



# Towards an integrated future



# Towards an integrated future

SMIORE has created a solid name for itself over the past nearly seven decades of its existence. The Company has witnessed multiple changes in business scenarios, and has always adapted to better align itself to its vision. While the past has undoubtedly been a glorious one, the future necessitates progressive stances that need to be taken to catapult the Company into a higher orbit, and that is exactly what SMIORE has indulged in over the last few years.

SMIORE has taken strategic decisions to position itself as an integrated company, adding capacities and expanding its operations beyond mining. Its freshly commercialised Coke and Energy plant, which has just completed its first full year of operations in FY22, has added mileage to the Company's performance this year and is expected to reap benefits for many years to come. Moreover, SMIORE has also decided to set up manufacturing operations for DI Pipes and Pig Iron in a bid to further integrate its operations and capture value at each stage. The planning for these expansions has already been concluded, and work has begun in this direction.

*This is definitely an exciting time for SMIORE, with its renewed leadership, and strategic expansion plans that are expected to change the course of the Company's future. The Company is steadily moving forward and transcending into a new era full of growth and opportunities.*

## 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", "the Company" 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 may 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, FY22.

# CONTENTS

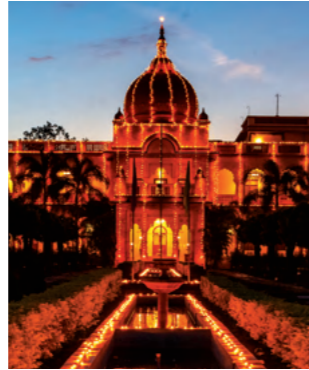
## STRATEGIC REVIEW



# 04

### FY22 HIGHLIGHTS

SMIORE has come a long way in its journey and endeavours to go onward and upward from here.



# 10

### LEGACY

The Company has stood the test of time and has endured the ebbs and flows of its journey.



# 22

### KEY PERFORMANCE INDICATORS

SMIORE's FY22 performance exceeded its expectations, with robust financial performance across the board, supported by higher volumes and healthy realizations.



# 06

### INTRODUCTION & SNAPSHOT

Founded in 1954, SMIORE was established for the purpose of scientific development and mining of manganese and iron ore mines.



# 16

### BUSINESS CANVAS

From mining to foraying into ferroalloys and power generation to commencing coke and energy production, the Company's business canvas has gone through several evolutions.



# 24

### CHAIRMAN'S ADDRESS

We have delivered on our expectations and promises in the past, and we are certain that our endeavours will bear fruitful results going forward.



# 26

### MANAGING DIRECTOR'S LETTER

Together, we will create a Company that will become an industry leader.



# 34

### CORPORATE GOVERNANCE FRAMEWORK

Being a value-driven Company, it is no surprise that SMIORE puts transparency and integrity on such a high pedestal.



# 40

### CULTURE AND PHILOSOPHY

SMIORE is guided by a strong value system rooted in the Ghorpade family's legacy.



# 30

### BOARD OF DIRECTORS

SMIORE values its goodwill the most which it has earned through its sheer hard work, grit and resilience.



# 36

### SUSTAINABILITY DEVELOPEMENT FRAMEWORK

The Company always has, and always will, continue to prioritise its duties and responsibilities towards its communities and the environment.

## STATUTORY REPORTS

Management Discussion and Analysis	44
Corporate Information	52
Notice	53
Board's Report	74
Business Responsibility Report	103
Corporate Governance Report	116

## FINANCIAL STATEMENTS

Independent Auditors' Report	137
Balance Sheet	145
Statement of Profit & Loss	147
Statement of Changes in Equity	148
Cash Flow Statement	149
Notes	151

# A year where strategies fructified

FY22 has been the best year that SMIORE has ever witnessed. Whether it be financial performance or its strategies bearing fruit, SMIORE has come a long way in its journey and endeavours to go onward and upward from here.

**₹2,249** <sup>↑201%</sup> CRORE

Revenue

**₹1,009** <sup>↑249%</sup> CRORE

EBITDA

**₹915** <sup>↑267%</sup> CRORE

Profit Before Tax

**₹675** <sup>↑339%</sup> CRORE

Profit After Tax

**₹76** CRORE

Capex Outlay (net)

