, Vyasankere, Mariyammanahalli - 583 222, Hosapete Taluk, Ballari District

Tel: +91 8394 244450 / 244335



AN
ICONIC
HISTORY,

AN INSPI-
RING
FUTURE.

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An inspiring future

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View Annual and Quarterly financials

<https://www.sandurgroup.com/Investors-Desk>

Forward Looking Statement

This document contains statements about expected future events, financial and operating results of The Sandur Manganese & Iron Ores Limited (hereafter referred to "SMIORE" or "SANDUR"), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. Accordingly, there is a significant risk that the assumptions, predictions, and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications, and risk factors referred to in the Management Discussion and Analysis section of The Sandur Manganese & Iron Ores Limited's Annual Report, FY2021.

A YEAR OF RESILIENCE

We achieved our highest-ever Revenue, EBITDA and PAT in FY21.

₹ **746.59**^{↑26%} CR
Revenue from Operations

₹ **271.64**^{↑39%} CR
EBITDA

₹ **249.53**^{↑43%} CR
PBT

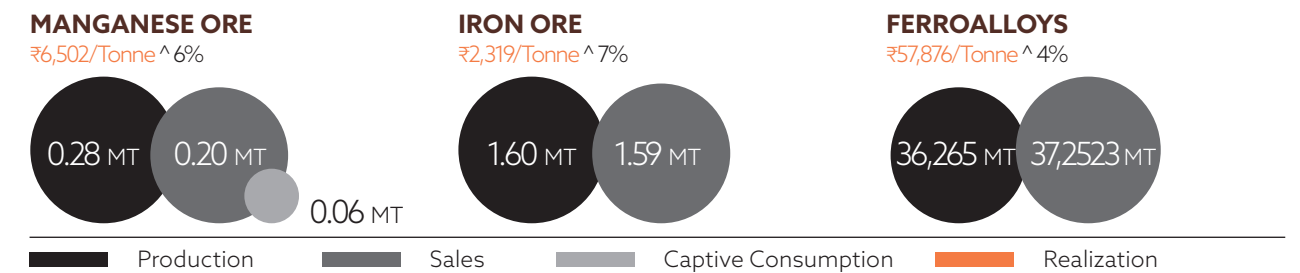
₹ **153.93**^{↑4%} CR
PAT

Firing on all cylinders.

₹ **250.42** CR
CAPEX

₹ **400.11** CR
Cash generated from operations before tax

0.31
Debt to equity



AN I CO

As the father of modern economics John Maynard Keynes once said, "Ideas shape the course of history", and so it did for The Sandur Manganese & Iron Ores Limited.

H I I

A N I N S

F U T U R



N I C



S T O R Y,



P I R I N G

E.

History as we all know, can be gruesome and oppressive, or it could be humble and inspiring. It could make you want to relive the past glory or it could make you fear what went down. At SMIORE, our history is a testament to our character, our ability and our long-standing symbiotic relationship with the people of the land. Our history is one which makes one recall the past glory, it is the kind that makes you believe that not everyone is motivated by power and greed. SANDUR family's ability to ensure that its people were loved and cared for, and the belief that growth is possible in just one way - that is through inclusivity. It is this

history that we pay homage to as we move ahead to uphold the same values of integrity, loyalty, respect and above all kindness, even today. The Company through all its years of operations has always believed in giving back to its community - whether it be its employees or the people around it. The values that drive SMIORE are the same that are rooted in the family's DNA. With such an iconic history comes the responsibility of upholding the legacy through generations, and we are proud to say that, while our business environment has gone through peaks and troughs in all these

years, our values remained undeterred. The future of SMIORE is as inspiring as the past has been. The Company is on an inclusive journey to reach greater heights, with its people by its side. While we bow down to what our forefathers have achieved, we also realise what our bounden duties are. We understand and value, above all, our shared vision of inclusive and sustainable growth, which would ensure a brighter future for the people of Sandur and the people at SMIORE.

COMMITMENT

To adapt,
relearn
and excel



*Sandur is an oasis in a desert...
The Ruler of a small State
(Sandur) in South India has
thrown open his temples to
the Harijans. The heavens
have not fallen.*

Mahatma Gandhi, 1934



To live up to SMIORE's legacy

MENT

THE HERITAGE OF THE SANDUR MANGANESE & IRON ORES LIMITED

The Sandur Manganese & Iron Ores Limited (hereafter referred to as 'SANDUR' or 'SMIORE') was established in 1954 by Murarirao Yeshwantrao Ghorpade, under the aegis of Yeshwantrao Hindurao Ghorpade, for scientific development of manganese and iron ore mines. Today, it is one of India's most integral, diversified and integrated commodity producers. The foundation of SMIORE's business still lies in its systematic, safe, and scientific mining approach, which hasn't compromised on the ethos and principles set over six decades ago.

Over the decades, SMIORE's operations have expanded to

cover mining, downstream facilities of ferroalloy, coke and energy. The Company believes in integrating across its value chain and consolidating its business, to ensure that the Company adds value in each stage and the operations are complementary to each other. The Company has never compromised on its standards for quality and safety, and ensures that its employees are benefited from the best work policies.

SMIORE's mines are one of the most scientifically developed and well-operated mines in the country, with notable emphasis on afforestation, environment protection and conservation.

To that effect, the Company has been awarded several prestigious state and national awards. Upon the introduction of Sustainable Development Framework (SDF) by the Government of India, SMIORE was the only Mining Lessee in the State of Karnataka and was one among the three iron ore Mining Lessees in the country to have received 5-star awards. Thereafter, SMIORE has been continuously receiving 5-star rating every single year.

SMIORE'S VISION AND MISSION IS TO-

- Ensure safe, systematic and scientific mining practices, with the aim to preserve the environment and ecology, and uphold its reputation as a responsible mining company.
- Grow as a reputed business house by consolidating manganese and iron ore activities into a significant conglomerate with downstream integration of ferroalloys, power and steel; supported by robust corporate governance practices based on the principles of fair play, integrity, ethics and social welfare.
- Build a happy and content society using effective and appropriate technology to improve the living standards and infrastructure facilities of the local region, with emphasis on education, health, training rural youth for better employability, solar electricity in every home and street, clean drinking water and sanitation for all.
- Continue preserving and promoting art, culture, heritage and traditions of Sandur and the surrounding villages.

6+ decades
as one of the most respected private sector Merchant Miner of Manganese and Iron Ores

HIGHLIGHTS

Capacity

 0.28 MTPA / Manganese Ore

 1.60 MTPA / Iron Ore

 48,000 TPA / Ferroalloys

 0.40 MTPA / Coke

 30 MW / WHRB-based Power Generation

Vast Mining Reserves

 14 MT / Manganese Ore

 110 MT / Iron Ore

2,300+ Committed employees

2 Mining leases spanning about 2,000 hectares

2nd Largest Manganese Ore miner in India, after PSU - MOIL

THROUGH THE PAGES OF HISTORY

SMIORE is not just a company, it is a legacy. With history dating back to the pre-Independence era, this legacy has truly stood tall through the test of time. The Company was incorporated under the support and guidance of His Highness Yeshwantrao Hindurao Ghorpade, who advised his eldest son Murarirao Yeshwantrao Ghorpade to develop the manganese and iron ore mines in a scientific manner. It was his vision that led to the beginning of an era.

In its years of operations, the Company has gone through multiple peaks and troughs, with different generations of the Ghorpade family contributing to the Company's development in varied business environments. SMIORE has not only navigated through these times, but it has done so gracefully. The Company is proud of its decades of history and believes that its strength lies in its experience, indomitable spirit and power to adapt and deliver excellence. This business that was once a royalty, then an incorporated company and finally a public listed entity, has come a long way; but what hasn't changed is the way the Company operates even today - with humility, generosity and kindness at its core.

The Company is proud of its decades of history and believes that its strength lies in its experience, indomitable spirit and power to adapt and deliver excellence.

MINING LEASES HISTORY

1838
Manganese was discovered in the hills of Sandur

7511 HA*

1904
Erstwhile ruler of Sandur, Y. R. Ghorpade (YRG) granted a mining lease over an area of 7,511 hectares to a Belgian company named General Sandur Mining Company for 25 years, and then renewed the lease for another 25 years up till 1953

1907
Mining operations in the present lease area commenced

1954
Mining lease was transferred to YRG, after which, he transferred the lease to The Sandur Manganese & Iron Ores Limited, which was founded by his eldest son Murarirao Yashwantrao Ghorpade, for professional management and scientific development of the mines

1964
The Company was converted into a Public Limited Company

1966
The Company got listed on the BSE

Original Lease (7511 HA)

Area deleted in 1973 (2800 HA)

4715 HA*

1974
2,800 hectares of Iron Ore bearing area was given up during renewal in 1973 for extraction by public sector company - NMDC Limited

First Renewal (4715 HA)

Area deleted in 1993 (1516 HA)

3215 HA*

1994
During the second renewal, SMIORE surrendered 1,500 hectares of forest area for forest conservation

Second Renewal (2006 HA)

1999 HA*

2014
Mining Lease renewed for the third time and is valid up to 31 December 2033

Third Renewal (1999 HA)

Today
SMIORE has two Mining Leases valid up to 31 December 2033, over an area of 1,999 hectares with estimated reserves of about 14 MT of Manganese Ore and 110 MT of Iron Ore

Mining Leases: Deogiri, Kammathuru, Subbarayana, Halli and Ramghad

FERROALLOYS HISTORY

Beginning the journey of legacy with mining of manganese ore, SMIORE entered into manufacturing during the 1960s. With a firm belief in value addition and industrial development of the region, SMIORE established an electro-metallurgical industry in 1968, and was involved in the production of ferroalloys.

Shivrao Yeshwantrao Ghorpade, present Chairman Emeritus of SMIORE and younger brother of Murarirao Yashwantrao Ghorpade is a Metallurgical Engineering graduate from the renowned Colorado School of Mines, USA. He is recognized as one of the most eminent metallurgical engineers of the country. He was largely responsible for building SMIORE's Metal & Ferroalloy Plant from scratch, to one of the finest metallurgical plants in India, with his strong principles, scientific and systematic procedures and performance-oriented approach.

1966> The Company got listed on the BSE to establish an Electro Metallurgical Industry (Ferroalloy operations)

1968> The plant for Ferroalloy operations was set up in Vyasanakere

1977> With the addition of two more 20-MVA furnaces, the plant was diversified into the production of Pig Iron, Ferromanganese, Ferrosilicon and Silicomanganese.

1990> Operations of Ferroalloys became unviable due to inadequate power and expensive power

2000-2007> Ferroalloys operations were temporarily shut down

2010> The Company built a 32 MW Captive Thermal Power Plant to alleviate the non-availability of adequate power

2018> The Company commenced work on a Waste Heat Recovery Boiler coupled with a Coke Oven plant to address the viability of power generation.

2021> Operational turnaround of Ferroalloys was completed with the Coke Oven and Waste Heat Recovery Boiler plant fully commissioned.

* Lease Area

BOLD

*That combines
prudence and
clairvoyance*



Although in case of a large number of mines, the mining operations do not follow any concerted or well thought out plan of development, there are a few bright exceptions. For example, the group of mines controlled by Manganese Ore India Ltd., M/s. Sandur Manganese & Iron Ores (P) Ltd., and few other companies have planned the layout of their mines in a systematic manner.

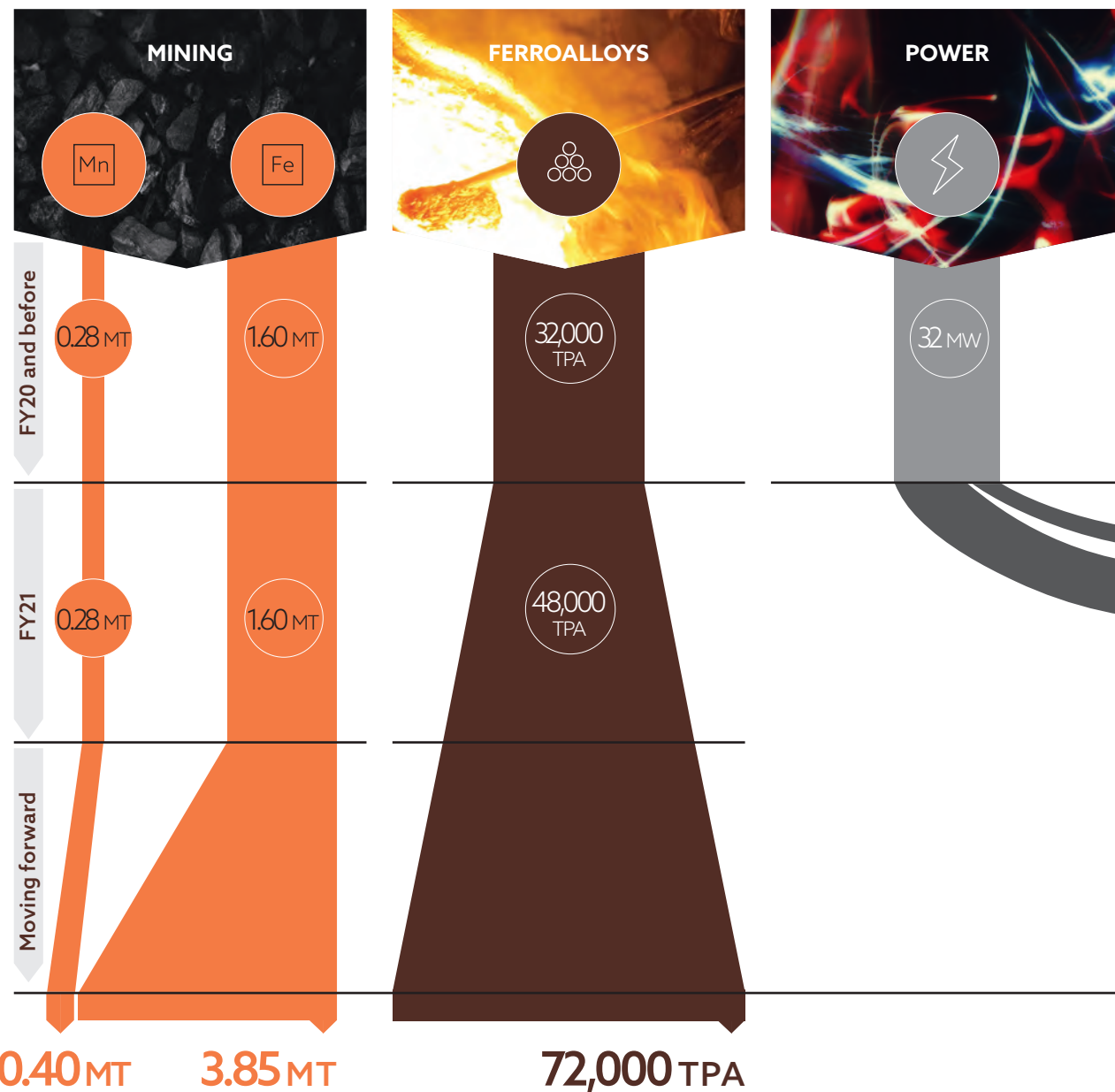
Vasudeva Committee Report, 1965

—NESS

To embrace our future —

AN EVOLVING BUSINESS MODEL

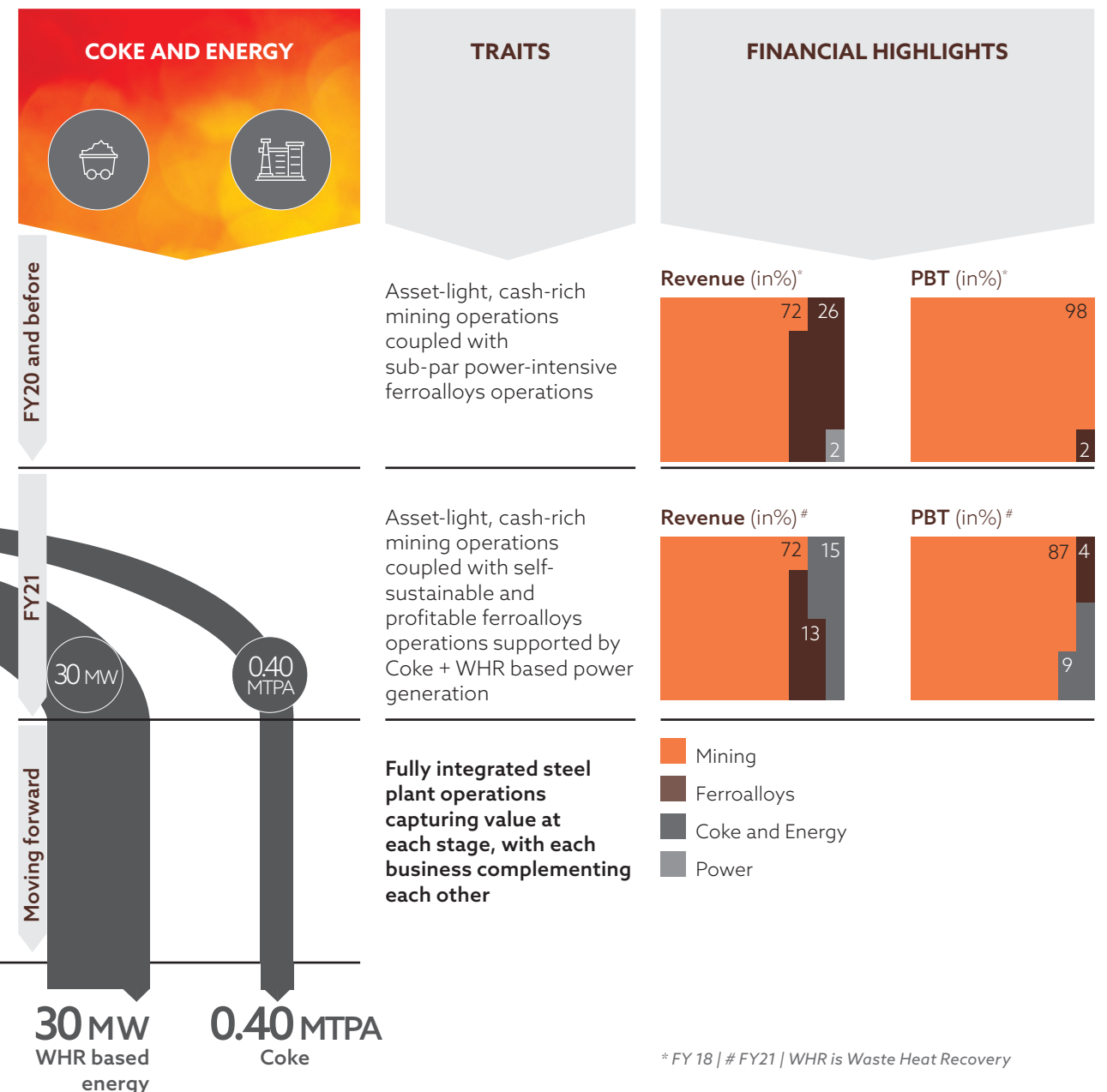
SMIORE has been in the business of mining since 1954. With almost seven decades in this industry, the Company has truly adapted and evolved with time.



In all these years it has been through several rounds of business development and has forayed into ferroalloys and power generation, coke and energy production.

Currently, SMIORE is geared to consolidate its business solutions and provide fully integrated steel operations in the near future.

The Company is well on its way to make this transition, and with its long history of business excellence, it is quite imminent that it will emerge successful in the end.



* FY 18 | # FY21 | WHR is Waste Heat Recovery

COMPLEMENTING BUSINESS SEGMENTS

MINING

SMIORE has been in the business of mining since 1954. The Company has two mining leases located in Sandur, in the Ballari district of Karnataka. These mines are rich with two minerals, manganese ore and iron ore.

These mines are well-connected to two railway sidings - Swamihalli (SMLI) and Sunderambencha (SDMG) on the Swamihalli - Hospet BG Line, which are 12 km away from the mine head. Further, to facilitate movement of the product directly to the railway siding, the Company is currently setting up a Downhill Conveyor to transport the ore in a pollution-free and environment-friendly manner. In the future, this project is expected to enhance the realizations for the Company.



Mn Manganese Ore
0.28 MTPA

SMIORE has the largest private-sector manganese ore mines in India. It engages in semi-mechanized, labour-intensive manganese ore mining operations, which generate large scale employment opportunities within the Company.

SMIORE's low grade manganese ore is known for its low phosphorus content (below 0.05%), and it has the unique reputation of being one of the finest low grade, low phosphorus metallurgical ores, which is used in blends for producing ferroalloys and steel. A part of our mined ore is used captively in the Company's ferroalloys operations and the rest is sold out. The Company has definite manganese ore reserves of 14 MT for future mining operations.

Full Capacity Utilization

21% Captive Consumption



Fe Iron Ore
1.60 MTPA

SMIORE engages in fully-mechanized iron ore mining operations, which generate superior profitability margins for the Company. It primarily produces iron ore, with 56% - 58% Fe grade.

Currently, all of the mined iron ore is sold out, with no captive consumption for now. The Company has definite iron ore reserves of 110 MT for future mining operations.

Full Capacity Utilization

100% Merchant Sales



FERROALLOYS
48,000 TPA

SMIORE started its Ferroalloys operation in 1968 in a unit located in Vysanakere, Hosapete in the newly formed Vijayanagara District. This unit is equipped with Italian and Norwegian submerged electric arc furnaces which are utilized to produce Ferroalloys.

The primary product that is produced is Silicomanganese, and other products could include Ferromanganese and Ferrosilicon. Given the power-intensive nature of Ferroalloys operations, the Company has a power plant with a capacity of 30 MW, supported by Waste Heat Recovery Boilers. This enables the Company to generate clean energy at very low cost.

76% Capacity Utilization

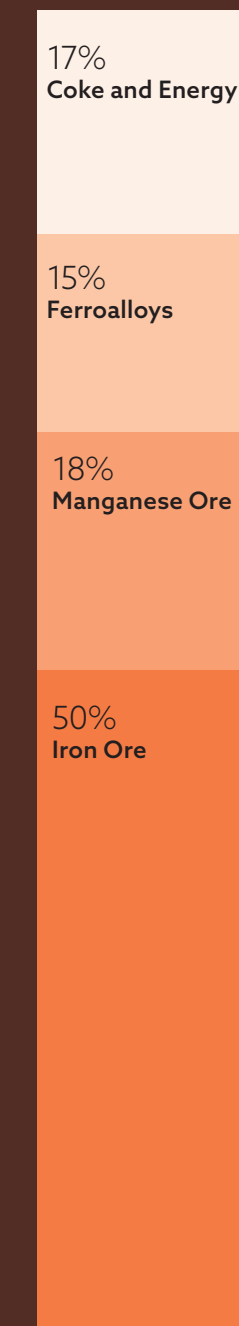


COKE AND ENERGY
0.4 MTPA **30** MW
Coke Oven Plant Waste Heat Recovery Boilers

The Company began its Coke Oven expansion in 2018 and the same was commissioned in FY21. The Company has four Coke Oven batteries with a cumulative capacity of 0.4 MTPA, and two Waste Heat Recovery Boilers (WHRB) with a cumulative capacity of 30 MW. The WHRB was set up with the objective of generating cleaner energy as a byproduct, to further support the operations of the Ferroalloys unit.

Commissioned recently

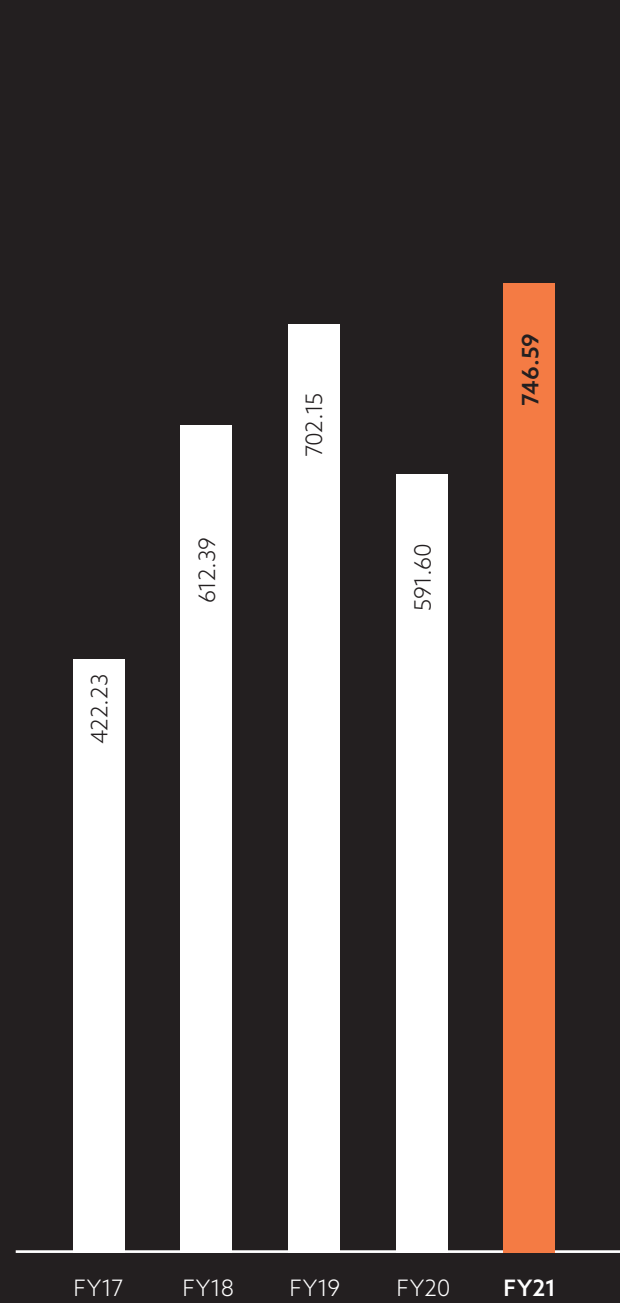
FY21 Sales Contribution



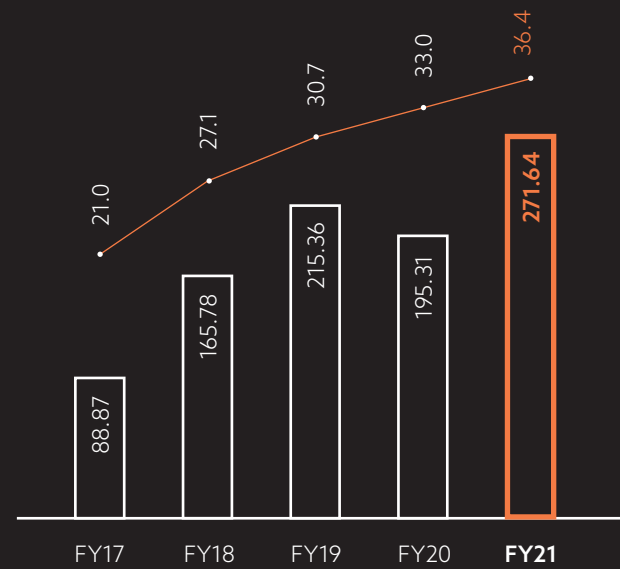
Note - capacity and utilization data as of FY21. Ferroalloys capacity utilization on base of new capacity i.e. 48,000 TPA.

GROWING STEADY, GROWING STRONG

Revenue from Operations (₹ in crores)

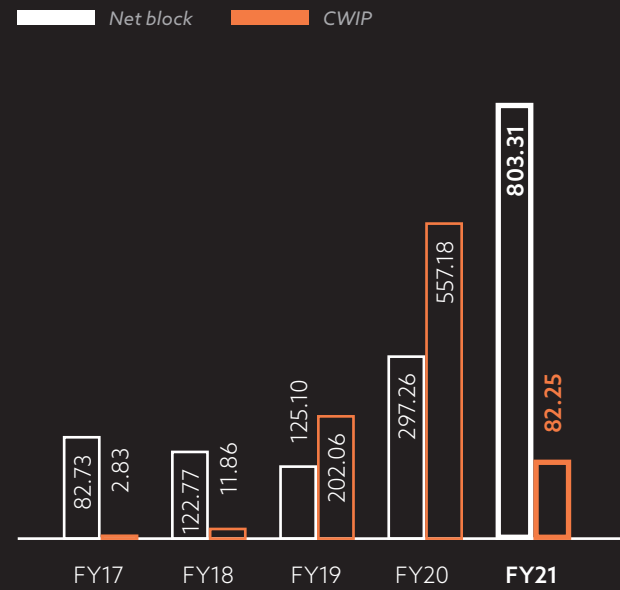


EBITDA and EBITDA margin (₹ in crores and %)



EBITDA is excluding Other Income

Net block and CWIP (₹ in crores)

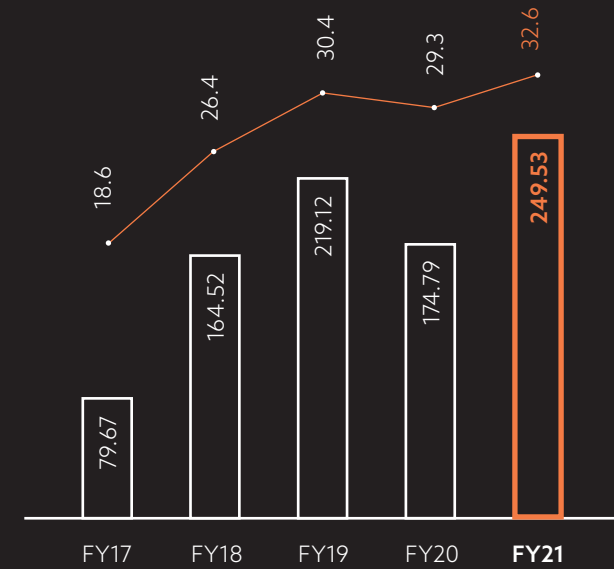


~2.4x
Equity over last 5 years

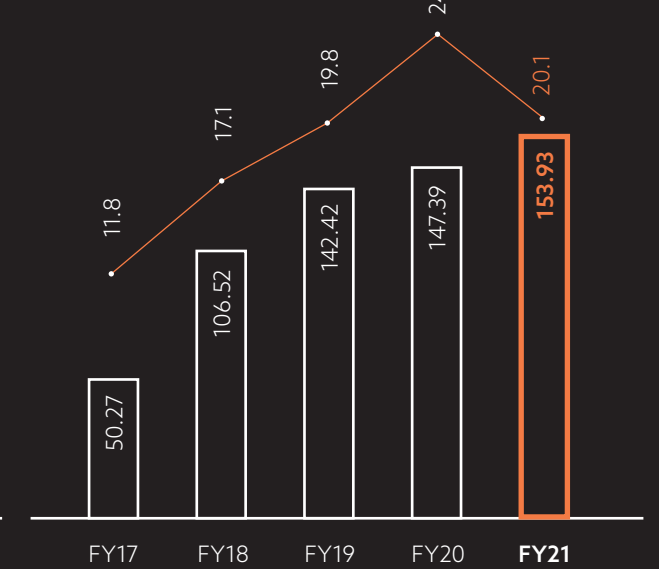
~10x
Netblock in last 5 years

0.31
Debt to Equity, supported
by strong cash flows

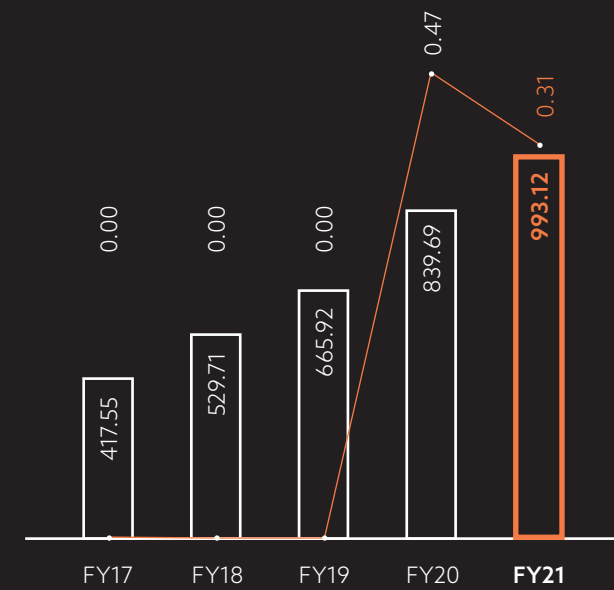
PBT and PBT margin (₹ in crores and %)



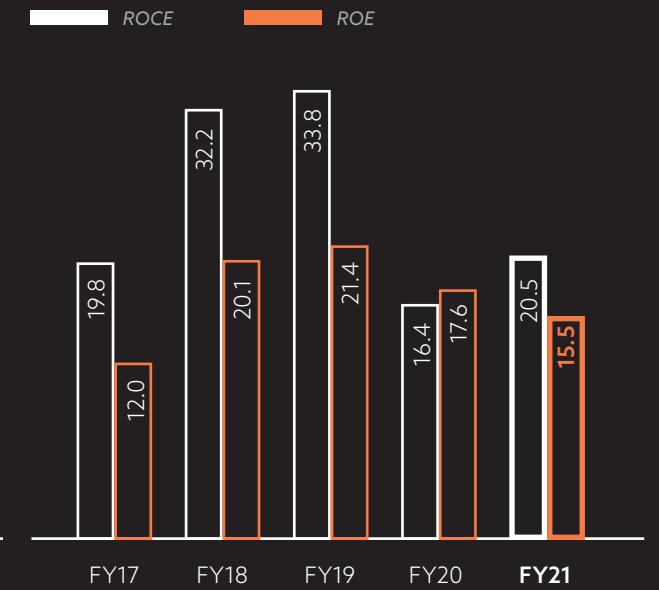
PAT and PAT margin (₹ in crores and %)



Equity and Debt to Equity (₹ in crores and times)



ROCE and ROE (in %)



To turn our
vision into reality

IN TEG



It is observed that -

- (a) the joint team has not found any illegality vis-a-vis the sanctioned lease boundaries
- (b) the owners of the Lessee Company have voluntarily handed over more than 2000 HA of forest land owned by them to the State Government and which has no parallel in the State, and
- (c) the Lessee Company has an excellent track record of undertaking mining operations in accordance with the law.

CEC & Joint Team constituted by Hon'ble Supreme Court of India, 2011-2012

To lead with our heart —

RITY

STRONG AND RELIABLE LEADERSHIP



Yeshwantrao Hindurao Ghorpade
Founder

His Highness Yeshwantrao Hindurao Ghorpade (1908-1996) was the former ruler of the Sandur State. Under his guidance and aegis, his eldest son Murarirao Yeshwantrao Ghorpade, in an endeavour to scientifically approach manganese and iron ore mining, incorporated The Sandur Manganese & Iron Ores Limited in 1954.

He was the Founder of SMIORE and served as the Chairman and Managing Director of the Company till his last day.



Murarirao Yeshwantrao Ghorpade
Patron

Murarirao Yeshwantrao Ghorpade (1931-2011) was the man behind the incorporation of the Company. Upon his return from Cambridge, he was associated with SMIORE in various capacities through decades. He started his journey at SMIORE as an administrative officer, and moved up the ladder to become Joint Managing Director first and then the Managing Director. He served the Company as the Chairman and Managing Director until 1999, and then took up the role of Chairman Emeritus until his last day.

He had a thriving political career besides being a businessman. He was appointed as the Finance Minister and Panchayat Raj & Rural Development Minister of Karnataka.



Shivrao Yeshwantrao Ghorpade
Chairman Emeritus

Shivrao Yeshwantrao Ghorpade is a Metallurgical Engineer from the Colorado School of Mines, USA. He has been associated with the Company for 53 years and continues to contribute even today, as Chairman Emeritus.

His pioneering contribution for almost three decades towards the Metal and Ferroalloy Plant development, since its inception in 1967, has been instrumental. It is his principles, systematic scientific procedures and performance-oriented approach that augmented the Company to look at opportunities beyond mining. Under his leadership, the Company steered through some of the most demanding challenges such as the power cost crisis, BIFR and the Honorable Supreme Court's mining suspension.

He served as the Chairman and Managing Director until 2017 and continued to serve as the Chairman until 2020.



T.R. Raghunandan
Non-Executive Director
& Chairman

Raghunandan is a specialist in formulating policies, decentralization and anti-corruption. He has over twenty-six years of experience in executive management, corporate management and policy-making positions in the state and national governments.

He is also a consultant and advisor to international development agencies, governments and non-profit institutions, such as UNDP, the Swiss Development Corporation and other prestigious foundations. He is the Director and Co-founder of Avantika Foundation, a non-profit organization engaged in building the Museum of Movement, which is an effort to showcase India's romance with transport.



Bahirji A. Ghorpade
Managing Director

Bahirji A Ghorpade is a graduate in commerce with specialisation in finance from Christ University, Bengaluru and has completed his Company Secretary Executive Program from the Institute of Company Secretaries of India.

He joined the Company as a Management Trainee in April 2015. After a brief sabbatical for his masters in finance and management from Cranfield University (United Kingdom), he re-joined the Company on 01 October 2018 and shouldered the responsibilities of project accounting for over a year and a half, which included accounting of all project related expenses, cash flow management and capitalization of assets. During this time he was also an Executive Assistant to the Managing Director, wherein he assisted the MD in functional areas such as corporate affairs, materials management, commercial management, finance, administration and general management. He has contributed to the Company's HR development efforts and in streamlining employee

database, applicants' database and recruitment procedures, which is an important part of the Company's ethos and principles concerning welfare of employees and labour management relations.

He served as Director (Corporate) for a short span of 3 months and then was elevated as Managing Director of the Company w.e.f., 17 June 2020.



Sattiraju Seshagiri Rao
Independent Director

Rao holds a Bachelor's degree in Electrical Engineering and a Master's degree in Business Administration. He is also a Fellow of the Institution of Engineers (India).

Rao has over 45 years of experience in professionally managed, state owned, joint ventures with multi-national and private sector power companies in all areas of power generation, EHV transmission and load dispatch control, total project management in the execution of projects in independent power production including commercial, financial management and human resource functions. His previous stints include, Joint Managing Director and CEO of JSW Energy Limited and Group Executive President and Business Head of Aditya Birla Group.

He also holds directorship on the Boards of NCC Infrastructure Holdings Limited, NCC Urban Infrastructure Limited, JSW Energy Limited, JSW IP Holdings Private Limited and Barmer Lignite Mining Company Limited.



G. P Kundargi
Independent Director

Kundargi holds a B. Sc. (Chemistry) degree from Karnataka University, and an M. Tech (Mineral Processing) degree from Nandihalli Post Graduation Centre, Gulbarga University.

He is the former Chairman and Managing Director of MOIL Limited (formerly Manganese Ore India Limited), and has expertise in metal mining - both opencast and underground, mineral processing and beneficiation.

He is also on the Board of Nava Bharat Ventures Limited.



Dr. Latha Pillai
Independent Director

Pillai is an educational administrator with more than three decades of experience in the field of higher education. Her areas of professional expertise include quality assessment, evaluation and promotion of women in governance and academic leadership. She has worked in institutions related to different aspects of higher education, Policy and Planning - University Grants Commission (UGC), Open and Distance Learning - Indira Gandhi National Open University (IGNOU) and Youth Development - Rajiv Gandhi National Institute of Youth Development (RGNIYD) and Advisor, National Assessment and Accreditation Council (NAAC), Bengaluru.

She is the recipient of the Endeavour Australia Cheung Kong Research Fellowship by the Australian Government, Monash University (Melbourne, Australia), USIA International Visitors Programme, USA, International Resident Fellow, University of Calgary (Canada). She was also awarded the Jawaharlal Nehru Birth Centenary Award in 2012, which was instituted by the Indian Science Congress Association.

She has participated in many national and international conferences / seminar as an invited speaker. Her contributions in the spheres of capacity building of women administrators in higher education and mainstreaming vocational education have received academic acclaim.

She has been nominated to various Committees of UGC, MHRD, FICCI and CII, to name a few.



Jagadish Rao Kote
Independent Director

Kote holds a B. Tech degree in Electronics and Communications from Mysore University, where he secured first rank. He was the recipient of the Kirloskar Memorial Award for being an outstanding student. He completed his M. Tech degree in Industrial Electronics. He is also a fellow member of the Institute of Cost and Management Accountants of India, and has completed the professional level of the examination conducted by the Institute of Company Secretaries of India. He is currently pursuing his Doctoral studies in Power systems under Visvesvaraya Technological University.

He is a result-oriented technocrat with over 35 years of industrial and techno-managerial experience in the areas of strategic planning, project management, embedded systems design engineering and electronic designs. He is currently associated with a reputed college of engineering in Bengaluru, as a professor.



Hemendra Laxmidas Shah
Non-executive Director

Shah graduated from N. M. College of Commerce & Economics, Mumbai. He qualified as a Chartered Accountant in 1980 from 'The Institute of Chartered Accountants in England and Wales'(ICAEW) and is an associate member of ICAEW. He is also a Fellow Member of 'The Institute of Chartered Accountants of India'.

He has a rich experience of 38 years and has worked with A. F. Ferguson & Co. and Deloitte India as a Partner in the past.

He possesses vast experience in audit and assurance functions, and has served Indian and Multinational clients (both small and large, listed and unlisted) spanning industries such as automobiles & auto ancillaries, information technology, engineering, power, pharmaceuticals, telecommunication, fertilizers & petrochemicals etc. He also has vast knowledge of Euro Issues, Indian Public Offerings, due diligence, and Corporate Governance.



Md. Abdul Saleem
Director (Mines)

Saleem holds a B.Com and LLB degrees from Osmania University, Hyderabad. He is also a Fellow Member of the Institute of Company Secretaries of India, New Delhi.

After having worked in the accounts department of a proprietorship firm for little over three years, he worked for six years in a listed public limited company dealing with ferroalloy and power businesses before joining the Company as a Company Secretary on 01 September 2005.

Being a Company Secretary and a law graduate, he has had the opportunity of handling secretarial functions of listed companies, handling legal matters, appearing before various authorities, judicial and quasi-judicial forums and assisting very senior and eminent advocates in High Court of Karnataka and Supreme Court of India. He has played the role of SMIORE's nominee director on the boards of a couple of companies and contributed to their revival.

While serving as Company Secretary and also, later as the Chief General Manager of Mines, Abdul Saleem has played a crucial role during the Hon'ble Supreme Court's suspension of mining operations arising due to a PIL regarding illegal mining. He has also greatly contributed to the Company by streamlining mining operations and ensuring compliances, which has resulted in both the mining leases of the Company being awarded Five Star Rating consecutively for the last five years, by the Ministry of Mines and Indian Bureau of Mines.

He has been appointed as Director (Mines) in the Company w.e.f. 1 April 2020.

AN AMBITIOUS JOURNEY AHEAD

We have emboldened our position as an organization and are now ready to take on monumental strides towards an innovative future.

Dear Shareholders,

It is a pleasure and privilege to write my first letter to you as the Chairperson of the Board of Directors of SMIORE. I am grateful to be associated with you, our large family of stakeholders and carry forward SMIORE's legacy. This year we have expanded the scope of our annual report, to reflect and take inspiration from our past and focus on our ambition for the future. I believe that we have a firm foundation of several decades of experience, on which we can build and consolidate an impressive future.

Since early 2020, the world and India have witnessed the unprecedented specter of COVID-19. Apart from our personal losses and tragedies, the economic fallout of the pandemic has been grim. While we witnessed pain and trauma, we also saw

courage under fire. The medical community from doctors to front line workers, civil society, corporate India, volunteers and government authorities from the local governments to the State and Union governments worked relentlessly to control and mitigate the terrifying effects of the Pandemic.

Yet, like all crises, this one has also brought about changes in how we live our lives, conduct ourselves and interact. We have adapted and begun to communicate with the world virtually. Yet, we are not isolated. This is also an opportune time to realise how our actions could have far reaching consequences on society at large and the environment. We must realise that our lives are interconnected in more ways than we can imagine. This is thus a time



T.R. Raghunandan
Chairman



SMIORE is well-positioned to capture future opportunities in the industry and believes that its transformation will further enable it to become an integrated player in the industry.

to remember and celebrate that humanity is one. If one of us suffers, all of us suffer.

With vaccination continuing steadily across the country, one hopes that we may return to normalcy after this long and dreadful course of the pandemic.

OUR FY21 PERFORMANCE

At SMIORE, we too exhibited resilience during the pandemic and have set new records in our financial and operational performance. In FY21, our Company generated the highest ever Revenue of ₹ 747 crore as against ₹ 592 crore in FY20. This resulted in an EBITDA of ₹ 272 crore as against ₹ 195 crore in FY20. Our performance in 20-21 was due to an increase in our

realizations for both manganese and iron ore. Furthermore, the commissioning of our Coke and Waste Heat Recovery Boilers led to an operational turnaround of our Ferroalloys segment, early results of which were observed in our Q4FY21 performance. The addition of Coke to our portfolio of products in the fourth quarter also boosted our revenues for the year. We expect to reap the full downstream benefits of the Coke oven expansion exercise from FY22 onward.

A CONDUCTIVE ENVIRONMENT

Yet, our progress in FY21 was not all smooth sailing. The total lockdown brought our activities to a near complete halt. However, the second half of the year witnessed a better than expected recovery. As the

lockdown eased across the nation, steel and iron ore consumption began to pick up, resulting in improvement in the prices of our minerals. As Governments across the world ramp up their development work and infrastructure development, we expect this demand to sustain and increase. We are thus optimistic about our prospects in FY22.

Needless to say, a healthy external environment bodes well for the Company's ongoing and upcoming expansion plans. SMIORE is well-positioned to capture future opportunities in the industry and believes that its continuing transformation will further enable it to become an integrated player in the industry.

AN AMBITIOUS JOURNEY AHEAD

SMIORE is focused on its ambition to set up a 1MTPA fully-integrated steel plant in the near future. Though we still have a long journey ahead of us, we are certain that our hard work, perseverance and skilled execution will see us through and help us realise our goals. This strategic move is on account of the Company preparing and mitigating itself against long-term risks. We are confident that our shift from a merchant miner to an integrated player in the steel sector, will serve us well in the years to come.

We believe that our best days are still ahead of us. With a new leadership at the helm bringing in renewed energy and ideas, we will scale greater heights going forward. With an execution-focused approach, SMIORE has bold plans to making the Company self-sufficient and future ready.

I wish you all great health and safety, as pandemic wanes. I am grateful for your continued support and faith in us, and resolve to remain focused on the mission of creating maximum value for all our stakeholders.

REGAINING OUR PAST GLORY

Dear Shareholders,

I am delighted to address my SMIORE family for the very first time, after being appointed as the MD of the Company last year. I would like to begin by expressing my gratitude towards my fellow Board Members for entrusting me with the opportunity to lead this organization. While I am cognizant of and am ready to shoulder the responsibilities that come with this position, I am also very enthused and emboldened by the support that you have shown us. It is my solemn pledge to you now, and for all time to come, that I will wholeheartedly dedicate my skills and efforts to contribute to take SMIORE's growth journey to newer heights.

A RICH INHERITANCE

SMIORE has witnessed multiple changes in its years and decades of existence, but the values that bind together this Company and its people, remain unchanged. We may have progressed with time, but the very soul of SMIORE still remains the way my forefathers envisioned it to be.

Our guiding principles, which we have relied on for over a century, are unshaken. We continue to believe in scientific and systematic mining, which means we extract and not exploit our finite natural resources. We conduct our mining operations in an environment-friendly manner, which is our way of conserving nature and thanking it for all that we've received from it thus far - whether it be through afforestation, reclamation, environment protection



SMIORE must evolve with the current times and assert itself in our expansion ventures to ensure maximum value for all its stakeholders.

or rehabilitation. Last but not the least, is our principle of being a fair and just employer. Our attitude towards our employees remains the same even today. We prioritise the overall safety of our employees, and work towards enhancing their quality of life through multiple employee welfare initiatives.

SMIORE continues to run on the same ethos that my grandfather Shri Murarirao Yeshwantrao Ghorpade set us up for, "All that we get (earn) from the soil of Sandur in one form or the other should be primarily used to benefit Sandur". Today, I stand where my forebearers stood, vanguard of these virtues as well as the faith reposed by you. For as long as SMIORE stands, I assure you that we will continue to uphold the same standards and ethics for our business as was envisioned by our forefathers, and will further our efforts in these causes.

MINING - OUR MAINSTAY

The Company takes utmost pride in being a responsible mining company. Mining operations have been the backbone of our Company ever since its inception. We operate our mines in compliance with the best international and national industry standards, and still rank among the best in the industry in terms of cost-efficiency and profitability metrics. We've time and again demonstrated well-managed operations in this business segment over various commodity and economic cycles. There is no denying that mining has had its fair share of troubles in the past, but we've always come out stronger with our transparent business practices.

As we step into a new era, we keenly await the expansion of our mining operations, which is pending approval from relevant authorities.

Our Manganese ore capacities are expected to expand to 0.40 MTPA from current 0.28 MTPA, and our iron ore capacities are expected to expand to 3.85 MTPA from current 1.60 MTPA, which is in compliance with the parameters prescribed by the Hon'ble Supreme Court of India.

CHANGE IS THE ONLY CONSTANT

If there is one thing that the ongoing pandemic has taught us, then it is that in order to survive and thrive, one must adapt and change with the times - change is truly the only constant. At this juncture, SMIORE must evolve with the current times and assert itself in our expansion ventures to ensure maximum value for all its stakeholders. We realise that the Company must transition from a pure-play merchant miner to an integrated steel manufacturing company, which will enhance our value proposition multifold.

We are well on our way in this journey towards value-addition, and are geared to forward integrate and be present across the entire value chain of producing steel. Since we plan to have a completely integrated set up, it is incumbent upon us to backward integrate our raw materials. The two primary raw materials for steel production are iron ore and coke. The first leg of this journey was completed this year, when we commissioned our coke oven plant.

Our next steps will include expanding our mining operations, subject to the approval of the relevant authorities, and a beneficiation plant for iron ore. Further in coming years, we intend to commission a hot metal plant for steel manufacturing and the most appropriate niche in the value-chain, which is suitable for the Company. The exact details of the Phase 2 of our long-term CAPEX plan are being worked-out as we speak, and will be shared with you in due course of time.

We aim to integrate fully and not lose any aspect in the value chain. Our unique strategy is to consolidate the business, so that one product complements the other, and the best possible value-addition can be achieved.

I'm also pleased to report that with all our expansion plans we will be generating massive employment opportunities in our vicinity. This is a very crucial aspect for us at SMIORE. We've already witnessed this with our Coke Oven Plant, wherein we generated employment for over 325 people in addition to direct employees strength of about 2,300 direct employees and other indirect employees.

THE DIRECTION WE ARE HEADED IN

With hard work, determination, calculated-risks and the wise counsel of our Board of Directors we have already set out on a long-term journey to transform SMIORE and catapult it to an even higher orbit. We believe that this transformation and CAPEX to achieve integrated facilities, will enable the Company to become self-sufficient and future ready.

This of course presents us with a mammoth task, but with the commitment of my teammates at SMIORE, I am certain that we will achieve this and overcome any challenge that lay ahead.

I am excited about the future of this Company and its path, and I firmly believe that we are making history with our monumental strides. I am confident that our sweat today will reap a fortune tomorrow. In closing, I must thank everyone at SMIORE and you, our shareholders, for standing by us in our endeavours to make this Company the industry leader in metallurgy.

Bahirji A. Ghorpade
Managing Director

Our approach is to take SMIORE to greater heights with a vision for several decades to come, with a comprehensive strategy to achieve sustainable growth, set global benchmarks, and ensure the best corporate governance and sustainability (ESG) practices.



RES — PONS IBI

*Towards SMIORE's
tradition of integrity
and inclusivity*



As regards specific opinion of the undersigned on the request of the mine owner for reserving forest land, I would like to state that the area has been inspected by me and seen; and in short, the forests left to their care are quite safe and large areas deserve to be kept with them further. Considering the fact that the Sandur Taluka forests need to be protected carefully, as several large number of small

lease areas existing in this zone have already made adverse impact on Forest wealth, I, in the interest of maintaining ecology in this zone, recommend again for sanction of this large area to the party in the best interest of preserving the forests and fauna.

*Conservator of Forests, Bellary,
to PCCF while recommending
renewal of SMIORE's lease*

our people and planet

Towards

LITY

NURTURING A SAFE AND HEALTHY ENVIRONMENT FOR OUR COMMUNITIES

SMIORE has always believed in the values of conservation - whether it be for the environment or for human rights. The Company takes extraordinary measures even today to ensure that its employees are well taken care of, insulated from the perils of rising inflation costs and that there is constant improvement in their quality of life.

Similarly, the Company takes its responsibility towards the environment very earnestly and is well aware that all the natural resources in the world are finite.

Ensuring sustainable mining practices is therefore at the core of the Company's operations. SMIORE seeks to have a measured impact on the finite natural resources and is committed to acquiring the essential certifications and following stringent international management standards, in its pursuit to remain sustainable. The Company truly believes that mining leases are national assets and subject to intergenerational equity, they are not for any one organisation or generation to exploit.

SMIORE seeks to have a measured impact on the finite natural resources and is committed to acquiring the essential certifications and following stringent international management standards, in its pursuit to remain sustainable.

SUPPLEMENTARY ENVIRONMENT MANAGEMENT PLANS (SEMP)

SMIORE's mining lease land is about 2000 hectares, and about 1753 hectares of this is forest land. Over the years, the Company has developed and nurtured tree plantations in about 250 hectares of this valuable mining area. These plantations are supported by a dedicated nursery, which provides saplings regularly. In the last 35 years, over 38 lakh trees have been planted in our two mining leases, and nearly 10,000 bamboo trees have been planted for reclamation of land - which in turn has become a model site for plantation drives.

SMIORE's mining lease lies in hilly terrain, and to prevent soil erosion, nearby lakes from being silted and to contain dumps from being washed away by rains, the Company is engaged in regular environmental protection work which includes constructing several check dams, gully plugs, drains, toe walls, etc.

The Company has also taken steps to recharge ground water through rainwater harvesting methods. The water stored in the harvesting pits is being used for dust suppression and greenbelt development.



CONTRIBUTING TO THE SOCIETY

SMIORE believes that it is not just their responsibility, but their duty to give back to society. To that effect, the Company ensures that its contribution to society is not secondary but a primary by-product of its business and neither is it a function of its bottomline. The Company goes beyond the call of the prescribed spends by the authorities, and it does so for the development of the people of Sandur. Whether it be infrastructure development, monetary contributions or activities undertaken for the welfare of the communities - the Company always strives to put its best foot forward in this regard.

+38 lakh

Trees have been planted in our two mining leases which in turn has become a model site for plantation drives



SCIENTIFIC MINING

At SMIORE, right from its inception, the Company has always laid emphasis on scientific mining, safety, afforestation and environment protection. The vision of Late Yeshwantrao Ghorpade, stands true even today. SMIORE's culture and philosophy of utmost regard and respect to the various statutes and rules of mining, has held it in good stead.

The Company has been accorded various awards by esteemed government and private bodies for their dedicated effort.

Five Star Award for Implementing SDF (Sustainable Development Framework)

The star-rating scheme is an initiative of the Ministry of Mines, Government of India to build a framework of compliance mechanisms for environment and forest safeguards, and recognize good performers in the sector to encourage all mining leaseholders to strive for excellence. Sharing best practices, obtaining faster clearances from regulatory bodies and incentives are consequential rewards of this award. After the introduction of this framework SMIORE was the only Mining Lessee in the State of Karnataka to have received a 5-star award and was one among the three iron ore Mining Lessees in the country. Thereafter, SMIORE has been continuously receiving a 5-star rating every year.

Recognized by the Vasudeva Committee (Constituted by Government of India) for Systematic Mining

The Report of the Committee, published in 1965, significantly noted: "Although in the case of a large number of mines, the mining operations do not follow any concerted or well thought out plan of development, there are a few bright exceptions such as mines controlled by Manganese Ore India Limited, M/s. The Sandur Manganese & Iron Ores Limited and a few other companies who have planned the lay-out of their mines in a systematic manner."

Recognized to have concern towards environment

With reference to the concern for the environment, while recommending the renewal of Mining Lease, the Conservator of Forests, Ballari had written to the Principal Chief Conservator of Forests as under:

"As regards specific opinion of the undersigned on the request of the

Mine Owner (SMIORE) for reserving forest land, I would like to state that the area has been inspected by me and seen; and in short the forests left to their (SMIORE) care are quite safe and large areas deserve to be kept with them further. Considering the fact that the Sandur Taluka forests need to be protected carefully, as several large number of small lease areas existing in this zone have already made adverse impact on forest wealth, I, in the interest of maintaining ecology in this zone, recommend again for sanction of this large area to the party (SMIORE) in the best interest of preserving the forests and fauna."

Recognized as a leading mining company in Karnataka

The findings of the Supreme Court appointed Central Empowered Committee (CEC) and the Joint Team for investigation of illegal mining mentioned that, "The owners of the lessee company have voluntarily handed over more than 2,000 hectares of forest land owned by them to the State Government and which has no parallel in the State; and The lessee company has an excellent track record of undertaking mining operations in accordance with law."

Excellence in Productivity, Quality, Innovation and Management Award, 2009

The award was conferred by the Institute of Economic Studies (IES), and was presented by Mr. Korn Dabbaransi, the Hon'ble Former Deputy Prime Minister of Thailand.

The Government of India has successively awarded SMIORE with the highest standards of safety awards for many years. These awards were given for the Company's focus on safety norms and the working conditions of the mineworkers, and its endeavour to make its environment accident-free with a low injury rate.

AN ORGANISATION BEYOND BUSINESS

“All that we get (earn) from the soil of Sandur in one form or the other should be primarily used to benefit Sandur”

Murarirao Yeshwantrao Ghorpade

SMIORE’s strong values and principles are rooted in its legacy and the ethos of this family. The Company believes in inclusive growth and it effectively reaches out to the underprivileged communities and addresses their challenges to improve their quality of life. Inspired from its rich heritage and strong parentage, SMIORE takes pride in being a responsible mining company, laying emphasis on scientific mining, safety, afforestation and environment protection. Over the last six decades, the Company has undertaken several measures to improve the quality of education, healthcare, sanitation, community development, housing, environment and infrastructure.



SMIORE believes that its employees are at the heart of its business and that it is them who must be complemented for the sustenance of the business.

EMPLOYEE WELL-BEING

Late Ruler and Founder Y.R. Ghorpade, and then M.Y. Ghorpade, at the helm of affairs from the very inception of the Company, have unflinchingly striven to give every employee a sense of belonging, security and above all, affection. SMIORE believes that its employees are at the heart of its business and that it is them who must be complemented for the sustenance of the business. The Company over these years has built a strong relationship with its employees and considers them a part of the extended family of SMIORE. Some of the welfare programs for the SMIORE employees are:

Food Security Scheme

SMIORE provides monthly packets of essential food items to all its employees at the price points of 1972. A food package for a family of 5 costs ₹145 whereas its actual cost today is ₹3,500. The Company absorbs the balance cost. The Company has undertaken this activity over the last five decades and believes that this subsidy insulates its employees from the inflation costs and protects their real-income.

Subsidized LPG Cylinder

To prevent cutting of trees by the employees for fuel, SMIORE has been providing subsidized LPG cylinders (with 90% subsidy) to a large category of employees. Effectively an employee pays only ₹49 per cylinder.

Housing Loan Subsidy

The Company encourages its employees to build their own homes, and it extends subsidies on housing loans for the same. An employee effectively pays 1% interest and the balance is borne by the Company.

Other Activities

Other employee welfare activities include – cash allowances, cloth subsidy, marriage and festival gifts, medical care, sickness benefits, education and training facilities, housing & electricity, to name a few.

ENVIRONMENT FRIENDLY MINING OPERATIONS

SMIORE’s commitment towards the environment is one of the top priorities of the Company. The Company efficiently and effectively works towards the development of its mining lease land, and believes that it is incumbent on them to protect and conserve the environment. In its endeavour to remain environmentally conscious, SMIORE is committed to reducing waste, greenhouse gas emission and energy use in its operations. The Company takes concrete steps to minimise ecological disturbance and rejuvenate the flora in its operational areas.

The Company believes that it must conduct its business ethically, and it is cognizant of the hazards and risks of mining. It places its employees at the forefront of its business, and therefore does not compromise on the health and safety of its people and employees.

COMMUNITY DEVELOPMENT

Development of the area, maintenance of social and communal harmony, nurturing of cultural heritage, traditions and fine art, and protection of the Indian family values, have always been at the heart and core of the ethos and philosophy of the Ghorpade family and SMIORE. The Company has always been and will continue to be managed and run with the same ethos of good governance, fair-play and righteousness. The Company believes that its main accumulation of wealth over the last six decades of its existence has been its “goodwill”.

Over the decades, SMIORE has consistently done its bit for the welfare of its communities. The Company focuses its activities primarily around education and health, among other initiatives.



Education

- Support to educational institutions, Primary Schools, High Schools, Pre-University Colleges and a Polytechnic, with a population of about 5,500 students and about 250 teachers
- Providing educational scholarships to needy and meritorious students
- Providing vocational training for better employability to local girls and boys in trades such as electrical wiring, TV Repair, welding, fitting, plumbing, carpentry, masonry, horticulture and computer operation
- Aid to Special Training Centre for rural children’s education and prevention of child labour; cash incentives are provided to parents for sending their children to schools
- Mid-day meals for about 1,200 school children in neighbouring schools



The Company believes that its main accumulation of wealth over the last six decades of its existence has been its “goodwill”

Healthcare

- Dispensaries and hospitals in employee colonies and an almost full-fledged hospital in Sandur, with special emphasis on eye care, women and child care
- Conducting regular specialty treatment camps by expert doctors
- Free eye camps 3 to 4 times annually
- Providing financial help and arrangement for medical care for patients from low-income families, in case of any major ailment

Infrastructure development

- Contributions for development works in Bellary District
- Desilting of lakes around the mines
- Repair and Construction of roads
- Support to the Sandur Kushala Kala Kendra (SKKK) for nurturing traditional art and craft and for creation of opportunities for supplementary income, for the dependents of employees and local artisans, especially tribal and backward women of the area
- A multipurpose hall, Adarsha Community Centre, provided almost free of charge to employees and locals of Sandur, for marriages and other events.

MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL ECONOMY

Global prospects remain highly uncertain in the pandemic situation. New virus mutations and the accumulating human toll raise concerns, even as growing vaccine coverage lifts sentiment. Economic recoveries are diverging across countries and sectors, reflecting variation in pandemic-induced disruptions and the extent of policy support. The outlook depends not just on the outcome of the battle between the virus and vaccines—it also hinges on how effectively economic policies deployed under high uncertainty can limit lasting damage from this unprecedented crisis.

Global growth is projected at 6% in FY22, moderating to 4.4% in FY23. The upward revision reflects additional fiscal support in a few large economies, the anticipated vaccine-powered recovery in the second half of FY22, and continued adaptation of economic activity to subdued mobility. High uncertainty surrounds this outlook, related to the path of the pandemic, the effectiveness of policy support to provide a bridge to vaccine-powered normalisation, and the evolution of financial conditions.¹

INDIA: DEMAND, OUTPUT AND PRICES

	2017	2018	2019	2020	2021	2022
India	Current prices ₹ trillion	Percentage changes, volume (2011/2012 prices)				
GDP at market prices	170.9	6.5	4.0	-7.7	9.9	8.2
Private consumption	100.4	7.6	5.5	-10.5	9.3	7.0
Government consumption	18.4	6.3	7.9	-1.9	9.8	3.9
Gross fixed capital formation	48.2	9.9	5.4	-14.0	16.3	16.4
Final domestic demand	166.9	8.1	5.8	-10.7	11.2	9.3
Stockbuilding ^{3,4}	9.4	0.4	-0.7	-1.1	0.0	0.0
Total domestic demand	176.3	5.9	4.4	-9.8	12.2	9.6
Exports of goods and services	32.1	12.3	-3.3	-6.9	14.9	6.5
Imports of goods and services	37.5	8.6	-0.8	-16.5	25.7	13.0
Net exports ³	-5.4	0.4	-0.5	2.4	-2.4	-1.7

Note: Data refer to fiscal years starting in April.

3. Contributions to changes in real GDP, actual amount in the first column.

4. Actual amount in the first column includes statistical discrepancies and valuables.

1: IMF Report, April 2021, 'Managing Divergent Recoveries' World Economic Outlook, April 2021: Managing Divergent Recoveries (imf.org)

2: India-OECD-economic outlook, May 2021

INDIAN ECONOMY

After 2020's huge GDP contraction, economic growth is projected to bounce back in 2021, driven by pent up demand for consumer and investment goods. The dramatic infections upsurge since February had weakened the nascent recovery and could compound financial woes of corporates and banks. As public anxiety over the virus spreads and lockdowns multiply, high-frequency indicators suggest that the overall annual impact is likely to be muted. The banking sector remains fragile, although the proposal to create an asset recovery company and the planned privatisation of two public banks testify to the authorities' commitment to reforms. The healthy foreign exchange reserves position should provide sufficient buffers to deal with any potential external shock-driven capital-stop or outflows in the period ahead.²

MANGANESE GLOBAL MARKETS OVERVIEW

The global manganese market is estimated to witness a healthy growth, at an estimated CAGR of over 4%, over the forecast period (2020-2025). The primary factor responsible for the global manganese market's growth would be increasing lithium-ion batteries and the rising global shift towards electric vehicles running on them. Manganese also has applications in steel manufacturing. It is used as an oxidising agent that enhances steel's hardenability and tensile strength. Technological advancements and increased spending on research are unearthing new opportunities every day. However, health issues related to manganese toxicity is a major restraining factor for the market too.

The global manganese market is partially consolidated in nature. The Asia-Pacific region is expected to be the largest market for global manganese due to rapid urbanisation and many end-user industries' consequential presence. The growth here is also likely to be faster than that in other regions for the same reason. Large steel plants, the expanding automotive sector, and the growing construction sector influence the APAC's domination. Increasing infrastructure construction activities and the entry of major players from the European Union into the lucrative market of China have further fueled the industry's expansion.⁵

INDIA MARKET OVERVIEW

The production of manganese ore at 2,904 thousand tonnes in 2019-20 has increased by 2.98% compared to the previous year. There were 131 reporting mines of manganese ore in 2019-20, and Madhya Pradesh continued to remain the largest producer of Manganese Ore, contributing 32.99% in the total output of the country, followed by Karnataka.

The Indian market is thriving with its varied applications for manganese, and the push from the government in this direction adds to its potential.

Construction sector

Under the Budget 2020-2021, the government has planned to allot an ₹ 103 lakh crore investment in infrastructure over the next five years. In addition, the government has introduced a National Infrastructure Pipeline (NIP), which consists of about 6,500 projects across various sectors, including infrastructure development for housing, healthcare, educational institutes, airports, etc. Therefore, the demand for steel from the construction industry is expected to grow in the country, which is further expected to boost the demand for manganese in the coming years.

The country is likely to witness an investment of around USD 1.3 trillion in housing over the next seven years, and it

5: Manganese Market - Growth, Trends, and Forecast (2020-2025) <https://www.businesswire.com/news/home/20200810005270/en/Global-Manganese-Market-Outlook-2020-2025-Key-Opportunities-and-Trends---ResearchAndMarkets.com>

is expected to witness the construction of 60 million new homes. The availability of affordable housing in India is expected to rise by around 70% by 2024.

IRON ORE

Global markets overview

Iron ore has been in a bull market from 2019 onward, and it is expected to remain that way in the near future, at least until 2023, when it is predicted to return to a comfortable position. A bull market typically ends when prices fall 20% from the peak. This started with a supply shock from the Brumadinho dam disaster in 2019, the deadly collapse of a dam in Brazil involving mining giant Vale. Iron ore prices surged globally in the aftermath of the catastrophe.

Prices are now being supported by very strong demands, besides the suppliers have limited their production as well.

Chinese steel demand growth has been on a high in the last few years. Even as China shows some signs of deceleration in steel demand growth rate in the second half of FY22 and into 2022, the rest of the world, especially developed markets, has strong steel demand dynamics. This trend in demand growth rate is likely to be sustained through 2022, partly because steel will be an essential raw material in building green infrastructure.

The supply growth has not responded to high prices, as producers have been disciplined when it comes to capital expenditure. The Australian producers are utilising their infrastructure availability fully and are unable to expand at any pace. Meanwhile, production from Brazil's Vale is likely to remain constrained as the metals and mining firm continues to manage issues related to the dam disaster from two years ago. The overall prices are expected to soften only when demand growth rates decelerate. Iron ore prices are expected to remain between \$150 - \$200 per tonne in FY22.

Indian market overview

Indian crude steel production has observed significant lows in April 2020 post lockdown and revived significantly with strong economic support from the government. However, the revival was not up to the previous year's level. Most private large integrated mills operate at about 80% of their production levels, while state-owned mills lag behind. The secondary steel producers continued to struggle with capacity utilisation at around 50 - 55% due to low domestic demand, shortage of workforce, disruption in supply chain and liquidity related issues.

The production of iron ore consisting of Lumps, Fines and Concentrates at 246 million tonnes in 2019-20 increased by almost 19.19% compared to 206 million tonnes in the previous year. There were 250 reporting mines in 2019-20 as against 254 mines during the last year. Odisha was the leading producer of iron ore, accounting for 59.64% of total production, followed by Chhattisgarh (14.11%), Karnataka (12.76%), Jharkhand (10.93%)

and remaining (2.56%) production was reported from Andhra Pradesh, Madhya Pradesh, Maharashtra and Rajasthan.

Indian iron ore production is likely to grow in line with domestic steel production, which is envisaged to reach 300 MTPA of crude steel capacity by FY31. In the short term, the domestic supply of ore is likely to be hampered due to subdued supply from Odisha and delay in the start of Auctioned Mines.⁴

Karnataka

The state of Karnataka is one of the key mining states for manganese and iron ores contributing 11.48% and 12.76% respectively, to the nation's total production of these.

COKE

Indian market overview

India produced 106.56 MTPA (Million Tonnes per Annum) of liquid steel in FY19, out of which 50.08 MTPA was produced through conventional blast furnaces (BF) and basic oxygen furnaces (BOF) route. The National Steel Policy envisions that India will produce 300 MTPA of Liquid Steel by 2030-31. The policy estimates that 60-65% of the production i.e. ~187.5 MTPA, shall come through the BF-BOF route, which will require 161 MTPA of coking coal. Based on heuristics and the current price trends, India's total import bill for coking coal will be ~US\$ 32 billion. This is a massive opportunity for the Indian mining industry as demands are expected to proliferate.

COMPANY OVERVIEW

The Sandur Manganese & Iron Ores Limited ("SANDUR" or "SMIORE") is one of India's most respected private-sector merchant miners and commodity producers with an operational track record spanning nearly seven decades. The cornerstone of its business still lies in environmentally friendly, systematic, safe and scientific mining.

At present, the Company's operations span over three business segments i.e., Mining (Manganese & Iron Ores), Ferroalloys, and Coke and Energy. Together, these assets work in conjunction with each other to leverage the benefits of being an integrated Company in the metals and mining industry. With time, the Company plans to transform itself into a fully-integrated steel producer with an envisaged capacity of 1 MTPA.

Upon the introduction of the Sustainable Development Framework (SDF) by the Government of India, SMIORE was the only Mining Lessee in the State of Karnataka to have received a 5-star award and was one among the three iron ore Mining Lessees in the country. Thereafter, SMIORE has been continuously receiving a 5-star rating every year - a testament to its operational track record.

4: Ministry of Mines, Annual Report 2021

BUSINESS SEGMENTS OVERVIEW

Mining

Mining operations are the mainstay of the Company, and it is engaged in the mining of Manganese Ore and Iron Ore, from its mining leases located in Sandur, Ballari district of Karnataka. These mining leases have been operated by the Company since its inception in 1954, prior to which these were operated under the leadership of the founders of the Company.

At present, the Company has 2 mining leases with a cumulative lease area of 1,999 HA, valid up to 31 December 2033. These leases are estimated to have reserves to the tune of 14 MT of Manganese Ore and 110 MT of Iron Ore.

- Manganese Ore**

SMIORE is permitted to mine Manganese Ore up to 0.28 MTPA, as per the parameters prescribed by the Hon'ble Supreme Court. After the public sector undertaking company MOIL Limited, it is currently the second largest manganese ore miner in India. The Company is engaged in semi-mechanized Manganese Ore mining operations.

- Iron Ore**

SMIORE is permitted to mine Iron Ore up to the 1.60 MTPA, as per the Environmental Clearance obtained for the mining lease. The Company is engaged in fully-mechanized Iron Ore mining operations, thus generating superior operating margins.

Ferroalloys

The Company began its journey in the Ferroalloys business in 1966, shortly after it was listed on BSE. SMIORE commissioned an Electro Metallurgical plant at Vyasanakere, Karnataka, in 1968 and began its operations.

Historically the Ferroalloys segment has been turbulent for several reasons, mainly the availability and price of power in India. Due to inadequate supply of power from the State Electricity Board, and unviable rates, the Company's Ferroalloys operations became unviable in the 1990's and had to be shut temporarily between 2000-2007.

Later, the Company established a 32 MW thermal power plant (shifted to the Coke and Energy segment after commissioning of Waste Heat Recovery Boilers in FY21) to meet its power needs. In FY21, to further address the cost-feasibility of power generation, the Company commissioned a Waste Heat Recovery Boiler (WHRB) plant. This plant coupled with the Power Generation plant produces electricity as a byproduct.

After the recent capital expenditure, the Company has a cumulative Ferroalloy capacity of 48,000 TPA, a significant increase from its previous capacity of 32,000 TPA. The Company primarily produces Silicomanganese in this segment.

Coke and Energy

The Coke Oven plant is the most recent addition to SMIORE's operations. It consists of 4 batteries and has a cumulative capacity of 0.4 MTPA. This expansion commenced in March 2018 and was fully-commissioned on 18 January 2021. The setting up of this plant fuels the long-term goal of the Company to set up a 1 MTPA steel plant.

With these plant expansions, the Company has enabled a feasible power generation set up to support the Ferroalloys operations. It has also enabled backward integration of Coke for future steel expansion.

FINANCIAL PERFORMANCE

Overview

Revenue from Operations for the year under review stood at ₹ 746.59 crore compared to ₹ 591.60 crore in the previous year, an increase of 26%. This increase was primarily due to the commencement of Coke operations in Q4 of FY21, along with healthy realisation in the Mining and Ferroalloys segment over the year.

EBITDA (excluding Other Income) for the year under review stood at ₹ 271.64 crore compared to ₹ 195.33 crore in the previous year, registering a substantial growth of 39%. This Increase was due to superior realisations in the Mining business, a successful turnaround of the Ferroalloys business following the commissioning of the WHRB, and the addition of Coke to the Company's portfolio. As a result, EBITDA margins for the year stood at 36.4% compared to 33.0% in FY20.

Subsequently, PBT and PAT for FY21 stood at ₹ 249.53 crore and ₹ 153.93 crore respectively, compared to ₹ 174.79 crores and ₹ 147.39 crores in FY20.

Segment-wise results

Mining

Manganese Ore

Manganese Ore production during FY21 was 0.28 MTPA, which is the maximum permissible production limit. Over FY21, the Company witnessed a 6% increase in average realisations per tonne. While the year started with COVID-19 led disruptions damping the prices of Manganese Ore, as the year progressed, the Company witnessed a sharp increase in realisations.

Revenues from Manganese Ore sales registered a decline of 5% for the year under review, this was primarily due to a 10% decline in volume, partially offset with a 6% increase in average realisation for the year.

Iron Ore

Iron Ore production during FY21 stood at 1.59 MTPA, close to the maximum permissible production limit of 1.60 MTPA. In FY21, the Company achieved a 7% increase in average

realisations per tonne. While the year started with COVID-19 led disruptions damping the prices of Iron Ore, as the year progressed, the Company witnessed a multifold increase in realisations from Q1 to Q4 of FY21.

Revenues from Iron Ore registered an increase of 10% for the year under review. This was primarily due to an increase in average realisation to the tune of 7% coupled with a modest rise in volumes to the tune of 3%.

Overall, the Mining segment witnessed an increase of over 6% in Revenue from Operations for the year under review.

In FY21, the Revenue from Operations was ₹ 527.78 crore, compared to ₹ 493.62 crore in the previous year, an increase of 6.9%. PBIT (and other net-unallocable expenditure) for this segment stood at ₹ 258.24 crore for FY21, compared to ₹ 238.85 crore in FY20, an increase of 8.1%.

Ferroalloys

Ferroalloys production in FY21 was 36,265 TPA, an increase of 77%. Although, it is pertinent to note that this increase was on a lower base due to 2 major product shut-downs undertaken in FY20, which aggregated to a loss of 177 days of production. These planned shut-downs were undertaken to upgrade the Electrical System connection on the new WHRB header line with the existing steam header, and to enable dismantling of the 20 MVA furnace to commence refurbishment of the same.

As a result of production increase and buffer inventories, this segment reported a 95% increase in sales volume during FY21. However, 17,223 tonnes (produced up to 17 January 2021) was considered as Capital Work in Progress (CWIP), hence net production was 19,042 tonnes, out of which sales were recorded for 18,470 tonnes. Production of Ferroalloys was disturbed in Q1FY21 due to a plant shut down, along with the unavailability of raw materials and supply chain disruption resulting from lockdowns. The Company also undertook 2 weeks of maintenance shutdown in H2 of FY21 due to the rerouting of HT and control cables at the plant.

At its present capacity of 48,000 TPA, the Ferroalloys Operations are operating at 76% utilisation. The Company plans to further expand its capacity in this segment.

For the year under review, this segment reported Revenue from Operations of ₹ 109.40 crore compared to ₹ 109.51 crore in the previous year, an decrease of 0.11%. PBIT (and other net-unallocable expenditure) for this segment stood at ₹ 10.66 crore for FY21, compared to ₹ 1.72 crore in FY20, an increase of 519.8%.

Coke and Energy

This is a newly established business segment for the Company. Since the coke oven was fully-commissioned only on 18 January 2021, this segment's performance is not available for the full year and cannot be compared with any past period.

During trial production in FY21, the Coke Oven plant produced 0.16 MTs of Coke against a total capacity of 0.4 MTPA.

For the year under review, this segment has reported Revenue from Operations of ₹ 128.51 crore compared to ₹ 0.87 crore

in FY20. PBIT (and other net-unallocable expenditure) for this segment stood at ₹ 26.69 crore for FY21, compared to - ₹ 10.98 crore for the previous year.

Financial Ratios

[Pursuant to Schedule V (B) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended]

	FY20	FY21	% Change	Remarks
Debtors Turnover Ratio	19.21	9.88	(49)	Primarily due to an increase in Trade Receivables
Inventory Turnover Ratio	0.31	0.77	149	Primarily due to an increase in COGS
Interest Coverage Ratio	27.01	20.11	(26)	Due to an increase in Finance Cost
Current Ratio	1.72	2.00	16	NA
Debt Equity Ratio	0.48	0.31	(35)	Decreased in debt to equity, due to debt repayment coupled with a healthy increase in shareholders' funds.
Operating Profit (PBIT) Margin (%)	33.0	36.4	10	NA
Net Profit Margin (%)	24.7	20.1	(18)	NA
Return on Net Worth (RoNW)	17.5	15.5	(12)	NA

OUTLOOK

The Company expects to realise the benefit of commissioning the Coke Oven Plant and the Waste Heat Recovery Boilers during the current year (FY22) and steady growth in its operations due to further expansion plans that will be finalised this year.

RISKS AND CONCERNS

'Risks' include threats and hazards that can jeopardise the success or hinder the performance of tasks. Risk Management comprises plans and processes to identify risks, evaluate their impacts, and steps to avoid, overcome, mitigate or reduce their impacts. SMIORE is constantly alert of the various risks and is committed to proactively identifying, assessing, and mitigating risks to protect its business, thus improving its Corporate Governance and enhancing its stakeholders' value.

Economy risk
Our industry's performance is closely linked with the overall economic environment of the country. Adversities like inflation, liquidity flow, currency volatility, political environment, and other factors beyond the Company's control can materially affect its performance.

Industry risk
The Company's performance is closely linked with that of the steel industry. Any material changes in demand-supply scenario within the steel as well as mining sector, may impact its performance.

Project management risk
The Company has recently undertaken large scale capital expenditure plans. Some of these projects are still under execution, and some more will be added in the coming years. Any significant delays in project execution, may lead to cost overruns and opportunity-loss for the Company.

Regulatory risk
The Company operates in a highly regulated industry. Any adverse policy changes can have a material impact on the operations of the Company. These adversities may arise due to factors such as, violation of or non-compliance with, statutory requirements, legislative amendments, judicial decisions, contractual disputes, public interest litigations, environmental regulations etc.

Operations risk
Operations risk may include any impediments that lead to difficulty or inability in meeting production targets, caused by non-availability of raw materials, human resources, improper equipment planning, including non-availability of spares, breakdown of machinery etc.

Technology risk
Any risks associated with technology absorptions by the Company, or technology obsolescence of existing investments, may materially impact the operations of the Company.

Risk Mitigation measures include:

- Accepting the risk level within established criteria
- Transferring the risk to other parties viz. insurance
- Avoiding the risk by hedging or adopting safer practices or policies
- Reducing the likelihood of occurrence and/or consequence of a risk event

INTERNAL CONTROLS SYSTEMS AND THEIR ADEQUACY

The Company has a well-developed internal control system and has clearly defined responsibilities for its executives. The Company has a well-defined delegation of power with well-defined authority and responsibility matrix defining the financial limits for approving revenue as well as capital expenditure. Segregation of duties has been well defined to remove the concentration of power within few officials. The Company uses a state-of-the-art Enterprise Resource Programming (ERP) system to record data for accounting, consolidation and management information purposes and connects to different locations for efficient exchange of information. It has continued its efforts to align all its processes and controls with global best practices. For further information, please refer to the Directors Report.

Corporate Information

DIRECTORS

T. R. Raghunandan,

Chairman (Non-Executive, Non-Independent)

Bahirji A. Ghorpade, Managing Director

S. S. Rao, (Independent Director)

G. P. Kundargi, (Independent Director)

H. L. Shah, (Non-Executive, Non-Independent Director)

Latha Pillai, (Independent Director)

Jagadish Rao Kote, (Independent Director)

Md. Abdul Saleem, (Executive Director, Director (Mines))

CHIEF FINANCIAL OFFICER

Sachin Sanu

COMPANY SECRETARY & CHIEF COMPLIANCE OFFICER

Bijan Kumar Dash

AUDITORS

R. Subramanian and Company LLP,

Chartered Accountants

Firm Regn.No 004137S/S200041

New No. 6, Krishnaswamy Avenue, Luz, Mylapore, Chennai
- 600004

SHARE TRANSFER AGENTS

Venture Capital & Corporate Investments (P) Ltd.

12-10-167, Bharat Nagar, Hyderabad - 500 018

BANKERS

Axis Bank Limited

Indusind Bank Limited

ICICI Bank Limited

RBL Bank Limited

Yes Bank Limited

REGISTERED OFFICE

'Satyalaya', Door No. 266 (Old No.80), Ward No.1,

Behind Taluk Office, Sandur - 583 119,

Ballari District, Karnataka, India

CORPORATE OFFICE

'Sandur House', No.9, Bellary Road,

Sadashivanagar, Bengaluru - 560080

MINES OFFICE

Deogiri, Sandur Taluk, -583112, Bellary Distt

PLANT

Vyasankere, Mariyammana Halli, 583222

Hospete Taluk, Bellary Distt.

AUDIT COMMITTEE

G. P. Kundargi, Chairman

T. R. Raghunandan, Member

S. S. Rao, Member

Latha Pillai, Member

H. L. Shah, Member

Jagadish Rao Kote, Member

NOMINATION & REMUNERATION COMMITTEE

Latha Pillai, Chairperson

T. R. Raghunandan, Member

S. S. Rao, Member

G. P. Kundargi, Member

H. L. Shah, Member

Jagadish Rao Kote, Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Jagadish Rao Kote, Chairman

G. P. Kundargi, Member

H L Shah, Member

Latha Pilla, Member

Bahirji A. Ghorpade, Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

H. L. Shah, Chairman

Bahirji A Ghorpade, Member

T. R. Raghunandan, Member

S. S. Rao, Member

Jagdish Rao Kote, Member

RISK MANAGEMENT COMMITTEE

S. S. Rao, Chairman

T. R. Raghunandan, Member

Bahirji A. Ghorpade, Member

G. P. Kundargi, Member

Latha Pillai, Member

H. L. Shah, Member

Jagadish Rao Kote, Member

Md. Abdul Saleem, Member

CORPORATE SUSTAINABILITY COMMITTEE

T. R. Raghunandan, Chairman

S.S. Rao, Member

G.P. Kundargi, Member

Latha Pillai, Member

Md Abdul Saleem, Member

CORPORATE IDENTIFICATION NUMBER

L85110KA1954PLC000759

LISTING

BSE Limited, Mumbai

Company Code: 504918

Notice

Notice is hereby given that the 67th Annual General Meeting ("AGM") of the members of The Sandur Manganese & Iron Ores Limited (the "Company") will be held on Wednesday, the 22nd day of September 2021 at 11.00 a.m. through Video Conferencing/Other Audio-Visual Means ("VC/OAVM") to transact the following business:

ORDINARY BUSINESS

Item No. 1 - Adoption of financial statements

To consider and adopt audited financial statements of the Company for the financial year ended 31 March 2021, together with the Reports of the Board of Directors and the Auditors thereon.

Item No. 2 - Re-appointment of H. L. Shah (DIN - 00996888) as director liable to retire by rotation

To re-appoint a Director in place of H. L. Shah (DIN - 00996888) who retires by rotation and being eligible, offers himself for re-appointment.

Item No. 3 - Declaration of Final Dividend for the financial year 2020-21

To declare a Final Dividend on Equity Shares for the financial year ended 31 March, 2021.

SPECIAL BUSINESS

Item No. 4 - Ratification of remuneration payable to M/s. Kamalakara & Co, Cost Auditors of the Company for financial year 2021-22:

To consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as may be amended from time to time, remuneration of ₹ 2,25,000 (Rupees two lakh twenty-five thousand only) and applicable taxes thereon apart from reimbursement of out of pocket expenses towards travelling, conveyance etc., payable to M/s. Kamalakara & Co., Cost Accountants (Firm Registration No. 000296), for conducting Cost Audit

for the financial year 2021-22, as recommended by the Audit Committee and approved by the Board of Directors, be and is hereby ratified."

Item No. 5 - Re-appointment of G. P. Kundargi (DIN: 02256516) as an Independent Director

To consider and if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, **G. P. Kundargi (DIN: 02256516)**, who was appointed on 12 November 2016 and holds office of Independent Director for a term of five years up to 11 November 2021 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from 12 November 2021 till 11 November 2026.