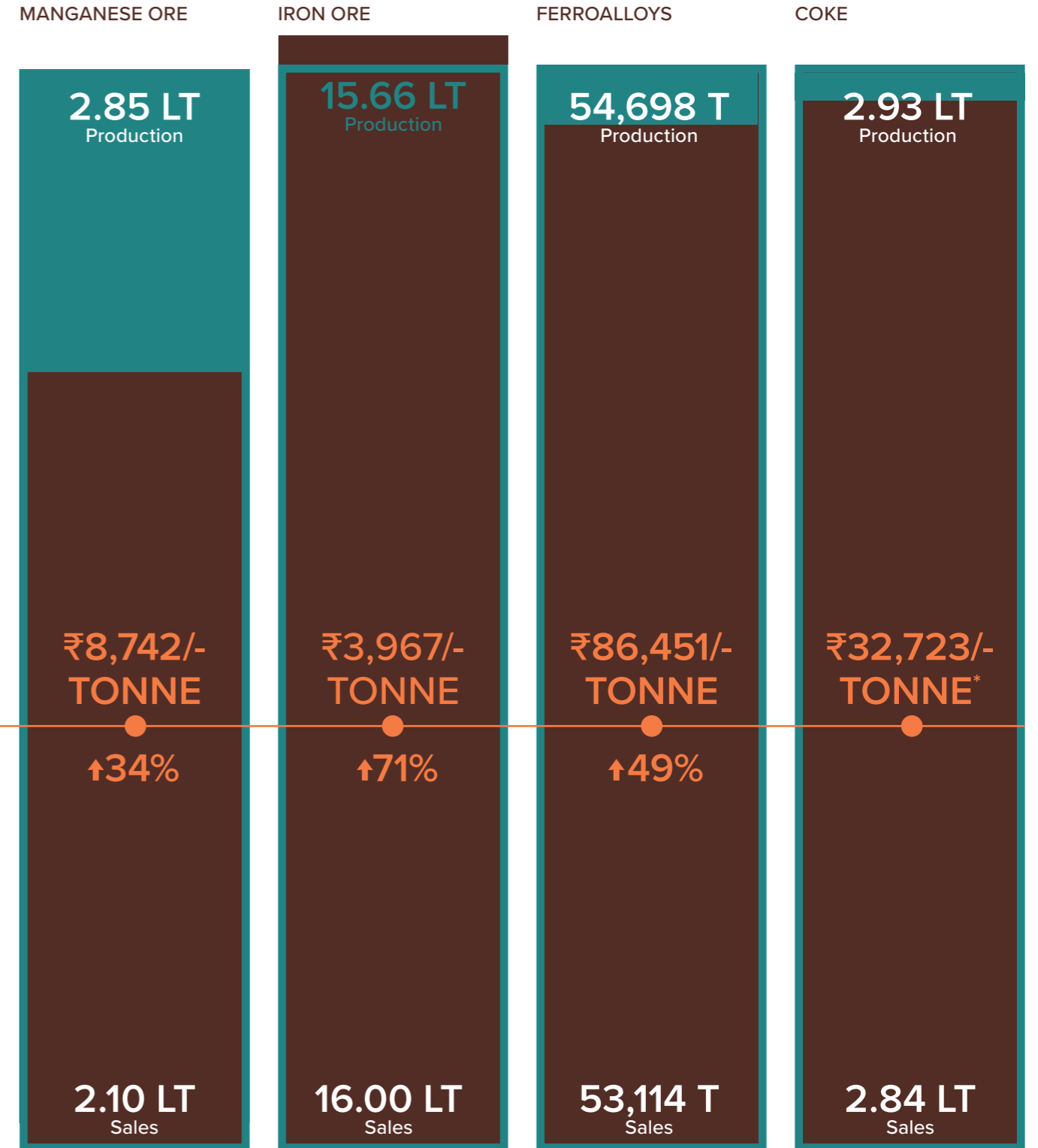
**₹873** CRORE

Cash from Operating Activities

**0.19**

Debt to Equity

↑  YOY



PRODUCTION SALES REALIZATION

\*Note – Coke Oven has completed its first full-year of operations in FY22, hence not comparable to the previous year. Sales & Production of Coke are excluding contract manufacturing business. LT is Lakh Tonnes.

## Rooted in the legacy of The Sandur Manganese & Iron Ores Limited

*Founded in 1954 by Murarirao Yeshwantrao Ghorpade under the aegis of Yeshwantrao Hindurao Ghorpade, The Sandur Manganese & Iron Ores Limited ('SMIORE' or 'the Company') was established for the purpose of scientific development and mining of manganese and iron ore mines.*

## 6+ decades

As one of the most respected private sector merchant miners of manganese and iron ores

From being a predominantly merchant mining Company to transforming into an integrated business, the Company has come a long way in its journey. While the Company has been through a milieu of changes in nearly three-quarters of a century, in terms of leadership and business environment, what hasn't changed are its core principles and ethos - of systematic, safe, and scientific mining, and community & environmental stewardship. Today, SMIORE has evolved to become one of India's most diversified, integral and integrated commodity producers known for its value-driven and rooted mindset, which is supplemented by its strong urge to evolve and stay relevant.