RESOLVED FURTHER THAT the Managing Director, Director (Mines) and Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

Place: Bengaluru
Date: 12 August 2021

By order of the Board
for **The Sandur Manganese & Iron Ores Limited**

Bijan Kumar Dash
Company Secretary and Chief Compliance Officer
Membership No: A 17222

Notes

1. Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 ('the Act') in respect of the special business, is annexed hereto. Relevant details, pursuant to Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) "SEBI (LODR)" Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of directors seeking appointment/re-appointment at this AGM are also annexed.
2. Pursuant to the General Circular issued by Ministry of Corporate Affairs (MCA), number 02/2021 dated 13 January 2021 and Securities Exchange Board of India (SEBI), number SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15 January 2021 and all the previous circulars (SEBI/HO/CFD/CMD1/CIR/P/2020/79) issued by SEBI and by MCA on 14/2020, 17/2020 and 20/2020 (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the said circulars, the AGM of the Company is being held through VC.
3. Pursuant to the Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15 January 2021 issued by the SEBI and Circular No.14/2020 dated 8 April 2020, issued by the MCA the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Bodies Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.
7. In compliance with Section 108 of the Act, read with the corresponding rules, and Regulation 44 of the SEBI (LODR) Regulations, 2015 the Company has provided a facility to its members to exercise their votes electronically through the electronic voting ("e-voting") facility provided by the National Securities Depository Limited (NSDL). Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions for e-voting section which forms part of this Notice.
8. The e-voting period commences on Sunday, 19 September 2021 (9:00 A.M. IST) and ends on Tuesday, 21 September 2021 (5:00 P.M. IST). During this period, members holding shares either in physical or dematerialized form, as on cut-off date, i.e. Wednesday, 15 September 2021 may cast their votes electronically. The e-voting module will be disabled by NSDL for voting thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date.
9. Corporate members intending to authorise their authorised representatives to attend and vote at the meeting are requested to send a duly certified true copy of the board resolution, power of attorney or such other valid authorisation, authorising him/her to attend and vote at the meeting or upload on the VC portal/e-voting portal.
10. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.
11. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 and 171 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the

- members during the AGM. All documents referred to in the Notice will also be available on website of the Company i.e. www.sandurgroup.com for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. 22 September 2021. Members seeking to inspect such documents can send an email to investors@sandurgroup.com.
12. Shareholders holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. Wednesday, 15 September 2021 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30 . In case of Individual Shareholders holding securities in Demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e Wednesday, 15 September 2021 may follow steps mentioned in the Notice of AGM.
 13. In compliance with the aforementioned Circulars, the Annual Report of 2020-21, the Notice of the 67th AGM, and instructions for e-voting are being sent only through electronic mode to those members whose email addresses are registered with the Company / depository participant(s). Instructions for e-voting can also be accessed on the Company website at www.sandurgroup.com, website of BSE Limited at www.bseindia.com and on the website of NSDL (agency for providing e-voting facility) i.e. www.evoting.nsdl.com.
 14. Pursuant to the provisions of Section 91 of the Companies Act, 2013 and Regulation 42 of the SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, the Record date is fixed as Wednesday, 15 September 2021 and the Register of Members and Share Transfer Books of the Company will be closed from Thursday, 16 September, 2021 to Wednesday, 22 September, 2021 (both days inclusive) for determining entitlement of members to final dividend for the financial year ended 31 March 2021, if approved at the AGM and for the purpose of this AGM.
 15. We urge members to support the green initiative in line with our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective depository participants, and members holding shares in physical mode are requested to update their email addresses with the Company's Registrar and Share Transfer Agent (RTA), Venture Capital and Corporate Investments Private Limited at investor.relations@vccipl.com to receive copies of the Annual Report 2020-21 in electronic mode.
 16. In accordance with the provisions of Section 72 of the Companies Act, 2013, Members are entitled to make nomination in respect of the equity shares held by them. Member holding shares in physical mode and desirous of making nomination may submit duly filled Nomination Form - Form SH-13 to VCCIP, RTA of the Company. Member holding shares in electronic mode may contact their respective Depository Participants for availing the nomination facility.
 17. In line with directions of the SEBI, the Company through its RTA is required to collect copy of Income Tax Permanent Account Number (PAN), and Bank Account details of all securities holders holding securities in physical form. Accordingly, members are advised to provide Bank Account details (Name of Bank, Branch, Bank Account Number, MICR and IFSC) along with original cancelled cheque bearing your name or copy of bank passbook /statement attested by the bank along with self-attested copy of PAN for updating Company records.
 18. Members are requested to quote their Folio Number/ Client ID, in all correspondence and intimate any change, pertaining to their name, postal address, email address, telephone/ mobile numbers, mandates, nominations, bank details to the Share Transfer Agent / Depository Participant promptly.
 19. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Shareholders w.e.f. 1 April 2020 and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ("the IT Act"). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company by sending documents by Wednesday, 15 September 2021 (upto 7:00 P.M. IST). For the detailed process, please visit website of the Company <https://www.sandurgroup.com>, 'Communication on Tax Deduction on Dividend'.
 20. Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, the dividend which remains unclaimed/unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investors' Education and Protection Fund (IEPF) established by the Central Government. The unclaimed dividends and the relevant due dates for transfer of such amounts are mentioned in Directors Report.

Notice

21. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the IEPF. The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on www.iepf.gov.in.
22. The Board has appointed T. Sathya Prasad Yadav, Practicing Advocate as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner. The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchange, NSDL, and RTA and will also be displayed on the Company's website, www.sandurgroup.com. The results shall also be displayed on the notice board at the Registered Office of the Company.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Sunday, 19 September, 2021 at 9:00 A.M. (IST) and ends on Tuesday, 21 September, 2021 at 5:00 P.M. (IST) The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, 15 September, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date being 15 September, 2021.

E Voting instructions

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in Demat mode

In terms of SEBI Circular dated 9 December 2020 on e-Voting facility provided by Listed Companies, individual shareholders holding securities in Demat mode are allowed to vote through their Demat Account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their Demat Accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none">Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jspVisit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

- Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.



Individual Shareholders holding securities in Demat mode with CDSL

- Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on New System Myeasi.
- After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.
- If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>
- Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.

Individual Shareholders (holding securities in Demat mode) login through their depository participants

You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in Demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

Notice

4. Your User ID details are given below :

Manner of holding shares i.e. demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your Demat Account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your Demat Account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

GENERAL GUIDELINES FOR SHAREHOLDERS

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to postalballot@sandurgroup.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 or send a request to email id: evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode, please submit duly filled and signed updation form, along with details such as folio, name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to RTA at investors.relations@vccipl.com and info@vccilindia.com. Shareholders can download the updation form through the link <https://www.sandurgroup.com/doc/Stake/Updation-FORM.pdf>.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to the RTA at investors.relations@vccipl.com and info@vccilindia.com. If you are an Individual shareholder holding securities in DEMAT mode, you

are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in DEMAT mode.

3. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.
4. In terms of SEBI circular dated 9 December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

Notice

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at investors@sandurgroup.com on or before 05:00 P.M. IST on Monday, 20 September 2021. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. The same will be replied by the company suitably. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. Facility of joining AGM through VC/OAVM mode shall be open 15 minutes before and after the scheduled time of the commencement of the Meeting and will be available for members on first come first serve basis.

Annexure

(Refer Item Nos. 2 and 5 of the Notice of AGM)

Details of Directors seeking re-appointment at the Annual General Meeting

Information required to be furnished in compliance with Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided hereunder:

I.	Name of Director	H.L. Shah (DIN - 00996888)	G. P. Kundargi (DIN-02256516)
II	Date of Birth	25 November 1953	15 August 1956
III	Date of Appointment	27 May 2019	12 November 2016
IV	Qualifications	Graduate from N. M. College of Commerce & Economics, Mumbai. Qualified Chartered Accountant from 'The Institute of Chartered Accountants in England and Wales' (ICAEW) and is an associate member of ICAEW. A fellow Member of 'The Institute of Chartered Accountants of India'.	B. Sc. (Chemistry) degree from Karnataka University, and an M. Tech (Mineral Processing) degree from Nandihalli Post Graduation Centre, Gulbarga University.
V	Experience	H. L. Shah has a rich experience of 38 years with A. F. Ferguson & Co. / Deloitte India of which he has served 30 years as a Partner. He joined the Firm in September 1981 and retired on 31 March 2019. During this period, he has gained all round experience in managing all aspects of professional practice. He possesses a vast experience in Audit and Assurance function and has served Indian and Multinational clients (both small and large, listed and unlisted) covering industries such as Automobiles & Auto Ancillaries, Information Technology, Engineering, Power, Pharmaceuticals, Telecommunication, Fertilizers & Petrochemicals etc. He has exposure to Euro Issues, Indian Public Offerings, Due Diligence, Corporate Governance, etc	G.P Kundargi, aged about 65 years holds a Master Degree in Mineral Processing from Karnataka University. He is the former Chairman and Managing Director of MOIL Limited (formerly Manganese Ore India Limited). He was associated with MOIL Limited, a Central Public-Sector Enterprise (CPSE) under the Ministry of Steel, from 27 October 1999 to 31 August 2016, in various roles from Sr. Deputy General Manager to Chairman and Managing Director, wherein he handled all areas of operations including Production and has experience in all areas of corporate management of a large CPSE.
VI	Expertise in specific functional areas	Audit and Assurance function, Euro Issues, Indian Public Offerings, Due Diligence, Corporate Governance.	Metal Mining (both opencast and underground), Mineral Processing, Research and Technical Operations, Planning, Mine safety, Mining Lease Matters, technical, projects and personnel
VII	*Names of listed entities in which the person also holds the directorship and the membership of Committees of the board	Nil	Nava Bharat Ventures Limited. Member of Stakeholders Relationship Committee

Notice

VIII	Relationships between directors inter-se	None	None
IX	Shareholding	Nil.	Nil

*Directorship includes Directorship of Public Companies & Committee membership includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Company (whether Listed or not).

Place: Bengaluru
Date: 12 August 2021

By order of the Board
for **The Sandur Manganese & Iron Ores Limited**

Bijan Kumar Dash
Company Secretary and Chief Compliance Officer
Membership No: A 17222

Explanatory statement under Section 102 and Section 110 of the companies act, 2013

ITEM NO. 4

In terms of the Companies (Cost Records and Audit) Rules, 2014, the Company is required to get its cost accounting records, audited by a cost auditor who shall be either a cost accountant or a firm of cost accountants, holding a valid certificate of practice under the provisions of Cost and Works Accountants Act, 1959.

Based on Audit Committee's recommendation, the Board of Directors has in its meeting held on 28 June, 2021 accorded its approval for appointment of M/s. Kamalakara & Co., as Cost Auditor for the financial year 2021-22, at a remuneration of ₹ 2.25 lakh plus applicable taxes and reimbursement of actual out-of-pocket expenses.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration as recommended by the Audit Committee and approved by the Board of Directors is required to be subsequently ratified by the shareholders.

M/s. Kamalakara & Co, have vast experience in the field of cost audit and have been conducting audit of Company's cost records since 2012-13.

The Ordinary Resolution at Item No. 4 for ratification of their remuneration is proposed and accordingly, recommended for member's approval.

None of the Directors or Key Managerial Personnel of the Company including their relatives is interested or concerned in the Resolution.

ITEM NO. 5

G. P. Kundargi holds a Master Degree in Mineral Processing from Gulbarga University. He is the former Chairman and Managing Director of MOIL Limited (formerly Manganese Ore India Limited), . He was associated with MOIL Limited, a Central Public-Sector Enterprise (CPSE) under the Ministry of Steel, from 27 October 1999 to 31 August 2016, in various roles from Sr. Deputy General Manager to Chairman and Managing Director, wherein he handled all areas of operations including Production and has experience in all areas of corporate management of a large CPSE. His areas of specialization include Metal Mining (both opencast and

underground), Mineral Processing, Research and Technical Operations, Planning, Mine safety, Mining Lease Matters, technical, projects and personnel.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, G. P. Kundargi was co-opted as an Additional Director on the Board with effect from 12 November 2016 and regularised in the 63rd Annual General Meeting of the Company for a term of 5 years. He holds office of Independent Director up to 11 November 2021.

Declaration has been received from G. P. Kundargi that he meets the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations. In the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and is independent of the management. G. P. Kundargi possesses relevant expertise and experience from which the Company stands to immensely benefit.

In accordance with the provisions of sub-sections (10) and (11) of Section 149 of the Companies Act, 2013 and Regulation 25(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, an independent director can hold office for a term upto five consecutive years on the Board of a company and be eligible for reappointment for another term of up to five consecutive years on passing of a special resolution by the Company.

In view of the aforementioned provisions, it is proposed to appoint G. P. Kundargi as an Independent Director, for the second term of five consecutive years from 12 November 2021 till 11 November 2026. It is further brought to the attention of the shareholders that in accordance with the provisions of sub-section (13) of Section 149 of the Companies Act, 2013, G. P. Kundargi would not be liable to retire by rotation at the annual general meetings.

Copy of the letter for appointment of G. P. Kundargi as an Independent Director setting out terms and conditions would be available for inspection by the members at the Registered Office of the Company during normal business hours.

Notice

G. P. Kundargi, does not hold any shares in the Company. He is a Chairman of Audit Committee of the Board of Directors of the Company. Apart from the directorship in the Company he is also a Director in Nava Bharat Ventures Limited and Member of Stakeholders Relationship Committee

He is not related to any of the Directors on the Board of the Company.

The Board recommends the Special Resolution at Item No. 5 for approval of the Members.

None of the Directors, Key Managerial Personnel or their relatives is/are, in any way, concerned or interested in this item, except G. P. Kundargi, who is interested in this resolution relating to him.

Place: Bengaluru
Date: 12 August 2021

By order of the Board
for **The Sandur Manganese & Iron Ores Limited**

Bijan Kumar Dash
Company Secretary and Chief Compliance Officer
Membership No: A 17222

Directors Report

Dear Shareholders,

Directors are pleased to present their Report and Audited Statement of Accounts for the year ended 31 March 2021:

FINANCIAL RESULTS:

₹ in Lakh

Particulars	Current Year 2020-21	Previous Year 2019-20
a) Net Sales / Income	74,658.89	59,160.69
b) Other Income	1,776.83	566.13
Total	76,435.72	59,726.82
c) Expenditure		
(i) Variable	31,254.09	23,578.85
(ii) Fixed	16,240.79	16,048.82
(iii) Depreciation / Amortization	2,681.42	1,946.65
(iv) Finance costs	1,306.29	672.60
Total	51,482.59	42,246.94
d) Profit Before Taxes	24,953.13	17,479.88
e) Less:		
(i) Current Tax	6,485.00	3,793.35
(ii) Deferred Tax	3,075.37	(1,052.00)
g) Net Profit/(Loss)	15,392.76	14,738.53
h) Add: Balance brought forward from the previous year	83,069.43	69,504.93
i) Profit before appropriation	98,462.19	84,243.46
j) Less: Appropriations		
(i) Dividend on Equity Shares	-	918.75
(ii) Tax on Dividend	-	188.85
(iii) Other comprehensive income/(loss)	51.51	12.37
(iv) Ind AS 116 Transactional Adjustment	-	54.06
Total	51.51	1,174.04
k) Profit carried to Balance Sheet	98,410.68	83,069.43

PERFORMANCE REVIEW AND THE STATE OF COMPANY'S AFFAIRS:

Your directors are pleased to inform you that during the year under review turnover of the Company has increased from ₹ 59,727 lakh to ₹ 76,436 lakh thereby registered a growth of 28%. This increase in turnover of ₹ 16,709 lakh was majorly attributed to ₹ 12,664 lakh from sale of coke and increased sale of iron ore quantity of 47,000 tonnes.

The Company earned profit before tax of ₹ 24,953 lakh after charging ₹ 2,681 lakh towards depreciation on fixed assets

and ₹ 1,306 lakh towards interest. The PBT has increased by 43% over the previous year.

After charging current income tax of ₹ 6,485 lakh, deferred tax of ₹ 3,075.37 lakh, the profit for the current year (PAT) is ₹ 15,393 lakh. The PAT has increased to ₹ 15,393 during the financial year ending 31 March 2021 and registered a growth of 4%. The increase in income tax by 392% as compared to financial year 2019-20 is due to capitalisation of project assets during the financial year 2020-21 which will result in deriving benefit of Deferred Taxation in future years.

Directors Report

MINING

	In Tonnes				
	Opening stock	Production	Internal Consumption	Sales	Closing stock
Manganese Ore	1,51,044	2,84,553	60,948	2,00,634	1,74,015
(Mn Ore)	(1,20,132)	(2,85,001)	(31,825)	(2,22,264)	(1,51,044)
Iron Ore	5,52,583	15,95,000	-	15,92,000	5,55,583
	(5,07,581)	(15,90,002)	-	(15,45,000)	(5,52,583)

Note: Previous year figures are in brackets.

During the financial year 2020-21, the Company produced both manganese and iron ores as per the Maximum Permissible Annual Production (MPAP) limits. Lower sales of manganese ore by about 10.00% was due to subdued demand and low price of Mn ore during first quarter of the year under review. However, due to consistent efforts and lesser volatility in demand and price during latter part of financial year, iron ores sales were rebounded by 3% during the financial year 2020-21.

FERROALLOYS

	In Tonnes			
	Opening stock	Production	Sales	Closing stock
Silico-Manganese	1,829	36,265	37,523	571
(SiMn)	(578)	(20,544)	(19,292)	(1,829)

Note:

1. Previous year figures are in brackets.
2. Production and Sales includes 17,223 Tonnes and 19,053 tonnes of trial production relating to the newly inducted Furnace 5. (up to 17 Jan 2021)

During the financial year 2020-21, 36,265 Tonnes of SiMn was produced, out of which 17,223 Tonnes were produced from Furnace No. 5 up to 17 January 2021 were considered as Capital Work in progress (CWIP). In financial year 2020-21, there was net production of 19,042 tonnes of SiMn of which 18,470 tonnes were sold to record revenue of ₹10,690 lakh, which was at par with the revenue of previous financial year 2019-20. The production was marred by major shutdown declared during quarter 1 of the financial year 2020-21 and uncertainty prevailed with regard to raw material availability, supply chain issues and sales due to lockdown on account of pandemic situation. During second half of financial year 2020-21, two weeks' shutdown of operations was taken due to rerouting of HT and Control cables at ferroalloy plant.

COKE

	In Tonnes				
	Opening stock	Production	Internal Consumption	Sales	Closing stock
Coke	13,199	1,68,899	9,228	1,71,486	1,383
(Trial Production)	(-)	(25,375)	(1,926)	(10,230)	(13,199)

NOTE: 1. Previous year figures are in brackets.

2. Production and Sales includes 1,22,956 and 1,25,564 tonnes of trial production relating Coke Oven Plant (up to 17 Jan 2021)

During the financial year 2020-21, 1,68,899 tonnes of Coke was produced, out of which 1,22,956 tonnes produced till 17 January, 2021 were considered as CWIP leaving behind net production of 45,943 tonnes of Coke for sale.

ENERGY

	In MWh			
	Generation	Captive Consumption		Grid Sales
		Ferroalloy Plant	Auxiliary/ Shortage	
Energy	1,87,790	1,52,084	20,876	14,830
	(1,17,657)	(87,509)	(18,035)	(12,116)

Note: Previous year figures are in brackets

Energy generation at the Power Plant increased by 59.61% compared to previous year and captive consumption at Ferroalloy Plant also increased by 74% as compared to previous year.

PROJECTS

Existing Projects

Ferroalloy plant:

During the year under review, implementations of the Stage I of the Iron and Steel (I&S) Project, which comprised of a 0.4 MTPA Coke Oven Plant (COP), 30 MW Waste Heat Recovery Boiler (WHRB) and Repair & Refurbishment of Ferroalloy Plant were successfully completed. The Company started commercial operations relating to COP, WHRB Plant & Ferroalloy plant w.e.f., 18 January 2021 and intimated concerned agencies about the same. With the successful implementation of these projects the basic objective of project which was long term sustainability of ferroalloy operations was achieved. The Company has started deriving the benefit from the above projects. With further expansion plan for downstream product development under consideration, Company is expected to get higher benefits in the years to come.

Downhill Conveyor System and Mines Roads

The Company's proposal for setting up a 300 Tonnes Per Hour (TPH) Downhill Conveyor System (DCS) from the Company's Kammaturu Iron Ore Mine is satisfactorily under progress. Around 85% of structural fabrication works, 58% of civil works and all the electrical works are completed. With current progress status, the DCS project is envisaged to be commissioned three months after Stage 2 approval of Forest Clearance (FC) is granted by the Government. There has been delay in obtaining Stage 2 clearance due to difficulties in identifying and acquiring alternate lands to be handed over to Forest Department for compensatory afforestation.

Further, the Company has undertaken construction (Bitumen) of about 32 kilometers length of roads within the Mining Lease area for suppression of dust release from road, seamless movement vehicles, effective utilization of machinery and prevent accident. Out of proposed 32 km of Internal roads at mines, in the first phase, 15.30 km out of 18 km is completed. Additionally, 35 kilometers of vital ore evacuation roads is also being constructed to mitigate the dust release due to vehicle movement during ores transportation from mines. Out of proposed 34 kms of external roads, around 50 % of work is completed. The completion of these roads in totality is subject to getting Forest Clearance (FC) for diversion of total 13.80 ha of forest land.

Housing

The Company is building 192 quarters for its employees at Deogiri and Subbarayana Halli replacing some of the existing quarters which are more than 6 decades old. The

proposed housing project of 96 quarters each (12 blocks of 8 quarters each) at Deogiri and Subbarayana Halli has been 90% completed and is expected to be fully completed by September 2021.

FUTURE PROJECTS

The Company has envisaged future progress of the organization in following manner.

- A. Strengthening the core business of mining and ferroalloy production
- B. Expanding into steel production
- C. Exploring diversified opportunities

At present the Company is exploring different strategic possibilities and evaluating the same from different parameters in order to lessen future hassles. Future market for the envisaged products, availability of infrastructure facilities and utilities are some of the critical aspects that the Company likes to assess prior to embarking into Stage II of expansions. During such strategic evaluation the Company is also seeking expert advices. Based on the analysis and evaluations, appropriate decisions in this regard will be taken by the Company.

CHANGE IN THE NATURE OF THE BUSINESS

There was no change in nature of business during the year under review.

FIVE STAR RATING

The Ministry of Mines and Indian Bureau of Mines have introduced the 'Sustainable Development Framework' (SDF) and have undertaken a system of rating mining leases.

The evaluation system for star rating (1-5) under SDF programme commenced in 2014-15 and as part of this initiative, both the mining leases (Nos. 2678 and 2679) of the Company has successively received 'Five Star' rating for the three years 2014-15, 2015-16 and 2016-17. We are the only Mining Company in Karnataka to have done so.

The Company has qualified for 'Five Star' rating for 2017-18, 2018-19 and 2019-20 based on the template uploaded on website of Indian Bureau of Mines. The templates for the afore mentioned years 2017-18 and 2018-19 have been duly verified by the officers up to the zonal level and indicated that the Company is qualified for 'Five Star' rating. Formal presentation of awards is awaited.

IMPACT OF COVID-19 PANDEMIC

The COVID 19 pandemic has emerged as biggest risk nationally and globally. The outbreak which started impacting and damaging the health, business, trade and lives of people negatively during the financial year 2019-2020 continued affecting the same in the current financial year also. The outbreak seriously impacted physical and

Directors Report

emotional wellbeing of the people across the country and worldwide. Though there was relaxation on movement of people after September 2020 due to series of effort by Union and State Governments, lower number of daily infections, and adherence of COVID appropriate behaviour by people, the emergence of 2nd wave during April 2021 and lockdown by state government brought bigger plight in the lives of citizens.

The operation and productivity of the Company was marred during the 1st quarter of the financial year under review due to nationwide lockdown, reduced demand of downstream products and operational inconvenience. Our Company had to shut down the mines and ferroalloy plant culminating into meagre output. All the major CAPEX plans were stalled temporarily and commercial production from the projects required to be rescheduled. Upkeeping of plant through regular maintenance activity was a major challenge during 1st Quarter of financial year under review. During 2nd quarter of the financial year 2020-21 with systematic unlocking process undertaken by the State Government and resumption of demand and increased production of steel, production capabilities of manganese and iron res, silico manganese and coke of the Company increased. During September 2020 the production capacity of Battery 1 and 2 were ramped up. Waste Heat Recovery Boiler (WHRB) which was restarted during the last week of July 2020 stabilized during the 2nd quarter of the financial year.

During 3rd quarter and 4th quarter of the financial year there was ramp up in business operations at mines and ferroalloy plant. Consistent effort and endeavour of the Company brought the business back to normalcy. Collective and concerted effort of management, executives and entire workforce have enabled the Company to tackle the difficulties with courage and bring back the operations to its optimum level. Even during 2nd wave of pandemic Company's endeavour has been to keep the operations at normal level while ensuring the safety of employees, their families and dependants.

During COVID 19, Company's top priority has been to ensure physical and emotional wellbeing of its 2400 strong workforce, their families and dependants. Company released a Safe Operating Procedure (SOP) and COVID protocol to arrest the spread of virus at work place. Strict adherence of SOP was ensured at mines, plant and offices to maintain good hygiene. Initiatives were taken to support the employees and their dependants during these periods of turmoil.

DIVIDEND DISTRIBUTION POLICY

As per Regulation 43A of the Listing Regulations, top 1000 listed companies are required to formulate a

dividend distribution policy. Accordingly, the Company has adopted the dividend distribution policy which sets out the parameters and circumstances to be considered by the Board in determining the distribution of dividend to its shareholders and / or retaining profits earned by the Company. The Policy is enclosed as **Annexure A** to the Board's Report and is also available on the Company's website at <https://www.sandurgroup.com>

DIVIDEND

Your Directors have recommended a final dividend of ₹ 10/- per equity share of ₹ 10 each fully paid-up (100 % of face value) for FY 2020-21. Total final dividend payout will amount to ₹ 900.19 lakh. In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the shareholders. Your Company shall, accordingly, make the payment of the Final Dividend after deduction of tax at source, after the same is approved by the shareholders at the ensuing annual general meeting of the Company.

TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profit for Financial Year 2020-21.

TRANSFER OF AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND

Dividend remaining unpaid and unclaimed for a period of seven years from the date of transfer to the unpaid dividend account are required to be transferred to Investor Education and Protection fund (IEPF). There was no amount required to be transferred to the IEPF during the financial year 2020-21.

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the shares on which dividend remains unpaid / unclaimed for seven consecutive years or more shall be transferred to the Investor's Education and Protection Fund ("IEPF") after giving due notices to the concerned shareholders. During the financial year under review the Company was not required to transfer any shares to IEPF.

Pursuant to Section 124(5) of the Companies Act, 2013 [Section 205C (2) of the Companies Act, 1956] read with the Investor Education and Protection Fund (awareness and protection of Investors) Rules, 2001 as amended from time to time the unclaimed/unpaid dividend and the shares thereof pertaining for the financial year 2013-14 shall be transferred to the Investor Education and Protection Fund during the financial year 2021-22.

The information in respect of unclaimed/unpaid dividend & shares thereto and the last date for claiming the dividend are given below:

Financial Year	Date of declaration	Due date for transfer to IEPF	Unclaimed Dividend as on 31 March 2021	Unclaimed Shares as on 31 March 2021
2013-14 (Final dividend)	27 September 2014	3 November 2021	1,38,108	46,076
2014-15 (Final dividend)	19 September 2015	26 October 2022	1,50,294	50,098
2015-16 (Final dividend)	14 September 2016	21 October 2023	1,55,082	51,694
2016-17 (Interim dividend-I)	12 November 2016	19 December 2023	2,06,160	1,03,080
2016-17 (Interim dividend-II)	31 March 2017	7 May 2024	86,890	86,890
2016-17 (Final Dividend)	26 September 2017	2 November 2024	1,59,180	79,590
2017-18 (Interim Dividend)	27 December 2017	2 February 2025	4,67,870	9,3574
2017-18 (Final Dividend)	1 September 2018	7 October 2025	1,94,774	97,387
2018-19 (Interim Dividend)	14 November 2018	21 December 2025	2,82,177	80,622
2018-19 (Final Dividend)	21 September 2019	15 November 2026	2,11,095	60,313
2019-20 (Interim Dividend I)	11 November 2019	2 January 2027	1,29,926	64,963
2019-2020 (Interim Dividend II)	5 March 2020	4 May 2027	3,63,850	72,770

The voting rights on the shares outstanding shall remain frozen till the rightful owner claims the shares. The Company sends reminders to the shareholders concerned to claim the unclaimed and unpaid dividends & shares thereto before they are transferred to the IEPF Authority as per the applicable provisions.

The shareholders whose unpaid dividend / shares are transferred to the IEPF can request the Company / Registrar and Transfer Agent as per the applicable provisions in the prescribed Form No. IEPF-5 for claiming the unpaid dividend / shares out of the IEPF. The process for claiming the unpaid dividend / shares out of the IEPF is also available on the Company's website at <https://www.sandurgroup.com/Investor-Education-and-Protection-Fund.html>

Bijan Kumar Dash, Company Secretary and Chief Compliance Officer is the Nodal Officer who was appointed by the Company under the provisions of IEPF.

SUBSIDIARY COMPANY

There is no subsidiary company.

Annexure - 'B' in Form No. AOC-1 is annexed and the same forms part of this Report.

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SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

No significant and material orders were passed by any Regulator(s) or Court(s) or Tribunal(s) which would impact the going concern status of the Company.

MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitment affecting the financial position of the Company occurred between the end of the financial year to which financial statements relate and the date of this report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

In terms of clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the Company is required to furnish particulars of the contracts entered into by the Company with its related parties in the Board's Report. All related party transactions that were entered into during the financial year were at arm's length basis and were in the ordinary course of business. All Related Party Transactions are placed before the Audit Committee and also, the Board for approval.

During the year, the Company has not entered into any contract/ arrangement/transaction with related parties which are either considered to be not at arm's length or considered to be material in accordance with the policy of the Company on materiality of related party transactions.

The information on transactions with related parties, in pursuance of the aforementioned provisions, are given in **Annexure - 'C'** in Form No. AOC-2 and the same forms part of this Report.

The policy on Related Party Transactions and Materiality on Transactions can be accessed on the Company's website at <http://sandurgroup.com/Policies.html>

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

The details of the loans and guarantees given and investments made by the Company find mention in Note No. 29 of the audited financial statements. There are no changes in these figures from the date of audited financials to the date of this report.

DEPOSITS

The Company did not have any deposits at the beginning of the financial year. The Company has not accepted any fixed deposits from the public during the financial year under review. Thus, provisions of Section 73 of the Companies Act 2013 are not applicable to the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on date of this report, the Board consists of eight members, including a Managing Director, one whole-time director, four independent directors (including one-woman director) and two non-executive directors. The Chairperson of the Board is a non-executive director.

The Managing Director, Whole Time Director, Chief Financial Officer and the Company Secretary constitute the Key Managerial Personnel of the Company.

Inductions

- Bahirji A. Ghorpade (DIN - 08452844) was appointed as Whole-time Director designated as Director (Corporate) for a tenure of three years from 1 April 2020. Consequent to the resignation of Nazim Sheikh from the services of the Company, Bahirji was elevated to the position of Managing Director for a tenure of three years with effect from (w.e.f.) 17 June 2020.
- Md. Abdul Saleem (DIN-00061497) was appointed as Whole time Director designated as Director (Mines) w.e.f., 1 April 2020.
- Bijan Kumar Dash, a qualified Company Secretary and Cost Accountant has been appointed as Company Secretary and Chief Compliance Officer of the Company w.e.f., 1 March 2021 in place of Divya Ajith, who ceased to be the Company Secretary due to her resignation.

Retirement/Cessation

- Nazim Sheikh (DIN: 00064275), Managing Director expressed his inability to continue due to health reasons and resigned on 16 June 2020. The Board of Directors at the meeting held on 17 June 2020, relieved him from the position of Managing Director and the Board.
- Rajnish Kumar Singh (DIN - 05319511) ceased to be a director in the Company w.e.f., 23 September 2020.
- Mubeen Ahmed Sheriff (DIN - 08695210) ceased to be director in the Company w.e.f., 2 July 2020.
- Sachin Sanu (DIN - 08695105) ceased to be director in the Company w.e.f., 2 July 2020.

Re-appointment(s)

- G. P. Kundargi was appointed as an independent director for the first term of five years w.e.f., 11 November 2014. His office of directorship is due for retirement on 12 November 2021. Based on the recommendation of the nomination and remuneration

committee, his invaluable contribution during first term of five years and considering his industry knowledge, acumen, expertise and experience, the Board at its meeting held on 28 June 2021, subject to approval of the members, has considered reappointment of G. P. Kundargi as an independent director of the Company for another term of five years w.e.f., 12 November 2021 till 11 November 2026, and he shall not be liable to retire by rotation. The Board opined that G.P. Kundargi is a man of high integrity and having experience and expertise (including the proficiency) to become the independent director of the Company.

- H. L. Shah (DIN - 00996888), the director of the Company is liable to retire by rotation at the ensuing 67th annual general meeting and being eligible, offered himself for re-appointment.

NUMBER OF MEETINGS OF THE BOARD

The Board met 8 (Eight) times during the financial year, the details of which are given in the Corporate Governance Report forming part of this report.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013, adopted by the Board. This Policy is broadly divided into the following parts:

Part - A: Appointment of Directors, Key Managerial Personnel and Senior Management, their tenure and retirement;

Part - B: Performance evaluation of Board, its Committees and individual directors; and

Part - C: Remuneration to Directors, Key Managerial Personnel and Senior Management

Part - D; Removal of Directors, Key Managerial Personnel and Senior Management

The detail of the policy can be accessed on the Company's website at <http://sandurgroup.com/Policies.html>.

DECLARATION BY INDEPENDENT DIRECTORS

All the independent directors of the Company meet the criteria of independence as provided under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI(LODR) Regulations, 2015. Declarations to this effect have been received from them.

BOARD EVALUATION

The Nomination & Remuneration Committee and the Board have laid down the manner in which formal annual evaluation of the performance of the Board, committees, individual directors and the Chairman has to be made.

During the evaluation process it was ensured that all the provisions relating to Board evaluation, of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, are followed. The Company has taken into consideration the guidelines issued by Institute of Company Secretaries of India (ICSI) and SEBI on Board evaluation.

The Board evaluation was done internally. All Directors responded through a structured questionnaire giving feedback about the performance of the Board, its Committees, Individual Directors and the Chairman. The questionnaire for evaluation of Board was based on several parameters like structure of the Board, meetings of the Board, functions of the Board, relationship and communication between Board and management and professional development of Directors. Similarly, the evaluation criteria for committee, individual directors, and the Chairman were set on different parameters.

For the year under review, the questionnaire was modified suitably, based on the comments and suggestions received from Directors. At the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, strength and weakness of the Board and its Committees were also discussed. Outcome of feedback received on the performance evaluation of Individual directors was intimated separately to each director by the Chairman of the Board by mail. Similarly, outcome of evaluation of Chairman of Board was intimated to him by the elected Chairman of the Separate meeting of Independent Directors.

TRAINING AND FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Details of training and familiarization programme are provided in the report on Corporate Governance.

COMMITTEES OF THE BOARD

Currently, the Board has six committees namely the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Sustainability Committee (Earlier known as Environment Committee), Corporate Social Responsibility Committee and Risk Management Committee.

Project Committee, Financial Planning Committee and Product Development Committee were dissolved by the Board of Directors in their 346th meeting held on 10 February 2021.

Details of Committees are mentioned in the Corporate Governance Report forming part of this Annual Report.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

As on date of this report, the Audit Committee comprises four independent directors, namely, G. P Kundargi as its Chairman, S. S. Rao, Latha Pillai and Jagadish Rao Kote, and two non-executive directors, T. R. Raghunandan and H. L. Shah.

Directors Report

The Company believes in conducting its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethics. The Company has established a vigil mechanism towards this end. In accordance with sub-section (9) of Section 177 read with Rule 7(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company's Audit Committee is required to oversee the vigil mechanism. The Committee oversees the vigil mechanism which has been established to address genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics if expressed by any of the employees.

The Company has also provided adequate safeguards against victimization of employees and Directors, in the event of any escalation of such concern. The Company has also provided direct access to the Chairman of the Audit Committee in matters concerning financial/accounting and concerns relating to personnel belonging to levels above Senior General Manager. The Whistleblower Policy along with other Policies of the Company is available on the Company's website at <http://sandurgroup.com/Policies.html>.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) of the Companies Act, 2013, the Directors of the Board state that:

- (a) in the preparation of the accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2021 and of the profit and loss of the Company for the year ended 31 March 2021;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts for the financial year ended 31 March 2021 on a 'going concern' basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Auditors have not reported any frauds during the year under review.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has established a robust framework for internal financial controls. The Company has in place adequate controls, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

The Company has a well-defined delegation of power with well-defined authority and responsibility matrix defining the financial limits for approving revenue as well as capital expenditure. Segregation of duties has been well defined to remove the concentration of power within few officials. The Company uses a state-of-the-art Enterprise Resource Programming (ERP) system to record data for accounting, consolidation and management information purposes and connects to different locations for efficient exchange of information. It has continued its efforts to align all its processes and controls with global best practices.

M/s. P. Chandrasekar LLP, Chartered Accountants, have been appointed to oversee and carry out internal audit of Company's activities. The audit is based on an internal audit plan, which is reviewed each year in consultation with the statutory auditors and approved by the audit committee. In line with international practice, the internal audit plan aims at review of internal controls and risks in operations. The audit committee reviews audit reports submitted by the internal auditors. Suggestions for improvement are considered and the audit committee follows up on them. During the year, such controls were assessed and no reportable material weaknesses in the design or operation were observed. Accordingly, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2020-21.

ANNUAL RETURN

The details of Annual Return pursuant to the provisions of Section 92(3) read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended from time to time is available on the website of the Company at <https://www.sandurgroup.com>

AUDITORS AND STATUTORY AUDITORS' REPORT

STATUTORY AUDITORS

M/s. R. Subramanian and Company LLP, Chartered Accountants, Chennai (Firm Registration No. FRN004137S/S200041), were appointed as Statutory Auditors of the Company at the 63rd Annual General Meeting held on 26 September 2017 in terms of the provisions of Section 139 of Companies Act, 2013, to hold office until the conclusion of 68th Annual General Meeting, subject to ratification at each Annual General Meeting.

In terms of Companies (Amendment) Act, 2017, effective from 7 May 2018, the requirement of seeking ratification of auditors' appointment at every annual general meeting has been dispensed with.

In view of the above, the Board has not placed any resolution seeking shareholders' ratification of appointment of M/s. R. Subramanian and Company LLP, Chartered Accountants, Chennai as Statutory Auditors of the Company at annual general meetings during the course of its remaining tenure.

STATUTORY AUDITORS' REPORT

Auditors' Report on the financial statements of the Company is forming part of this Annual Report. The said report does not contain any qualification, reservation, adverse remark or disclaimer. During the year under review, the Auditors did not report any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3) (ca) of the Act.

SECRETARIAL AUDIT

Pursuant to provisions of sub-section (1) of Section 204 of the Companies Act, 2013, the Company is required to annex with its Board's Report a secretarial audit report, given by a company secretary in practice.

N. D. Satish, Practicing Company Secretary (ICSI Membership No. F10003 and Certificate of Practice No.12400) has been appointed as Secretarial Auditor of the Company for the financial year 2021-22. The Secretarial Audit Report is forming part of this Annual Report as **Annexure- 'D'**.

In accordance with SEBI Circular no CIR/CFD/CMD1/27/2019 dated 8 February 2019, the Company has obtained from the Secretarial Auditor of the Company an Annual Secretarial Compliance Report.

SECRETARIAL STANDARDS

Pursuant to the provisions of Section 118 of the Companies Act, 2013, the Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

COST AUDITORS

In terms of Section 148(2) of the Companies Act, 2013 read with Rule 4 of the Companies (Cost Records and Audit) Rules, 2014 issued by the Ministry of Corporate Affairs (MCA), the Company is required to get its cost accounting records audited by a cost auditor.

The Board has, at its 342nd meeting held on 29 June 2020, appointed M/s. K. S. Kamalakara & Co. as Cost Auditors for the financial year 2020-21 and the same was ratified by the Shareholders at the 66th annual general meeting of the Company.

The Board after considering the recommendations of its Audit Committee, appointed M/s. K. S. Kamalakara & Co. as Cost Auditors for the financial year 2021-22 and appropriate resolution in this connection has been included in the notice convening the ensuing annual general meeting of the Company for ratification.

In accordance with Rule 6(5) of the Companies (Cost Records and Audit) Rules, 2014, the cost auditor is required to submit his report within 180 days from the date of closure of the financial year and the Company is required to file the same with the Ministry of Corporate Affairs within thirty days from the date of receipt of the cost audit report. The Cost Audit Report for the financial year 2019-20 was filed with the MCA on 22 October 2020.

COST RECORDS

Maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 and the prescribed cost records have been made and maintained by the Company.

No qualifications, reservations or adverse remarks have been made by the Statutory Auditors, Secretarial Auditor and Cost Auditor in their respective reports.

During the year under review there has been no fraud reported by Auditors.

CORPORATE GOVERNANCE

The Directors' Report on Corporate Governance is annexed to this report. The certificate of the Auditors, M/s. R. Subramanian and Company LLP, Chartered Accountants, regarding compliance of conditions of Corporate Governance as stipulated in Clause E of Schedule V of SEBI (LODR) Regulations, 2015 is also annexed.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The Management Discussion and Analysis (MDA) Report forms part of the Annual Report in Compliance with Clause (e) of Sub-regulation (2) of Regulation 34 read with Schedule V of SEBI 88(LODR) Regulations, 2015.

Directors Report

BUSINESS RESPONSIBILITY REPORT (BRR)

Business Responsibility Report forms part of the Annual Report in compliance with Clause (f) of Sub-regulation (2) of Regulation 34 read with Schedule V of SEBI (LODR) Regulations, 2015.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

Through the recent amendment made to Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021, vide a gazette notification dated 6 May 2021, the applicability of Risk Management Committee (RMC) and all related provisions pertaining to risk management have been extended to top 1000 listed entities on the basis of market capitalisation. The Company had voluntarily constituted the Risk Management Committee on 28 May 2014 which got reconstituted on 9 November 2020. Details regarding constitution and terms of reference of RMC is mentioned in the Corporate Governance Report forming part of the Annual Report.

The Board at its 348th meeting held on 28 June 2021 has approved the Policy on Risk Management. The Company believes that, periodic review of various risks which have a bearing on the business and operations is vital to proactively manage uncertainty and changes in the internal and external environment so that it can limit the negative impact and capitalize on opportunities.

The Company's risk management is embedded in the business processes. As a part of review of business and operations, the Board with the support of the management periodically assess various risks associated with the business and operations of the Company and considers appropriate risk mitigation processes.

However, there are certain risks which cannot be avoided but the impact can only be minimized. The recent disruption and uncertainty in business due to the COVID-19 pandemic is one such risk due to which the Company's operations have been impacted. It might have a long-standing impact on the company's revenues and margins due to incapacitation of sections of the workforce, reduced productivity, impact on emotional wellbeing during lockdown/quarantine, inability to provide work to some of the employees, disruption of supply chains due to extended period of lockdown. Our Company has addressed the risk by issuing SOPs and COVID appropriate protocol for maintaining good hygiene across the Company. The MDA report forming part of Annual Report also contain portion on risk and concerns relating to industry.

The Company has well defined roles and responsibilities of Board of Directors, Audit Committee, Risk Management Committee, Chief Risk Officer, Divisional Risk Management Committee, Risk Coordinator and Risk Owners to have a seamless process in place regarding risk Identification, Assessment, Mitigation and Monitoring.

Policy on Risk Management is available on website of the Company at <https://www.sandurgroup.com/Policies.html>.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company as a responsible corporate citizen has been, for close to six decades, consciously contributing towards betterment of the local area and living standards of its people, and also protection and improvement of the environment.

For the Company reaching out to under privileged communities is part of the philosophy and culture. The Company shall continue to be mindful of its social and moral responsibilities towards consumers, employees, shareholders, and the local community.

The Company works primarily through Karnataka Seva Sangha (Implementing Agency) towards supporting projects in the areas of education, healthcare and sanitation, community development including protection of national heritage, restoration of historical sites, and promotion of art and culture, enhancing vocational skills; promoting healthcare including preventive healthcare, and rural development, environmental sustainability and ecological balance, promotion of traditional arts and handicrafts. The Company's CSR efforts in 2020-21 included COVID-19 relief in different areas.

The Annual Report on Company's CSR activities of the Company undertaken during the year under review are furnished in **Annexure- 'E'**.

The Company's Corporate Social Responsibility Policy can be accessed on Company's website at <https://www.sandurgroup.com/Policies.html>. There has been no change in the Policy during the year under review.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as prescribed in Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are set out in **Annexure- 'F'** to this Report.

EMPLOYEES

Pursuant to the provisions of sub-section (12) of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, percentage increase in remuneration, ratio of remuneration of each director and key managerial personnel (KMP) to the median of employees' remuneration, and the list of top 10 employees in terms of remuneration drawn, are set out in **Annexure - 'G'**.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company has constituted an Internal Complaints Committee (ICC) for the prevention and redressal of complaints related to sexual harassment at workplace.

During the year under review there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

GENERAL DISCLOSURES

No disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- i. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- ii. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

- iii. the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.
- iv. the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

ACKNOWLEDGEMENT

The directors wish to thank members of judiciary, its associates and legal fraternity for their strong commitment to justice, fairness and equity. The directors also extend their gratitude to the Union and the State Governments for their support as well as confidence and recognitions bestowed on the Company.

The directors wish to place on record their appreciation of all its employees for their commendable team work, professionalism and dedication. And ultimately, the Board of Directors wish to thank all the government agencies, the promoters, business associates, banks and investors for their continued support and trust.

for and on behalf of Board of Directors

Place: Bengaluru
Date: 12 August 2021

T. R. Raghunandan
Chairman
DIN:03637265

Annexure - A

Dividend Distribution Policy

The parameters for declaration of dividend

OBJECTIVES

At SMIORE, shareholders are considered as the one of the key stakeholders and enhancing the shareholders' value is one of the prime objectives of the Company. The policy, in the interest of providing clarity and transparency to the shareholders, sets out the circumstances and different factors for consideration by the Board at the time of deciding on distribution or of retention of profits.

The Policy reflects the intent of the Company to reward its shareholders by distributing a portion of its profits after retaining sufficient funds for the business needs and growth of the Company.

The Company would ensure to strike the right balance between the quantum of the dividend paid and amount of profits retained in the business for various purposes. Through this policy, the Company would strive to maintain a consistent approach in dividend pay-out plans.

The purpose of this Policy is to facilitate the process of dividend recommendation or declaration and its pay-out by the Company which would ensure a regular dividend income for the shareholders and long-term capital appreciation for all stakeholders of the Company.

PARAMETERS FOR DECLARATION OF DIVIDEND:

Besides regulatory requirements and objectives set for dividend declarations in this policy, the Board shall consider six broad parameters for fund requirements before determining the dividend pay-out which has been categorised hereinunder:

- A) Assumption of external and internal risks affecting the business
- B) Business plan for future
- C) Contingency and exigency plan
- D) Diversification plans to new market and product
- E) External Economic conditions
- F) Future growth strategy

SMIORE shall also consider following parameters as set under the SEBI LODR regulations before declaration of dividend to the members.

a) Circumstances under which the shareholders may or may not expect dividend

The shareholders of the Company may not expect dividend under the following circumstances:

- Proposed expansion plans requiring higher capital allocation;
- Significantly higher working capital requirements adversely liquidity;
- Decision to undertake any diversification, acquisitions, amalgamation, merger, joint ventures, product diversification etc., requiring significant capital outflow;
- Proposal to utilize surplus cash for buy-back of securities;
- In the event of inadequacy of profits or whenever the Company has incurred losses;
- Due to operation of any other law in force;
- The availability of opportunities for reinvestments of surplus funds;
- Any other corporate action resulting in cash outflow.

b) The financial parameters that shall be considered while declaring Dividend

The financial parameters that may be considered before declaring dividend are

- Net operating profit after tax;
- Working capital requirements;
- Capital expenditure requirements;
- Resources required to fund acquisitions and / or new businesses
- Cash flow required to meet contingencies;
- Outstanding borrowings;
- Past Dividend Trends

c) Internal and External factors that shall be considered for declaration of dividend

i. External Factors:

Prevailing economic and monetary conditions including credit availability, both domestic and international.

ii. Internal Factors:

The Board of Directors of the Company would consider the following financial parameters before recommending dividend to shareholders:

- Operating cash flow of the Company
- Profit earned during the year
- Profit available for distribution
- Working capital requirements
- Capital expenditure requirement
- Business expansion and growth
- Up gradation of technology and physical infrastructure
- Cost of Borrowing
- Past dividend payout ratio / trends

d) Utilization of retained earnings

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors:

- Market diversification plan;
- Product diversification plan;

- Increase in production capacity;
- Replacement of capital assets;
- Future dividend payment;
- Issue of Bonus shares;
- Such other criteria as the Board may deem fit from time to time.

e) Parameters that shall be adopted with regard to various classes of shares

- At present, the issued, subscribed and paid up share capital comprises only one class of equity shares.
- The payment of dividend shall be based on the respective rights attached to each class of shares as per their terms of issue.
- The dividends shall be paid out of the Company's distributable profits and / or general reserves and from such other reserves as may be statutorily permissible, and shall be allocated among shareholders on a pro-rata basis according to the number of each type and class of shares held.

Annexure - B

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiary -

PART "A": SUBSIDIARY*

1.	Name of the subsidiary	
2.	Date since when subsidiary was acquired	
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	
5.	Share capital	
6.	Reserves & surplus	
7.	Total assets	Not Applicable
8.	Total Liabilities (excluding reserves & surplus)	
9.	Investments	
10.	Turnover	
11.	Profit/(Loss) before taxation	
12.	Provision for taxation	
13.	Profit/ (Loss) after taxation	
14.	Proposed Dividend	
15.	Percentage of shareholding	

Additional Information:

1	Names of the subsidiaries which are yet to commence operations	Nil
2	Names of the subsidiaries which have been liquidated or sold during the year	Nil

PART "B": ASSOCIATES AND JOINT VENTURES - NOT APPLICABLE**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Name of Associates/Joint Ventures	Name 1	Name 2	Name 3
1. Latest audited Balance Sheet Date			
2. Date on which the Associate or Joint Venture was associated or acquired			
3. Shares of Associate/Joint Ventures held by the company on the year end			
i) Number			
ii) Amount of Investment in Associates/Joint Venture			
iii) Extent of Holding (Percentage)		Not Applicable	
4. Description of how there is significant influence			
5. Reason why the associate/ joint venture is not consolidated			
6. Net worth attributable to Shareholding as per latest audited Balance Sheet			
7. Profit / Loss for the year			
i) Considered in Consolidation			
ii) Not considered in Consolidation			

Additional Information:

1	Names of the associates or joint ventures which are yet to commence operations	Nil
2	Names of the associates or joint ventures which have been liquidated or sold during the year	Nil

for and on behalf of Board of Directors

T. R. Raghunandan
Chairman
DIN:03637265

Bahirji A. Ghorpade
Managing Director
DIN: 08452844

Place: Bengaluru
Date: 12 August 2021

Bijan Kumar Dash
Company Secretary

Sachin Sanu
Chief Financial Officer

Annexure - C

Form No. AOC-2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements /transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements /transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
NIL	NIL	NIL	NIL	NIL	NIL

Note: All related party transactions are benchmarked for arm's length, approved by Audit Committee and reviewed by Statutory Auditors. The above disclosures on material transactions are based on threshold of ten percent of consolidated turnover, as per the last audited financial statements of the Company.

for and on behalf of Board of Directors

Place: Bengaluru
Date: 12 August 2021

T. R. Raghunandan
Chairman
DIN:03637265

Annexure - D

Form No. MR-3

Secretarial Audit Report for the Financial Year Ended 31st March 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
The Sandur Manganese & Iron Ores Limited,
'SATYALAYA' Door No.266 (Old No.80),
Ward No. 1, Behind Taluk Office,
Sandur - 583 119, Ballari District, Karnataka

I have conducted the Secretarial Audit of compliance with specific applicable statutory provisions and the adherence to good corporate practices by **The Sandur Manganese & Iron Ores Limited** (hereinafter called "the Company") bearing CIN L85110KA1954PLC000759. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2021**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2021** and made available to me, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. **(Not applicable during the audit period);**
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. **(Not applicable during the audit period);**
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. **(Not applicable during the audit period);**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable during the audit period)** and
- h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 **(Not applicable during the audit period);**
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'SEBI (LODR) Regulations, 2015').

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with BSE Limited.

During the period under review based on the explanations and representations made by the Management, the Company has complied with the provisions of the Companies Act, 2013 Rules, Regulations, Guidelines, Secretarial Standards etc. thereunder, as mentioned above

Directors Report

except in one instance where the e-form MGT-14 has been filed with the Registrar of Companies after due date and additional fee as prescribed has been paid.

During the period under review, based on the explanations and representations made by the Management, the Company has complied with the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.

During the period under review, based on the explanations and representations made by the Management, it is observed that the Company had in general complied with the provisions of the SEBI Regulations.

With regard to the compliance of the Secretarial Standards, we observe that there are minor deviations in few occasions on adhering to the provisions of clauses 1.3.6, 1.3.7, 7.4 and 7.6.4. of Secretarial Standard -2 on Board Meeting with respect to delay in issuance of Notice, Agenda papers, draft and signed Minutes of Board/Committees to Board of Directors/Committee Members. However, it was noted that all the members of the Board/Committees attended meetings of Board/Committees respectively conducted during the financial year 2020-2021 and the approved minutes of the meetings were taken note of in the subsequent meeting.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following Laws and the Rules thereunder applicable specifically to the Company.:

- (i) Mines and Minerals (Development and Regulation) Act, 1957;
- (ii) Mines Act, 1952;
- (iii) The Environment (Protection) Act, 1986;
- (iv) Air (Prevention and Control of Pollution) Act, 1981;
- (v) Water (Prevention and Control of Pollution) Act, 1974;

- (vi) Indian Forest Act, 1927;
- (vii) Karnataka Forest Act, 1963;
- (viii) Forest (Conservation Act), 1980;
- (ix) Karnataka Mineral Policy 2008;
- (x) National Mineral Policy 2019;
- (xi) Explosives Act, 1884

During the period under review, based on the explanations and representations made by the Management, it is observed that the Company has complied with laws specifically applicable (provided herein above) except delayed by 14 days in submission of Monthly returns in F-1 & F2 for the month of April 2020 as per the provisions of Rule 45 (5) (a) of Mineral Conservation and Development (Amendment) Rules, 2010 due to technical issues in the government's website for filing the returns.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

The Company has also a Woman Independent Director on the Board. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance of the provisions of the Act.

Adequate notice has been given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meeting, as represented by Management, were taken unanimously. I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

Name and Signature: **N.D Satish**

Designation: Practicing Company Secretary

Stamp: FCS No. 10003; CP No.12400

UDIN: F010003C000526772

Date: 28 June 2021

Place: Bengaluru

Note: This report is to be read with my letter of even date which is annexed as Annexure-a and forms an integral part of this report.

Annexure-a to Secretarial Audit Report

To
The Members,
The Sandur Manganese & Iron Ores Limited,
"SATYALAYA" Door No.266 (Old No.80),
Ward No. 1, Behind Taluk Office,
Sandur - 583 119, Ballari District, Karnataka -

My report of even date is to be read along with this letter.

- (1) Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- (2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that true facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis to strengthen my opinion.
- (3) I have not verified the accuracy, correctness and appropriateness of financial records and Books of Accounts of the Company.
- (4) Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- (5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.
- (6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Date: 28 June 2021

Place: Bengaluru

Name and Signature: **N.D Satish**

Designation: Practicing Company Secretary

Stamp: FCS No. 10003; CP No.12400

UDIN: F010003C000526772

Annexure - E

Annual Report on Corporate Social Responsibility(CSR) Activities for the Financial Year 2020-21

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

CSR entails transcending business interests and grappling with the “quality of life” challenges that underserved communities face, and working towards making a meaningful difference to them.

For us at The Sandur Manganese & Iron Ores Limited (SMIORE), reaching out to under privileged communities is part of our Philosophy and Culture.

SMIORE, for close to six decades, has been consciously contributing towards Social and Environmental improvement and shall continue to have among its objectives the promotion and growth of the society. The Company shall continue to be mindful of its Social and Moral responsibilities towards Consumers, Employees, Shareholders, and the local Community.

Vision

To be a corporate with its strategies, policies and actions aligned with wider social concerns, through initiatives in education, health, environment and socially relevant matters.

Mission

Take proactive measures as a responsible Corporate Citizen for the well-being of society, as per its needs.

The CSR policy covers following aspects

- a) Scope of CSR activities
- b) Composition of CSR Committee
- c) Principle of selecting projects
- d) Manner in which the CSR programmes will be implemented
- e) Formulation of annual action plan
- f) CSR expenditure and its treatment
- g) Impact assessment study
- h) Governance and monitoring of CSR activities
- i) Reporting, disclosure and review

2. COMPOSITION OF CSR COMMITTEE:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	H. L. Shah	Chairman	3	3
2	T. R. Raghunandan	Member	3	3
3	Rajnish Kumar Singh ¹	Member	1	1
4	Bahirji A. Ghorpade	Member	3	3
5	Jagadish Rao Kote	Member	3	3
6	Md Abdul Saleem ²	Member	3	3
7	Sachin Sanu ³	Member	1	1
8	S S Rao ⁴	Member	-	-

¹ Ceased to be the member of the committee w.e.f. 23 September 2020.

² Ceased to be the member of the committee w.e.f. 11 February 2021.

³ Ceased to be the member of the committee w.e.f. 2 July 2020

⁴ Appointed as the member of the committee w.e.f. 11 February 2021.

3. PROVIDE THE WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

- » The composition of the CSR committee is available on our website, at <https://www.sandurgroup.com/Board-of-Directors-and-its-Committees.html>
- » The Committee, with the approval of the Board, has adopted the CSR Policy as required under Section 135 of the Companies Act, 2013. The CSR Policy of the Company is available on our website, at <https://www.sandurgroup.com/Policies.html>
- » The Board, based on the recommendation of the CSR committee has approved the annual action plan / projects for Financial Year 2021-2022, the details of which are available on our website, at <https://www.sandurgroup.com>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year: Nil

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	2017-18		
2	2018-19		NIL
3	2019-20		
	Total		NIL

6. Average net profit of the company as per section 135(5): ₹ 187.41 crore

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 3.75 crore.

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(c) Amount required to be set off for the financial year, if any: NIL

(d) Total CSR obligation for the financial year (7a+7b- 7c): ₹ 3.75 crore.

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹ 3.85 crore.	Nil	Nil	Nil	Nil	Nil

(b) Details of CSR amount spent against ongoing projects for the financial year: NIL

(₹ in crore)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project. State District	Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency Name CSR Registration No.

Directors Report

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(₹ in crore)

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No)	(5) Location of the project.		(6) Mode of implementation - Direct (Yes/No).	(7) Amount allocated for the project (in ₹ Crore).	(11) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR registration number.
1	Promotion of Education Programme	Education	Yes	Karnataka	Ballari	NO	1.29*	Karnataka Seva Sangha	CSR00002255
2	Prevention of Child Labour	Education	Yes	Karnataka	Ballari	NO	0.06	Karnataka Seva Sangha	CSR00002255
3	Infrastructure Development	Education	Yes	Karnataka	Ballari	NO	1.06	Karnataka Seva Sangha	CSR00002255
4	SMIORE Health & Sanitation Programme (CoVID-19 Pandemic Relief Activities -Distribution of Ration Kits)	Health care	Yes	Karnataka	Ballari	NO	0.90	Karnataka Seva Sangha	CSR00002255
5	SMIORE Promotion of Traditional Arts and Handicrafts Programme (Construction of Work Shed and Raw material Stock Shed at Sandur Kushala Kendra, Sandur of Lambani (Banjara Tribe)Artisans)	Promotion of Arts and Handicrafts	Yes	Karnataka	Ballari	YES	0.43		
6	SMIORE Community Development Programme	Community development	Yes	Karnataka	Ballari	NO	0.11**	Karnataka Seva Sangha	CSR00002255
Total							3.85		

*includes ₹ 0.06 crore towards 5% admin. and handling charges.

** Community Development: ₹ 0.08 crore towards Kammathuru public toilet maintenance expenditure, ₹ 0.01 crore towards cleaning and leveling of Swamihalli Government School ground and ₹ 0.01 crore towards machinery hours for CSR works.

- (d) Amount spent in Administrative Overheads : ₹ 0.06 crore
- (e) Amount spent on Impact Assessment, if applicable : NIL
- (f) Total amount spent for the Financial Year: (₹ 3.85 crore)
- (g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹) in crore
(i)	Two percent of average net profit of the company as per section 135(5)	3.75
(ii)	Total amount spent for the Financial Year	3.85
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.10
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.10

9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Nil							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not applicable, as the concept of 'ongoing projects' has been introduced in the CSR Amendment Rules, relevant from fiscal year 2021.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project.	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year.(in ₹)	Status of the project - Completed /Ongoing.
Nil								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: No capital asset was created / acquired for the financial year 2020-21 through CSR expenditure.

(a)	Date of creation or acquisition of the capital asset(s)	Not Applicable
(b)	Amount of CSR spent for creation or acquisition of capital asset	NIL
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc	Not Applicable
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	NIL

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

Bahirji A. Ghorpade
Managing Director

H. L. Shah
Chairman CSR Committee

Annexure - F

Information pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY:

(i) Energy conservation measures taken	<p>The Company has installed solar pumps on grid and off grid system. SV and MV lamps street lights have been replaced with LED street lights and LED solar street lights. Flat Plate Collector (FPC) solar water heating system has been used at different locations at mines and ferroalloy plants.</p> <p>Following energy conservation measures have been taken at Ferroalloy and coke oven plant at Vyasankere, Hosapete</p> <ol style="list-style-type: none"> 1) Installation of VVFD drives for HT Motors. 2) Reduction in Specific Power Consumptions per tonne of SiMn production. 3) Reduction in auxiliary power consumption of power plants. 4) Reduction in fresh water usage by recycling the cooling tower blowdown water for coke quenching and slag granulation. 5) Fixing of Steam Traps in steam line to avoid wastage of steam and condensate. 6) Fixing of transparent sheets in the factory buildings and raw material towers to avoid electrical illumination during day time.
(ii) Steps taken by the Company for utilization of alternate sources of energy	<p>The Company has installed solar street lights, home lighting systems, solar pumps, off-grid and on-grid roof top solar plants at various locations at mines and plants. The Company has also installed solar heating system instead of electrical heating system at different locations. The Company has proposed Evacuated Tube Collector with heat pump system for the newly constructed quarters for employees.</p>
(iii) Capital Investment on energy Conservation Equipment	Not applicable

B. TECHNOLOGY ABSORPTION:

(i) Efforts made in technology absorption	<ol style="list-style-type: none"> 1) Installation and commissioning of Coke Oven Plant 2) Installation and commissioning of Waste Heat Recovery Boilers 3) Upgradation & refurbishment of Ferroalloy Plant
(ii) Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.	<ol style="list-style-type: none"> 1) Addition of metallurgical Coke in Company's product Line. 2) Reduction in specific power consumption on Ferroalloy production. 3) Complete elimination of thermal coal usage in Power Generation there by reducing green gas emissions. 4) Cost reduction due to installation of solar plants.

(iii)	In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:	
(a)	Details of technology imported.	The Coke oven Plant has been Imported from China.
(b)	Year of import.	2019
(c)	Whether the technology been fully absorbed	The Technology has been fully absorbed. The Company started commercial production from the plant w.e.f., 18 January, 2021
(d)	If not fully absorbed, areas where absorption has not taken place, and the reasons therefore.	The technology has been fully absorbed

(iv)	Expenditure incurred on Research and Development	Not Applicable
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C. FOREIGN EXCHANGE EARNINGS & OUTGO:

1	Foreign Exchange Earnings	Not Applicable
2	Foreign Exchange Outgo	₹ 9,25,698 lakh

Annexure - G

Particulars of Employees

1. THE RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF THE EMPLOYEES OF THE COMPANY FOR THE FINANCIAL YEAR:

Median remuneration of the employees of the Company		₹ 4.22 lakh
	₹ lakh	Ratio
Bahirji A. Ghorpade ¹	168.90	40.06
Md. Abdul Saleem ²	128.87	30.57
Nazim Sheikh ³	291.44	69.12
Rajnish Kumar Singh ⁴	55.59	13.18

¹ Appointed Director (corporate) w.e.f. 1 April 2020 till 16 June 2020 and Managing Director w.e.f. 17 June 2020.

² Appointed Director (Mines) w.e.f. 1 April 2020.

³ Resigned from the position of Managing Director w.e.f. 16 June 2020.

⁴ Ceased to be Director w.e.f. 23 September 2020

2. THE PERCENTAGE INCREASE IN REMUNERATION OF EACH DIRECTOR, CHIEF FINANCIAL OFFICER, CHIEF EXECUTIVE OFFICER, COMPANY SECRETARY OR MANAGER, IF ANY, IN THE FINANCIAL YEAR:

Particulars	2020-21	2019-20	% Increase
	(₹ in lakh)	(₹ in lakh)	
Bahirji A. Ghorpade ¹	168.90	-	100.00%
Md. Abdul Saleem ²	128.87	-	100.00%
Nazim Sheikh ³	291.44	169.19	72.26%
Rajnish Kumar Singh ⁴	55.59	103.26	-46.17%
Sachin Sanu, Chief Financial Officer	29.72	26.03	14.18%
Divya Ajith, Company Secretary ⁵	16.69	12.35	35.12%
Bijan Kumar Dash, Company Secretary ⁶	1.81	-	100.00%
Total	693.02	310.84	122.95%

¹ Appointed Director (corporate) w.e.f. 1 April 2020 till 16 June 2020 and Managing Director w.e.f. 17 June 2020.

² Appointed Director (Mines) w.e.f. 1 April 2020.

³ Resigned from the position of Managing Director w.e.f. 16 June 2020.

⁴ Ceased to be Director w.e.f. 23 September 2020

⁵ Resigned from the position of Company Secretary w.e.f. 1 March 2021.

⁶ Appointed as Company Secretary w.e.f. 1 March 2021.

3. THE PERCENTAGE INCREASE IN THE MEDIAN REMUNERATION OF EMPLOYEES IN THE FINANCIAL YEAR:

Particulars	2020-21	2019-20	% Increase
	(₹ in lakh)	(₹ in lakh)	
Median remuneration of employees	4.22	3.68	14.68%

4 NUMBER OF PERMANENT EMPLOYEES ON THE ROLLS OF COMPANY AS ON 31 MARCH 2021: 2324**5 AVERAGE PERCENTILE INCREASE, ALREADY MADE IN THE SALARIES OF EMPLOYEES' OTHER THAN THE MANAGERIAL PERSONNEL IN THE LAST FINANCIAL YEAR AND ITS COMPARISON WITH THE PERCENTILE INCREASE IN THE MANAGERIAL REMUNERATION AND JUSTIFICATION THEREOF AND POINT OUT IF THERE ARE ANY EXCEPTIONAL CIRCUMSTANCES FOR INCREASE IN THE MANAGERIAL REMUNERATION:**

- Average percentile increase, already made in the salaries of employees other than managerial remuneration 14.68%
- Percentile increase in the managerial remuneration 122.95%

6 AFFIRMATION THAT THE REMUNERATION IS AS PER THE REMUNERATION POLICY OF THE COMPANY: Yes**7. NAMES OF THE TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN:**

Sl. No.	Name of the Employee	Designation of the employee	Remuneration received (₹ in Lakh)	Nature of employment, whether contractual or otherwise	Qualification and experience of the employee	Date of commencement of employment	Age of employee (in yrs.)	Last employment held by the employee before joining the company	% of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2)	Whether the employee is a relative of any director or manager of the company and if so, name of such director or manager
1	Bahirji A Ghorpade	Managing Director	168.90	Permanent	Masters in Finance and Management, B. Com - 3 Years	17 June 2020	26	--	3.09	--
2	Nazim Sheikh	Managing Director	291.44	Permanent	B. E., - 45 years	2 August 1976	67	--	--	--
3	Rajnish Kumar Singh	Director (Corporate)	55.59	Permanent	B. E., PGDM - 29 Years	14 June 2017	52	Executive Vice President, Kotak Mahindra Bank	--	--
4	Md. Abdul Saleem	Director (Mines)	128.87	Permanent	B.Com, LLB, FCS - 22 Years	1 September 2005	47	Company Secretary, VBC Ferroalloys Limited	--	--
5	Tamil Mani M.	Vice President (Iron & Steel Project)	50.68	Permanent	B. E., - 32 Years	1 August 2016	54	Asst. Vice President, Jindal Stainless limited	--	--
6	Aditya S. Ghorpade	President (Ferroalloys Operations)	38.97	Permanent	B, Com., Diploma in Comp. Appl. - 27 Years	16 August 1993	52	--	--	Son of S. Y. Ghorpade
7	Mubeen A Sheriff	Head Commercial	28.79	Permanent	B. E., - 19 Years	1 June 2013	42	Deputy General Manager (Commercial) Star Metallica & Power Pvt. Ltd.	--	Son-in-law of Nazim Sheikh
8	Jayaprakash V.	Head production Mines	35.78	Permanent	Dip in Mining and Mines Survey Ist CIs Mines Manager - 33 Years	1 July 2002	58	General Foreman Officer, Bharat Gold Mines Limited	--	--
9	Sachin Dattatray Sanu	CFO	29.72	Permanent	B. Com ACA - 20 Years	1 March 2013	42	Deloitte Haskins & Sells	--	--
10	V Murali	Sr Vice President - Corporate	28.02	Consolidated	Company Secretary-ICSI and Cost and Management Accountant-ICWAI - 35 Years	1 September 2020	63	Star Metallica and Power Private Limited	--	--

Directors Report

8 NAME OF EVERY EMPLOYEE, WHO:

(i) employed throughout the financial year, was in receipt of remuneration for the year, in the aggregate, was not less than Rupees one crore and two lakh:

Sl. No.	Name of the Employee	Designation of the employee	Remuneration received (₹ in Lakh)	Nature of employment, whether contractual or otherwise	Qualification and experience of the employee	Date of commencement of employment	Age of employee (in yrs.)	Last employment held by the employee before joining the company	% of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2)	Whether the employee is a relative of any director or manager of the company and if so, name of such director or manager
	Bahirji A Ghorpade	Managing Director	168.90	Permanent	Masters in Finance and Management, B. Com - 3 Years	17 June 2020	26	--	3.09	--
	Md. Abdul Saleem	Director (Mines)	128.87	Permanent	B.Com, LLB, FCS - 22 Years	1 September 2005	47	Company Secretary, VBC Ferroalloys Limited	--	--

(ii) employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Rupees eight lakh fifty thousand per month:

Sl. No.	Name of the Employee	Designation of the employee	Remuneration received (₹ in Lakh)	Nature of employment, whether contractual or otherwise	Qualification and experience of the employee	Date of commencement of employment	Age of employee (in yrs.)	Last employment held by the employee before joining the company	% of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2)	Whether the employee is a relative of any director or manager of the company and if so, name of such director or manager
1	--	--	--	--	--	--	--	--	--	--

(iii) If employed throughout the financial year / part thereof, was in receipt of remuneration in the year which, in aggregate, or as the case may be, at a rate which, in aggregate, is in excess of that drawn by the Managing Director or Whole-time Director or Manager and holds by himself or along with his spouse and dependent children, not less than 2% of equity shares of the Company:

Sl. No.	Name of the Employee	Designation of the employee	Remuneration received (₹ in Lakh)	Nature of employment, whether contractual or otherwise	Qualification and experience of the employee	Date of commencement of employment	Age of employee (in yrs.)	Last employment held by the employee before joining the company	% of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2)	Whether the employee is a relative of any director or manager of the company and if so, name of such director or manager
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for and on behalf of Board of Directors

Place: Bengaluru
Date: 12 August 2021

T. R. Raghunandan
Chairman
DIN:03637265

Business Responsibility Report

[As per Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

"All that we get (earn) from the soil of Sandur in one form or the other should be primarily used to benefit Sandur... The Mining Lease is something that has to be held in Trust for the benefit of those who are working so hard for so many years, with so much faith and determination. This is not anybody's private property, but a sacred social responsibility, in which each one of us has to function as Trustee for the toiling workforce."

- M. Y. Ghorpade, Founder Patron

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN)	L85110KA1954PLC000759
2.	Name of the Company	The Sandur Manganese & Iron Ores Limited
3.	Registered address	'SATYALAYA', Door No. 266 (Old No. 80), Ward No. 1, Behind Taluka Office, Sandur - 583119, Ballari District, Karnataka, Tel: 08395 260301, Fax: 08395 260473
4.	Website	www.sandurgroup.com
5.	E-mail id	secretarial@sandurgroup.com
6.	Financial Year reported	2020-21
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	a) Mining of Manganese Ore (NIC Code 07293) b) Mining of Iron Ore (NIC Code 07100) c) Manufacture of Ferroalloys (NIC Code 24104) d) Generation of Power (Captive consumption) (NIC Code 35102) e) Manufacture of Coke (NIC Code 19101)
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	a) Mining of Manganese Ore b) Mining of Iron Ore c) Manufacture of Ferro-alloys
	(a) Number of International Locations (Provide details of major 5)	Nil
	(b) Number of National Locations	Karnataka
9.	Markets served by the Company - Local/ State/National/International	Local, State, National and International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	₹ 900.19 lakh
2	Total Turnover (INR)	₹ 74,659 lakh
3	Total profit after taxes (INR)	₹ 15,393, lakh
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.50%
5	List of activities in which expenditure in 4 above has been incurred	1) Promotion of Education 2) Prevention of Child Labour 3) Infrastructure development for Education 4) Health and Sanitation 5) Promotion of Traditional Arts & Handicrafts 6) Community Development

Business Responsibility Report

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	No.
2	Does the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s):	Not Applicable
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]:	Business Responsibility Reporting has become applicable from the year ended 31 March 2020. The Company encourages other entities that the Company does business with, to independently undertake BR initiatives similar to the ones undertaken by the Company. More than 60% of such entities participate in the BR initiatives.

SECTION D: BUSINESS RESPONSIBILITY (BR) INFORMATION

1 Details of Director/Directors responsible for BR*

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

1.	DIN Number	00061497
2.	Name	Md. Abdul Saleem
3.	Designation	Director (Mines)

(b) Details of the BR head

1.	DIN Number	00061497
2.	Name	Md. Abdul Saleem
3.	Designation	Director (Mines)
4.	Telephone number	+91 8395 271127
5.	E-mail id	saleem@sandurgroup.com

* Business Responsibility Reporting has become applicable from the financial year 2019-20, The Board of Directors by passing resolution at the Board Meeting dated 31 August 2020 appointed Md. Abdul Saleem, Director (Mines) as the BR head and the person responsible for implementation of the BR policy/policies of the Company.

1. Principle-wise (as per NVGs) BR Policy/policies:

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted the following nine areas of Business Responsibility:

Principle 1:	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2:	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3:	Businesses should promote the wellbeing of all employees
Principle 4:	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
Principle 5:	Businesses should respect and promote human rights
Principle 6:	Businesses should respect, protect, and make efforts to restore the environment
Principle 7:	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8:	Businesses should support inclusive growth and equitable development
Principle 9:	Businesses should engage with and provide value to their customers and consumers in a responsible manner

(a) Details regarding the above 9 principles (P1 to P9) is given below [Reply in Yes/No (Y/N)]:

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policy/ policies for (Refer Note 1)	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national /international standards? If yes, specify.	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy been approved by the Board? If yes, has it been signed by the MD/ owner/ CEO/ appropriate Board Director? (Refer Note 2 below)	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link to view the policy online? (Refer Note 3)	https://www.sandurgroup.com/Policies.html								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in- house structure to implement the policy/ policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency? (Refer Note 4)	Y	Y	Y	Y	Y	Y	Y	Y	Y

1 SMIORE has the following policies covering the nine principles:

Principle 1:	Ethics Policy; Code of Conduct for Directors and Senior Management and Employees; Vigil Mechanism / Whistle-Blower Policy; Code of Conduct to Regulate, Monitor and Reporting of Trading by Designated Persons and their immediate relatives; Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
Principle 2:	Tryst with SMIORE – An informal Will of M. Y. Ghorpade; Quality, Environmental, Occupational Health and Safety (QEOHS) Policy
Principle 3:	Human Resource (HR) Policies; Quality, Environmental, Occupational Health and Safety (QEOHS) Policy; Policy on Prevention of Sexual Harassment
Principle 4:	Corporate Social Responsibility Policy; Tryst with SMIORE – An informal Will of M. Y. Ghorpade; Policy on Prevention of Sexual Harassment
Principle 5:	HR Policies; Quality Environmental Occupational Health and Safety (QEOHS) Policy; Policy on Prevention of Sexual Harassment
Principle 6:	Quality Environmental Occupational Health and Safety (QEOHS) Policy; Environmental Clearances for Mines and Plant; Supplementary Environment Mining Plan for mines
Principle 7:	Quality Environmental Occupational Health and Safety (QEOHS) Policy
Principle 8:	Corporate Social Responsibility Policy; Tryst with SMIORE – An informal Will of M. Y. Ghorpade
Principle 9:	Quality Environmental Occupational Health and Safety (QEOHS) Policy

2 All the Policies have been approved by the Board of Directors, except HR Policies and Policy on Prevention of Sexual Harassment, which have been approved by the Managing Director.

3 All the Policies are available on the website except HR Policies and Tryst with SMIORE – An informal Will of M. Y. Ghorpade, Environmental Clearances for Mines and Plant, SEMP for Mines.

4 Evaluation of the Policies is undertaken periodically by the internal auditors, secretarial auditors and/or statutory auditors.

Business Responsibility Report

(b) If answer to S. No.1 against any Principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the Principles									
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The Company does not have financial or manpower resources available for the task									Not Applicable
4.	It is planned to be done within next 6 months									
5.	Any other reason (please specify)									

2. Governance related to Business Responsibility

1.	Indicate the frequency with which the Board of Directors, Committees of the Board or CEO to assess the BR performance of the Company.	Assessment of Business responsibility performance is a continuous process and is imbedded in the business activities. The BR performance is continuously monitored by Managing Director and Director (Mines) at regular interval in the meetings conducted at Mines and the Plant. However, to make the monitoring of performance holistic and robust, the Board in its meeting dated 10 February 2021 constituted Corporate Sustainability Committee (CSC). Also, at the meeting of Corporate Social Responsibility Committee (CSRC) the members discuss principles 4 & 8 of BR principles. -								
2.	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Business Responsibility Report can be viewed as part of Annual Report and is available online at https://www.sandurgroup.com/Annual-Report.html								

SECTION E: PRINCIPLE-WISE DETAILS:

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

The Company believes in conducting its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity, and ethics in dealing with all the stakeholders that include employees, customers, suppliers, government and the community.

1.1	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs /Others?	The policies relating to ethics, bribery and corruption covers the Company and extends to a large number of contractors/service providers. Corporate governance clause has been an integral part of each agreements and contracts entered with external parties there by ensuring adherence of transparency in all the business transactions.								
1.2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?	During the financial year 2020-21, no complaints were received from any of the Company's stakeholders.								

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle:

‘Sustainable development’ basically means economic and social development that endures over the long-term and its core ethic is intergenerational equity. The Company is committed to Sustainable Development in the cause of society ensuring a safe and good future for employees and their coming generations as has been demonstrated for more than 6 decades as third/fourth generation employees are in service of the Company. Upholding sustainable practices is core to Company’s operations.

Ministry of Mines, Government of India has awarded 5 Star Rating to Company’s Mines based on the assessment of parameters of Sustainable Development Framework (SDF) prescribed by the India Bureau of Mines (IBM). On the first occasion during 2014-15, the Company was the only Mining Lessee to have been awarded 5 Star Rating in the State of Karnataka and was among the only three Iron Ore Mining Lessees in the country to receive Five Star Rating. Thereafter, the Company has been awarded 5 Star Rating during 2015-16 and 2016-17 also. Further, based on the template filed by the Company, duly inspected and verified by the IBM, the Company has once again qualified for being awarded 5 Star Rating by the Ministry of Mines, Government of India during 2017-18, 2018-19 and 2019-20.

The Sustainable Development Unit (SDU) at the Unit level - comprises of Technical, Financial, CSR, HRD, Environment heads to ensure implementation of Sustainable Development principles. These principles include elements such as intra and inter-generational equity, the precautionary principle, scientific operations, environmental management and socio-economic impacts, creation of social and physical infrastructure through stakeholder engagement.

The Company has always laid special emphasis on scientific operations, safety, afforestation and environment protection. The Company has won several awards for safety and environmental protection at the State and National levels. The Company’s culture and philosophy of utmost regard and respect to the various statutes and rules, has held the Company in good stead. The Government of India had appointed a committee, popularly known as Vasudeva Committee to study Manganese Ore Mining Procedures in India. The Report of the Committee, published in 1965, significantly noted: “Although in the case of a large number of mines, the mining operations do not follow any concerted or well thought out plan of development, there are a few bright exceptions such as mines controlled by Manganese Ore India Limited, M/s. Sandur Manganese and Iron Ores Limited and a few other companies who have planned the lay-out of their mines in a systematic manner.”

2.1 List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

- a. Manganese Ore
- b. Iron Ore
- c. Ferroalloys

Both Socio-economic assessment and Environmental Impact Assessment have formed an integral part of the process of granting/renewal of mineral concession and the Environment Clearance for setting up/upgradation of Ferroalloys Plant, Power Plant and the Steel Plant. The Company implements the approved development plans in the local area of its operations. The Company’s Mines are in conformity with ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 duly certified by Indian Register Quality Systems and Ferroalloy plant is ISO 9001-2015 certified by Bureau of Veritas. ISO audit examines various social and environmental parameters and assess the measures taken by the Company there by improving the quality standards of products and mitigating risk associated with the mining and manufacturing processes involved with the above products.

2.2 For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product:

a. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

The Company endeavors optimum consumption of resources such as electricity, fuel oil, lubricant oil, raw material and water. Energy audits are routinely carried out, both at the mines and plant, and the recommendations implemented. The energy audits also help in identifying and prioritizing energy efficient technological measures and savings opportunities.

b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Not applicable, since our products are intermediary products for manufacture of steel and allied products.

2.3 Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

No raw material sourcing is required for the mining operations. In the case of ferro-alloys production major portion (about 85 %) of strategic raw material like Mn Ore from captive mines is transported though road

Business Responsibility Report

transportation. In case of Coke production, 100% of strategic raw material which is Coking Coal is sourced through importing from different countries. The sustainable sourcing procedure adopted for Coking Coal procurement is placing orders well in advance to schedule discharge of shipments and transportation through trucks/trains to meet consumption requirement.

2.4 Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Generating employment for local resident and improving their standard of living has been Company's primary objective from the date of its incorporation.

Apart from direct employment of skilled and unskilled persons from the local villages in both mining and ferroalloy operations, the Company also creates employment opportunities in logistic (road transport) operation. The Company encourages deployment of transport trucks and machineries owned by local villagers. In addition, small contracts for civil works, supply of water, services like material handling (loading/unloading), waste haulage, maintenance contracts etc., are largely offered to the local people depending upon their knowledge and ability.

2.5 Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

All waste oil generated in the manufacturing process is collected through drain ports and stored in leak proof drum before being disposed off to agencies duly authorized for recycling.

The Company's water management plan includes rainwater harvesting, a water target to improve the efficiency and recycling of used water from the kitchens, bathrooms and laundry, and a water risk review to assess risks and opportunities associated with biodiversity. Recycled water (including from Sewage Treatment Plant) is used for dust suppression caused by vehicular traffic.

The Ferro Manganese (FeMn) slag which was produced previously during FeMn production is recycled by converting into bricks and introducing in the raw material charge mix for Silicomanganese (SiMn) production. This helps in recovering the Manganese content available in the FeMn Slag. About 18,000 to 20,000 Tonnes per annum of FeMn slag bricks are recycled and used for production. Likewise, the Company has enabled a vendor to set up a M-sand unit within the plant premises using SiMn slag.

The Company's MFA plant is a 'Zero' discharge plant. The blow down water from the power plant is re-used in the quenching of coke. Treated water is re-used /recycled in

Coke oven quenching system. Coke fines generated in quenching becomes wet and are collected in settling pond and recycled. All process waste water generated inside the plant at different points (Ferro-alloys and Coke Oven) are recycled in settling ponds. Waste water generated from various processes is recycled back or used for dust suppression & green belt development. No water is discharged outside the plant.

These initiatives have enabled us to recycle/re-use 100% of our waste generated.

Principle 3: Businesses should promote the wellbeing of all employees

SMIORE family comprises of talented and inspired professionals who contribute towards Company's vision and success. The success of Company's business and quality of work wholly rests on the ability and commitment of its employees. Endeavour of the Company has always been to provide a safe and healthy work environment to its all the employees.

During the COVID 19 Pandemic time, the Company has put in place 'COVID 19 Epidemic Management' (CEM) system as a prevention and control mechanism for arresting the spread of virus. The Company has taken extensive steps and formed task forces at various levels to safeguard and protect nearly 5000 employees, direct and indirect, and their families. About 150 employees - Directors, Senior Executives and Officers are engaged in monitoring and implementing various preventive and control measures for safety of the employees. Continuous engagement and monitoring by task force enabled the Company containing the spread of virus and safeguarding the lives of its almost entire work force.

In continuation to above measures, the Company also facilitated vaccination at Company's hospitals in Deogiri, Subbarayanahalli, Occupational Health Centre at the Plant and the **Government Hospital at Sandur** to the employees and their family members free of cost.

Also, several welfare programmes have been carefully planned and effectively implemented over the years under the guidance of Company's founder Patron M. Y. Ghorpade, for more than 3000 direct and indirect employees. The welfare programmes are tailored with priority for right to food, clothing, housing, medical care and education.

The welfare programmes include:

- o Subsidized LPG (cooking gas) - 8 cylinders a year with up to 90% subsidy over Govt. subsidized rates;
- o Free solar heated water;
- o Free electricity to employees in Company's colonies;
- o Free consultation and medication at Dispensaries and Hospitals at Sandur, Mining Camps at Deogiri & Subbarayana Halli, Swamihalli & Yeshwanthnagar, and Occupational Health Centre at the Plant;

- o Medical expenses entitlement - 20% of annual salary every year over and above the requirement of chronic ailment medication at subsidized cost for employees and their dependents;
 - o Generous and almost full reimbursement of cost of treatment/surgeries in case of major ailments for employees and their dependants;
 - o Festival gifts for Ugadi, Deepavali, Ramzan and Christmas;
 - o Cash gift for clothing - ₹ 2000 to ₹ 12,500 to every employee every year;
 - o Cash gift for marriage of employees and their children - ₹ 10,000 to ₹ 1 lakh (subject to fulfilment of specified criteria);
 - o Scholarships to meet total fee (based on Government fee) for PUC, Degree courses, Engineering, Medicine; and other professional courses;
 - o Scholarships for study in Sandur Residential School, Sandur Polytechnic and SMIORE PU College; and
 - o Funeral expenses and financial help in the event of death in family.
- The most popular welfare programme of the Company, implemented effectively and continuously sustained for the last five decades, is supply of subsidised food grains at prices prevalent in 1972. The Company provides to all its employees (2324 in all) the facility of a Ration Card which entitles every employee to a package of 16 essential food commodities, which is sufficient for a family of about 5 for a month, at a cost of ₹ 145/- for the whole package, as against the actual cost of about ₹ 3,250/-, thus, largely insulating them from inflation and protecting their real wages and quality of life.
- Through the Food Security Scheme, the Company provides a subsidy of nearly ₹ 9 crore per annum.