SMIORE's operations have expanded multifold since its inception. Today it includes the mining of manganese and iron ores and downstream facilities of ferroalloys, coke and energy. Its business has been strategically developed and consolidated to facilitate integration across the value chain, thus also ensuring value addition at each stage. Further, the Company's commitment towards employee welfare and safety has also led it to create a favourable ecosystem for its workforce to thrive.

SMIORE's mines are recognized as one of the most scientifically developed and well-operated mines in the country, with notable emphasis on afforestation, and protection and conservation of the environment. In fact, it has been conferred several prestigious state and national awards, including a 5-star rating from the Ministry of Mines, Government of India for sustainable and scientific mining, concern towards society, and environmental & forest safeguarding. The Company has always received a 5-star rating, ever since the introduction of the Sustainable Development Framework (SDF).

**WE WILL CONTINUE TO BELIEVE IN SCIENTIFIC AND SYSTEMATIC MINING, EXTRACTING BUT NEVER EXPLOITING OUR FINITE NATURAL RESOURCES. OUR OPERATIONS HAVE ALWAYS BEEN ENVIRONMENT FRIENDLY, AS WE BELIEVE IN THANKING NATURE FOR ITS BOUNTIFUL GIFTS AND CONSERVING IT IN WHATEVER WAY WE CAN, BE IT THROUGH AFFORESTATION, RECLAMATION, ENVIRONMENT PROTECTION OR REHABILITATION.**



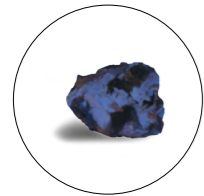
**Bahirji A. Ghorpade**  
Managing Director

# Corporate Portrait

## CAPACITIES



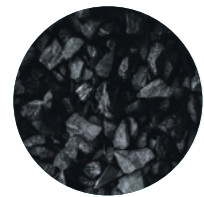
**0.28 MTPA**  
Manganese Ore



**1.60 MTPA**  
Iron Ore



**95,000/  
1,25,000 TPA**  
Ferroalloys (SiMn/ FeMn)



**0.50 MTPA**  
Coke



**32 MW**  
WHRB-based Power

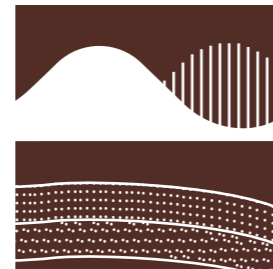
**2**

Mining leases spread across about 2,000 hectares

## VAST MINING RESERVES WITH LEASES UP TO 2033



**17 MT**  
Manganese Ore



**105 MT**  
Iron Ore



**2,287**  
SMIORE family members



**3<sup>rd</sup> Largest**

Manganese Ore miner in India



## Vision And Mission

- 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.



## A legacy spanning over a century



*SMIORE's legacy is one for the history books; it's mining started in 1904 and is still going strong, even after a century of world happenings. The Company has stood the test of time and has endured the ebbs and flows of its journey.*

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.



His Highness Yeshwantrao  
Hindurao Ghorpade  
Visionary



Murarirao  
Yeshwantrao Ghorpade  
Founder

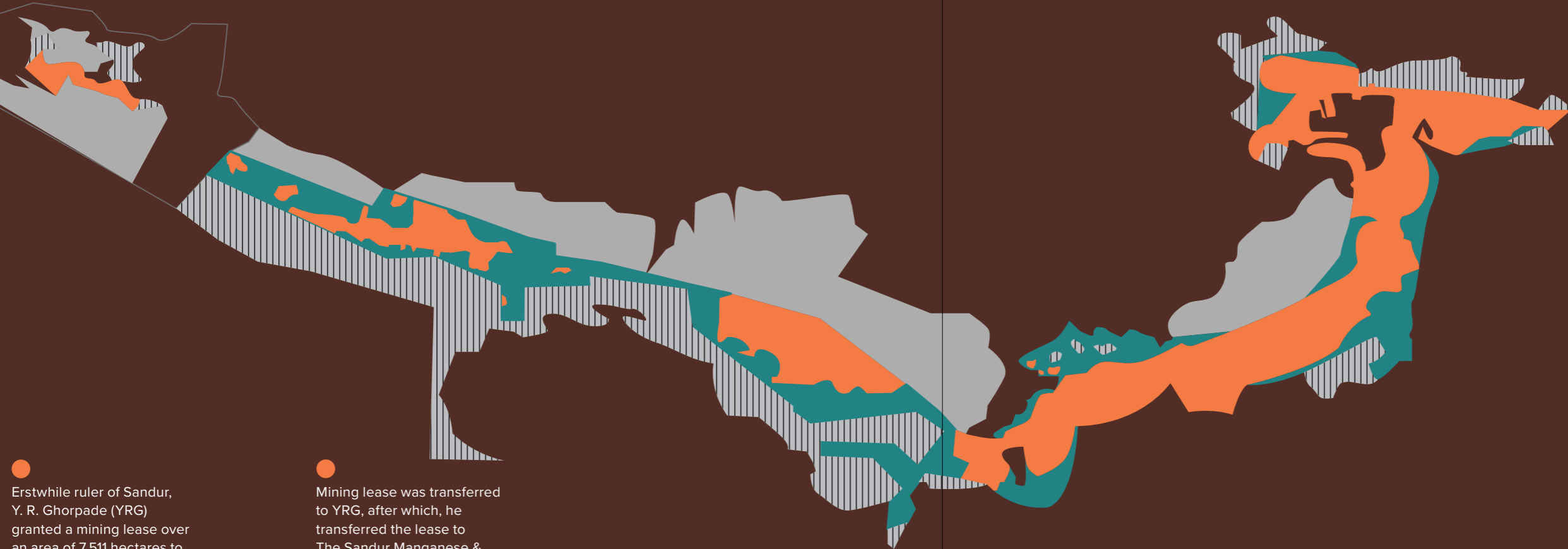
Incorporated under the guidance and support of His Highness Yeshwantrao Hindurao Ghorpade, who advised his eldest son Murarirao Yeshwantrao Ghorpade to develop the manganese and iron ore mines in a scientific manner, the Company has evolved into something larger than what was envisioned. His vision led to the beginning of an era that still stands proud even today.

SMIORE has witnessed many changes, with multiple generations of the Ghorpade family adding to the Company's development in a variety of business environments. While the journey has certainly not been a cakewalk all the time, the spirit, experience and enthusiasm with which the Company has been operated remains the same. The Company has navigated through many challenges and has emerged stronger every time, and it is this ability to adapt and mould that has always ensured that SMIORE delivers nothing but the best. This business that was once a royalty, then an incorporated Company and finally a publicly 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.

# Mining Leases History

## 1838

Manganese Ore was discovered in the hills of Sandur



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

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 Yeshwantrao Ghorpade, for professional management and scientific development of the mines.

The Company got listed on the BSE.

The Mining Lease was renewed for the third time and is valid up to 31 December 2033.

1904

1907

1954

1964

1966

1974

1994

2014

Today

Mining operations in the present lease area commenced.



The Company was converted into a Public Limited Company.

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

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



SMIORE has two Mining Leases valid up to 31 December 2033, over an area of 1,999 hectares with estimated reserves of about 17 MT of Manganese Ore and 105 MT of Iron Ore.

Map not to scale

## EVOLUTION OF THE LEASE AREA OVER TIME

1904  
**7,511 HA**  
Original Lease



1973  
Area Surrendered:  
~2,800 HA

1974  
**4,715 HA**  
First Renewal



1993  
Area Surrendered:  
1,500 HA

1994  
**3,215 HA**  
Second Renewal



2014  
**1,999 HA**  
Third Renewal





## Ferroalloys' History

With a long history of mining Manganese Ore, SMIORE commenced its manufacturing operations in the 1960s. In 1968 the Company established an electro-metallurgical industry in Sandur area and began production of ferroalloys, with the sole objective of bringing industrial development to the region and adding significant value to the lives of the residents.

The present Chairman Emeritus of SMIORE, Shivrao Yeshwantrao Ghorpade, a graduate of the renowned Colorado School of Mines, USA, is recognized as one of the most eminent metallurgical engineers in the country. With his performance-oriented approach, strong principles, and scientific and systematic procedures, SMIORE's Metal & Ferroalloy

Plant was built under his aegis from the ground and it became one of the finest metallurgical plants in India.



### 1966

The Company got listed on the BSE to establish an Electro Metallurgical Industry.

### 1968

The plant for Ferroalloys' operations was set up in Vyasnakere with one 15-MVA furnace.

### 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's

Ferroalloy operations became unviable due to inadequate and expensive power.

### 2000

Ferroalloy operations were temporarily shut down.

### 2007

Ferroalloy operations resumed.

### 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 Waste Heat Recovery Boilers (WHRB) 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.



### 2022

The Company expanded capacities to 95,000/ 1,25,000 TPA for Silicomanganese/ Ferromanganese (SiMn/ FeMn) from erstwhile 48,000/ 66,000 TPA.

# SMIORE: an evolution in progress

Established in 1954 as a mining business, SMIORE has learnt to adapt and evolve with time. It has witnessed many opportunities and weathered many challenges in these last seven decades or so.