Details of Employees of the Company are as under:

3.1	Total number of employees	2324		
3.2	Total number of employees hired on temporary/contractual/ casual basis	-		
3.3	Number of permanent women employees	192		
3.4	Number of permanent employees with disabilities	08		
3.5	Do you have an employee association that is recognised by management?	Yes - SMIORE Workers Union is registered body with Registration No.32/BD dated 26 July 1969 and is affiliated to Indian National Trade Union Congress (INTUC) with affiliation No.4442 dated 30 December 1972		
3.6	What percentage of your permanent employees is members of this recognized employee association?	96.85%		
3.7	Number of complaints relating to child labour, forced labour involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year	Category	Complaints filed during FY 2020-21	Complaints pending during FY 2020-21
		Child labour / forced labour / Involuntary labour	Nil	Nil
		Sexual harassment	Nil	Nil
		Discriminatory employment	Nil	Nil
3.8	What percentage of under-mentioned employees were given safety & skill up-gradation training in the last year?	Category	Safety Training	Percentage Skill Upgradation Training
		Permanent Employees	100%	20%
		Permanent Women Employees	100%	20%
		Casual / Temporary / Contractual Employees	NA	NA
		Employees with disabilities	100%	NIL

Business Responsibility Report

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

Over the years, the Company has made a concerted effort to align the interests of local communities in the areas that the Company operates, on the basis of mature and respectful partnership. The Company recognizes that it must engage in consultation with local community stakeholders at all the stages of its operations, including mine closure and post-closure activities. Continuous consultations are carried out with local communities in the buffer zone of the mining lease and the surroundings of the Plant during various stages of operations that could impact/affect their lives. The Company engages in robust focus group discussions with community leaders and local community stakeholders to address different areas of concern and sharing of information.

Dedicated community liaison teams maintain regular and open dialogue with stakeholders, particularly local communities and undertake various community-related initiatives including preferential employment of local people, training and skill-development of locals, promoting and assisting local small businesses and self-help activities.

Based on one such stakeholders' consultation, the Company has, in the interest of public, undertaken construction of 35 kilometers of external roads surrounding the mining area at a cost of ₹ 85 crore to mitigate the impact of dust due to transportation of ores through trucks. The cost of construction of these external roads is being shared by other mining lessees and customers in the region.

Company's sustained efforts in the direction of socio-economic reconstruction and service, over the years, has set the tone and road map for the Company's progressive growth.

4.1 Has the company mapped its internal and external stakeholders? Yes/No

Yes, the Company has mapped its internal and external stakeholders for the purpose of stakeholder engagements. The Company values its stakeholders and the Company's CSR initiatives are aimed at building trust and mutually rewarding partnerships with internal and external stakeholders who also exhibit some of the Company's core values and form an important part of its journey as a sustainable organization. The key stakeholders are as follow:

Internal:

- (a) Board members
- (b) Promoters
- (c) Employees

External:

- (a) Government and Other Regulatory Authorities;
- (b) Customers; Shareholders;

- (c) Local Community; and
- (d) NGO's and other stakeholders.
- (e) Vendors

4.2 Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

Yes. The Company engages in robust consultation with local government bodies, people's representatives, district and local Government authorities and surveys to identify the disadvantaged, vulnerable & marginalized stakeholders as beneficiaries for Company's scholarship programmes, health and sanitation programmes like toilet construction, health camps for cancer detection, woman and child care including prevention of child labour, cardiac care, pediatrics, orthopedics and ENT including specialized eye care.

SMIORE has always been benevolent in providing employment to locals in and around Sandur, Mines and Plant. The Company strives to give proportionate and fair representation to various communities and castes. It endeavors to achieve gender equality and provide more opportunities to girls/women. The Company has also provided employment to many young widows, for them to have a decent life, by introducing lady security guards for taking care of children in the schools supported by the Company. Preference is given to differently-abled and transgender candidates.

4.3 Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

SMIORE has consistently done its bit in the welfare of the area and the surrounding villages. Education and Health are the thrust areas in which SMIORE has paid special attention. Some of the noteworthy social service activities of the Company are as follows:

- o Support to educational institutions, Primary Schools, High Schools, Pre-University Colleges and a Polytechnic, which together represent about 5500 students and about 250 teachers.
- o Scholarships for studies to needy and meritorious students.
- o Free Vocational Training for better Employability to local boys and girls in trades such as Electrical Wiring, TV Repair, Welding, Fitting, Plumbing, Carpentry, Masonry, Horticulture and Computer Operation.
- o Aid to Special Training Centre for rural children's education and prevention of child labour. Cash incentives to such parents to leave their children for study in such schools.
- o SMIORE Academy of Teachers Training for teachers.
- o Dispensaries and hospitals in employee colonies and also almost a full-fledged hospital in Sandur, with

special emphasis on eye care, woman and child care, and regular specialty treatment camps by expert doctors.

- o Free eye camps 3 to 4 times every year. Financial help and arrangement for medical care to patients from poor families suffering from major ailments.
- o Outreach programmes for primary eye and health check-up in the neighbouring villages.
- o Construction of houses for flood affected victims.
- o Contributions for development works in Ballari District.
- o De-silting of lakes around the mines and other locations.
- o Repair and Construction of roads in local areas.
- o Support to the Sandur Kushala Kala Kendra (SKKK) for nurturing traditional art and craft and for creation of opportunities for supplemental income to dependents of employees and local artisans, especially tribal and backward women of the area.
- o A multipurpose hall, Adarsha Community Centre, provided almost free of charge to employees and local population of Sandur, for marriages and other events.
- o Immediate relief to fire accident victims of surrounding villages by way of free cloth, food grains, etc.
- o Medical help to victims of man-animal conflict in Ballari district.

Principle 5: Businesses should respect and promote human rights

5.1 Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

SMIORE understands that human rights represent respect for individuals and communities and is committed to safeguarding these rights. The Company upholds fundamental human rights in its human resource practices/policies while dealing with its direct and indirect employees. Human Rights are a fundamental precept of all Company policies. The Company also mandates its suppliers/contractors etc. to ensure compliance with various applicable labour statutes in respect of their employees/workers.

The Company caters to the right of the employees to work in just and favorable conditions (safe and healthy) and upholds the dignity of every individual associated with it. Policy on Prevention of Sexual Harassment (POSH) of Company, promotes a free, fair and discrimination free working environment for employees and provides a mechanism for raising concerns and resolution of disputes.

The Company has a 'Quality, Environmental, Occupational Health and Safety Policy'. The Company's Occupational Health & Safety Management Systems are in conformity with the OHSAS 18001:2007 Standards.

5.2 How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No stakeholder complaints were received in the past financial year.

Principle 6: Business should respect, protect, and make efforts to restore the environment

As part of the Reclamation & Rehabilitation (R&R) Plan prescribed by the Indian Council of Forestry Research & Education (ICFRE) as per the orders of the Hon'ble Supreme Court, SMIORE is implementing Supplementary Environment Management Plan (SEMP) at an estimated cost of about ₹ 71 crore by undertaking (1) Waste Dump Management - consolidation and geo-textile greening, construction of toe walls, retaining walls and gully plugs; (2) Water Flow Management - constructing drains, dams, silt settling and water harvesting pits; and (3) Green Cover Management - plantations and avenue trees.

Environmental impacts throughout the operations is minimized through the adoption of effective environmental management which includes the following elements:

- o Environmental Impact Assessment (EIA) and preparation of Environment Management Plan (EMP) both during mine planning and in the process of implementing projects at the Plant;
- o Economically viable mineral development within the carrying capacity of the Environment
- o Scientific mining with efficiency-increasing technologies, mining and management practices
- o Biodiversity management including mitigating the effects on flora and fauna and preventing pollution of rivers, streams and creeks;
- o Pollution control in respect of airborne contaminants, noise and vibration;
- o Management of hazardous substances including process reagents, oil and fuel;
- o Management of water including that generated during mining operations, mineral handling and processes, ferroalloy operations etc.

Environmental Impact Assessment (EIA) has been carried out and an Environment Management Plan (EMP) prepared for the Mines and the Plant. Through this EIA/EMP Report, an attempt has been made to identify and list all possible aspects, which could generate significant impact on different environmental attributes during various phases of operations and the implementation of the Projects. An Environment Management Cell (EMC) has been set up, which is responsible for ensuring compliance with Environment Management Plans for the Mines and MFA Plant.

Business Responsibility Report

EMC undertakes monitoring of the environmental pollution levels by measuring fugitive emissions, ambient air quality, water and effluent quality, noise level etc., either departmentally or by appointing external agencies wherever necessary. In case, the monitored results of environmental pollution are found to exceed the allowable values, the EMC suggests remedial action and ensure that the same are implemented through the concerned officers in-charge of respective operations. EMC coordinates all the related activities such as collection of statistics with respect to the health of workers, population of the region, afforestation and green belt development/ plantation.

EMC carries out periodic audits and routinely report to the person heading the Mines/Plant. Further, non-compliances/ infringements of the forest and environment laws, if any, are required to be brought to the notice of the head of the Mines/Plant. The EMC lays down Standard Operating Procedures for implementing the Environment Management Plan and bring to the notice of the Committee any non-compliances/infringements and appropriate remedial measures thereof. EMC prepares half-yearly reports on EC Compliance for submission to the Ministry of Environment, Forests and Climate Change (MOEFCC).

The EMC checks the operation of Pollution Control Equipment, Waste Management, Greenery Management, regular compliance to conditions of Environment Clearance (EC), Forest Clearance (FC), Consent for Establishment (CFE) and Consent for Operation (CFO), maintenance of statutory documents, regular statutory audit and arranges trainings related to Environmental Protection etc.

The Company is maintaining a green cover over about 250 hectares in the mining lease area and is in the process of developing green cover over 45 hectares within its MFA Plant by developing and maintaining in-house nurseries with about 2.5 lakh saplings consisting of variety of native species. The MFA plant also has an in-built organic converter where kitchen waste is used to convert into compost for use in the Nursery. The Mines too creates its own compost for its nurseries through vermicomposting.

The MFA plant has created a water reservoir with storage capacity of 25 million liters populated with native species of fishes.

As part of upgradation of the ferroalloy plant and setting up of the new coke oven plant, the Company has also upgraded the entire pollution control equipment to ensure that air and water pollution are well within the prescribed norms. In the Coke Oven project, the Company has decided to store coking coal and coke under covered sheds, thereby, preventing air and water pollution.

With an objective to reduce dust pollution during mining and ore transportation process, the Company has taken up tarring/concreting of 32 kilometres of roads within mining areas and 35 kms of roads outside mining areas. Further, the Company is setting up a Down Hill Conveyor System with 300 tonnes per hour capacity to convey sized-ore to

one of the railway sidings, thereby eliminating significant truck movements which otherwise would generate dust pollution.

6.1 Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others

The policies cover the Company and all its contractors operating within its premises.

6.2 Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.? Yes / No. If yes, please give hyperlink for webpage etc.

Yes. The Company recognizes the need to address the global environmental issues such as climate change, global warming, etc., and endeavors to contribute its utmost to reduce climate change and global warming. Against the statutory requirement to plant 1.11 lakh trees as stipulated under the SEMP, the Company has planted more than 35 lakh saplings with about 70% survival within its mining leases. Also, as against a requirement of 34 Ha of green belt creation as stipulated in the Environmental Clearance for 1 mtpa steel plant, the Company has decided to create 11 ha of additional green belt. These initiatives can be viewed at <https://www.sandurgroup.com/SDF.html>.

6.3 Does the Company identify and assess potential environmental risks? Yes / No

Yes, the Company has defined methods of identifying and assessing potential environmental risks. It carries out Environmental Impact Assessment of operations/ activities to identify impacts on the surrounding environment and initiate mitigation measures accordingly.

EIA for all its mines and industrial activities has been conducted and mitigation measures are being implemented as per the EMPs duly approved by the appropriate authorities. Regular monitoring of environmental parameters is carried out to ensure the effectiveness of the measures implemented and to comply with the CPCB / MOEFCC guidelines. Moreover, Disaster Management Plan (DMP) and Emergency Action Plan (EAP) have also been prepared and implemented for the Plant. The Environment Management Systems at the Mines are in conformity with the ISO 14001:2015 Standard. Environmental monitoring and audits are being carried out both at the Mines and the Plant to check that the environmental management measures are being satisfactorily implemented and are delivering the appropriate level of environmental performance. The system is being monitored periodically by the regulatory authorities. Further, as per the directions of the Hon'ble Supreme Court, Indian Council of Forestry Research & Education (ICFRE), Dehradun has reviewed the environmental protection measures being adopted by the Company and suggested for improvements in the form of Supplementary Environment Management Plan.

6.4 Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

Yes, the Company has taken up upgradation of its entire pollution control equipment to ensure that all emissions from plant operations are well within prescribed norms. Necessary environmental compliance report is filed on quarterly basis with Pollution Control Board.

6.5 Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc? Yes / No. If yes, please give hyperlink for web page etc.

Company is targeting to generate its entire requirement of non-production energy from solar energy by installing solar products like water heaters, street lighting systems, home lighting systems, industrial power systems.

During the FY 2020-21, the Company has installed solar based devices with an aggregated installed capacity of 296.80 kW to replace a part of its total requirement of electricity. The details of these installations are as given below:

Product Description	Total Installed Capacity (KW)
Solar Home Lighting System	151
Solar Street Lights	136
Solar Power Plants (Commercial)	9
Solar Pump	1
Total	297

With a focus to completely eliminate utilisation of thermal coal for power generation for ferro alloys production, the Company has set-up Waste Heat Recovery Boilers and is producing power using waste heat from Coke Oven plant. The Waste Heat Recovery Boiler, which is a co-generation plant as classified by the Government of Karnataka, has potential to generate about 212 mu per annum. Further details can be viewed at <https://www.sandurgroup.com/SDF.html>.

6.6 Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?

Yes. All emissions & wastes generated by the Company are monitored on a regular basis and are within permissible limits as specified by CPCB/SPCB. Also, the returns are filed regularly with the statutory authorities as per requirement.

6.7 Number of show cause / legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year.

Nil

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

7.1 Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.

The Company is member of Federation of Indian Mineral Industries, New Delhi (FIMI) and Indian Ferro Alloy Producers Association, Mumbai (IFAPA), The Associated Chambers of Commerce and Industry of India (ASSOCHAM), New Delhi.

7.2 Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes, following are the broad areas:

- o Sustainable Mining Practices;
- o Energy Conservation; and
- o Inclusive Development.

Principle 8: Businesses should support inclusive growth and equitable development

For us at The Sandur Manganese & Iron Ores Limited (SMIORE), reaching out to underprivileged communities is part of our Philosophy and Culture. This entails transcending business interests and grappling with the "quality of life" challenges that underserved communities face, and working towards making a meaningful difference to them.

SMIORE, for close to six decades, has been consciously contributing towards Social improvement and shall continue to have among its objectives the promotion and growth of the society.

The Company's CSR Policy identifies broad areas in which the company will undertake projects and serves as a guiding document to help execute and monitor CSR projects. Also, during the time of COVID 19 pandemic, the Company has put in place 'COVID 19 Epidemic Management' (CEM) system for prevention and control Measures and safeguard the lives of employees and their families which is defined under Principle 3 of this report.

8.1 Does the Company have specified programme/ initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.

To support inclusive growth and equitable development, the Company has undertaken the following programmes:

1. SMIORE CSR Education Programme:

a. Scholarships:

The Company has instituted Sandur Vidya Protsaha Scholarships (SVPS) to help children of needy persons

Business Responsibility Report

of Sandur and surrounding areas to get better education by giving scholarships, on a merit – cum – means basis. Scholarships for children are given in the below mentioned educational institutions:

- (i) Sandur Residential School, Sandur
- (ii) Sandur Girls Residential School, Vyasanakere
- (iii) Sandur Polytechnic, Yeshwantnagar
- (iv) SMIORE Vyasapuri PU College, Vyasanakere
- (v) SMIORE Vyasapuri High School (English Medium), Vyasanakere
- (vi) SES Vidyamandir PU College, Sandur

b. Prevention of Child Labour

Reimbursement of expenses over and above the Central and State Government Grants, to meet expenses of M. Y. Ghorpade Special Training Centre.

2. SMIORE Health & Sanitation Programme:

The Company is pursuing its Health and Sanitation Programme by way of construction of toilets (toilet blocks/ individual toilets) in villages falling in the buffer zones of the mining lease area and the Plant.

The Company is pursuing its Health and Sanitation Programme by way of construction of toilets (toilet blocks/ individual toilets) in villages falling in the buffer zones of the mining lease area and the Plant.

SMIORE has also facilitated Covid 19 vaccination at its Hospitals in Deogiri, Subbrarayana Halli, Occupational Health Center in the Plant and Government Hospital in Sandur to the employees of the Company and their family members free of cost.

3. Community Development

The Company often receives requests for contributions towards various social causes such as drilling borewells, etc. from district and local Government Authorities, Peoples Representatives, and local government bodies.

4. Corporate Environment Responsibility

Ministry of Environment, Forest and Climate Change (MOEFCC), Government of India, while according the Environment Clearance (EC) for SMIORE's 1.0 Mtpa Steel Plant in June 2018, has stipulated that an amount equal to 3% of the project cost has to be spent concurrently along with the project implementation towards Enterprise Social Commitment (ESC). The Ministry has since modified ESC as Corporate Environment Responsibility (CER). Under CER, expenditure can be incurred under nine specified heads viz., Rural Sanitation, Provision of Drinking Water Facilities, Supporting Education, Rural Health, Promotion of Sports, Promotion of Cultural and Religious Faith, Roads and Infrastructure, Local Body Recommendation and Support to Forest Development, Environment and Wildlife.

The objectives and spirit of CER is well dovetailed with the ETHOS and VALUES of SMIORE. SMIORE considers CER as an opportunity to serve the local villages rather than fulfillment of any Government stipulated compliance. Even though the approval of MOEFCC for the Project was received in June 2018, SMIORE had started implementation of CER Programme from FY 2017-18 itself, immediately following the Public Hearing for the Project held in July 2017. This clearly demonstrates the commitment of SMIORE towards society.

8.2 Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organisation?

SMIORE CSR Education Programme and SMIORE Health and Sanitation Programme are being implemented through Karnataka Seva Sangha (KSS), a Charitable Trust formed under Indian Trust Act, 1882.

Community Development initiative and other activities undertaken based on stakeholders consultation as part of Corporate Environment Responsibility (CER) is undertaken directly by the Company.

8.3 Have you done any impact assessment of your initiative?

Yes, routine impact assessment of the various initiatives is carried out and recommendations/feedbacks are incorporated towards alignment of our program.

8.4 What is your Company's direct contribution to community development projects - Amount in and the details of the projects undertaken?

₹ in crore

Sl. No.	Activities	Amount spent (2020-21)
1	Rural Sanitation	0.34
2	Provision of drinking water facilities	0.01
3	Supporting Education Programme	2.89
4	Rural Health Programme	0.96
5	Promotion of Sports	0.01

6	Promotion of cultural / religious faith	0.54
7	Roads and Infrastructure	1.07
8	As per local body recommendation	0.32
9	Support to forest development, environment and wildlife	-
10.	Promotion of Traditional Arts and Handicrafts Programme	0.43
11	Prevention of Child Labour	0.06
Total		6.64

8.5 Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Initiatives in pursuit of this principle of 'inclusive growth and equitable development' are undertaken by the Company in consultation with the stakeholders. The Company has specially appointed personnel with Masters in Social Welfare (MSW) to conduct survey of villages in the vicinity of the mining area and the plant operations to understand the requirement of the villagers. The Company has adopted Kammathuru village and undertaken various infrastructural development activities. The dedicated team of Welfare department not only interacts with the villagers to identify their requirement but also arranges various counselling and awareness programmes to inculcate the habits to change their lifestyle but also for their better health, safety and development. Consequent to the Company's initiative of participating in the Swacchh Bharat Mission and construction of Public Toilets and the Individual Toilets, many of the villages have been declared to be Open Defecation Free (ODF) and the counselling of the villagers and more particularly the Panchayat Members has resulted in committees being formed in the villages to ensure use of toilets.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

9.1 What percentage of customer complaints / consumer cases are pending as on the end of financial year

There are no customer cases / complaints pending as on the end of FY 2020-21.

9.2 Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)

Not applicable as the industry is not governed by any regulations with respect to product labelling.

9.3 Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as on end of financial year?

No

9.4 Did your Company carry out any consumer survey / consumer satisfaction trends?

SMIORE periodically conducts a Customer Satisfaction Survey and senior level officers interact with the customers to assess their satisfaction levels about the quality of the goods supplied by the Company. Officers from the Quality Assurance Department visit the premises of the customers to address the grievances, if any.

for and on behalf of Board of Directors

Place: Bengaluru
Date: 12 August 2021

T. R. Raghunandan
Chairman
DIN:03637265

Corporate Governance Report

For the Financial Year 2020-21

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes that corporate governance is about maximizing stakeholders' value legally, ethically and sustainably. The Company's corporate governance reflects the value system encompassing its ethos, culture, principles, policies, and relationship with internal and external stakeholders. The Company further believes in and implicitly adopts values like transparency, accountability, fairness and integrity in its governance. The Company aims to achieve this by ensuring effective relationship with stakeholders, establishing systems that help the Board in understanding risk appetite and monitoring risk and providing long-term visibility of its business at every stage of corporate evolution process. The Company is committed to highest standards of corporate governance and disclosure practices to ensure that its affairs are managed in the best interest of all stakeholders. The Company believes in improving the governance standards continuously and thereby achieving the Company's goal of enhancing corporate value by deepening societal trust.

Ethics/Governance Policies:

The Company adheres high ethical standards to ensure integrity, transparency, independence and accountability to improve the overall governance standards of the organization and its relationships with stakeholders. Therefore, the Company has adopted various codes and policies to carry out business in an ethical manner. Some of these codes and policies are:

- Code of Conduct & Ethics for Board & Senior Management
- Code of Conduct & Ethics policy for Employees
- Code of Conduct for Fair Disclosure of Unpublished Price Sensitive Information
- Code of Conduct to Regulate, Monitor & Report Trading by Insiders
- Whistle Blower Policy
- Policy on Materiality of Related Party Transactions
- Corporate Social Responsibility Policy
- Board Diversity and Nomination & Remuneration Policy
- Board Evaluation Framework
- Policy for Determining Material Subsidiaries
- Risk Management Policy

- Familiarisation Programme for Independent Directors
- Policy on Preservation of Documents
- Archival Policy
- Policy on Determination of Materiality of Events
- Business Responsibility Policy
- Dividend Distribution Policy

BOARD OF DIRECTORS

Composition and category of Directors:

The Board of Directors provide leadership and guidance to the management. It directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. The Company has a fully engaged and well-informed Board, with qualifications and experience in diverse areas. The Board composition is in conformity with Regulation 17 of Listing Regulations read with Section 149 of the Companies Act, 2013 ("the Act").

The Company's Board has an optimum combination of Executive, Non-Executive and Independent Directors including an Independent Woman Director. During the financial year 2020-21 the Board was appropriately rightsized with resignation of few old Directors and induction of new directors. The Board size was reduced from 14 (fourteen) during the previous financial year to 8 (eight) during the current year. Details of appointments and resignations of Directors and Key Managerial Personnel (KMP) have been provided as part of Board's report under the heading Directors and KMP. As on 31 March 2021 and the date of this report the Board consists of eight members (two Executive Directors, four Independent Directors (including one-woman Independent Director) and two Non-executive Directors). The Chairperson of the Board is a Non-executive Director. The composition of Board is in line with the requirements of applicable provisions of law. All the directors are adequately qualified, professional and have vast experience in diverse arenas.

Board meetings:

The Board meetings are held at least once in a quarter to review the quarterly performance and the financial results, apart from transacting other items of business requiring the Board's attention. Meetings of the Board of Directors are generally held at the Company's Corporate Office in Bengaluru, the Registered Office in Sandur and are scheduled well in advance. The Company Secretary, in consultation with the Managing Director, prepares agenda for the meetings. The Board papers are circulated

to directors in advance. Senior management personnel are invited to attend the Board meetings and provide clarifications, as and when required.

The information as specified in Part A of Schedule II of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 [SEBI(LODR) Regulations, 2015] is being regularly placed before the Board. The Board also reviews the declaration made by the Managing Director and the Company Secretary regarding

compliance with all laws applicable to the Company on a quarterly basis.

The Board of Directors met eight times during the financial year 2020-21 i.e., on 19 April 2020, 17 June 2020, 29 June 2020, 2 September 2020, 22 September 2020, 9 November 2020, 10 February 2021 and 17 March 2021. The time gap between any two successive Board meetings did not exceed one hundred and twenty days.

The particulars of Directors, their attendance at Board meetings during the financial year and at the last Annual General Meeting are as under:

Name of Directors	Category / Designation	Board Meetings held during the tenure	Board meetings attended	Last AGM Yes (Y)/ No(N)
T R Raghunandan	Non-Executive Director / Chairman	8	8	Y
Nazim Sheikh	Executive Director / Managing Director ¹	1	1	N
Bahirji A Ghorpade	Executive Director/ Managing Director ²	8	8	Y
S. S. Rao	Non-Executive & Independent Director	8	8	Y
G. P. Kundargi	Non-Executive & Independent Director	8	8	Y
Rajnish Kumar Singh	Executive Director / Director (Corporate) ³	5	4	N
Latha Pillai	Non-Executive & Independent Director	8	8	Y
H. L. Shah	Non-Executive Director	8	8	Y
Jagadish Rao Kote	Non-Executive & Independent Director	8	8	Y
Md. Abdul Saleem	Executive Director / Director (Mines) ⁴	8	8	Y
Mubeen Ahmed Sheriff	Executive Director / Director (Commercial) ⁵	3	3	N
Sachin Sanu	Executive Director / Director (Finance) ⁶	3	3	N

¹ Ceased to be director w.e.f., 16 June 2020

² Inducted as Director (Corporate) on the Board of the Company w.e.f., 1 April 2020 and appointed as Managing Director w.e.f., 17 June 2020.

³ Ceased to be director w.e.f., 23 September 2020.

⁴ Inducted as a Whole-time Director designated as Director (Mines) on the Board of the Company w.e.f., 1 April 2020

⁵ Ceased to be director w.e.f., 2 July, 2020.

⁶ Ceased to be director w.e.f., 2 July, 2020.

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Meeting of Independent Directors

A separate meeting of Independent Directors of the Company without the presence of the Executive Directors & the Management Representatives was held on 17 March 2021 as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25 (3) of the Listing Regulations. At the said meeting, the Independent Directors:

- reviewed the performance of Non- Independent Directors and the Board of Directors as a whole;
- reviewed the performance of the Chairman of the Company, considering the views of Executive Directors and Non-Executive Directors;
- assessed the quality, quantity and timeliness of flow of information between the Management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

All the Independent Directors of the Company attended the meeting of Independent Directors held on 17 March 2021. The Independent Directors expressed their satisfaction to the desired level on the governance of the Board.

Directorships, Committee memberships and Chairmanships in other companies

None of the Directors on the Board is a Director in more than 7 listed entities. None of the Non- Executive Directors is an Independent Director in more than 7 listed entities as stipulated under the Listing Regulations. Further, the Managing Director and the Executive Director do not serve as Independent Directors in any other listed company. None of the Directors held Directorships in more than 20 Indian companies, with more than 10 public limited companies. None of the Directors on the Board is a member of more than ten Committees or Chairman of five Committees (committees being Audit Committee and Stakeholders Relationship Committee) across all Public Companies in India, in which he/she is a Director. Necessary disclosures regarding their directorships and committee positions have been made by all the Directors.

Limit on Directorships /Independent Directorships of listed companies mandated under Regulation 17A of the Listing Regulations is followed by all the Directors.

Number of directorships and committee memberships held by the directors in domestic public companies as at 31 March 2021 are as indicated below:

Name of Directors	Directorships (Excluding this Company)	Listed entities (excluding this Company) where the person is a director and the category of directorship	Committee Memberships ¹ (Excluding this Company)	
			As Chairman	As Member
T R Raghunandan	-	-	-	-
Bahirji A Ghorpade	-	-	-	-
S. S. Rao	4	JSW Energy Limited Non-executive & Independent Director	3	1
G. P. Kundargi	1	Nava Bharat Ventures Limited Non-executive & Independent Director	-	1
Latha Pillai	-	-	-	-
Jagadish Rao Kote	-	-	-	-
H.L. Shah	-	-	-	-
Md. Abdul Saleem	-	-	-	-

Disclosure of relationships between directors inter-se:

None of the directors are related to each other on the Board.

Number of shares and convertible instruments held by non-executive directors:

None of non-executive directors as at 31 March 2021 hold any shares in the Company.

Familiarization programme for Independent Directors:

The Company familiarizes its Independent Directors with their roles, rights, responsibilities in the Company, nature of the Industry in which the Company operates, etc., through various programmes. These include orientation programme upon induction of new Director, as well as other initiatives to update the Directors on an ongoing basis.

Further, the Company also makes periodic presentations at the Board and Committee meetings on various aspects of the Company's operations including sustainability, performance updates of the Company, industry scenario, business strategy, internal control, risks involved and mitigation plan, Health and Safety etc.

The details on the Company's Familiarisation Programme for Independent directors can be accessed at: <http://www.sandurgroup.com/Policies>.

Matrix setting out the skills/expertise/competence of the board of directors:

Matrix setting out the skills/expertise/competence of the directors on the Board as on 31 March 2021 is appended as **Annexure - 'A'** to the Report.

Confirmation that, in the opinion of the Board, the independent directors fulfill the conditions specified in these regulations, and are independent of the management:

The Company has received declarations on criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations from the Directors of the Company who have been classified as Independent Directors as on 31 March 2021. In the opinion of the Board, the independent directors fulfill the conditions specified in SEBI (LODR) Regulations, 2015 and are independent of the management.

Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided:

During the year none of the Independent Directors resigned from the Board.

BOARD COMMITTEES

The Board of the Company is supported and backed by 6 (Six) Committees which play pivotal role in decision making and organizational growth.

- i. Audit Committee
- ii. Nomination & Remuneration Committee
- iii. Stakeholders Relationship Committee
- iv. Corporate Social Responsibility Committee
- v. Sustainability Committee
- vi. Risk Management Committee

The quorum for committee meetings has been as per the Companies Act and SEBI (LODR) Regulations, 2015. The Company Secretary of the company is acting as the Secretary for each of the Committees.

The Project Committee, Product Development Committee

and Financial Planning Committee of the Company constituted for reviewing the implementation of the Stage I of the Iron and Steel (I&S) Project, which comprises of 0.4 MTPA Coke Oven Plant (COP), 30 MW Waste Heat Recovery Boiler (WHRB) and Repair & Refurbishment of Ferroalloy Plant was dissolved in the 346th Board Meeting held on 10 February 2021 consequent to declaration of its commercial production on 18 January 2021.

AUDIT COMMITTEE

In compliance with Regulation 18 of the Listing Regulations read with Section 177 of the Act and Rules made thereunder, the Audit Committee ("AC") has been constituted to monitor and supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and financial reporting.

• **Powers of the Audit Committee:**

- a) to investigate any activity within its terms of reference;
- b) to seek information from any employee;
- c) to obtain outside legal or other professional advice; and
- d) to secure attendance of outsiders with relevant expertise, if considered necessary.

• **Terms of reference of the Audit Committee:**

- a) Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- b) Recommending the appointment, remuneration and terms of appointment of auditors of the company.
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d) Reviewing with the management the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - i) Matters required to be included in the Directors Responsibility Statement in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - ii) Changes, if any, in accounting policies and practices and reasons for the same
 - iii) Major accounting entries based on the exercise of judgment by management
 - iv) Significant adjustments made in the financial statements arising out of audit findings

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- v) Compliance with listing and other legal requirements relating to financial statements
- vi) Disclosure of any related party transactions
- vii) Qualifications in the draft audit report
- e) Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- f) Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer documents/ prospectus/notice and the report submitted by the monitoring agency, and monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take necessary steps in this matter.
- g) Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- h) Approval or any subsequent modification of transactions of the company with related parties.
- i) Scrutiny of inter- corporate loans and investments.
- j) Valuation of undertakings or assets of the company, wherever it is necessary.
- k) Evaluation of internal financial controls and risk management systems.
- l) Reviewing with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- m) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- n) Discussion with internal auditors of any significant findings and follow up there on.
- o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as having post-audit discussion to ascertain any area of concern.
- q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- r) To review the functioning of the Whistle Blower mechanism.
- s) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background of the candidate.
- t) Carrying out any other function as mentioned in the terms of reference of the Audit Committee.
- u) The audit committee shall mandatorily review the following information:
 - i) management discussion and analysis of financial condition and results of operations;
 - ii) statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - iii) management letters / letters of internal control weaknesses issued by the statutory auditors;
 - iv) internal audit reports relating to internal control weaknesses;
 - v) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
 - vi) statement of deviations:
 - » quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - » annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
 - v) Carrying out any other function as may be referred to the Committee by the Board.
 - w) Authority to review / investigate into any matter covered by Section 177 of the Companies Act, 2013 and matters specified in Part C of Schedule II of the Listing Regulations.
 - x) Consider matters relating to Company's Code of Conduct and such matters as may be referred by the Board, from time to time.

Composition and attendance during the year

The Audit Committee met five times during the financial year, on 17 June 2020, 29 June 2020, 2 September 2020, 9 November 2020 and 10 February 2021. The interval between any two successive meetings did not exceed one hundred and twenty days. The quorum as required under the Listing Regulations was maintained at all the meetings. The meetings are scheduled well in advance.

G. P. Kundargi, the Chairman of the Audit Committee was present at the Annual General Meeting held on 23 September 2020 to answer the queries of the shareholders.

Composition, names of the members and their attendance at meetings during the financial year are as under:

Name	Designation	Category	No. of meetings held during the tenure	No. of meetings attended
G. P Kundargi	Chairman	Non-Executive & Independent Director	5	5
S. S. Rao	Member	Non-Executive & Independent Director	5	5
T. R. Raghunandan	Member	Non-Executive Director	5	5
Latha Pillai	Member	Non-Executive & Independent Director	5	5
H.L. Shah	Member	Non-Executive Director	5	5
Jagadish Rao Kote	Member	Non-Executive & Independent Director	5	5

The Audit Committee is duly constituted in compliance with the SEBI (LODR) Regulations, 2015 with members who are financially literate and members having accounting or related financial management expertise. G. P Kundargi, a Non-Executive and Independent Director, is the Chairman of the Committee.

The Audit Committee meetings are usually attended by the Managing Director, Director (Mines), Chief Financial Officer, and the respective departmental heads, wherever required. The Company Secretary acts as the Secretary of the Audit Committee. The Statutory Auditors and Internal Auditors also attend the Audit Committee meetings by invitation.

All the recommendations of the Audit Committee have been accepted by the Board of Directors.

During the year, the Audit Committee reviewed key audit findings covering operational, financial and compliance areas. The Chairman of the Audit Committee briefed the Board members on the significant discussions which took place at Audit Committee meetings.

NOMINATION AND REMUNERATION COMMITTEE (NRC)

Remuneration Committee was constituted in April 2002 to consider and recommend to the Board, appointment, re-appointment and remuneration payable to whole-time directors, KMPs and senior management personnel. Nomination and Remuneration Committee is duly constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and in compliance with the SEBI (LODR) Regulations, 2015.

Terms of reference of the Nomination & Remuneration Committee:

1. 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;
2. formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. devising a policy on diversity of board of directors;
4. 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/or removal.
5. 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.

Composition and attendance during the year

The NRC of the Board consists of 6 Board members. Latha Pillai, Non-Executive and Independent Director is the Chairperson of the Committee. The Company Secretary acts as Secretary to the Committee.

Latha Pillai, Chairman of the Nomination and Remuneration Committee, was present at the Annual General Meeting held on 23 September 2020 to answer the queries of the shareholders.

During the year, the Committee met six times on 19 April 2020, 17 June 2020, 29 June 2020, 9 November 2020, 10 February 2021 and 17 March 2021.

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Composition, names of the members and their attendance at meetings during the financial year are as follows:

Name	Designation	Category	No. of meetings held during the tenure	No. of meetings attended
Latha Pillai	Chairperson	Non-Executive & Independent Director	6	6
T R Raghunandan	Member	Non-Executive Director	6	6
S. S. Rao	Member	Non-Executive & Independent Director	6	6
G. P. Kundargi	Member	Non-Executive & Independent Director	6	6
H. L. Shah	Member	Non-Executive Director	6	6
Jagadish Rao Kote	Member	Non-Executive & Independent Director	6	6

Annual performance evaluation

The evaluation of all the directors, committees, Chairman of the Board, and the Board as a whole was conducted based on the criteria and framework adopted by the Board as framed by the Nomination and Remuneration Committee. The parameters for evaluation of Board performance, as laid under evaluation criteria adopted by the Company as recommended and finalized by the Nomination and Remuneration Committee to protect and enhance shareholder value as well as fulfil expectations of other stakeholders through strategic supervision of the Company.

Criteria of evaluation:

A) Board as a Whole

a. Structure of the Board

(Competency of the directors, experience of directors, mix of qualifications, diversity in Board under various parameters, appointment to the Board)

b. Meetings of the Board

(Regularity of meetings, frequency, logistics, agenda, discussion and dissent, recording of minutes, dissemination of information)

c. Functions of the Board

(Role and responsibilities of the Board, strategy and performance evaluation, governance and compliance, evaluation of risks, grievance redressal for investors, conflict of interest, stakeholder value and responsibility, corporate culture and values, review of Board evaluation, facilitation of independent directors)

d. Board and management

(Evaluation of performance of the management and feedback, independence of management from the Board, access of the management to the Board and Board access to the management, secretarial support, fund availability, succession plan)

e. Professional development

B) Committees of the Board

- Mandate, composition and working procedure of Committees of the Board of Directors
- Effectiveness of the Committees
- Structure of the Committees and meetings
- Independence of the Committees from the Board
- Contributions to decisions of the Board

C) Individual Directors (including Chairperson, Managing Director (CEO), Independent Directors, Non-independent Directors)

Qualification, experience, knowledge & competency, fulfilment of functions, ability to function as a team, initiative, availability & attendance, commitment, contribution and integrity

Additional criteria for Independent Director

- Maintenance of independence and no conflict of interest.
- Exercise of objective independent judgment in the best interest of the Company;

Additional criteria for Chairperson

- i) Effectiveness of leadership and ability to steer the meetings
- ii) Impartiality
- iii) Ability to keep shareholders interest in mind

The Board of Directors of SMIORE has made annual evaluation of its performance, its committees and directors for the financial year 2020-21 based on aforesaid criteria. Details on Board evaluation done during the financial year are forming part of Board's report under the heading Board Evaluation.

Remuneration of Directors and KMP:

The Nomination and Remuneration Committee is responsible for reviewing and making recommendations to the Board on:

- a) the remuneration of the Managing Director, Whole-time Directors and KMPs

- b) the total level of remuneration of Non-Executive Directors and for individual remuneration for Non-Executive Directors;
- c) the remuneration policies for KMPs, senior management personnel and other employees

The remuneration policy is to pay salary / compensation and benefits adequately so as to attract, motivate and retain talent. Detailed policy on Nomination and Remuneration of Directors, Key Managerial Personnel (KMP) and other employees can be accessed at the Company's website <https://www.sandurgroup.com/Policies.html>

Remuneration to whole-time directors:

The whole-time directors are remunerated in accordance with special resolutions passed by the shareholders. During the financial year 2020-21, the Managing Director has been remunerated in accordance with the special resolutions passed by the shareholders at the 66th Annual General Meeting on 23 September 2020 and Director (Mines) has been remunerated in accordance with the special resolution passed by the shareholders through postal ballot on 1 July 2020.

Details of remuneration paid to the whole-time directors for the year 2020-21: (₹ in lakh)

Name of Director	Salary	Perquisite	Contributions	Commission	Terms
Bahirji A Ghorpade Director (Corporate)	1.90	4.20	0.51	43.50	From 1 April, 2020 till 16 June, 2020
Bahirji A Ghorpade (Managing Director)	35.97	73.11	9.71		From 17 June 2020
Md. Abdul Saleem Director (Mines)	24.48	54.28	6.61	43.50	From 1 April, 2020
Nazim Sheikh (Managing Director)	13.48	274.32	3.64	-	From 1 April 2017 till 16 June 2020
Rajnish Singh Director (Corporate)	13.72	38.15	3.71	-	From 1 January 2018 till 23 September 2020

¹ includes contribution to Provident and other funds but does not include contribution towards Gratuity and Leave salary, as these are determined on an actuarial basis for the Company as a whole.

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Presently, Company has not issued any stock options and accordingly they do not form part of the remuneration package. Also, there is no variable component in the remuneration except for payment of commission as a percentage of profit and there is no severance fee. Service contracts exist with the whole-time directors which contain their terms and conditions including remuneration, notice period etc., as approved by the members. The agreements may be terminated by either party at any time by giving three months' notice to the other party.

Remuneration to Non-Executive directors:

The non-executive directors receive sitting fee for attending meetings of the Board and its Committees, and reimbursement of expenses incurred on travelling and stay in case of outstation directors. The Company had no direct pecuniary relationship or transactions with any of the non-executive directors during the year under review except for payment of sitting fees and commission for attending meetings of the Board and its Committees.

Details of sitting fees and commission paid to non-executive directors for the financial year 2020-21:

Sl. No.	Name of Director	Sitting Fees (₹ in lakh)	Commission (₹ in lakh)
1	T. R. Raghunandan	8.90	43.50
2	S. S. Rao	7.90	43.50
3	G. P. Kundargi	8.70	43.50
4	Latha Pillai	8.70	43.50
5	H. L. Shah	8.10	43.50
6	Jagadish Rao Kote	8.30	43.50

STAKEHOLDERS RELATIONSHIP COMMITTEE

Investors Grievance and Share Transfer Committee was constituted on 26 July 2006 to oversee redressal of shareholders and investors complaints, if any, and to consider and approve transfer and transmission of shares and issue of duplicate share certificates. In accordance with the provisions of Section 178 of the Companies Act, 2013, the Committee has been renamed as 'Stakeholders Relationship Committee.

Venture Capital and Corporate Investments Private Limited (VCCIPL), one of the leading SEBI registered Category - I Registrar and Transfer Agents has been appointed as Share Transfer Agent of the Company to process share transfer requests on behalf of the Company with effect from 18 January 2008. The Chairman or Managing Director or Company Secretary approves the share transfer registers and a statement of share transfers / transmissions effected and share certificates issued in each quarter are placed before the Stakeholders Relationship Committee for approval and are also placed before the Board of Directors for ratification at their next meeting.

Name and designation of Compliance Officer:

Bijan Kumar Dash, Company Secretary and Chief Compliance Officer

Role of Stakeholders Relationship Committee

The Committee shall consider and resolve the grievances of the security holders of the listed entity, including complaints related to transfer of shares, non-receipt of annual report and non- receipt of declared dividends.

The Stakeholders Relationship Committee met four times during the financial year i.e., on 29 June 2020, 2 September 2020, 9 November 2020 and 10 February 2021. The interval between any two successive meetings did not exceed the stipulated time line.

Composition and attendance during the year

In 346th Board Meeting held on 10 February 2021, the Stakeholders Relationship Committee got reconstituted having 5 (Five) directors as the members of the Committee. Jagadish Rao Kote, Non-Executive and Independent Directors is the Chairman of the Committee. The Company Secretary acts as Secretary to the Committee.

To expedite the process of share transfers / transmissions, authority has been delegated by the Board severally to the Chairman, Managing Director and the Company Secretary, who regularly attend issues relating to share transfers and transmissions, issue of fresh share certificates in lieu of old share certificates lost / mutilated or on transfer, sub-division, consolidation, renewal, exchange etc., subject to the related deeds / documents being in order.