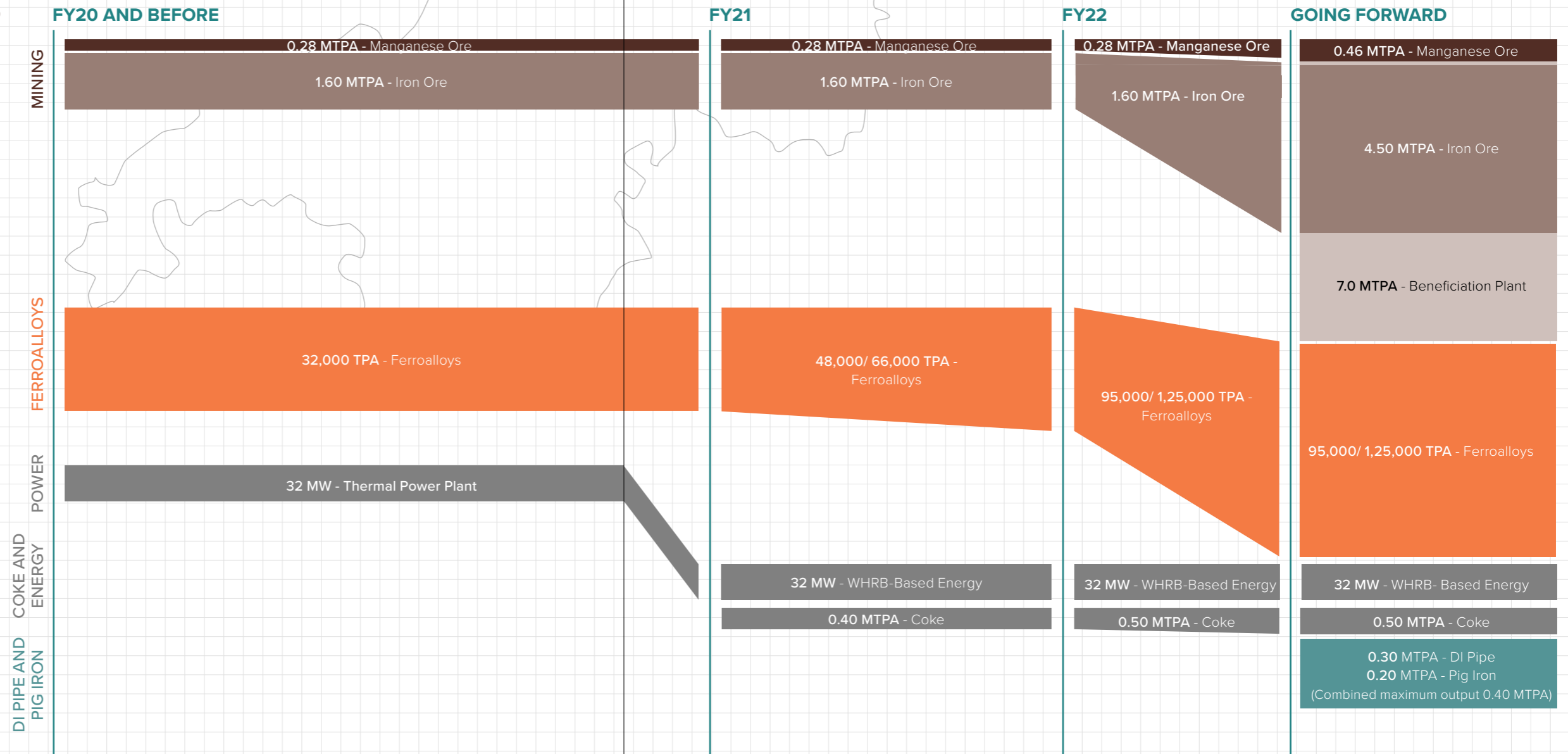
From mining to foraying into ferroalloys and power generation to commencing coke and energy production, the Company has gone through several business evolutions.

SMIORE, with its two mining leases located in Sandur in the Ballari district of Karnataka, has been in the business of mining ever since 1954. Its manganese and iron ore mines are well-connected to the nearby railways sidings in Swamihalli (SML) and Sunderambencha (SDMG) on the Swamihalli - Hospet BG Line, and are only 12 km away from the mine head. Additionally, in order to transport the mining output in a pollution-free and environment-friendly manner, the Company is setting up a Downhill Conveyor. It may also contribute to slightly enhanced realizations for the Company in the future.

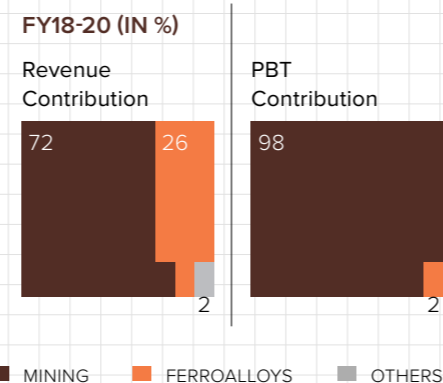
In FY22, SMIORE recorded robust volumes across all its product segments, especially in Ferroalloys and Coke, which resulted in record profitability for the Company. Incidentally, this year was also the first full financial year of Coke operations. Going forward, the Company aspires to further consolidate its business to include DI Pipes and Pig Iron manufacturing in its offerings as a strategic move to deliver more

value-added products in the long run. SMIORE is gearing to transform itself from a pure-play merchant miner to an integrated commodity player focused on producing value-added end-products. SMIORE is confident

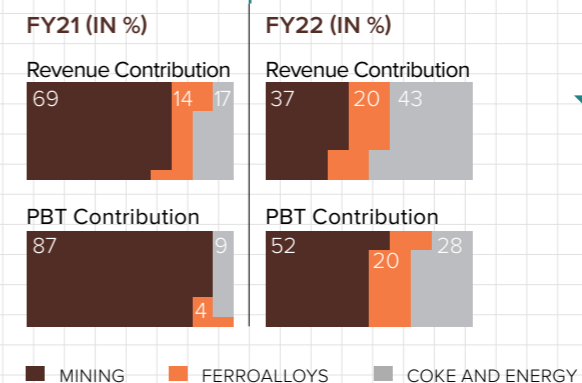
about its next steps and is certain that it will be able to create a more dominant business in the future with these additions.



Asset-light, free cash-rich generating mining operations coupled with marginally-profitable power-intensive ferroalloys operations



Asset-light, free cash-rich generating mining operations coupled with self sustainable and profitable ferroalloys operations supported by Coke + WHRB based power generation



Fully integrated value-added operations with DI Pipes and Pig Iron, with each business segment complementing the other.

## Manganese Ore



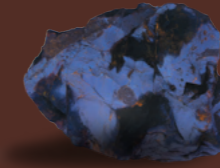
**0.28 MTPA**

Capacity

SMIORE has the second largest private-sector manganese ore mines in India. It engages in semi-mechanised, 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. While a part of its mined ore is used captively, in the Company's ferroalloys operations, the rest is sold out. The Company has an estimated manganese ore reserve of 17 MT for future mining operations.

## Iron Ore



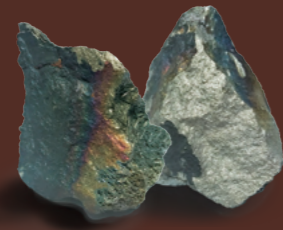
**1.60 MTPA**

Capacity

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

At present, all of SMIORE's mined iron ore is sold out, with no captive consumption. However, the Company is setting up a hot metal plant to partially use its ore captively. The Company has an estimated iron ore reserve of 105 MT for its future mining operations.

## Ferroalloys

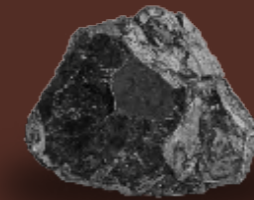


**95,000/ 1,25,000 MTPA**  
(Silicomanganese/ Ferromanganese) Capacity

In 1968, SMIORE commenced its Ferroalloys operation in a unit located in Vyasankere, 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 manufactured in this unit is Silicomanganese and Ferromanganese, and the Company plans to add new products as it advances. Given the power-intensive nature of Ferroalloys operations, the Company also has a 32 MW power plant supported by Waste Heat Recovery Boilers, which facilitates generation of clean energy at a very marginal cost. To meet further growing requirement of energy, the Company is venturing into renewable energy through Solar and Wind.

## Coke and Energy



**0.5 MTPA**      **32 MW**  
Coke Oven Plant      Waste Heat Recovery  
Boilers (WHRB)

The Company began its Coke Oven expansion in 2018 which was finally commissioned in FY21, and FY22 was its first full year of operations.

Today, the Company has four Coke Oven batteries with a cumulative capacity of 0.5 MTPA, and two Waste Heat Recovery Boilers (WHRB) with a cumulative capacity of 32 MW. The WHRB was set up with the objective of generating cleaner energy as a by-product, to further support the operations of the Ferroalloys unit.

# Hitting milestone after milestone

SMIORÉ's FY22 performance exceeded its expectations, with robust financial performance across the board, supported by higher volumes and healthy realizations. While it still has significant expansions and plans yet to be realised, this year's performance has reinforced the Company's resolve to take on its next leg of expansion.