Composition, names of the members and their attendance at meetings are as under:

Name	Designation	Category	No. of Meetings attended	Meetings held during Tenure
T R Raghunandan ¹	Chairman	Non-Executive Director	4	4
Jagdish Rao Kote ²	Chairman	Non-Executive Independent Director	-	-
Latha Pillai	Member	Non-Executive Independent Director	4	4
G P Kundargi	Member	Non-Executive Independent Director	4	4
Bahirji A Ghorpade ²	Member	Executive Director	4	4
Md. Abdul Saleem ³	Member	Non-Executive & Independent	4	4
Mubeen A Sheriff ⁴	Member	Executive Director	1	1
H.L. Shah ⁶	Member	Non-Executive Director	-	-

¹ Ceased to be the Chairman and a member w.e.f 11 February 2021

² Inducted as the Chairman and a member of the Committee w.e.f 11 February 2021

³ Inducted as a member of the Committee w.e.f 1 April 2020

⁴ Ceased as a member of the Committee w.e.f. 11 February 2021

⁵ Ceased to be a member w.e.f 2 July, 2020

⁶ Inducted as a member of the Committee w.e.f 11 February 2021

Number of shareholder complaints received, resolved to the satisfaction of the shareholder and number of pending complaints:

Complaints outstanding as on 1 April 2020	Nil
Complaints received during the year	Nil
Complaints resolved during the year	Nil
Complaints pending as on 31 March 2021	Nil

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility Committee was constituted on 29 March 2014, in compliance with the provisions of Section 135 of the Companies Act 2013.

Based on the recommendation of the Committee, the Board has approved the Policy on Corporate Social Responsibility indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013. The Policy on Corporate Social Responsibility is available at the Company's website

<https://www.sandurgroup.com/Policies.html>.

The Committee recommends the amount of expenditure to be incurred on different CSR activities as per the CSR Policy of the Company from time to time.

Composition, names of the members and their attendance at meetings during the financial year are as under:

Name	Designation	Category	No. of Meetings attended	Meetings held during Tenure
H L Shah	Chairman	Non-Executive Director	3	3
T R Raghunandan	Member	Non-Executive Director	3	3
Bahirji A Ghorpade	Member	Executive Director	3	3
Rajnish Singh ¹	Member	Executive Director	1	1
Jagdish Rao Kote	Member	Non-Executive & Independent	3	3

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Md Abdul Saleem ²	Member	Executive Director	3	3
Sachin Sanu ³	Member	Non-Executive Director	1	1
S S Rao ⁴	Member	Non-Executive & Independent	-	-

1 Ceased to be the member of the committee w.e.f. 23 September 2020.

2 Ceased to be the member of the committee w.e.f. 10 February 2021.

3 Ceased to be the member of the committee w.e.f. 2 July 2020.

4 Appointed as the member of the committee w.e.f. 10 February 2021.

The committee was re-constituted in 346th Board Meeting held on 10 February 2021. The CSR Committee met thrice during the financial year on 29 June 2020, 9 November 2020 & 10 February 2021. The Company Secretary acts as Secretary to the Committee.

Details on CSR and expenditure required to be disclosed as per the provisions of the Companies Act, 2013 and corresponding rules thereunder has been annexed to the Board's report as annexure E.

CORPORATE SUSTAINABILITY COMMITTEE*

Reclamation & Rehabilitation Plans Implementation Review Committee was constituted on 10 August 2012 for ensuring effective implementation of Reclamation & Rehabilitation (R&R) plans prescribed by the Central Empowered Committee (CEC) constituted by the Hon'ble Supreme Court, for the Company's Mining Leases No.2678 and 2679.

The Hon'ble Supreme Court had, while dealing with Public Interest Litigation (PIL) in the form of Writ Petition (Civil) No.562 of 2009 with regard to rampant illegal mining being carried on in the States of Andhra Pradesh and Karnataka, vide its order dated 13 April 2012, prescribed certain guidelines for preparation of R&R Plans for all the mining leases in Ballari, Tumakuru and Chitradurga. The same is referred to as Supplementary Environment Management Plan (SEMP) in the case of the Company, as both its' Mining Leases are in "A" category and R & R becomes an ongoing process.

Accordingly, the Committee was formed for implementing and monitoring the progress of implementation of the R&R Plans (or SEMP) that may be prescribed and approved by the

Central Empowered Committee for the Company's Mining Leases. The Committee was renamed as 'Environment Committee' in order to enlarge the scope and also, provide an opportunity for the Committee to consider exploring and implementing new avenues for preserving the environment and contribute towards further improvement of environment in the region of our presence.

In 346th Board Meeting held on 10 February 2021, Environment Committee was renamed as Corporate Sustainability Committee.

Terms of reference

1. Laying down guidelines for Environment Management Plan for each of the businesses of the Company;
2. Review compliance and status of various conditions laid down by different statutory authorities while according approvals such as Environmental Clearance, Forest Clearance, Consent for Establishment, Consent for Operation, etc.;
3. Review Sustainable Development Framework (SDF) requirements stipulated by the Indian Bureau of Mines and considered for Star Rating of the Mines.
4. Annually assess the Business Responsibility performance of the Company.
5. Any other function as is mandated by the Board from time to time.

Composition and attendance during the year

The Committee has following directors as its members. The Company Secretary acts as Secretary to the Committee. During the financial year no meetings was held.

Composition, names of the members and their attendance at meetings during the financial year are as under:

Name	Designation	Category
T R Raghunandan	Chairman	Non-Executive Director
S S Rao	Member	Non-Executive & Independent Director
G P Kundargi	Member	Non- Executive & Independent Director
Latha Pillai	Member	Non-Executive & Independent Director
Md Abdul Saleem	Member	Executive Director

RISK MANAGEMENT COMMITTEE:

The Board constituted a Risk Management Committee (RMC) on 28 May 2014. The RMC was last reconstituted in 345th Board Meeting held on 9 November 2020. The composition of the RMC has always been in accordance with SEBI regulations. The Company Secretary acts as Secretary to the Committee. The Board at its 348th meeting held on 28 June 2021 has approved policy on Risk Management. A statement on development and implementation of risk management policy of the Company has been delineated in the Directors report.

Terms of reference

1. Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems
2. Review strategic risks arising out of adverse business decisions and lack of responsiveness to changes;
3. Review operational risks including cyber risks;
4. Review compliance risks;
5. Review the Company's risk philosophy and assess the extent of risk, that the Company may accept in pursuit of stakeholder value;
6. Review the extent to which management has established effective enterprise risk management;
7. Review effectiveness of risk management processes;
8. Review the Company's portfolio of risk vis a vis its risk appetite to ensure that risk exposures are consistent with overall appetite for risk; and
9. Review key risk indicators and management response thereto.
10. Review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any),

Composition of Committee is as under:

Name	Designation	Category
S. S. Rao	Chairperson	Independent Director
T. R. Raghunandan	Member	Non- Executive Director
Nazim Sheikh ¹	Member	Executive Director
G. P. Kundargi	Member	Independent Director
Rajnish Singh ²	Member	Executive Director
Latha Pillai	Member	Independent Director
H. L. Shah	Member	Non-Executive Director
Jagadish Rao Kote	Member	Independent Director
Md. Abdul Saleem ³	Member	Executive Director
Mubeen A. Sheriff ⁴	Member	Executive Director
Sachin Sanu ⁵	Member	Executive Director
Bahirji A. Ghorpade ⁶	Member	Executive Director

¹ Ceased to be the member of the committee w.e.f., 16 June 2020

² Ceased to the member of the committee w.e.f. 23 September 2020

³ Inducted as member of the committee w.e.f., 1 April 2020

⁴ Ceased to be the member of the Committee w.e.f 2 July 2020

⁵ Ceased to be member of the Committee w.e.f 2 July 2020

⁶ Inducted as member of the committee w.e.f., 1 April 2020

Corporate Governance Report

Sr. No	Particulars of Resolutions	Type of Resolution	Total no of Votes polled	Votes in favor (In Numbers)	Votes in Favor (In Percentage)	Votes cast against (In Numbers)	Votes cast against (In Percentage)	Resolution Approved / Rejected
1.	To re-appoint Nazim Sheikh (DIN: 00064275) as Managing Director for a tenure of three years from 1 April 2020	Special	1144700	1109799	96.95	34901	3.05	Resolution declared to be infructuous since he resigned on 16 June 2020
2.	To re-appoint Rajnish Kumar Singh (DIN: 05319511) as whole-time director designated as Director (Plant) for a tenure of three years from 1 April 2020	Special	6072279	1109034	18.26	4963245	81.74	Rejected
3	To appoint Md. Abdul Saleem (DIN: 00061497) as a Director of the Company	Ordinary	6072559	6071726	99.99	833	0.01	Approved
4	To appoint Md. Abdul Saleem (DIN: 00061497) as a whole-time director designated as director (mines) for a tenure of three years from 1 April 2020	Special	6072659	6037292	99.42	35367	0.58	Approved
5	To appoint Mubeen Ahmed Sheriff (DIN: 08695210) as a Director of the company	Ordinary	6072279	1139267	18.76	4933012	81.24	Rejected
6	To appoint Mubeen Ahmed Sheriff (DIN:08695210) as a whole-time director designated as director (commercial) for a tenure of three years from 1 April 2020	Special	6072279	1109833	18.28	4962446	81.72	Rejected

						Strategic Overview	Statutory Reports	Financial Statements
7	To appoint Sachin Sanu (DIN:08695105) as a Director of the Company	Ordinary	6072479	1140946	18.79	4931533	81.21	Rejected
8	To appoint Sachin Sanu (DIN: 08695105) as a whole-time director designated as director (finance) for a tenure of three years from 1 April 2020	Special	6072479	1111934	18.31	4960545	81.69	Rejected
9	To appoint Bahirji A. Ghorpade (DIN: 08452844) as a Director of the Company	Ordinary	6072559	6060869	99.81	11690	0.19	Approved
10	To appoint Bahirji A. Ghorpade (DIN: 08452844) as a whole-time director designated as director (corporate) for a tenure of three years from 1 April 2020	Special	6072559	6031400	99.32	41159	0.68	Approved
11	Approval for Aditya S. Ghorpade to hold office or place of profit as president (ferro alloy operations)	Ordinary	6072559	6031335	99.32	41224	0.68	Approved
12	Approval for Dhananjai S. Ghorpade to hold office or place of profit in the grade of General Manager in the Company	Ordinary	6072559	6031325	99.32	41234	0.68	Approved

Corporate Governance Report

GENERAL BODY MEETINGS

Location and time of the last three Annual General Meetings of the Company:

	Location	Date & Time
66 th AGM	Through Video conferencing/ other audio-visual means(VC/OAVM)	23 September 2020 at 11:00 A.M
65 th AGM	Golden Jubilee Hall Sandur Residential School, Palace Road, Shivapur, Sandur - 583 119	21 September 2019 at 11.00 A.M
64 th AGM	Golden Jubilee Hall Sandur Residential School, Palace Road, Shivapur, Sandur - 583 119	1 September 2018at 11.00 A.M

Special resolutions passed in the previous three annual general meetings

AGM	Whether Special Resolution passed there at	Special Resolutions
66 th AGM held on 23 September 2020	Yes	To appoint Bahirji A Ghorpade as Managing Director (DIN 08452844) for a tenure of three years from 17 June 2020
65 th AGM held on 21 September 2019	No	Nil
64 th AGM held on 01 September 2018	No	Nil

Resolution passed last year through postal ballot and details of voting pattern:

During the previous year, the Company approached the shareholders for voting through postal ballot. The details are as follows:

Date of Postal Ballot Notice: 14 February 2020

Voting period: 1 June 2020 to 30 June 2020

Date of declaration of result: 2 July 2020

Date of Approval: 2 July 2020

Person who conducted the postal ballot exercise:

T. Sathya Prasad Yadav, Advocate

Whether any special resolution is proposed to be conducted through postal ballot?

None in the near future.

Procedure for postal ballot:

In compliance with Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, the Company provides electronic voting (e-voting) facility, in addition to physical ballot, to all its members. For this purpose, the Company has engaged the services of NSDL.

Postal ballot notices and forms are dispatched, along with postage-prepaid business reply envelopes to registered members / beneficiaries. The same notice is sent by email to members who have opted for receiving communication through the electronic mode. The Company also publishes a notice in the newspaper declaring the details and requirements as mandated by the Act and applicable rules.

Voting rights are reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members who want to exercise their votes by physical postal ballot are requested to return the forms, duly completed and signed, to the scrutinizer on or before the close of the voting period. Those using the e-voting option are requested to vote before the close of business hours on the last date of e-voting.

The scrutinizer completes his scrutiny and submits his report to the Chairman, and the voting results are announced by the Chairman / authorized person. The results are also displayed on the Company's website, <https://www.sandurgroup.com/Annual-General-Meetings-and-Postal-Ballots.html>, besides being communicated to the stock exchange. The last date for the receipt of postal ballot forms or e-voting is reckoned to be the date on which the resolution would be deemed to have been passed, if approved.

Subsidiary Company

The Company has no subsidiary.

Means of Communication

- Quarterly financial results are being regularly sent to BSE Limited.
- Quarterly financial results are generally published in The Financial Express and Sanjevani newspapers and also, placed on the website of the Company.
- Latest updates or any material developments are intimated to BSE Limited and also, displayed on the website of the Company at www.sandurgroup.com.
- No presentation has been made to institutional investors or to the analysts during the financial year.

General Shareholder Information**i) Date, Time and Venue of the Annual General Meeting:**

22 September 2021, at 11:00 a.m. through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") in compliance with circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India on account of Covid 19 pandemic.

ii) Financial Year: 1 April 2020 to 31 March 2021

iii) Financial Calendar: (tentative and subject to change)

Financial Reporting for the quarter ending 30 June 2021	On or before 14 August 2021
Financial Reporting for the quarter ending 30 September 2021	On or before 14 November 2021
Financial Reporting for the quarter ending 31 December 2021	On or before 14 February 2021
Financial Reporting for the quarter ending 31 March 2022	On or before 30 May 2022

iv) Dates of Book Closure: Thursday, 16 September, 2021 to Wednesday, 22 September, 2021

v) Dividend Payment Date: 27 September 2021

vi) Listing on Stock Exchange: The Company's shares are listed on BSE limited, P. J. Towers, Dalal Street, Mumbai - 400001.

Listing Fee: The Company has paid annual listing fee for the year 2020-21 to BSE Limited where the securities of the Company are listed.

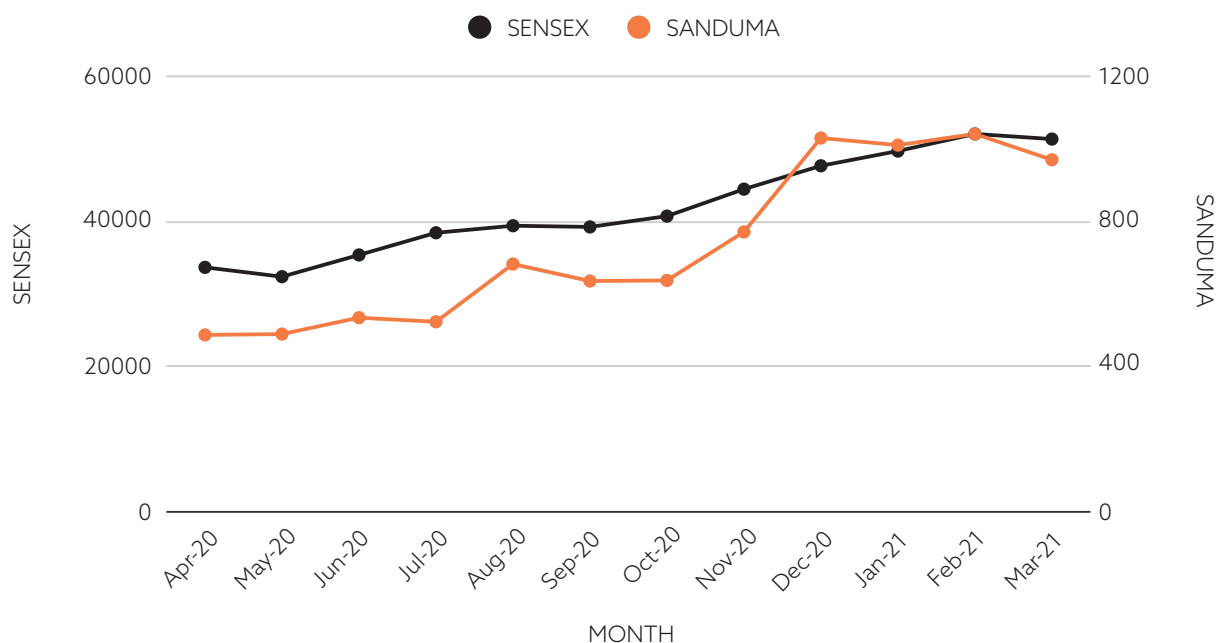
vii) Stock Code: BSE Limited (BSE) - 504918

Corporate Governance Report

viii) Monthly High and Low Quotation of Company's shares traded on BSE:

Month	Open ₹	High ₹	Low ₹	Close ₹	No. of Shares	No. of Trades	BSE Sensex (Average)
Apr-20	380	534.75	356	507.85	113386	4921	30694.02
May-20	501	528	471.1	510.3	44220	2228	31406.97
Jun-20	520	638	501	557.5	147641	4796	34027.33
Jul-20	558.5	608	540	545.65	85078	3586	36772.12
Aug-20	549	813	545	711.95	335467	12651	38460.70
Sep-20	718.95	750	650	662.95	102272	4056	37927.75
Oct-20	660	735	650.05	664.75	64590	2641	39729.13
Nov-20	664.75	855	660.2	804.35	204077	6947	42080.15
Dec-20	826.2	1108	799	1074.8	333901	12975	46007.54
Jan-21	1090	1320	1027.1	1054.35	220908	9910	48172.24
Feb-21	1037.05	1185	895	1086.6	434812	14757	49475.21
Mar-21	1099.95	1186.95	940	1012.15	272855	9777	50029.10

ix) Comparison of Company's share price movement with BSE Sensex



x) Distribution of Equity Shareholding as on 31 March 2021:

	Nominal Value	No. of Shareholders	No. of Shares	% of capital
Up to	5000	9000	623220	6.92%
5001	10000	323	248847	2.76%
10001	20000	141	209987	2.33%
20001	30000	38	89554	0.99%
30001	40000	32	116137	1.29%
40001	50000	18	81994	0.91%
50001	100000	35	248096	2.76%
100001	Above	33	7384106	82.03%
		9620	9001941	100.00%

xi) Shareholding pattern as on 31 March 2021:

Categories	No. of Shares	% to Total Shareholding
Promoters, Directors and their relatives and persons acting in concert	65,91159	73.22%
Banks and Financial Institutions Investors	2350	0.03%
Mutual Funds	650	0.01%
Insurance Companies	70000	0.78%
Foreign Institutional Investors	-	-
Other bodies corporate	315670	3.51%
Public	2022112	22.46%
Total	90,01,941	100.00%

xii) Registrar and Share Transfer Agents: Venture Capital and Corporate Investments Private Limited, 12-10-167, Bharatnagar, Hyderabad - 500 018

xiii) Share Transfer System: Venture Capital and Corporate Investments Private Limited (VCCIPL), one of the leading SEBI registered Category - I Registrar and Transfer Agents has been appointed as Share Transfer Agent of the Company to process share transfer requests on behalf of the Company with effect from 18 January 2008. The Chairman or Managing Director or Company Secretary approves the share transfer registers and statements of share transfers / transmissions effected, share certificates issued in each quarter are placed before the Stakeholders Relationship Committee for approval and are also placed before the Board of Directors for ratification at their next meeting.

xiv) Dematerialization of Shares and Liquidity: As on 31 March 2021, 89,14,954 (99%) equity shares have been dematerialized.

xv) There are no outstanding GDRs / ADRs / Warrants or any Convertible Instruments due for conversion.

xvi) Commodity price risk or foreign exchange risk and hedging activities:

In connection with the setting up of 0.4 MTPA Coke Oven Plant, the Company has incurred capital expenditure on plant and machinery imported from China, amounts aggregating USD 17,611,164 and Euro 810,000 respectively, for which USD 34,32,500 is yet to be paid, as per the terms of the contract. The Company is in the process of determining the exact dates for these payments in consultation with the equipment supplier of the Coke Oven Plant as it is linked to fulfilment of the certain contractual obligations from the supplier. Necessary steps will be taken to appropriately hedge these foreign exchange exposures on fulfilment of the obligations by the supplier.

Further, the Company has been importing coking coal for its operations, of which imports aggregating USD 1,09,73,020 was outstanding as on 31 March, 2021. Import of Coking Coal for Coke production is part of normal business operations of the Company. The foreign risk arising out of the same is being mitigated by hedging mechanism and considering the movements in exchange rates.

Corporate Governance Report

xvii) Operations location:

Mines at Deogiri, Kammathuru, Subbarayana Halli & Ramghad located around Sandur and Metal & Ferroalloy plant at Vyasankere, near Hosapete.

xviii) Address for correspondence:

Registered Office: 'SATYALAYA', Door No. 266 (Old No. 80), Ward No.1, Behind Taluka Office, Sandur - 583 119, Ballari District, Karnataka

xix) Credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.

The Company has not issued any debt instruments or instituted any fixed deposit programme or any scheme or proposal involving mobilization of funds, in India or abroad and accordingly, has not obtained any credit rating thereof.

Other Disclosures

i) Materially significant related party transactions that may have potential conflict with the interests of listed entity at large:

No materially significant related party transactions have been entered into by the Company that may have potential conflict with the interest of the Company at large. The Board has received disclosures from its Directors disclosing their concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including their shareholding.

ii) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

There have been no instances of non-compliance by the Company and no penalties, strictures have been 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.

iii) Vigil Mechanism: The Company has put in place a mechanism of reporting illegal or unethical behavior. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified persons. The reports received from any employee will be reviewed by the audit committee. It is affirmed that no personnel have been denied access to the audit committee in this respect. The Directors and senior management are to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practice. The Whistle Blower Policy is available on the Company's website at <https://www.sandurgroup.com/Policies.html>.

iv) Status of compliance with the mandatory requirements and adoption of non-mandatory requirements of SEBI (LODR) Regulations, 2015 is given below:

- a) Compliance with mandatory requirements:** The Company has complied with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46.
- b) Shareholder Rights:** The quarterly and annual financial results of the Company are published in leading newspapers, placed on website of the Company and are provided to stock exchanges in compliance with the provisions of SEBI (LODR) Regulations, 2015. A copy of complete Annual Report is sent to each and every shareholder of the Company. The Company hopes to move to a regime of sending a half-yearly declaration of the financial performance, including summary of the significant events, to each household of its shareholders.
- c) Modified Opinion(s) in the Audit Report:** During the year under review, there was no audit qualification / modification in the Audit Report.
- d) Separate posts of Chairman and Managing Director/ CEO:** The Company has appointed separate persons to the posts of Chairman and Managing Director or Chief Executive Officer. T. R. Raghunandan, Non-executive Director is the Chairman and Bahirji A. Ghorpade was appointed as Managing Director of the Company w.e.f., 17 June 2020.
- e) Reporting of Internal Auditor:** The Company has appointed M/s. P. Chandrasekar LLP, Chartered Accountants, as its internal auditor and they directly report to the Audit Committee on a quarterly basis.

v) Policy on determining material subsidiaries: In terms of Regulation 16 (1)(c) of the SEBI (LODR) Regulation, 2015, the Company has formulated a Policy for Determining Material Subsidiaries and the same is available on the Company's website. The Policy can be accessed at: <https://www.sandurgroup.com/Policies.html>

vi) Policy on dealing with related party transactions: The Board of Directors first formulated the Policy on Related Party Transaction, as per the requirement of Clause 49 of the Listing Agreement, in its meeting held on 28 May 2014.

The said Policy was amended on 14 November 2015, 13 September 2017 to incorporate the changes in provisions governing related party transactions, as stipulated in the SEBI (LODR) Regulations, 2015, and applicable accounting standard from the existing Accounting Standard - 18 to Indian Accounting Standard (Ind AS) - 24. This policy was again reviewed and amended on 28 June 2021 to keep the content of policy in line with the provisions of Companies Act, 2013 and relevant rules thereon, SEBI (LODR) Regulation, 2015 and Indian Accounting Standard 24 as amended from time to time. The Policy can be accessed at: <https://www.sandurgroup.com/Policies.html>

vii) Disclosure of commodity price risks and commodity hedging activities: Not applicable

viii) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): Not applicable

ix) A certificate from a company secretary in practice 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.

N. D. Satish, Practicing Company Secretary, has issued a certificate as required under the Listing Regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified by the SEBI/Ministry of Corporate Affairs or any such statutory

authority from being appointed or continuing as director of companies. The certification is appended as **Annexure - 'B'** to the Report.

x) Instances where the Board has not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year: Not Applicable

xi) Total fees for all services paid by the listed entity 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.

M/s. R. Subramanian and Company LLP, Chartered Accountants, Chennai (Firm Registration No. FRN004137S/S200041) have been appointed as the Statutory Auditors of the Company.

The particulars of payment of Statutory Auditors' fees, on consolidated basis is given below:

Sr. No.	Particulars	Amount (In ₹)
1	Statutory Auditors Fee for the Audit of Standalone Financial Statements	3200000
3	Statutory Auditors Fee for Limited Review of Quarterly financials	1800000
4	Statutory Auditors Fee for the Corporate Governance Audit	500000
5	Fee for Tax Audit	700000
	Total	6200000

xii) Disclosures in relation to the Sexual Harassment of Women at Workplace

(Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the financial year: Nil

Number of complaints disposed of during the financial year: Not Applicable

Number of complaints pending as on end of the financial year: Nil

Pursuant to Section 21 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 the Company had submitted its Annual report for the calendar year 2020 to the concerned District officers for all its locations on 22 January 2021.

xiii) Non-compliance of any requirements of corporate governance report: Nil

xiv) CEO / CFO Certification:

The Managing Director (MD)/Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) have certified to the Board in accordance with Regulation 17 (8) of the SEBI (LODR) Regulations, 2015 for the financial year 2020-21. The CEO/CFO certification is appended as **Annexure - 'C'** to the Report.

Corporate Governance Report

xv) Affirmation of compliance with Code of Conduct:

In compliance with Regulation 17 (8) of the SEBI (LODR) Regulations, 2015, the Company has framed and adopted the Code of Conduct for Board Members and Senior Management Personnel ("Code of Conduct"). All members of the board of directors and senior management personnel have affirmed compliance with the Code of Conduct. Managing Director of the Company has given a certificate confirming that the Company has obtained from all the members of the Board and senior management, affirmation of their compliance with the Code of Conduct for directors and senior management in respect of the financial year 2020-21 and the same were placed before the Board at its meeting held on 28 June 2021. A copy of the said certificate is appended as **Annexure- 'D'** to the Report.

xvi) Auditor's certificate on compliance with corporate governance requirements of the SEBI (LODR) Regulations, 2015

Auditor's Certificate is appended as **Annexure - 'E'** to the Report.

for and on behalf of the Board of Directors

Place: Bengaluru
Date: 12 August 2021

Bahirji A Ghorpade
Managing Director
(DIN: 08452844)

Annexure - A

Matrix Setting out the Skills/Expertise/Competencies of the Directors on the Board*

Skills/ Expertise/Competencies identified by the Board	TRR	SSR	GPK	BAG	LP	MAS	HLS	JRK	Whether identified skills/ expertise/ competencies are present on Board (Y/N)
Metal Mining			✓	✓		✓			Y
Mineral Processing			✓	✓		✓			Y
Electrical Engineering		✓						✓	Y
Environment Management	✓		✓			✓			Y
Accounting/Finance		✓		✓		✓	✓	✓	Y
Human Resource Management	✓		✓	✓		✓			Y
Legal/Regulatory	✓			✓		✓	✓	✓	Y
Business Administration		✓		✓		✓	✓		Y
Economics	✓			✓		✓	✓	✓	Y
Organisational Psychology	✓				✓				
Strategy and Planning			✓	✓		✓	✓	✓	Y
Policy making	✓		✓	✓		✓	✓		Y
Commercial		✓		✓					Y
Governance	✓	✓	✓	✓		✓	✓	✓	Y
Risk Management	✓	✓	✓			✓	✓	✓	Y
Project Management		✓		✓		✓		✓	Y
Mining			✓	✓		✓			Y
Power		✓						✓	Y
Banking		✓	✓	✓		✓	✓		Y

Note: *As on 31 March 2021;

TRR: T. R. Raghunandan, SSR: S. S. Rao, GPK: G.P. Kundargi, BAG: Bahirji A. Ghorpade

LP: Latha Pillai; MAS: Md Abdul Saleem, HLS: Hemendra Laxmidas Shah, JRK: Jagadish Rao Kote;

Annexure - B

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
THE SANDUR MANGANESE & IRON ORES LIMITED,
 'SATYALAYA' Door No.266 (Old No.80),
 Ward No. 1, Behind Taluk Office,
 Sandur – 583 119,
 Ballari District,
 Karnataka

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **The Sandur Manganese & Iron Ores Limited** with CIN L85110KA1954PLC000759 and having registered office at 'SATYALAYA' Door No.266 (Old No.80), Ward No. 1, Behind Taluk Office, Sandur – 583 119, Ballari District, Karnataka (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, the Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	Designation	DIN	Date of appointment in Company
1.	Raghunandan Raghavan Thoniparambil	Non-Executive and Non-Independent Director	03637265	28/05/2016
2.	Bahirji A. Ghorpade	Managing Director	08452844	01/04/2020
3.	Seshagiri Rao Sattiraju	Independent Director	00150816	01/09/2013
4.	Gururaj Pandurang Kundargi	Non-Executive - Independent Director	02256516	12/11/2016
5.	Mohammed Abdul Saleem	Executive Director	00061497	01/04/2020
6.	Latha Pillai	Non-Executive - Independent Director	08378473	08/03/2019
7.	Hemendra Laxmidas Shah	Non-Executive and Non-Independent Director	00996888	27/05/2019
8.	Jagadish Rao Kote	Independent Director	00521065	27/05/2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Bengaluru
Date: 28 June 2021

Name: **N.D. Satish**
 Designation: Practising Company Secretary
 Membership No.: FCS No. 10003
 CP No.:12400
 UDIN: F010003C000526849

Annexure - C

CEO and CFO Certification

We, Bahirji A. Ghorpade, Managing Director and Sachin Sanu, Chief Financial Officer, certify that:

- a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief :-
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting, deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken or propose to be taken to rectify these deficiencies.
- d) We have indicated to the Auditors and Audit Committee
 - (i) Significant change in internal control over financial reporting during the year under reference;
 - (ii) Significant change in accounting policies during the year requiring disclosures in the notes to the financial statements; and
 - (iii) Instances of significant fraud during the year with involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Bengaluru
Date: 28 June 2021

Bahirji A. Ghorpade
Managing Director

Sachin Sanu
Chief Financial Officer

Annexure - D

Certificate on Compliance with Code of Conduct

I, Bahirji A. Ghorpade, Managing Director do hereby certify and confirm that the Company has obtained from all the members of the Board and senior management, affirmation of their compliance with the Code of Conduct for directors and senior management in respect of the financial year 2020-21 and the same are being placed before the Board at its meeting held on 12 August 2021.

for **The Sandur Manganese & Iron Ores Limited**

Place: Bengaluru
Date: 12 August 2021

Bahirji A Ghorpade
Managing Director
(DIN: 08452844)

Annexure - E

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS PER PROVISIONS OF CHAPTER IV OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Members

The Sandur Manganese and Iron ores Limited

1. The accompanying Corporate Governance Report for the year ended 31 March, 2021 prepared by The Sandur Manganese and Iron Ores Limited (hereinafter referred to as the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") with respect to Corporate Governance ('Applicable criteria').

MANAGEMENT'S RESPONSIBILITY

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

AUDITORS' RESPONSIBILITY

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 1 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
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.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:
 - a. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report
 - b. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive Directors has been met throughout the reporting period
 - c. Obtained and read the Register of Directors and Key Managerial Personnel as on 31 March, 2021 and verified that at-least one women director is on the Board during the year
 - d. Obtained and read the minutes of the following meetings of the Board of Directors and its Committees held from 1 April, 2020 to 31 March, 2021
 - Board of Directors;
 - Audit Committee;
 - Nomination and Remuneration Committee; and
 - Stakeholders' Relationship Committee.
 - e. Obtained necessary representations and declarations from Directors of the Company including the Independent Directors; and
 - f. Performed necessary inquiries with the management and obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Corporate Governance Report

OPINION

8. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable on 31 March, 2021, referred to in paragraph 1 above.

OTHER MATTERS AND RESTRICTION ON USE

9. This report 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.
10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to Corporate Governance Report accompanied with by a report thereon from the statutory auditors and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **R Subramanian and Company LLP**

Chartered Accountants

ICAI Firm Registration Number: 004137S/S200041

Place: Chennai

Date: 28 June, 2021

Gokul S Dixit

Partner

Membership Number: 209464

UDIN: 21209464AAAAAG9099

Independent Auditor's Report

To the Members of
The Sandur Manganese & Iron Ores Limited
Report on the audit of Financial Statements

OPINION

We have audited the financial statements of **The Sandur Manganese & Iron Ores Limited** ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss, including the statement of Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information .

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit including Other Comprehensive Income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the financial statements, as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter (KAM)	Response to Key Audit Matter and Conclusion
<p>Evaluation of uncertain tax positions</p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p>	<p>Principal Audit Procedures</p> <p>Obtained details of completed tax assessments and demands for the year ended March 31, 2021 from management. We involved our internal experts to analysis the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. We also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as of April 1, 2020 to evaluate whether any change was required to management's position on these uncertainties.</p>

Independent Auditor's Report

Key Audit Matter (KAM)	Response to Key Audit Matter and Conclusion										
<p>Capitalization of Property, Plant and Equipment, Capital Work-in-process and related Depreciation and Amortization</p> <p>As on March 31, 2021, the company carries Property, Plant, and Equipment (PPE) balances of ₹ 75,422.33 lakhs and during the financial year 2020-21 company has capitalized ₹ 53,288.17 worth of PPE.</p> <p>We considered the amount of PPE and Capital Work-in-process balance as a key audit matter given the relative size of the balance in the financial statements</p>	<p>Principal Audit Procedures</p> <p>Our audit procedures included and were not limited to the following:</p> <ul style="list-style-type: none"> • Assessing the nature of the costs incurred for the new Coke plant and Ferro alloy plant to test whether such costs are incurred specifically for trial runs and meet the recognition criteria as set out in para 16 to 22 of Ind AS 16. • Evaluating the assessment provided by third party vendors involved in the construction and testing process to determine whether capitalization ceased when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the management. • Testing the design, implementation, and operating effectiveness of controls in respect of review of Capital Work-in-process, particularly in respect of timing of the capitalization. <p>Substantive testing procedures including, testing necessary authorizations for capitalization of items of PPE, testing supporting documentation for consumption of capital goods inventory, comparison of actual pattern of consumption of benefits for current year with the budget and testing the mathematical accuracy of computation of amortization / depreciation charge for the year.</p>										
<p>Segment Reporting</p> <p>Commercial operations of new 0.4 MTPA coke oven plant, new 24 MVA ferro alloy furnace and refurbished 20 MVA ferro alloy furnace are commenced from January 18, 2021.</p> <p>After commencement of commercial production, Company's management has changed its review of company's operation to make decisions about resources allocation to the segment and assess its performance. Pursuant to this change, segment reporting has also changed from its previously reported.</p> <p>Segment and accordingly previous year reported segments are reclassified as below.</p>	<p>Principal Audit Procedures</p> <ul style="list-style-type: none"> • We understood, assessed and tested the design and operating effectiveness of key controls surrounding identification of Segments. • We discussed with management the recent changes in review of its operation to make decisions about resources allocation to the segment and assess its performance. • We performed our assessment on a test basis on the underlying calculations supporting the segment reporting disclosed in the Financial Statements. • We assessed the adequacy of the Company's disclosures. <p>Based on the above work performed, the assessment in respect of segment reporting in the Financial Statements is considered to be reasonable</p>										
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Segment reported in previous year</th> <th style="text-align: left;">Segment reported in Current year</th> </tr> </thead> <tbody> <tr> <td>Mining</td> <td>Mining</td> </tr> <tr> <td>Ferroalloys and Energy</td> <td>Ferroalloys</td> </tr> <tr> <td></td> <td>Coke and Energy</td> </tr> <tr> <td>Unallocable</td> <td>Unallocable</td> </tr> </tbody> </table>	Segment reported in previous year	Segment reported in Current year	Mining	Mining	Ferroalloys and Energy	Ferroalloys		Coke and Energy	Unallocable	Unallocable	
Segment reported in previous year	Segment reported in Current year										
Mining	Mining										
Ferroalloys and Energy	Ferroalloys										
	Coke and Energy										
Unallocable	Unallocable										

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

- The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report and its annexures, but does not include the consolidated financial statements, financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that if there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Independent Auditor's Report

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

- e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29 to the financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company {or, following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company or there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

for **R Subramanian and Company LLP**
Chartered Accountants
Firm Regn.No004137S/S200041

Gokul Dixit
Partner
M. No. 209464
UDIN: 21209464AAAAAF7645

Place: Bengaluru
Date: June 28, 2021

Annexure-A to the Independent Auditors' Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory requirements' section of our report of even date to the Ind AS financial statements of the company for the year ended March 31, 2021.)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the Ind AS financial statements of **The Sandur Manganese & Iron Ores Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is primarily responsible for establishing and maintaining internal financial controls with reference to the Ind AS financial statements. These responsibilities include the design, implementation and maintenance of internal financial controls with reference to the Ind AS financial statements that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's existence and operating efficiency of internal financial controls systems with reference to the Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls With Reference to Ind AS Financial Statements (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to the Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about existence of the internal financial controls with reference to the Ind AS financial statements and their

operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of the internal financial controls with reference to the Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Ind AS financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE FINANCIAL STATEMENTS

A Company's internal financial controls with reference to the Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles including the Ind AS. A company's internal financial controls with reference to the Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of an unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to the Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,

projections of any evaluation of the internal financial controls with reference to the Ind AS financial statements to future periods are subject to the risk that the internal financial controls with reference to the Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, there exists an adequate internal financial controls with reference to the Ind AS financial statements and such internal financial controls with reference to the Ind AS financial statements were operating effectively as at March 31, 2021, based on the internal financial controls with reference to the Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

for **R Subramanian and Company LLP**
Chartered Accountants
Firm Regn.No004137S/S200041

Gokul Dixit

Partner

M. No. 209464

UDIN: 21209464AAAAAF7645

Place: Bengaluru

Date: June 28, 2021

Annexure-B to the Independent Auditors' Report

Referred to in paragraph (2) under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the Ind AS financial statements of the company for the year ended March 31, 2021.

1. a) The Company has maintained proper records showing full particulars, including quantitative details and Situation of fixed assets.
b) The fixed assets were physically verified during the year by the Management in accordance with a regular program of verification, which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/transfer deed/conveyance deed provided to us, we report that, the title deeds, comprising all immovable properties of land and building, which are freehold, are held in the name of the Company as at the balance sheet date. The Company does not have any immovable properties of land and buildings that have been taken on lease and disclosed as fixed asst in the financial statements.
2. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
3. As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under Section 189 of the Act. Accordingly, reporting under clause 3(iii)(a) to (c) of the Order are not applicable to the Company.
4. The Company has not granted any loans, made investments, or provided guarantees and hence reporting under clause 3(iv) of the order is not applicable.
5. According to the information and explanations given to us, the Company has not accepted any deposits from the public and does not have any unclaimed deposits. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
6. The Maintenance of cost records have been specified by the central government under section 148(1) of The Companies Act 2013. We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under Section 148(1) of the Companies Act 2013, and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. According to the information and explanations given to us and based on examination of the records of the Company, in respect of statutory dues:
 - a) The company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Sales Tax, Income Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Goods and Service Tax, cess and other material statutory dues with the appropriate authorities.
 - b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Sales Tax, Income Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Goods and Service Tax, cess and other material statutory dues in arrears as at 31st March 2021 for a period of more than six months from the date they became payable.

- c) Details of dues of Sales Tax, Income Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax and Goods and Service Tax which have not been deposited as on 31st March 2020 on

Name of Statute	Nature of Dues	Amount (₹ Lakh)	Period to which the amounts relates	Forum where dispute is pending
Income Tax Act,1961	Income tax including Interest	427.79*	2010-11 to 2011-12	Income Tax Appellate Tribunal
		2159.35**	2012-13,2013-14 ,2015-16 and 2016-17	Commissioner of Income Tax (Appeals)
		504.44	2017-18	Commissioner of Income Tax (Appeals)##
Customs Act,1952	Customs duty Including Interest	393.13***	1986-2021	Hon'ble High Court of Andhra Pradesh
The Central Excise Act, 1944	Service Tax Including Interest	293.34	April 2005 to September 2007	Hon'ble Supreme Court of India
Service Tax	Service Tax on Royalty	570.16#	April 2016 to June 2017	Hon'ble High Court of Karnataka

*Net of ₹ 182 lakhs Paid under protest. ** Net of ₹ 556.50 lakhs Paid under protest.

*** Net of ₹ 42.22 lakhs Paid under protest # excluding Interest and Net of ₹ 100 lakhs Paid under protest.

company is in the process of filing Appeals.