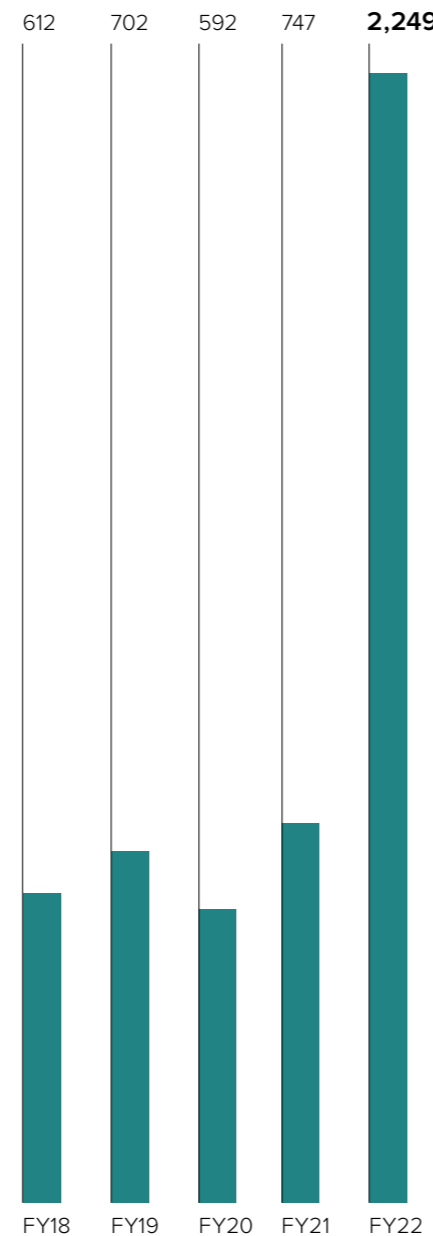
SMIORÉ's strong business ideals and acumen, coupled with its inclination to adapt to future trends, enable it to stay ahead of the curve and create value for all its stakeholders - its people, communities, environment and shareholders. SMIORÉ, with its new business venture of DI Pipes and Pig Iron, is ready to take the next big leap towards success. Its journey so far affirms its belief in its abilities and makes it confident about its future.

**~3x**  
Increase in Equity base over last 5 years

**~7x**  
Increase in Net Block over last 5 years



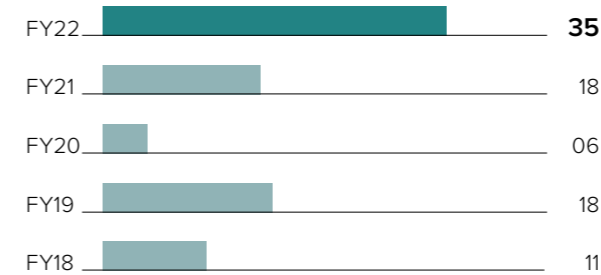
## REVENUE FROM OPERATIONS (IN ₹ CRORE) **38% CAGR**



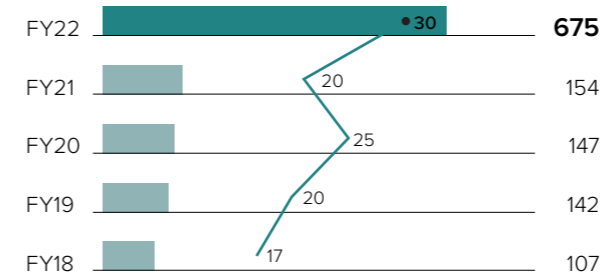
**0.19**  
Gross Debt to Equity supported by surplus cash equivalents and solid cash flows

CAGR (FY18-22)

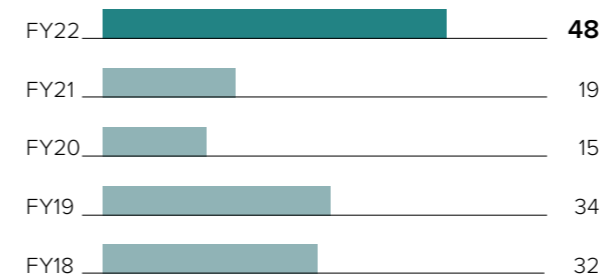
## OTHER INCOME (IN ₹ CRORE)



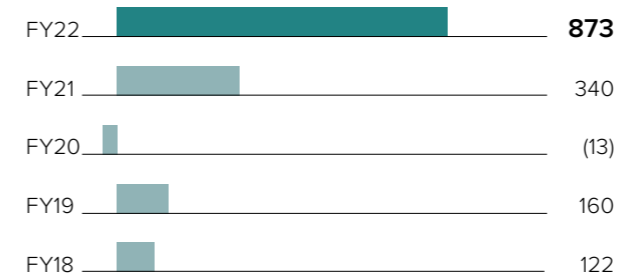
## PAT & PAT MARGIN (IN ₹ CRORE & %)