8. In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any financial institutions or banks or any government or any debenture holders during the year. Hence reporting under clause 3(viii) of the Order are not applicable to the Company. Accordingly, paragraph 3 (viii) of the order is not applicable.
9. To the best of our knowledge and according to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans during the year and hence, the provisions of clause 3(ix) of the Order are not applicable to the Company.
10. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act 2013;
12. The Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
13. In our opinion and according to the information and explanations given to us and based on our examination of the record of the company, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and details of such transactions have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with its directors or directors of its holding or subsidiary company or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.
16. In our opinion, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

for **R Subramanian and Company LLP**
Chartered Accountants
Firm Regn.No004137S/S200041

Gokul Dixit

Partner

M. No. 209464

UDIN: 21209464AAAAAF7645

Place: Bengaluru

Date: June 28, 2021

Balance Sheet

as at 31 March 2021

₹ in Lakh

Particulars	Note No.	As at 31 March 2021	As at 31 March 2020
I ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, plant and equipment	2	75,422.33	24,719.63
(b) Capital work-in-progress		8,225.27	55,718.73
(c) Investment property	3	4,871.32	4,895.32
(d) Other intangible assets	4	37.82	110.59
(e) Right to use asset	5	443.05	914.78
(f) Financial assets			
(i) Investments	6	77.45	43.65
(ii) Other financial assets	7	915.00	976.52
(g) Deferred tax assets (net)	8	474.00	3,549.37
(h) Other non-current assets	9	7,118.78	7,465.70
SUB-TOTAL		97,585.02	98,394.29
2 CURRENT ASSETS			
(a) Inventories	10	15,698.04	16,162.90
(b) Financial assets			
(i) Investments	6	28,991.16	5,670.34
(ii) Trade receivables	11	7,556.89	3,080.14
(iii) Cash and cash equivalents	12	6,672.51	3,422.90
(iv) Other bank balances	12	6,453.97	9,337.57
(v) Other financial assets	7	380.94	238.13
(c) Other current assets	9	9,052.19	9,890.32
SUB-TOTAL		74,805.70	47,802.30
TOTAL ASSETS		1,72,390.72	1,46,196.59
II EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity share capital	13	900.19	900.19
(b) Other equity	13 (b)	98,410.68	83,069.43
SUB-TOTAL		99,310.87	83,969.62
LIABILITIES			
2 NON-CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	14	30,697.36	33,122.41
(ii) Other financial liabilities	15	3,955.80	576.10
(b) Provisions	16	1,066.86	797.13
SUB-TOTAL		35,720.02	34,495.64

Balance sheet [Contd.]

as at 31 March 2021

₹ in Lakh

Particulars	Note No.	As at 31 March 2021	As at 31 March 2020
3 CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	14	-	6,864.82
(ii) Trade payables			
(a) Dues to micro small and medium enterprises			
(b) Dues to other than micro small and medium enterprises	17	18,628.85	8,040.84
(iii) Other financial liabilities	15	10,950.15	6,525.71
(b) Provisions	16	54.84	47.37
(c) Current tax liabilities (Net)	18	157.37	-
(d) Other current liabilities	19	7,568.62	6,252.58
SUB-TOTAL		37,359.83	27,731.32
TOTAL EQUITY AND LIABILITIES		1,72,390.72	1,46,196.59

The accompanying notes 1 to 42 are an integral part of the financial statements

In terms of our report attached
For **R Subramanian and Company LLP**
Chartered Accountants
FRN: 004137S/ S200041

For and on behalf of the Board of Directors

Gokul S. Dixit
Partner
Membership No. 209464
UDIN: 21209464AAAAAF7645

T.R. Raghunandan
Chairman

Bahirji A. Ghorpade
Managing Director

Place: Bengaluru
Date: 28 June 2021

Bijan Kumar Dash
Company Secretary

Sachin Sanu
Chief Financial Officer

Statement of Profit and Loss

Statement of Profit and Loss

for the year ended 31 March 2021

₹ in Lakh

Particulars	Note No.	For the year ended 31 March 2021	For the year ended 31 March 2020
I Revenue from operations	20	74,658.89	59,160.69
II Other Income	21	1,776.83	566.13
III Total revenue (I + II)		76,435.72	59,726.82
IV Expenses			
(a) Cost of materials consumed	22(a)	12,113.94	6,858.46
(b) Changes in stock of finished goods, work-in-progress and stock-in-trade	22(b)	(45.61)	(1,849.09)
(c) Employee benefit expense	23	10,193.03	9,176.88
(d) Finance costs	24	1,306.29	672.60
(e) Depreciation and amortisation expense	25	2,681.42	1,946.65
(f) Other expenses	26	25,233.52	25,441.44
V Total expenses		51,482.59	42,246.94
VI Profit before tax (III - IV)		24,953.13	17,479.88
VII Tax expense			
(1) Current tax		6,485.00	3,793.35
(2) Deferred tax		2,528.00	(552.00)
(3) MAT credit (Deferred tax)		547.37	(500.00)
Total tax expense		9,560.37	2,741.35
VIII Profit after tax for the period (VI-VII)		15,392.76	14,738.53
IX Other comprehensive income			
Items that will not be reclassified to the statement of profit and loss			
(i) Remeasurement of post-employment benefit obligations		(79.51)	(89.10)
(ii) Income tax relating to these items		28.00	30.65
Items that may be reclassified to the statement of profit and loss			
(i) Cost of hedging - Fair value change		(79.50)	70.08
(ii) Cost of hedging - Reclassification		79.50	-
(iii) Income tax relating to these items		-	(24.00)
X Total comprehensive income (net of tax) for the period		15,341.25	14,726.16
XI Earnings per equity share of ₹ 10:			
(1) Basic	28	170.99	163.73
(2) Diluted	28	170.99	163.73

The accompanying notes 1 to 42 are an integral part of the financial statements

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Gokul S. Dixit
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Membership No. 209464
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Place: Bengaluru
Date: 28 June 2021

For and on behalf of the Board of Directors

T.R. Raghunandan
Chairman

Bijan Kumar Dash
Company Secretary

Bahirji A. Ghorpade
Managing Director

Sachin Sanu
Chief Financial Officer

Statement of Changes in Equity

for the year ended 31 March 2021

A. EQUITY SHARE CAPITAL

Particulars	As at 31 March 2021	As at 31 March 2020
Opening Balance	900.19	900.19
Closing Balance	900.19	900.19

₹ in Lakh

(B) OTHER EQUITY

Particulars	Reserves and surplus			Items of other comprehensive income		Total other equity		
	Capital redemption reserve	Securities premium reserve	General reserve	Amalgamation adjustment deficit account	Retained earnings		Remeasurement of post-employment obligations (net of tax)	Cost of hedging (net of tax)
Balance As at 1 April 2019	100.65	10,272.27	3,788.11	(3,488.91)	59,020.93	(142.04)	(46.08)	69,504.93
Ind As 116 transitional adjustment	-	-	-	-	(54.06)	-	-	(54.06)
Profit / (loss) for the year	-	-	-	-	14,738.53	(58.45)	46.08	14,726.16
Dividend paid on equity shares (refer note 13(b))	-	-	-	-	(918.75)	-	-	(918.75)
Dividend distribution tax (refer note 13 (b))	-	-	-	-	(188.85)	-	-	(188.85)
As at 31 March 2020	100.65	10,272.27	3,788.11	(3,488.91)	72,597.80	(200.49)	-	83,069.43
Profit / (loss) for the year	-	-	-	-	15,392.76	(51.51)	-	15,341.25
As at 31 March 2021	100.65	10,272.27	3,788.11	(3,488.91)	87,990.56	(252.01)	-	98,410.68

₹ in Lakh

The accompanying notes 1 to 42 are an integral part of the financial statements

In terms of our report attached
For **R Subramanian and Company LLP**
Chartered Accountants

FRN: 004137S/ S200041

Gokul S. Dixit

Partner

Membership No. 209464

UDIN: 21209464AAAAAF7645

Place: Bengaluru

Date: 28 June 2021

For and on behalf of the Board of Directors

T.R. Raghunandan

Chairman

Bijan Kumar Dash

Company Secretary

Bahirji A. Ghorpade

Managing Director

Sachin Sanu

Chief Financial Officer

Statement of Cash Flows

Statement of Cash Flows

for the year ended 31 March 2021

₹ in Lakh

Particulars	Year ended 31 Mar 2021	Year ended 31 Mar 2020
Cash flows from operating activities		
Profit before tax for the year	24,953.13	17,479.88
Adjustments for:		
Depreciation and amortisation expense	2,681.42	1,946.65
Gain on disposal of property, plant and equipment	(2.71)	(0.82)
Capital work in progress written off/ Assets discarded	475.52	41.25
Finance costs	1,306.29	672.60
Interest income	(305.17)	(620.60)
Dividend income	(162.25)	(151.57)
Gain on investments carried at fair value	(963.39)	335.91
Rental income from investment properties	(57.03)	(59.05)
Impairment of goodwill	-	149.99
Reclassification of hedge reserve	79.50	70.08
Net foreign exchange (gain)/loss	(109.19)	490.34
Operating profit before working capital changes	27,896.12	20,354.66
Adjustments for (increase)/ decrease in operating assets:		
Other non-current financial assets	76.14	(126.51)
Other non-current assets	2.65	-
Inventories	464.86	(9,683.62)
Trade receivables	(4,476.75)	(988.59)
Other current financial assets	(102.15)	121.90
Other current assets	838.13	(6,604.93)
Adjustments for (increase)/ decrease in operating liabilities:		
Other non-current financial liabilities	3,609.75	7.50
Non-current provisions	269.73	200.75
Trade payables	10,701.59	97.92
Other current financial liabilities	(513.41)	443.14
Current provisions	7.47	(11.57)
Other current liabilities	1,236.53	14.87
Cash generated from operations	40,010.67	3,825.52
Income taxes paid	(6,327.63)	(5,155.57)
Net cash generated by operating activities	33,683.03	(1,330.05)

Statement of Cash Flows [Contd.]

for the year ended 31 March 2021

₹ in Lakh

Particulars	Year ended 31 Mar 2021	Year ended 31 Mar 2020
Cash flows from investing activities		
Additions to property, plant and equipment, intangible assets (including capital work-in-progress and capital advances)	(6,010.53)	(32,124.74)
Proceeds from sale of property, plant and equipment	7.18	0.84
Bank balances not considered as cash and cash equivalents	2,868.98	(6,192.42)
(Purchase)/ sale of investments (net)	(22,391.23)	440.82
Interest received	264.51	627.90
Rental income from investment properties	57.03	59.05
Dividends received	162.25	151.57
Net cash (used in)/generated by investing activities	(25,041.81)	(37,036.98)
Cash flows from financing activities		
Proceeds from long term borrowings	3,289.24	33,122.41
Proceeds from short term borrowings	(6,864.82)	6,864.82
Finance costs	(1,306.29)	(672.60)
Dividends paid	-	(918.75)
Lease liability paid	(509.74)	(439.11)
Tax on dividends	-	(188.85)
Net cash used in financing activities	(5,391.61)	37,767.92
Net increase in cash and cash equivalents	3,249.61	(599.11)
Cash and cash equivalents at the beginning of the year	3,422.90	4,022.01
Cash and cash equivalents at the end of the year	6,672.51	3,422.90
Details of the Cash and Cash Equivalents		
Balances with banks		
(i) in current accounts	6,667.52	1,541.84
(ii) in deposits with maturity less than 3 months	-	1,877.70
Cash on hand	4.99	3.36
Cash and cash equivalents at the end of the year	6,672.51	3,422.90

The accompanying notes 1 to 42 are an integral part of the financial statements

In terms of our report attached
For **R Subramanian and Company LLP**
Chartered Accountants
FRN: 004137S/ S200041

For and on behalf of the Board of Directors

Gokul S. Dixit
Partner
Membership No. 209464
UDIN: 21209464AAAAAF7645

T.R. Raghunandan
Chairman

Bahirji A. Ghorpade
Managing Director

Place: Bengaluru
Date: 28 June 2021

Bijan Kumar Dash
Company Secretary

Sachin Sanu
Chief Financial Officer

Notes to the Financial Statements

for the year ended 31 March 2021

1. CORPORATE INFORMATION

The Company is engaged in mining of manganese and iron ores in Deogiri village of Sandur taluk, Bellary District, Karnataka. The Company is also engaged in the manufacture of ferroalloys & coke located at Vyasanakere, Hospet. The Company is a public limited company incorporated and domiciled in India. The Company has its Registered Office at 'Satyalaya', Door No. 266 (old No.80), Behind Taluka Office, Ward No.1, Palace Road, Sandur 583 119, Bellary District, Karnataka and its Corporate Office at No. 9, Sandur House, Ballari Road, Sadashivnagar Bangalore 560 080.

1.1 Significant accounting policies

(i) Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time

(ii) Basis of preparation of the financial statements

These financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below. This financial statements comply in all material aspects with Ind AS notified under section 133 of the Companies Act, 2013 (the Act) (to the extent notified) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. All assets and liabilities are classified into current and non current based on the operating cycle of less than twelve months all based on the criteria of realisation / settlement within twelve month period from the balance sheet date.

Accounting policies have been consistently applied except where a new accounting standard is initially adopted or revision to an existing accounting standard, requires a change in the accounting policy hitherto in use.

1.2 Use of estimates and judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial

statements. The actual outcome may diverge from these estimates. Estimates and assumptions are reviewed on a periodic basis. Appropriate changes in estimates are made when the management of the Company becomes aware of the changes in the circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which the changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Ores:

Revenue from sale of ores is recognised on completion of e-auction and receipt of money from the customer. In case of sale of sub-grade ores the revenue from sale of ores is recognised on despatch of goods to customers from plant or stock points as applicable when significant risks and rewards of ownership are considered to be transferred and realisation is reasonably assured.

Ferro alloys & Coke:

Revenue from sale of goods is recognised on dispatch of ferro alloys & coke to customers from plant, when significant risks and rewards of ownership are considered to be transferred and realisation is reasonably assured.

Energy:

Revenue from sale of energy is recognised on accrual basis based on the energy generated and supplied as per applicable rates from time to time and includes unbilled revenue accrued up to the end of the accounting year.

1.3.1 Rendering of services:

In case of service income, revenue is recognised when the service is rendered to the customer.

1.4 Dividend and interest income

Dividend income from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective

interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

1.5 Leases

Policy before April 1, 2019

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Policy applicable after April 1, 2019

"The Company has adopted Ind AS 116 effective from April 1 2019 using modified retrospective approach. For the purpose of preparation of Standalone Financial Information, management has evaluated the impact of change in accounting policies required due to adoption of Ind AS 116 for year ended March 31 2020. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset."

As a lessee, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of-use asset or the end of the lease term. The estimated useful

lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in substance fixed payments. The lease liability is measured at amortised cost using the effective interest method.

The Company has used number of practical expedients when applying Ind AS 116: - Short-term leases, leases of low-value assets and single discount rate. The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of less than 12 months and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straightline basis over the lease term. The Company applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

The Company as lessor

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

1.6 Foreign currency transactions and balances

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the respective transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses).

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

1.6.1 Functional Currency

The financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company. Functional currency of an entity is the currency of the primary economic environment in which the entity operates.

Notes to the Financial Statements

1.7 Employee benefits

1.7.1 Retirement benefit costs and termination benefits

Employee benefits include provident fund, employee state insurance scheme, pension, gratuity, superannuation and compensated absences.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

1.7.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

1.8 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1.8.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision.

1.8.2 Minimum alternate tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

1.8.3 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable

profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

1.8.4 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

1.9 Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets at head office and mines (including assets transferred to plant from these locations other than freehold land and properties under construction) less their residual values over their useful lives, using The Company's assets are depreciated on the written down value method and at plant (including assets transferred to other locations from plant) are depreciated on the straight line method over the useful life and in manner prescribed in Schedule II to the 2013 Act. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Items such as spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment when they meet the definition of property, plant and equipment under Ind AS 16. i.e., Property, plant and equipment are tangible items that:

- (a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- (b) are expected to be used during more than one period.

If the above said definition is not met, they are classified as inventories in accordance with Ind AS 2 Inventories."

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

1.10 Investment property

Investment properties are properties held to earn rentals and/ or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

1.11 Intangible assets

1.11.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

1.11.2 Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible

Notes to the Financial Statements

asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

1.11.3 Useful lives of intangible assets

Intangible assets are amortised over their estimated useful life on straight line method as follows:

Software Licenses : 5 years

1.12 Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including all levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. Cost is determined as follows:

Stores, spares and consumables	Monthly weighted average rates
Raw materials	Monthly weighted average rates
Work in progress & finished goods	Full absorption costing method based on annual cost of production

1.13 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

The financial obligation towards mine closure plans under relevant Acts and Rules are technically estimated, based on total available ore reserves of all the mining leases. The amount so determined is provided in the books of account on the basis of run of mine ore production of the mines of all the mining leases.

1.14 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

1.15. Earnings per share

The basic earnings/ (loss) per share is computed by dividing the net profit/ (loss) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

1.16. Segment accounting:

Operating segments are reported in the manner consistent with the internal reporting to the chief operating decision maker (CODM). The Company has identified business segment as its primary segment with secondary information reported geographically.

The Company's primary segments consist of Mining, Ferroalloys, Coke & energy.

Unallocable represents other income and expenses which relate to the Company as a whole and are not allocated to segments.

1.17 Operating cycle

As mentioned in para 1 above under 'Corporate information', the Company based on the normal time between acquisition of assets and their realisation in cash or cash equivalents, has determined its operating cycle as one year. The above basis is used for classifying the assets and liabilities into current and non-current as the case may be.

1.18. Cash flow statement

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

1.19. Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of

the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

Hedge accounting

The Company designates currency options and futures contracts as hedge instruments in respect of foreign exchange risks. These hedges are accounted for as cash flow hedges

The Company uses hedging instruments that are governed by the policies of the Company which are approved by the Board of Directors. The policies provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company.

The hedge instruments are designated and documented as hedges at the inception of the contract. The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified in net foreign exchange gains in the statement of profit and loss.

The effective portion of change in the fair value of the designated hedging instrument is recognised in the other comprehensive income and accumulated under the heading cost of hedging.

The Company separates the intrinsic value and time value of an option and designates as hedging instruments only the change in intrinsic value of the option. The change in fair value of the time value and intrinsic value of an option is recognised in the statement of other comprehensive income and accounted as a separate component of equity. Such amounts are reclassified into the statement of profit and loss when the related hedged items affect profit or loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and is recognised in statement of profit and loss when the forecasted transaction ultimately affects the profit or loss.

1.20 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which

Notes to the Financial Statements

are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Statement of Profit and Loss in the year in which they are incurred

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific

borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

Borrowing Cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

NOTE NO. 2 - PROPERTY, PLANT AND EQUIPMENT

₹ in Lakh

Description of Assets	Land - Freehold	Buildings - Freehold	Plant and Equipment - Freehold	Office Equipment	Furniture and Fixtures	Vehicles	Total
I. Owned assets							
As at 1 April 2020	7,676.49	4,556.39	14,200.59	614.61	687.57	1,181.26	28,916.91
Additions	136.32	3,941.84	48,755.59	239.63	42.00	172.79	53,288.17
Disposals/ adjustments	8.34	-	806.84	2.60	-	25.56	843.34
Balance as at 31 March 2021	7,804.47	8,498.23	62,149.34	851.64	729.57	1,328.49	81,361.74
II. Accumulated depreciation and impairment							
As at 1 April 2020	-	452.56	2,513.99	301.65	190.72	738.26	4,197.18
Depreciation expense for the year	-	415.62	1,254.15	140.32	136.32	153.88	2,100.29
Eliminated on disposal of assets	-	-	331.32	2.46	-	24.28	358.06
Balance as at 31 March 2021	-	868.18	3,436.82	439.51	327.04	867.86	5,939.41
III. Net carrying amount (I-II)	7,804.47	7,630.05	58,712.52	412.13	402.53	460.63	75,422.33
I. Gross Carrying Amount							
Balance as at 1 April 2019	5,485.68	2,863.02	13,609.93	444.43	313.86	1,097.77	23,814.69
Additions	2,190.81	1,754.52	646.26	242.77	380.61	90.57	5,305.54
Disposals/ adjustments	-	61.15	55.60	72.59	6.90	7.08	203.32
Balance as at 31 March 2020	7,676.49	4,556.39	14,200.59	614.61	687.57	1,181.26	28,916.91
II. Accumulated depreciation and impairment							
Balance as at 1 April 2019	-	243.03	1,882.94	213.44	117.90	553.50	3,010.81
Depreciation expense for the year	-	237.08	683.30	157.78	78.81	191.45	1,348.42
Eliminated on disposal of assets	-	27.55	52.25	69.57	5.99	6.69	162.05
Balance as at 31 March 2020	-	452.56	2,513.99	301.65	190.72	738.26	4,197.18
III. Net carrying amount (I-II)	7,676.49	4,103.83	11,686.60	312.96	496.85	443.00	24,719.63

Notes:

1. For depreciation methods used and the useful lives or the depreciation refer note 1.9 of financial statement.
2. Certain property, plant and equipment are pledged as collateral against borrowings, the details related to which have been described in Note 14 on "Borrowings".

Notes to the Financial Statements

NOTE NO. 3 - INVESTMENT PROPERTY

₹ in Lakh

Description of Assets	Land	Buildings	Total
I. Gross Carrying Amount			
Balance as at 1 April 2020	4,401.71	604.90	5,006.61
Addition	-	-	-
Disposals	-	-	-
Balance as at 31 March 2021	4,401.71	604.90	5,006.61
II. Accumulated depreciation and impairment			
Balance as at 1 April 2020	-	111.29	111.29
Addition	-	24.00	24.00
Disposals	-	-	-
Balance as at 31 March 2021	-	135.29	135.29
III. Net carrying amount (I-II)	4,401.71	469.61	4,871.32
I. Gross Carrying Amount			
Balance as at 1 April 2019	4,401.71	604.90	5,006.61
Addition	-	-	-
Disposals	-	-	-
Balance as at 31 March 2020	4,401.71	604.90	5,006.61
II. Accumulated depreciation and impairment			
Balance as at 1 April 2019	-	85.99	85.99
Addition	-	25.30	25.30
Disposals	-	-	-
Balance as at 31 March 2020	-	111.29	111.29
III. Net carrying amount (I-II)	4,401.71	493.61	4,895.32

1. The Company's investment properties consist of one commercial & one residential properties in India. Management determined that the investment properties consist of two classes of assets – commercial and residential– based on the nature, characteristics and risks of each property.

2. For depreciation methods used and the useful lives or the depreciation refer note 1.9 of financial statement.

3. All of the Company's investment property are held free hold interest except for Certain investment property are pledged as collateral against borrowings, the details related to which have been described in Note 14 on "Borrowings".

4. Fair market value investment property have been arrived at on the basis of valuations carried out by the Company internally on the basis of market value and the details are as below.

₹ in Lakh

Particulars	31-Mar-21	31-Mar-20
Land	7,131.38	7,131.38
Buildings	740.61	763.52
Total	7,871.99	7,894.90

5. The company has no restrictions on the realis ability of its investment properties and no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

6. Amounts recognised in profit or loss for Investment property

₹ in Lakh

Particulars	31-Mar-21	31-Mar-20
Rental income	57.03	59.05
Direct operating expenses related to investment property	-	-
Depreciation	24.00	25.30

NOTE NO. 4 - OTHER INTANGIBLE ASSETS

₹ in Lakh

Description of Assets	Computer software	Total
I. Gross Carrying Amount		
Balance as at 1 April 2020	430.98	430.98
Additions	12.65	12.65
Disposals	0.36	0.36
Balance as at 31 March 2021	443.27	443.27
II. Accumulated depreciation and impairment		
Balance as at 1 April 2020	320.39	320.39
Amortisation expense for the year	85.40	85.40
Eliminated on disposal of assets	0.34	0.34
Balance as at 31 March 2021	405.45	405.45
III. Net carrying amount (I-II)	37.82	37.82
I. Gross Carrying Amount		
Balance as at 1 April 2019	351.37	351.37
Additions	79.61	79.61
Disposals	-	-
Balance as at 31 March 2020	430.98	430.98
II. Accumulated depreciation and impairment		
Balance as at 1 April 2019	206.53	206.53
Amortisation expense for the year	113.86	113.86
Eliminated on disposal of assets	-	-
Balance as at 31 March 2020	320.39	320.39
III. Net carrying amount (I-II)	110.59	110.59

Notes:

1. For depreciation methods used and the useful lives or the depreciation refer note 1.11.3 of financial statement.

NOTE NO. 5 - RIGHT TO USE ASSET

₹ in Lakh

Description of Assets	Vehicles	Total
I. Gross Carrying Amount		
Balance as at 1 April 2020	1,374.65	1,374.65
Change in accounting Policy	-	-
Addition	-	-
Disposals	-	-
Balance as at 31 March 2021	1,374.65	1,374.65
II. Accumulated depreciation and impairment		
Balance as at 1 April 2020	459.87	459.87
Addition	471.73	471.73
Disposals	-	-
Balance as at 31 March 2021	931.60	931.60

Notes to the Financial Statements

₹ in Lakh

Description of Assets	Vehicles	Total
III. Net carrying amount (I-II)	443.05	443.05
I. Gross Carrying Amount		
Balance as at 1 April 2019	-	-
Change in accounting Policy	1,628.86	1,628.86
Addition	182.85	182.85
Disposals	-	-
Balance as at 31 March 2020	1,811.71	1,811.71
II. Accumulated depreciation and impairment		
Balance as at 1 April 2019	-	-
Change in accounting Policy	437.86	437.86
Addition	459.07	459.07
Disposals	-	-
Balance as at 31 March 2020	896.93	896.93
III. Net carrying amount (I-II)	914.78	914.78

1. The aggregate depreciation expense on right-of-use asset is included under depreciation and amortisation expense in the statement of profit and loss.

NOTE NO. 6 - INVESTMENTS

₹ in Lakh

Particulars	As at 31 March 2021			As at 31 March 2020		
	QTY	Amount		QTY	Amount	
		Current	Non Current		Current	Non Current
I. Quoted investments in equity instruments						
HDFC Bank Limited	5,000	-	77.45	2,500	-	43.65
Equity shares of ₹ 2 each fully paid up						
Total quoted investments		-	77.45		-	43.65
Investments in Mutual Funds						
Quoted						
PGIM India Credit Risk-Regular Plan-Growth	22,61,932	332.58	-	53,82,349	749.06	-
Franklin India Dynamic Accrual Fund-Growth Scheme	6,39,913	451.62	-	10,60,086	709.84	-
IDFC Credit Risk - Regular Plan-Growth	28,74,720	374.15	-	28,74,720	354.70	-
SBI Credit Risk-Regular Plan-Growth	53,67,170	1,786.41	-	22,74,863	721.26	-
UTI Credit Risk-Regular Plan-Growth	33,53,544	19.04	-	33,53,544	53.47	-
Nippon India Strategic Debt Fund-Regular Plan-Growth-(Refer note 27 (i)(b))	44,13,710	473.61	-	44,13,710	467.22	-

₹ in Lakh

Particulars	As at 31 March 2021			As at 31 March 2020		
	QTY	Amount		QTY	Amount	
		Current	Non Current		Current	Non Current
Franklin India Credit Risk -(G)	18,62,010	385.39	-	24,88,147	465.21	-
ICICI Prudential Balanced Advantage-G	13,83,892	612.23	-	13,83,892	423.06	-
Nippon India Balanced Advantage-G	5,40,604	591.39	-	5,40,604	425.04	-
Aditya Birla Sun Life Credit Risk	38,72,637	609.10	-	38,72,637	559.98	-
Kotak Savings Fund	45,27,480	1,527.15	-	-	-	-
HDFC Ultra Short Term Fund	2,23,51,630	2,647.82	-	-	-	-
IDFC Arbitrage Regular-G	59,73,884	1,521.87	-	-	-	-
Aditya Birla Sun Life Low Duration Fund	5,92,731	3,057.16	-	-	-	-
Axis Ultra Short Term Fund	1,91,35,577	2,237.73	-	-	-	-
ICICI Prudential Ultra Short Term -G	1,42,28,748	3,068.61	-	-	-	-
Tata Ultra Short Term Fund	1,34,09,275	1,510.66	-	-	-	-
Axis Short Term Fund-G	42,40,289	1,013.15	-	-	-	-
DSP Low Duration Fund-Reg-G	32,50,792	504.69	-	-	-	-
DSP Ultra Short Fund-Reg-G	18,633	504.25	-	-	-	-
PGIM India Ultra Short Term Fund	1,30,00,372	3,517.03	-	-	-	-
UTI Ultra Short Term Fund	46,166	1,504.52	-	-	-	-
		28,250.16	-		4,928.84	-
Unquoted						
Arthaveda Star Fund - Unit of ₹ 1,000 each	23,413	267.50	-	23,413	268.35	-
Edelweiss Stressed & Troubled assets revival Fund	1,000	31.94	-	1,000	48.14	-
Indiabulls High Yield Fund	40,00,000	441.56	-	40,00,000	425.01	-
		741.00	-		741.50	-
Total investments carrying value		28,991.16	77.45		5,670.34	43.65
Other disclosures						
Aggregate amount of quoted investments & market value thereof		28,250.16	77.45		4,928.84	43.65
Aggregate amount of unquoted investments		741.00	-		741.50	-

Notes to the Financial Statements

NOTE NO. 7 - OTHER FINANCIAL ASSETS (UNSECURED AND CONSIDERED GOOD)

₹ in Lakh

Particulars	As at 31 March 2021		As at 31 March 2020	
	Current	Non- Current	Current	Non- Current
(i) Security deposits	-	466.25	-	542.39
ii) Deposits against guarantees with maturity of more than 12 months (Refer Note 12)	-	448.75	-	434.13
iii) Loans and advances to employees	254.28	-	152.13	-
iv) Interest accrued on deposits	126.66	-	86.00	-
v) Fair value of foreign exchange derivative assets.	-	-	-	-
Total	380.94	915.00	238.13	976.52

NOTE NO. 8 - DEFERRED TAX BALANCES

₹ in Lakh

Particulars	As at 31 March 2021	As at 31 March 2020
Deferred tax assets	474.00	3,549.37
Total	474.00	3,549.37

As at March 31, 2021

₹ in Lakh

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in other comprehensive income	Closing Balance
Deferred tax (liabilities)/assets in relation to:				
Property, plant and equipment	532.90	(3,327.86)	-	(2,794.96)
Intangible assets	(369.20)	348.90	-	(20.30)
Right to use assets	319.66	(164.84)	-	154.82
Investments	103.46	260.23	-	363.69
Provision for doubtful debts	-	287.78	-	287.78
Provision for employee benefits	381.94	58.50	-	440.44
MAT credit entitlement	547.37	(547.37)	-	-
Disallowances under section 40(a)(i), 43B of the Income-tax Act, 1961	2,033.24	9.29	-	2,042.53
Total	3,549.37	(3,075.37)	-	474.00

As at March 31, 2020

₹ in Lakh

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in other comprehensive income	Closing Balance
Deferred tax (liabilities)/assets in relation to:				
Property, plant and equipment	440.00	92.90	-	532.90
Intangible assets	(6.72)	(362.48)	-	(369.20)
Right to use assets	-	319.66	-	319.66
Investments	-	103.46	-	103.46
Provision for employee benefits	109.00	272.94	-	381.94
Cash flow hedges	41.53	(41.53)	-	-
MAT credit entitlement	47.37	500.00	-	547.37
Disallowances under section 40(a)(i), 43B of the Income-tax Act, 1961	1,866.19	167.05	-	2,033.24
Total	2,497.37	1,052.00	-	3,549.37

NOTE NO. 9 - OTHER CURRENT ASSETS

₹ in Lakh

Particulars	As at 31 March 2021		As at 31 March 2020	
	Current	Non- Current	Current	Non- Current
Unsecured considered good				
(a) Capital advances				
Capital advances (Unsecured, considered good)				
(i) For capital work in progress	-	1,737.65	-	2,109.92
(ii) For intangible asset under development				
(iii) For Investment property under development				
(b) Advances other than capital advances				
(i) Balances with government authorities (other than income taxes)	5,808.46	156.99	7,830.96	156.99
Less: provision for doubtful receivables	(3.65)	-	(3.65)	-
(ii) Other advances	5,804.81	156.99	7,827.31	156.99
Secured, considered good	-	-	-	-
Unsecured, considered good	3,126.66	-	2,043.25	2.65
Unsecured, considered doubtful	336.42	-	23.12	-
Less: provision for doubtful receivables	(336.42)	-	(23.12)	-
iii) Unbilled revenue	86.30	-	19.76	-
iv) Excess of plan asset on gratuity obligation	34.42	-	-	-
iv) Tax payments, net of provisions (Unsecured, considered good) of	-	5,224.14	-	5,196.14
Total	9,052.19	7,118.78	9,890.32	7,465.70

NOTE NO. 10 - INVENTORIES

₹ in Lakh

Particulars	As at 31 March 2021	As at 31 March 2020
(a) Raw materials	8,664.84	6,451.29
(b) Finished and semi-finished goods	6,172.36	8,975.31
(c) Stores and spares	860.84	736.30
Total Inventories (at lower of cost and net realisable value)	15,698.04	16,162.90

1. Mode of valuation of inventories is stated in Note 1.12.

NOTE NO. 11 - TRADE RECEIVABLES

₹ in Lakh

Particulars	As at 31 March 2021		As at 31 March 2020	
	Current	Non- Current	Current	Non- Current
Trade receivables				
(a) Trade receivables considered good -Unsecured	7,556.89	-	3,080.14	-
(b) Trade receivables which have significant increase in credit risk	-	-	-	-
(c) Trade receivables - Credit Imparted	423.26	-	49.57	-
Less: Allowance for credit losses	(423.26)	-	(49.57)	-
Total	7,556.89	-	3,080.14	-

Notes to the Financial Statements

NOTE NO. 12 - CASH AND BANK BALANCES

₹ in Lakh

Particulars	As at 31 March 2021	As at 31 March 2020
Cash and cash equivalents		
(a) Balances with banks		
(i) In current accounts	6,667.52	1,541.84
(ii) Fixed deposits with maturity less than 3 months	-	1,877.70
(b) Cash on hand	4.99	3.36
Total cash and cash equivalent	6,672.51	3,422.90
(a) Earmarked balances with banks - dividend accounts	25.45	459.36
(b) Balances with banks:		
(i) On margin accounts	6,877.27	9,312.34
(ii) Fixed deposits with maturity greater than 3 months disclosed under Note 7	448.75	434.13
	6,428.52	8,878.21
Total other bank balances	6,453.97	9,337.57

Notes

1. Cash and cash equivalents include cash in hand and in banks.

NOTE NO. 13 - EQUITY SHARE CAPITAL

₹ in Lakh

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares	Amount ₹ lakh	No. of shares	Amount ₹ lakh
Authorised:				
Equity shares of ₹ 10 each with voting rights	11,40,00,000	11,400.00	11,40,00,000	11,400.00
Preference shares of ₹ 100 each	1,00,000	100.00	1,00,000	100.00
Issued, subscribed and fully Paid:				
Equity shares of ₹ 10 each with voting rights	90,01,941	900.19	87,50,000	875.00
Shares pending issuance	-	-	-	-
Shares issued pursuant to business combination	-	-	2,51,941	25.19
Total	90,01,941	900.19	90,01,941	900.19

(ii) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	Opening balance	Fresh issue	Bonus	ESOP	Other changes	Closing balance
(a) Equity shares with voting rights						
Year ended 31 March 2021						
No. of shares	90,01,941	-	-	-	-	90,01,941
Amount ₹ lakh	900.19	-	-	-	-	900.19
Year ended 31 March 2020						
No. of shares	87,50,000	-	-	-	2,51,941	90,01,941
Amount ₹ lakh	875.00	-	-	-	25.19	900.19

Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuing annual general meeting. Further, the Board of Directors may also announce an interim dividend which would need to be confirmed by the shareholders at the forthcoming Annual General Meeting. In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

Issue of shares to shareholders of Star Metallics & Power Private Limited

The scheme of amalgamation of Star Metallics and Power Private Limited ('Transferor') a subsidiary, with the Company was approved by the Bengaluru bench of National Company Law Tribunal (NCLT), vide its order dated March 4, 2020, and on completion of the required formalities the Scheme became effective from April 1, 2019. The new shares have been issued to the minority shareholders.

(ii) Details of shares held by the holding company:

Particulars	Equity shares with voting rights	Equity shares with differential voting rights	Others
As at 31 March 2021			
Skand Private Limited	46,32,040	-	-
As at 31 March 2020			
Skand Private Limited	46,32,040	-	-

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March 2021		As at 31 March 2020	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Skand Private Limited	46,32,040	51.46	46,32,040	51.46
Euro Industrial Enterprises Private Limited	6,77,329	7.52	6,77,329	7.52

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Particulars	Reserves and surplus				Items of other comprehensive income		Total other equity
	Capital redemption reserve	Securities premium reserve	General reserve	Amalgamati on adjustment deficit account	Remeasurement of post-employment obligations (net of tax)	Cost of hedging (net of tax)	
Balance As at 1 April 2019	100.65	10,272.27	3,788.11	(3,488.91)	(142.04)	(46.08)	69,504.93
Ind As 116 transitional adjustment	-	-	-	-	-	-	(54.06)
Profit / (Loss) for the year	-	-	-	-	(58.45)	46.08	14,726.16
Dividend paid on equity shares	-	-	-	-	-	-	(918.75)
Dividend distribution tax	-	-	-	-	-	-	(188.85)
As at 31 March 2020	100.65	10,272.27	3,788.11	(3,488.91)	(200.49)	-	83,069.43
Profit / (Loss) for the year	-	-	-	-	(51.51)	-	15,341.25
As at 31 March 2021	100.65	10,272.27	3,788.11	(3,488.91)	(252.01)	-	98,410.68

₹ in Lakh

Description of the nature and purpose of other equity

(a) Capital redemption reserves: Reserve created on redemption of capital.

₹ in Lakh

Particulars	As at 31 March 2021	As at 31 March 2020
Balance as at the beginning of the year	100.65	100.65
Balance as at the end of the period	100.65	100.65

(b) Securities premium reserve: Amounts received on issue of shares in excess of the par value has been classified as securities premium.

₹ in Lakh

Particulars	As at 31 March 2021	As at 31 March 2020
Balance as at the beginning of the year	10,272.27	10,272.27
Balance as at the end of the period	10,272.27	10,272.27

(c) Amalgamation adjustment deficit account: Comprises of excess of the carrying value of the net assets over shares issued and investment made on business combination (Refer Note no 38)

₹ in Lakh

Particulars	As at 31 March 2021	As at 31 March 2020
Balance as at the beginning of the year	(3,488.91)	(3,488.91)
Balance as at the end of the period	(3,488.91)	(3,488.91)

(d) General reserve: The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. Items included under General Reserve shall not be reclassified back into the profit or loss.

₹ in Lakh

Particulars	As at 31 March 2021	As at 31 March 2020
Balance as at the beginning of the year	3,788.11	3,788.11
Balance as at the end of the period	3,788.11	3,788.11

(e) Retained earnings: Retained earnings comprise of the Company's prior years undistributed earnings after taxes.

₹ in Lakh

Particulars	As at 31 March 2021	As at 31 March 2020
Balance as at the beginning of the year	72,597.80	59,020.93
Balance as at the end of the period	87,990.56	72,597.80

Distributions made and proposed

₹ in Lakh

Particulars	As at 31 March 2021	As at 31 March 2020
Proposed dividends on equity shares		
Final dividend proposed for the year ended on 31 March 2021: ₹ 10 per share	900.19	-
Cash dividends on equity shares declared and paid		
Final dividend for the year ended on 31 March 2019: ₹ 3.5 per share	-	306.25
Dividend distribution tax on final dividend	-	62.95
Interim dividend for the year ended on 31 March 2020: ₹ 7 per share	-	612.50
Dividend distribution tax on Interim dividend	-	125.90
	900.19	1,107.60

Proposed dividends on equity shares are subject to approval in annual general meeting and are not recognised as a liability (including dividend distribution tax thereon).

Notes to the Financial Statements

NOTE NO. 14 - BORROWINGS

₹ in Lakh

Particulars	As at 31 March 2021		As at 31 March 2020	
	Current	Non- Current	Current	Non- Current
Terms loans				
Secured	-	30,697.36	-	33,122.41
Other loans	-	-	6,864.82	-
Total	-	30,697.36	6,864.82	33,122.41

Notes:

Term loans	As at 31 March 2021	As at 31 March 2020
Rupee term loan from the banks (Secured)	30,697.36	33,122.41
Total	30,697.36	33,122.41

Weighted average interest cost as on 31 March 2021 is 10.26% (31 March 2020 is 10.55%)

Terms of repayment

84 equal instalments from March 31, 2021

Security

First pari-passu charge on all moveable and immovable fixed assets and current assets of the Company present and future including project assets. Pledge of the shares of the holding Company.

Other loans	As at 31 March 2021	As at 31 March 2020
Short-term loans in USD	-	6,864.82
Total	-	6,864.82

Weighted average interest cost as on 31 March 2021 is Nil (31 March 2020 is 2.23%)

Terms of repayment

short term foreign currency loan for a period of 180 days.

Security

Lien on fixed deposits

NOTE NO. 15 - OTHER FINANCIAL LIABILITIES

₹ in Lakh

Particulars	As at 31 March 2021		As at 31 March 2020	
	Current	Non- Current	Current	Non- Current
a. Security deposits	-	3,645.75	-	36.00
b. Current maturities of finance lease obligations	169.82	310.05	449.51	540.10
c. Current maturities of long-term borrowings	5,714.29	-	-	-
d. Payables on purchases of fixed assets	5,040.59	-	5,616.84	-
e. Unpaid dividends	25.45	-	459.36	-
Total	10,950.15	3,955.80	6,525.71	576.10

Notes:

1. Unclaimed dividends do not include any amount credited to Investor Education and Protection Fund.

NOTE NO. 16 - PROVISIONS

₹ in Lakh

Particulars	As at 31 March 2021		As at 31 March 2020	
	Current	Non- Current	Current	Non- Current
(a) Provision for employee benefits				
1. Compensated absences	54.84	353.86	47.37	264.13
(b) Other Provisions				
1. Mine closure	-	713.00	-	533.00
Total	54.84	1,066.86	47.37	797.13

Details of movement in mine closure provision

Particulars	2020-21	2019-20
Opening balance	533.00	382.00
Additional provisions recognised	157.00	126.00
Amounts used during the period	-	-
Unused amounts reversed during the period	-	-
Unwinding of discount and effect of changes in the discount rate	23.00	25.00
Closing balance	713.00	533.00

Note:

1. The financial obligation towards mine closure plans under relevant Acts and Rules are technically estimated, based on total available ore reserves of all the mining leases. The amount so determined is provided in the books of account on the basis of run of mine ore production of the mines of all the mining leases.

NOTE NO. 17 - TRADE PAYABLES

₹ in Lakh

Particulars	As at 31 March 2021		As at 31 March 2020	
	Current	Non- Current	Current	Non- Current
Trade payable - Micro small and medium enterprises	-			
Trade payable - Other than micro small and medium enterprises	18,628.85	-	8,040.84	-
Total trade payables	18,628.85	-	8,040.84	-

Notes:

1. Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.

NOTE NO. 18- CURRENT TAX ASSETS AND LIABILITIES

₹ in Lakh

Particulars	As at 31 March 2021	As at 31 March 2020
Current tax liabilities		
Tax payable	157.37	-
Total	157.37	-

Notes to the Financial Statements

NOTE NO. 19 - OTHER CURRENT LIABILITIES

₹ in Lakh

Particulars	As at 31 March 2021		As at 31 March 2020	
	Current	Non- Current	Current	Non- Current
a. Advances received from customers	416.90	-	218.98	-
b. Statutory dues				
- taxes payable (other than income taxes)	7,139.85	-	5,923.68	-
c. Gratuity payable	-	-	99.06	-
d. Other creditors	11.87	-	10.86	-
Total	7,568.62	-	6,252.58	-

1. Disputed statutory remittances as at March 31, 2021 ₹ 5,612.03 lakh (As at March 31, 2020 - ₹ 5,285.23 lakh)

NOTE NO. 20 - REVENUE FROM OPERATIONS

The following is an analysis of the company's revenue for the year from continuing operations

₹ in Lakh

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
(a) Revenue from sale of products	73,044.08	58,070.25
(b) Revenue from rendering of services	459.01	-
(c) Other operating revenue	1,155.80	1,090.44
Total revenue from operations	74,658.89	59,160.69

Notes :

₹ in Lakh

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
Disaggregated revenue information		
(i) Revenue from sale of products comprises:		
(a) Manganese ore	13,045.69	13,674.90
(b) Iron ore	36,918.26	33,547.27
(c) Silico-manganese	10,689.50	10,763.23
(d) Energy	185.15	84.85
(e) Coke	12,205.48	-
	73,044.08	58,070.25
(ii) Revenue from sale of Services comprises:		
Coke Conversion Charges	459.01	-
(iii) Other operating revenues comprises:		
(a) Handling charges	787.78	766.83
(b) Sale of scrap/ waste	246.10	108.63
(c) Other miscellaneous receipts	121.92	214.98
	1,155.80	1,090.44
(iv) Timing of revenue recognition		
Goods transferred at a point in time	74,557.56	58,975.57
Services transferred over time	101.33	185.12
	74,658.89	59,160.69
(v) Contract balance		
Trade receivables	7,556.89	3,080.14

NOTE NO. 21 - OTHER INCOME

₹ in Lakh

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
(a) Interest Income on financial assets carried at amortised cost		
On fixed-deposits with banks	302.30	600.39
On long-term deposits	2.87	20.21
(b) On investments carried at fair value through profit & loss account	162.25	151.57
(c) Rental income from Investment property	57.03	59.05
(d) Gain/ (loss) on investments carried at fair value through profit & loss account	963.39	-335.91
(e) Profit on sale of capital assets (net of loss on assets sold / scrapped / written off)	2.71	0.82
(f) Forex gain/loss	109.19	-
(g) Sale of petroleum products (net of consumption/ expenses of ₹ 2,002.01 lakh previous period : ₹ 1,603.86 lakh)	55.35	40.61
(h) Others	121.74	29.39
Total other income	1,776.83	566.13

NOTE NO. 22(A) - COST OF MATERIALS CONSUMED

₹ in Lakh

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
Material consumed comprises:		
- Manganese ore	1,057.11	615.46
- Coke	3,129.26	1,330.87
- Coal	37,099.94	5,830.72
- Other materials	501.40	346.26
Less: Capitalised	(29,673.77)	(1,264.85)
Total	12,113.94	6,858.46

NOTE NO. 22(B) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

₹ in Lakh

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
Inventories at the beginning of the year:		
Finished goods	6,126.75	4,277.66
	6,126.75	4,277.66
Inventories at the end of the year:		
Finished goods	6,172.36	6,126.75
	6,172.36	6,126.75
Net (increase) / decrease	(45.61)	(1,849.09)

Notes to the Financial Statements

NOTE NO. 23 - EMPLOYEE BENEFITS EXPENSE

₹ in Lakh

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
(a) Salaries and wages, including bonus	7,676.90	6,691.71
(b) Contribution to provident and other funds	488.52	398.21
(c) Staff welfare expenses	1,135.17	1,251.87
(d) Subsidy on food grains	892.44	835.09
Total	10,193.03	9,176.88

NOTE NO. 24 - FINANCE COSTS

₹ in Lakh

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
(a) Interest expense	4,095.76	3,031.18
Less: Amount included in the cost of qualifying assets	(2,812.47)	(2,383.58)
	1,283.29	647.60
(b) Unwinding of discount on provisions	23.00	25.00
Total	1,306.29	672.60

NOTE NO. 25 - DEPRECIATION & AMORTISATION EXPENSE

₹ in Lakh

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
(a) Depreciation on property, plant and equipment (Note 2)	2,100.29	1,348.42
(b) Depreciation on investment property (Note 3)	24.00	25.30
(c) Depreciation on other intangible assets (Note 4)	85.40	113.86
(d) Depreciation on right to use assets (Note 5)	471.73	459.07
Total	2,681.42	1,946.65

NOTE NO. 26 - OTHER EXPENSES

₹ in Lakh

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
(a) Stores consumed	456.72	711.75
(b) Operation and maintenance charges	683.22	636.92
(c) Power & fuel	35.67	36.04
(d) Rent	151.03	146.20
(e) Rates and taxes	8,523.09	8,060.05
(f) Insurance	75.91	95.01
(g) Repairs and maintenance - Machinery	170.35	230.50
(h) Repairs and maintenance - Building	193.34	320.34
(i) Repairs and maintenance - Others	440.31	440.42
(j) Mine running expenses	5,662.61	6,093.77
(k) Advertisement	8.82	23.16
(l) Freight, loading and siding charges	3,250.95	3,145.56

₹ in Lakh

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
(m) Selling expenses	705.86	351.18
(n) Travelling and conveyance expenses	655.93	826.14
(o) Expenditure on corporate social responsibility (CSR) under section 135 of the Companies Act, 2013	385.28	315.39
(p) Donations and contributions	192.00	800.00
(q) Auditors remuneration and out-of-pocket expenses		-
(i) Towards Statutory Auditor including Limited Review	50.00	49.50
(ii) Towards taxation Audit Fees	7.00	7.00
(iii) For Company Law matters	-	-
(ii) For other services	5.00	3.50
(iii) For reimbursement of expenses	0.25	4.18
(r) Provision for doubtful debts/ Advances	686.99	-
(s) Legal and other professional costs	440.76	349.47
(t) Assets discarded	475.52	41.25
(u) Impairment of goodwill	-	149.99
(v) Foreign exchange fluctuation (net)	-	490.34
(w) Loss on fixed assets	5.31	-
(x) Net fair value losses on derivatives not designated as hedges	105.81	124.54
(y) Security charges	854.57	853.92
(z) Miscellaneous expenses	1,011.22	1,135.32
Total	25,233.52	25,441.44

NOTE NO. 27 - CURRENT TAX AND DEFERRED TAX**(a) Income-tax recognised in profit or loss**

₹ in Lakh

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
Current tax:		
In respect of current year	6,485.00	3,793.35
Deferred tax:		
In respect of current year origination and reversal of temporary differences	3,075.37	(552.00)
Total income tax expense	9,560.37	2,741.35

(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

₹ in Lakh

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
Profit before tax	24,953.13	17,479.88
Income tax expense calculated at 34.94% (Previous year : 34.94%)	8,718.62	6,107.47
Effect of income that is exempt from taxation	-	(3,335.00)

Notes to the Financial Statements

₹ in Lakh

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
Effect of timing difference in tax calculation	471.75	(427.00)
Effect of expenses that is non-deductible in determining taxable profit	33.00	79.88
Effect of permanent difference in tax calculation	337.00	316.00
Income tax expense recognised In profit or loss	9,560.37	2,741.35

NOTE NO. 28 - EARNINGS PER SHARE

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
	Per Share	Per Share
Basic Earnings per share		
From continuing operations	170.99	163.73
Total basic earnings per share	170.99	163.73
Diluted Earnings per share		
From continuing operations	170.99	163.73
Total diluted earnings per share	170.99	163.73

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
Profit / (loss) for the year attributable to owners of the Company	15,392.76	14,738.53
Less: Preference dividend and tax thereon	-	-
Profit / (loss) for the year used in the calculation of basic earnings per share	15,392.76	14,738.53
Weighted average number of equity shares	90,01,941	90,01,941
Earnings per share from continuing operations - Basic	170.99	163.73
Earnings per share from continuing operations - Diluted	170.99	163.73

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
Weighted average number of equity shares used in the calculation of Basic EPS	90,01,941	90,01,941
Weighted average number of equity shares used in the calculation of Diluted EPS	90,01,941	90,01,941

NOTE NO. 29 - CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**(i) Contingent liabilities****a) Claims against the Company not acknowledged as debts:**

₹ in Lakh

Particulars	As at 31 March 2021	As at 31 March 2020
Income tax (relating to disallowance of deduction)	6,838.66	6,357.51
Service tax (relating to applicability of tax)	293.35	293.35
Forest development tax including interest	6,820.07	6,167.65
Differential rate relating to sale of power, including interest	463.40	431.62
Differential royalty including interest	953.53	835.62
Customs duty (relating to demand towards differential duty payable on import of coal)	395.95	375.53
Others (relating to provident fund and other matters)	22.85	22.85

The above amounts have been arrived at based on the notice of demand or the Assessment Orders, as the case may be, and the Company is contesting these claims with the respective authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decisions of the appellate authorities and the Company's rights for future appeals before the judiciary. No reimbursements are expected.

b) Guarantees given by the Company:

₹ in Lakh

Particulars	As at 31 March 2021	As at 31 March 2020
Bank guarantee issued to Indian Bureau of Mines towards progressive mine closure plan - Against working capital limits in the current year and lien on mutual funds at 125% of the value in the previous year.	3,630.73	3,630.73
Bank guarantee issued to vendors against purchase of raw material	279.32	164.69
Letter of credit opened against import of coal	22,956.51	5,131.99

(ii) Commitments:

₹ in Lakh

Particulars	As at 31 March 2021	As at 31 March 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for	4,011.46	17,000.83

NOTE NO. 30 - LEASES

₹ in Lakh

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
Expenses related to short-term leases		
As Lessee		
Expenses recognised in the statement of profit & loss	151.03	146.20
Maturity analysis of lease liabilities		
Less than 1 year	169.82	449.51
More than 1 year	310.05	540.10
Impact of Change in Accounting Policy (April 1, 2019)		
Right to Use of Asset	-	1,191.80

Notes to the Financial Statements

₹ in Lakh

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
Lease Liability	-	1,245.86
Impact in other equity(Adjusted in Retained earnings)	-	(54.06)
Impact on EPS		
Basic earnings per share	-	(0.62)
Diluted earnings per share	-	(0.62)

Effective April 01, 2019, the Company had adopted Ind AS-116 "Leases" retrospectively with cumulative effect of initially applying the standard, recognised as an adjustment to the opening balance of retained earnings as on the date of initial application (1 April 2019). Accordingly, the company was not required to restate the comparative information for the year ended March 31, 2019.

The major impact of adopting Ind AS 116 on the company's financial statements for the year ended March 2020 were as follows:

- Depreciation expenses for the year ended March 31, 2020 increased by ₹ 459.87 lakh.
- Finance costs for the year ended March 31, 2020 increased due to interest accrued on outstanding lease liability amounting to ₹ 114.67 lakh.
- Transitional impact of Ind AS 116 as on April 01, 2019, amounting to ₹ 54.06 lakh has been adjusted against opening balance of retained earnings.

Future lease commitments

All leases other than included above are of either low value or cancellable at the option of lessee.

NOTE NO. 31 - EMPLOYEE BENEFITS

(a) Defined Contribution Plan

The Company's contribution to provident fund and superannuation fund aggregating ₹ 297.64 lakh (previous year : ₹ 269.98 lakh) has been recognised in the Statement of Profit or Loss under the head employee benefits expense.

(b) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The Company makes annual contributions to an Insurance managed fund to fund its gratuity liability. The activity of the Company is administered by SMIORE Gratuity Fund Trust. The scheme provides for lump sum payment to vested employees on retirement, death while in employment or on termination of employment as per the Company's Gratuity Scheme, vesting occurs upon completion of three years of service.

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with references to government bond yields; if plan assets under perform compared to the government bonds discount rate, this will create or increase a deficit. The defined benefit plans hold a significant proportion of debt type assets, which are expected to outperform government bonds in the long-term.

Changes in bond yields

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plans' bond holdings and interest rate hedging instruments.

Inflation risk

Some of the Company's retirement obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, in most cases, caps on the level of inflationary increases are in place to protect the plan against extreme inflation). The plans hold a significant proportion of assets in index linked gilts, together with other inflation hedging instruments and also assets which are more loosely correlated with inflation. However an increase in inflation will also increase the deficit to some degree.

Life expectancy

The majority of the plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities. This is particularly significant in the Company's defined benefit plans, where inflationary increases result in higher sensitivity to changes in life expectancy.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at	
	As at 31 March 2021	As at 31 March 2020
Discount rate(s)	6.80%	6.75%
Expected rate(s) of salary increase	6.00%	6.00%

Defined benefit plans – as per actuarial valuation on 31st March, 2021

₹ in Lakh

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
	Funded	Funded
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Remeasurements during the period due to		
Changes in financial assumptions	(8.58)	106.34
Changes in demographic assumptions	-	-
Experience adjustments	169.00	0.75
Actual return on plan assets less interest on plan assets	(80.90)	(17.99)
Adjustment to recognise the effect of asset ceiling	-	-
Total	79.52	89.10
Expense recognised in statement of profit and loss under contribution to provident and other funds in note 23		
Current Service Cost	167.26	129.24
Past service cost	-	-
Administration expenses	-	-
Interest on net defined benefit liability/ (asset)	3.31	(1.49)
(Gains)/ losses on settlement	-	-
Components of defined benefit costs recognised in profit or loss	170.57	127.75
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
1. Present value of defined benefit obligation as at 31 st March	2,044.84	2,020.85
2. Fair value of plan assets as at 31 st March	2,079.25	1,921.79
3. Surplus/(Deficit)	(34.41)	99.06
4. Current portion of the above	-	-
5. Non current portion of the above	(34.41)	99.06
II. Change in the obligation during the year ended 31st March		
1. Present value of defined benefit obligation at the beginning of the year	2,020.85	1,904.29
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	-	-
3. Expenses Recognised in Profit and Loss Account		
- Current Service Cost	167.26	129.24
- Past Service Cost	-	-
- Interest Expense (Income)	123.30	124.32

Notes to the Financial Statements

₹ in Lakh

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
	Funded	Funded
4. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	-	-
ii. Financial Assumptions	(8.58)	106.34
iii. Experience Adjustments	169.00	0.75
5. Benefit payments	(426.99)	(244.09)
6. Others (Specify)	-	-
7. Present value of defined benefit obligation at the end of the year	2,044.84	2,020.85
III. Change in fair value of assets during the year ended 31st March		
1. Fair value of plan assets at the beginning of the year	1,921.79	1,874.32
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	-	-
3. Expenses Recognised in Profit and Loss Account		
- Expected return on plan assets	119.99	125.81
4. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actual Return on plan assets in excess of the expected return	80.90	17.99
- Others (specify)		
5. Contributions by employer (including benefit payments recoverable)	383.56	147.76
6. Benefit payments	(426.99)	(244.09)
7. Fair value of plan assets at the end of the year	2,079.25	1,921.79

IV. The Major categories of plan assets

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
- List the plan assets by category here		
Government of India Securities	60.91%	41.15%
Corporate Bonds	30.48%	31.44%
Others	8.61%	27.41%

V. Actuarial assumptions

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
1. Discount rate	6.80%pa	6.75%pa
2. Expected rate of return on plan assets	6.80%pa	6.75%pa
3. Attrition rate	2.00% pa	2.00% pa

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal Assumptions		Changes in assumption	Impact on defined benefit obligation	
			Increase in assumption	Decrease in assumption
Discount rate	2021	0.50%	-4.04%	4.33%
Salary growth rate	2021	0.50%	4.35%	-4.09%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period.

The Company expects to contribute ₹ 100 lakh to the gratuity trusts during the next financial year of 2021.

Maturity profile of defined benefit obligation:

Particulars	2021
	Amount (₹ lakh)
Maturity profile	
Expected benefits for Year 1	194.54
Expected benefits for Year 2	138.37
Expected benefits for Year 3	152.42
Expected benefits for Year 4	189.06
Expected benefits for Year 5	182.37
Expected benefits for Year 6	267.80
Expected benefits for Year 7	208.39
Expected benefits for Year 8	202.32
Expected benefits for Year 9	252.84
Expected benefits for Year 10 and above	2,336.02

Plan Assets

The fair value of Company's pension plan asset as of 31 March 2021 and 31 Mar 2020 by category are as follows:

Particulars	2021	2020
Asset category:		
Insurer managed funds	2,054.05	1,845.36
Others	25.20	76.43
Total	2,079.25	1,921.79

The Company's policy is driven by considerations of maximizing returns while ensuring credit quality of the debt instruments. The asset allocation for plan assets is determined based on investment criteria prescribed under the Indian Income Tax Act, 1961, and is also subject to other exposure limitations. The Company evaluates the risks, transaction costs and liquidity for potential investments. To measure plan asset performance, the Company compares actual returns for each asset category with published benchmarks.

The weighted average duration of the defined benefit obligation as at 31 March 2021 is 8.37 years.

Notes to the Financial Statements

Summary of defined benefit obligation/ plan assets and experience adjustments

₹ in Lakh

Particulars	Year Ended				
	31.03.2021	31.03.2020	31.03.2019	31.03.2018	31.03.2017
1. Defined Benefit Obligation	2,044.84	2,020.85	1,888.67	1,992.74	1,948.45
2. Fair value of plan assets	2,079.25	1,921.79	1,874.32	2,042.96	1,971.48
3. Surplus/(Deficit)	34.41	(99.06)	(14.35)	50.22	23.03
4. Experience adjustment on plan liabilities [(Gain)/Loss]	169.00	0.75	(51.96)	229.15	24.06
5. Experience adjustment on plan assets [Gain/ (Loss)]	(8.58)	106.34	18.84	(69.61)	75.98

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(c) Other long term benefits - Unfunded

The defined benefit obligations which are provided for but not funded are as under:

₹ in Lakh

Particulars	Liability as at 31.03.2021	Liability as at 31.03.2020
Compensated absences		
- Current	54.84	47.37
-Non Current	353.86	264.13
Total	408.70	311.50

The actuarial valuation has been carried out using projected unit credit method in respect of compensated absences based on assumptions given in respect of gratuity valuation.

The Code on Social Security, 2020 ("Code") has been assented by the President of India during September 2020. On 13 November 2020 the Ministry of Labour and Employment has released the draft rules for the Code and is pending to be notified. The Company will analyse and assess the impact if any, post the notification of the rules and suitable adjustments if any will be given effect to in the financial statements.

NOTE NO. 32 - LIST OF RELATED PARTIES AND TRANSACTIONS

(a) List of related parties and relationship

1. Name of the parent Company	Skand Private Limited
2. Key Managerial Personnel (KMP)	1) Bahirji A. Ghorpade, Managing Director, W.e.f June 17, 2020, Director Corporate -April 1, 2020 to June 16, 2020,
	2) Md. Abdul Saleem Director Mines, W.e.f April 1, 2020
	3) Nazim Sheikh, Managing Director, Upto June 16, 2020
	4) Rajnish Singh, Director (Corporate), Upto September 23, 2020
	5) Sachin Sanu, Chief Financial Officer
	6) Bijan Kumar Dash, Company Secretary, W.e.f March 1, 2021
	7) Divya Ajith, Company Secretary, Upto March 1, 2021
	Non - Executive Directors
	1) S. Y. Ghorpade, Upto January 31, 2020
	2) T R Raghunandan
	3) B.Ananda Kumar, Upto January 31, 2020

2. Key Managerial Personnel (KMP)	4) S. S. Rao 5) Vatsala watsa, Upto January 31, 2020 6) K V Ramarathnam, Upto January 31, 2020 7) G. P. Kundargi 8) Lakshmi Venkatachalam, Upto January 31, 2020 9) P. Anur Reddy, Upto January 31, 2020 10) Latha Pillai 11) Kote Jagadish Rao, w.e.f May 27, 2019 12) Hemendra Shah, w.e.f May 27, 2019
3. Key Managerial Personnel of Parent Company	1) Suryaprabha A. Ghorpade 2) Bahirji A Ghorpade 3) K. Raman 4) Aditi Raja
4. Relative of KMP	1) Aditya Shivrao Ghorpade 2) Dhanunjaya Shivarao Ghorpade 3) Mubeen A Sheriff, Upto June 16, 2020 4) Yashodhara Devi Ghorpade 5) R.P. Singh, Upto September 23, 2020 6) Dr. Nazima Banu 7) Md. Abdul Raheem
5. Relative of KMP of Parent Company	1) Ajai M. Ghorpade 2) Ekambar A. Ghorpade
6. Entities controlled by Key Managerial Personnel or their relatives	1) S.Y. Ghorpade (HUF) 2) S S Infra, Upto June 16, 2020
7. Entity over which Key Managerial Personnel or their relative have significant influence	1) Shivavilas Trust 2) Shivapur Trust 3) Skandapur Trust
8. Post employee benefit plan entities	1) SMIORE Employee Provident Fund Trust 2) SMIORE Gratuity Fund Trust

b) Details of related party transactions for the financial year ended 31 March 2021

₹ in Lakh

Particulars	Parent Company	KMP	KMP of Parent Company	Relative of KMP	Relative of KMP of Parent Company	Entity controlled by KMP or their relatives	Entities over which KMP or their relatives have significant influence	Post-employment benefit plan entities
Purchase of services	-	-	2.76	4.04	-	148.43	-	-
Lease rentals	7.01	-	-	30.62	7.61	33.23	8.79	-

Notes to the Financial Statements

₹ in Lakh

Particulars	Parent Company	KMP	KMP of Parent Company	Relative of KMP	Relative of KMP of Parent Company	Entity controlled by KMP or their relatives	Entities over which KMP or their relatives have significant influence	Post-employment benefit plan entities
Remuneration to whole-time directors & executive officers	-	606.02	-	93.70	-	-	-	-
Commission paid to whole-time directors	-	87.00	-	-	-	-	-	-
Commission & sitting fees paid to Non-Executive/ Independent Directors	-	311.20	-	-	-	-	-	-
Contribution	-	-	-	-	-	-	-	856.59

c) Balances Outstanding [receivables / (payables)] as at 31 March 2021

₹ in Lakh

Particulars	Parent Company	KMP	KMP of Parent Company	Relative of KMP	Relative of KMP of Parent Company	Entity controlled by KMP or their relatives	Entities over which KMP or their relatives have significant influence	Post-employment benefit plan entities
Receivables	-	-	-	-	-	-	-	-
Payables	(0.64)	(14.72)	-	(3.38)	(0.23)	-	-	(15.70)

d) Details of related party transactions for the financial year ended 31 March 2020

₹ in Lakh

Particulars	Parent Company	KMP	KMP of Parent Company	Relative of KMP	Relative of KMP of Parent Company	Entity controlled by KMP or their relatives	Entities over which KMP or their relatives have significant influence	Post-employment benefit plan entities
Purchase of services	-	-	54.00	30.00	-	880.30	6.38	-
Lease rentals	6.03	-	-	31.75	9.03	33.34	-	-
Lease Deposits	-	-	-	-	2.50	-	-	-
Dividends paid	486.36	32.95	0.59	0.66	2.20	-	-	-

₹ in Lakh

Particulars	Parent Company	KMP	KMP of Parent Company	Relative of KMP	Relative of KMP of Parent Company	Entity controlled by KMP or their relatives	Entities over which KMP or their relatives have significant influence	Post-employment benefit plan entities
Remuneration to whole-time directors & executive officers	-	331.53	8.54	76.34	-	-	-	-
Commission paid to whole-time directors	-	33.01	-	-	-	-	-	-
Commission & sitting fees paid to Non-Executive/Independent Directors	-	263.13	-	-	-	-	-	-
Reimbursement of expenses	1.59	-	-	6.73	-	-	-	-
Contribution	-	-	-	-	-	-	-	732.48

e) Balances Outstanding [receivables / (payables)] as at 31 March 2020

₹ in Lakh

Particulars	Parent Company	KMP	KMP of Parent Company	Relative of KMP	Relative of KMP of Parent Company	Entity controlled by KMP or their relatives	Entities over which KMP or their relatives have significant influence	Post-employment benefit plan entities
Receivables	-	-	-	-	-	-	-	-
Payables	(1.59)	(10.61)	(0.49)	(2.76)	(0.78)	(43.00)	(0.55)	(140.96)

f) Break-up of remuneration paid to whole-time directors & executive officers

₹ in Lakh

Particulars	For the Year ended 31 March 2021	For the year ended 31 March 2020
Short-term employee benefits	577.29	309.43
Post-employment benefits	28.73	22.10
Total	606.02	331.53

Notes:

(i) The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

(ii) The above figures do not include provisions for encashable leave & gratuity as separate actuarial valuation is not available, however it includes payment of gratuity and leave encashment on separations.

Notes to the Financial Statements

NOTE NO. 33 - SEGMENT INFORMATION

The Chief Operating Decision maker has reviewed its business oversight mechanism and has realigned all its operations under four business segment (i.e.) (a) Mining (b) Ferroalloys (c) Coke & energy (d) Unallocable, based on the assessment of the overall risks and rewards.

Year ended 31 March 2021

₹ in Lakh

Particulars	Mining	Ferroalloys	Coke & energy	Un-allocable	Adjustment & eliminations	Total
Revenue	50,766.00	10,940.00	12,850.89	102.00	-	74,658.89
External customers	-	-	-	-	-	-
Inter-segment	2,012.00	-	-	-	(2,012.00)	-
Total revenue	52,778.00	10,940.00	12,850.89	102.00	(2,012.00)	74,658.89
Income/ (Expenses)	26,163.44	9,603.15	9,272.56	2,996.07	(2,012.00)	46,023.22
Depreciation and amortisation	793.38	290.08	908.64	689.32	-	2,681.42
Interest income	(2.77)	(19.10)	-	(283.30)	-	(305.17)
Interest expense	-	-	-	1,306.29	-	1,306.29
Total expenses	26,954.05	9,874.13	10,181.20	4,708.38	(2,012.00)	49,705.76
Segment profit	25,823.95	1,065.87	2,669.69	(4,606.38)	-	24,953.13
Income tax expense or income	-	-	-	9,560.37	-	9,560.37
Profit after tax for the year	25,823.95	1,065.87	2,669.69	(14,166.75)	-	15,392.76
Total assets	20,045.13	16,774.68	72,360.27	63,210.64	-	1,72,390.72
Total liabilities	11,800.44	2,590.03	21,602.82	37,086.56	-	73,079.85

Year ended 31 March 2020

₹ in Lakh

Particulars	Mining	Ferro alloys & energy	Coke	Un-allocable	Adjustment & eliminations	Total
Revenue	48,022.57	10,950.68	-	187.44	-	59,160.69
External customers	-	-	-	-	-	-
Inter-segment	1,339.92	-	-	-	(1,339.92)	-
Total revenue	49,362.49	10,950.68	-	187.44	(1,339.92)	59,160.69
Income/ (Expenses)	24,656.33	11,393.08	-	4,972.67	(1,339.92)	39,682.16
Depreciation and amortisation	823.28	592.24	-	531.13	-	1,946.65
Interest income	(1.76)	(108.58)	-	(510.26)	-	(620.60)
Interest expense	-	-	-	672.60	-	672.60
Total expenses	25,477.85	11,876.74	-	5,666.14	(1,339.92)	41,680.81
Segment profit	23,884.64	(926.06)	-	(5,478.70)	-	17,479.88

₹ in Lakh

Particulars	Mining	Ferroalloys	Coke & energy	Un-allocable	Adjustment & eliminations	Total
Income tax expense or income	-	-	-	2,741.35	-	2,741.35
Profit after tax for the year	23,884.64	(926.06)		(8,220.05)	-	14,738.53
Total assets	15,794.79	37,676.95		92,724.85	-	1,46,196.59
Total liabilities	10,622.71	7,607.66		43,996.60	-	62,226.97

Revenue from major products and services

The following is an analysis of the Company's revenue from continuing operations from its major products and services:

₹ in Lakh

Particulars	For the Year ended 31 March 2021	Year ended 31 March 2020
Revenue from sale of products		
Manganese ore	13,045.69	13,674.90
Iron ore	36,918.26	33,547.27
Ferro alloys	10,689.50	10,763.23
Energy	185.15	84.85
Coke	12,205.48	-
Total	73,044.09	58,070.25
Revenue from sale of services		
Coke Conversion Charges	459.01	-

Geographical Information

₹ in Lakh

Particulars	India		Rest of the World		Total	
	Year Ended 31 March 2021	Year Ended 31 March 2020	Year Ended 31 March 2021	Year Ended 31 March 2020	Year Ended 31 March 2021	Year Ended 31 March 2020
Revenue from operations						
Manganese ore	13,045.69	13,674.90	-	-	13,045.69	13,674.90
Iron ore	36,918.26	33,547.27	-	-	36,918.26	33,547.27
Ferro alloys	10,689.50	10,763.23	-	-	10,689.50	10,763.23
Energy	185.15	84.85	-	-	185.15	84.85
Coke	12,205.48	-	-	-	12,205.48	-
Coke Conversion Charges	459.01	-	-	-	459.01	-
Others	1,155.80	1,090.44	-	-	1,155.80	1,090.44
Total	74,658.89	59,160.69	-	-	74,658.89	59,160.69

Notes to the Financial Statements

NOTE NO. 34 - FINANCIAL INSTRUMENTS

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 1.19 to the financial statements.

(a) Financial assets and liabilities

₹ in Lakh

Particulars	As at 31 March 2021	As at 31 March 2020
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
(a) Equity investments	77.45	43.65
(b) Mutual fund investments - Quoted	28,250.16	4,928.84
(c) Mutual fund investments - Unquoted	741.00	741.50
Total financial assets measured at FVTPL (a)	29,068.61	5,713.99
Measured at amortised cost		
Other financial assets+	1,295.94	1,214.65
Trade receivables	7,556.89	3,080.14
Cash and cash equivalents	6,672.51	3,422.90
Other bank balances	6,453.97	9,337.57
Total financial assets measured at amortised cost (b)	21,979.31	17,055.26
Derivative instruments in designated hedge accounting relationships (c)	-	-
Total financial assets (a)+(b)+(c)	51,047.92	22,769.25
Financial liabilities		
Measured at fair value through profit or loss (FVTPL)		
Provisions	3,955.80	576.10
	1,121.70	844.50
Total financial liabilities measured at FVTPL (a)	1,121.70	844.50
Measured at amortised cost		
Trade payables	18,628.85	8,040.84
Other financial liabilities	10,950.15	6,525.71
Total financial liabilities measured at amortised cost (b)	29,579.00	14,566.55
Total financial liabilities (a) + (b)	30,700.70	15,411.05

Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 – Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Fair value of the financial assets that are measured at fair value on a recurring basis

Fair valuation techniques and inputs used

Financial assets measured at Fair value	Fair value as at (₹ lakh)		Fair value hierarchy	Basis for valuation
	31-Mar-21	31-Mar-20		
(a) Equity investments	77.45	43.65	Level - 1	Quoted price
(c) Mutual fund investments - Quoted	28,250.16	4,928.84	Level - 1	Quoted price
(c) Mutual fund investments - Unquoted	741.00	741.50	Level - 2	NAV of Mutual Funds
(d) Foreign currency option contract	-	-	Level - 2	Margin Money
Total financial assets	29,068.61	5,713.99		

The management considers that the carrying amount of financial assets and financial liabilities recognised in these financial statements at amortised cost approximate their fair values.

Financial risk management objectives

The Board of Directors of the Company have the overall responsibility for the establishment and oversight of the their risk management framework. The Company has constituted a Risk Management Committee. The Company has in place a Risk management framework to identify, evaluate business risks and challenges across the Company. The risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit which regularly reviews risk management controls and procedures, the results of which are reported to the Audit Committee. These risks include credit risk and liquidity risk.

Foreign currency risk management

The company is generally exposed to foreign exchange risk arising through its purchases denominated in foreign currency predominately in US dollars.

During the current year there is no exports of ores and alloys, however the company has imported ores and coking coal which is subjected to foreign exchange risk. The Company normally enters into either an option contract forward contract s to mitigate the risk of changes in exchange rates on foreign currency exposures. These contracts are measured at fair value through profit and loss.

Foreign currency risk exposure as at balance sheet date

Particulars	As at March 31, 2021	As at March 31, 2020
	USD	USD
Trade payable	1,09,73,020	23,11,938
Borrowings		
Short-term loan from banks	-	91,13,657
Derivative asset		
Foreign currency option buy contract	-	-
Number of contracts	-	-

Notes to the Financial Statements

Sensitivity analysis for 1% increase or decrease in exchange rate and the impact on profit and equity. Positive number indicates increase in profit and equity and negative number indicates decrease in profit and equity.

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Payables- USD/INR		
Increase in INR	80.29	86.11
Decrease in INR	(80.29)	(86.11)

Commodity price risk

The Company doesn't enter into any long term contract with its suppliers for hedging its commodity price risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The company is exposed to credit risk from its operating activities mainly Trade receivables. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. Credit risk is managed by the Company through approved credit norms, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The provision for doubtful receivables has been historically negligible. The assessment is done at regular intervals and allowance for doubtful trade receivables as at March 31, 2021 is considered to be adequate.

Movement in allowance for bad and doubtful debts

Particulars	Amount (₹ lakh)
As at April 1, 2019	49.57
Additional allowance	-
As at March 31, 2020	49.57
Additional allowance	373.69
As at March 31, 2021	423.26

Cash and bank balances

The cash and bank balances as at the balance sheet date is as follows:

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Cash and bank balances	6,672.51	3,422.90

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Ultimate responsibility for liquidity risk management rests with the management, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual short term and long term cash flows, and by matching the maturity profiles of financial assets and liabilities. The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

March 31, 2021

₹ in Lakh

Financial liabilities	Due within (years)			Total	Carrying amount
	Less than 1 year	1 - 3 years	3+ years		
Long-term borrowings	-	11,428.57	19,268.79	30,697.36	
Short-term borrowings	-	-	-	-	

₹ in Lakh

Financial liabilities	Due within (years)			Total	Carrying amount
	Less than 1 year	1 - 3 years	3+ years		
Trade payables	18,628.85	-	-	18,628.85	
Other financial liabilities	10,950.15	3,955.80	-	14,905.95	
Total	29,579.00	15,384.37	19,268.79	64,232.16	-

March 31, 2020

₹ in Lakh

Financial liabilities	Due within (years)			Total	Carrying amount
	Less than 1 year	1 - 3 years	3+ years		
Trade payables	8,040.84	-	-	8,040.84	
Other financial liabilities	6,525.71	576.10	-	7,101.81	
Total	14,566.55	576.10	-	15,142.65	-

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees at floating rates of interest.

Total Borrowings as at the balance sheet date is as follows:

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Team Loan (Including Current Maturities)	36,411.65	33,122.41
Other loans	-	6,864.82

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended 31 March 2021 would decrease / increase by ₹ 364.12 Lakh (for the year ended 31 March 2020: decrease / increase by ₹ 399.87 Lakh). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

Capital management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirement are met through equity, borrowings and operating cash flows required.

The details of borrowings as at the balance sheet date is as follows:

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Current borrowings	-	6,864.82
Non-current borrowings	30,697.36	33,122.41
Total	30,697.36	39,987.23

The capital structure of the Company represents total equity which is as follows:

₹ in Lakh

Particulars	March 31, 2021	March 31, 2020
Total equity	99,310.87	83,969.62

Notes to the Financial Statements

NOTE NO. 35 - DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

₹ in Lakh

Particulars	31-Mar-21	31-Mar-20
(i) Principal amount remaining unpaid to MSME suppliers as on	-	-
(ii) Interest due on unpaid principal amount to MSME suppliers as on	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the MSME suppliers beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year (without adding the interest under MSME Development Act)	-	-
(v) The amount of interest accrued and remaining unpaid as on	-	-
(vi) The amount of interest due and payable to be disallowed under Income Tax Act, 1961	-	-

There are no Micro and Small Enterprises, to whom the company owes dues, which are outstanding for more than 45 days at the Balance Sheet date. The above information regarding Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditors.

NOTE NO. 36 - EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY (AS PER SECTION 135 OF THE 2013 ACT)

(a) Gross amount required to be spent by the company during the year ₹ 374.82 lakh (previous year ₹ 308.32 lakh).

(b) Amount spent during the year on:

₹ in Lakh

Particulars	In Cash	Yet to be paid in cash	Total
1. Construction / acquisition of any asset	-	-	-
	(-)	(-)	(-)
2. On purposes other than (1) above	385.28	-	385.28
	(315.39)		(315.39)

Previous year figures are in brackets

NOTE NO. 37 - PRODUCTION / PURCHASE, SALES, OPENING AND CLOSING STOCK OF FINISHED GOODS

Particulars	Opening stock	Production/ Purchase/ Generation	Internal consumption	Sales	Closing stock	[Excess] / Shortage
Manganese ore (Tonnes)	1,51,044	2,84,553	60,948	2,00,634	1,74,015	-
	(1,20,132)	(2,85,001)	(31,825)	(2,22,264)	(1,51,044)	-
Iron ore (Tonnes)	5,52,583	15,95,000	-	15,92,000	5,55,583	-
	(5,07,581)	(15,90,002)	-	(15,45,000)	(5,52,583)	-
Silicomanganese (Tonnes)	1,829	36,265	-	37,523	571	-
	(578)	(20,544)	-	(19,292)	(1,829)	-
Energy (Mega watt)	-	1,87,790	1,52,084	14,830	-	20,876
	(-)	(1,17,657)	(87,509)	(12,116)	(-)	(18,035)
Coke (Tonnes)	13,199	1,68,899	9,228	1,71,486	1,383	-
		(25,375)	(1,926)	(10,230)	(13,199)	(20)

Notes:

- Silicomanganese production includes 17,223 tonnes of trial production. (Previous year : 2,565 tonnes)
- Silicomanganese sales includes, sale of 19,053 tonnes of trial production. (Previous year: 735 tonnes)
- Coke production of 1,22,956 tonnes pertains to trial production (Previous year: 25,375 tonnes)

- d) Coke sale of 1,25,564 tonnes pertains to sales out of trial production. (Previous year : 10,230 tonnes)
- e) Previous year figures are in brackets.

NOTE NO. 38 - SCHEME OF ARRANGEMENT ('THE SCHEME')

Merger of Star Metallics & Power Private Limited ('SMPPL') with The Sandur Manganese and Iron Ores Limited ('the Company') during the previous year ended March 31, 2020

Pursuant to the Scheme of Arrangement ('The Scheme') approved by the National Company Law Tribunal ('the NCLT'), Bengaluru Bench vide its order number "C.P. (CAA) NO.53/BB/2019" dated 4th March 2020., Star Metallics & Power Private Limited (the Merged undertaking) subsidiary of the Company, merged with the Company with effect from April 1, 2019 ('the appointed date'). As per appendix C of Ind AS 103 - "Business Combinations", the financial information in the standalone financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the date of actual combination. Accordingly, business combination is accounted with effect from April 1, 2018.

The Merged undertaking was a subsidiary of the Company in which the Company held 80.58% of the issued and paid up capital.

Accounting treatment of the arrangement:

Business combination was accounted for using the 'pooling of interests' method as per Appendix C of Ind AS 103 - Business Combinations as notified under Section 230 to 232 of the Companies Act, 2013 which involved the following:

- a) The financial information in the financial statements in respect of prior periods was restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Accordingly, business combinations was accounted with effect from April 1 2018.
- b) The Company recorded the asset and liabilities of the Merged Undertaking vested in it pursuant to this Scheme at the respective book values appearing in the books of the Merged Undertaking.
- c) The value of investment in the Merged Undertaking in the books of the Company was cancelled. Accordingly 75,240,000 equity shares constituting 80.58% of the issued, subscribed and paid up share capital of SMPPL held by the Transferee Company was cancelled;
- d) No adjustments were made to reflect fair values, or recognise any new assets or liabilities.
- e) As per clarification in Ind AS Transition Facilitation Group (ITFG) Clarification Bulletin 9, goodwill was recognised in the books of the Company and the good will was impaired subsequently.
- f) The difference between the net assets of the Merged Undertaking transferred to Company, after making adjustment specified in (c) and (d) was adjusted in 'Other Equity' of the Company.
- g) The Company as on 30 March 2020, allotted 251,941 equity shares of the Company to the minority shareholders constituting 19.42% of the issued, subscribed and paid up share capital of SMPPL, in the ratio of 1 equity share of ₹ 10/- each of the Company for every 72 equity shares of ₹ 10/- each held by such shareholder in SMPPL.

Book value of assets and liabilities taken over were as follows:

Particulars	₹ in Lakh	
	March 31, 2019	April 1, 2018
Assets		
Non-current assets		
(a) Property, plant and equipment	13,358.87	13,773.47
(b) Capital work-in-progress	-	24.71
(c) Financial assets - other financial assets	34.19	34.19
(d) Deferred tax assets	47.37	29.38
(e) Other non-current assets	206.04	154.39
Total non-current assets	13,646.47	14,016.14

Notes to the Financial Statements

₹ in Lakh

Particulars	March 31, 2019	April 1, 2018
Current assets		
(a) Financial assets		
(i) Investments	529.37	529.37
(ii) Trade receivables	638.04	638.04
(iii) Cash and bank balances	1,900.16	1,900.16
(iv) Other financial assets	23.61	23.61
(b) Other current assets	55.38	55.38
Total current assets	3,146.56	3,146.56
Total assets (A)	16,793.03	17,162.70
Equity and liabilities		
Liabilities		
Non-current liabilities		
(a) Provisions	2.20	1.87
Total non-current liabilities	2.20	1.87
Current liabilities		
(a) Financial liabilities		
(i) Trade payables	203.28	294.33
(b) Other current liabilities	160.55	165.56
(c) Provisions	16.40	7.91
Total current liabilities	380.23	467.80
Total equity and liabilities (B)	382.43	382.43
Total net identifiable assets (C) = (A) - (B)	16,410.60	16,780.27
Recognition of goodwill (D)	149.99	149.99
Cost of investment (E)	12,748.00	12,748.00
Impact on non-controlling interest (F)	25.19	25.19
Net impact transferred to other equity (G) = (C) + (D) - (E) - (F)	3,787.40	4,157.07
Balance in securities premium reserve		9,305.04
Retained earnings		(2,515.14)
Capital reserve on amalgamation		(3,488.91)
Total		3,300.98

Other adjustments/matters arising out of merger

As per Appendix C of Ind AS 103 'Business Combination' for all the business combinations under common controls the financial information in the financial statements in respect of prior period should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of accrual date of the combination. Hence financial statements of the Merged Undertaking were merged with effect from April 1, 2018. Accordingly figures for the year ended March 31, 2019 were reinstated after giving effect to the merger.

NOTE NO. 39 - EVENTS OCCURRING AFTER BALANCE SHEET:

In respect of the current year, the directors propose that a dividend of ₹ 10 per share be paid on equity shares on 31 March 2021. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to all shareholders on the Register of Members on 28 June 2021. The total estimated equity dividend to be paid is ₹ 900.19 lakh.

NOTE NO. 40 - 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 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 Standalone Financial statements 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.

NOTE NO. 41 - The financial statements of The Sandur Manganese & Iron Ores Limited were approved by the Board of Directors and authorised for issue on 28 June 2021.

NOTE NO. 42 - The figures of the previous year have been regrouped/recasted, wherever necessary to conform with the current year classification.

In terms of our report attached
For **R Subramanian and Company LLP**
Chartered Accountants
FRN: 004137S/ S200041

Gokul S. Dixit
Partner
Membership No. 209464
UDIN: 21209464AAAAAF7645

Place: Bengaluru
Date: 28 June 2021

For and on behalf of the Board of Directors

T.R. Raghunandan
Chairman

Bijan Kumar Dash
Company Secretary

Bahirji A. Ghorpade
Managing Director

Sachin Sanu
Chief Financial Officer

Nomination Form

Form No. SH-15

(Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014)

The Sandur Manganese & Iron Ores Limited

'SATYALAYA', DOOR No. 266 (Old No.80), Ward No.1,
Behind Taluka Office Sandur - 583 119,
Ballari District, Karnataka, India

I/We the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Name of Securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.

(2) PARTICULARS OF NOMINEE/S

- (a) Name:
- (b) Date of Birth:
- (c) Father's Mother's/Spouse's Name:
- (d) Occupation:
- (e) Nationality:
- (f) Address:
- (g) E-mail id:
- (h) Relationship with the security holder:

(3) IN CASE NOMINEE IS A MINOR

- (a) Date of birth:
- (b) Date of attaining majority:
- (c) Name of guardian:
- (d) Address of guardian:

Name of Security
Holder (s) _____
Signature _____

Witness Name:
and signature: _____
Witness Address: _____

Cancellation or Variation Nomination Form

Form No. SH-14

(Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014)

The Sandur Manganese & Iron Ores Limited

'SATYALAYA', DOOR No. 266 (Old No.80), Ward No.1,
Behind Taluka Office Sandur - 583 119,
Ballari District, Karnataka, India

I/We hereby cancel the nomination(s) made by me/us in favor of _____
_____ (name and address of the
nominee) in respect of the below mentioned securities.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Name of Securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

(2) PARTICULARS OF NOMINEE/S

- (a) Name:
- (b) Date of Birth:
- (c) Father's Mother's/Spouse's Name:
- (d) Occupation:
- (e) Nationality:
- (f) Address:
- (g) E-mail id:
- (h) Relationship with the security holder:

(3) IN CASE NOMINEE IS A MINOR

- (a) Date of birth:
- (b) Date of attaining majority:
- (c) Name of guardian:
- (d) Address of guardian:

Name of Security
Holder (s) _____
Signature _____

Witness Name:
and signature: _____
Witness Address: _____

To,
Venture Capital and Corporate Investments Private Limited
Unit : The Sandur Manganese & Iron Ores Limited
12-10-167 Bharatnagar, Hyderabad - 500 018, Telangana.
Tel. No. : 040-23818475 / 76
Email : info@vccilindia.com

Updation of Shareholder(s) Information

I/We furnish below our folio details along with PAN and bank mandate details for updation and doing the needful. I /we are enclosing the self-attested copies of PAN cards of all the holders, original cancelled cheque leaf.

GENERAL INFORMATION :

Folio No.:

Name of the Sole / First Holder:

Father Name :

Sole Holder Address :

Aadhar Number:

Mobile No.:

Email Id:

BANK ACCOUNT DETAILS OF THE SOLE / FIRST HOLDER :

Name of the Bank :

Bank Branch Address :

Bank A/C No.(as appearing in the cheque book) :

Bank A/C type :

MICR (9 digit as appearing in the cheque) :

IFSC (11 digit as appearing in the cheque book):

	Name	PAN No	Signature
Sole/First Holder			
Joint Holder 1			
Joint Holder 2			

Note: if any change in your address please enclose the address proof. Please enclose original cancelled cheque leaf.



The Sandur Manganese & Iron Ores Limited

THE SANDUR MANGANESE & IRON ORES LIMITED

CIN: L85110KA1954PLC000759

E: investors@sandurgroup.com

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