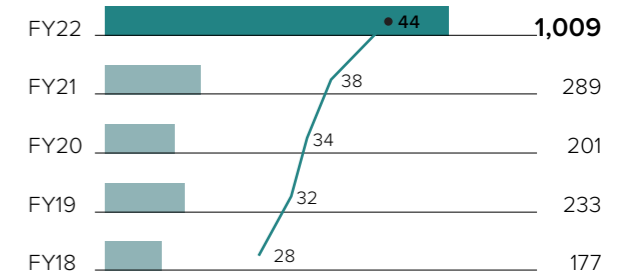
## RETURN ON CAPITAL EMPLOYED (IN %)



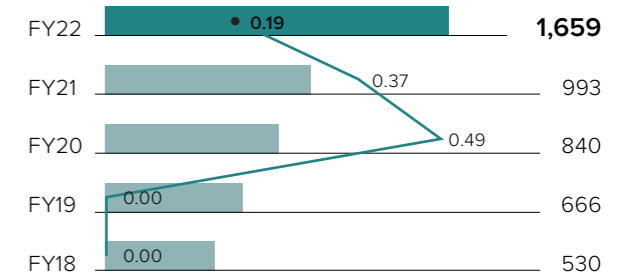
## CASH FROM OPERATING ACTIVITIES (IN ₹ CRORE) **64% CAGR**



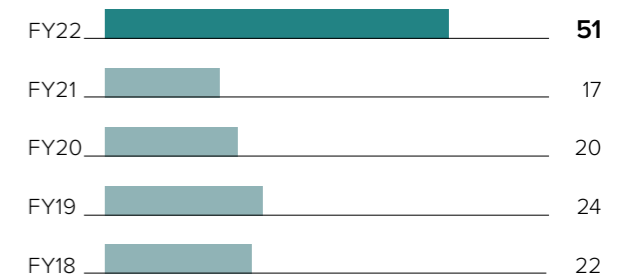
## EBITDA & EBITDA MARGIN (IN ₹ CRORE & %) **55% CAGR**



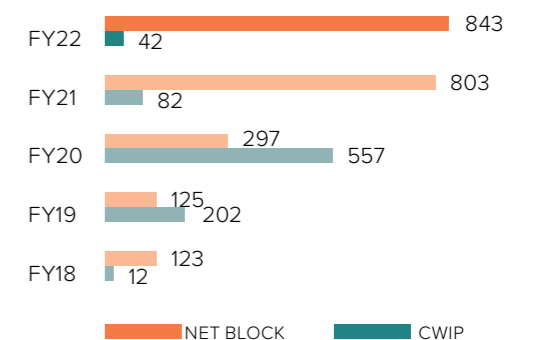
## EQUITY & DEBT TO EQUITY (IN ₹ CRORE & TIMES) **33% CAGR**



## RETURN ON EQUITY (IN %)



## NET BLOCK & CAPITAL WORK-IN-PROGRESS (IN ₹ CRORE)



## A tête-à-tête with our Chairman



### DEAR SHAREHOLDERS,

It is a pleasure to welcome you to the Annual General Body meeting of SMIORE. I recall that at the same time last year, we were faced with unprecedented challenges due to the Covid-19 pandemic. Let us bow our heads in silent prayer to our near and dear ones who lost their lives during that terrible time.

I am relieved that we have not only recovered from the setbacks of that time, but have also become more resilient and mindful of ourselves, our surroundings and our people. FY22 was an eventful year for our Company. Happily, we grasped the opportunities that came our way and delivered a robust performance across all business segments, as our strategies aligned well with our execution.

### SUPERIOR FINANCIAL POSITION

In FY22, we recorded ₹ 2,248.74 crore of Revenue from Operations, which is an all-time high, and a 201% increase over the previous year's performance. We achieved an increase in our FY21 EBITDA from ₹ 289.41 crore; a margin of 38%, to ₹ 1,009.36 crore in FY22, a margin of 44%. Our PAT grew from ₹ 153.93 crore in FY21 to ₹ 675.11 crore in FY22, which is an impressive increase of 339% over the previous year. Besides reporting

a superior topline and bottomline performance, SMIORE achieved vastly improved cash conversion, resulting in a record ₹ 873.05 crore of net Cash from Operating Activities.

At the end of FY22 our Company's gross Debt-to-Equity ratio stood at 0.19 compared to 0.37 in the previous year. An improved gross Debt-to-Equity ratio coupled with surplus cash reserves has effectively made us a net debt-free Company, further cementing our confidence in our strategies and the direction we have chosen to traverse.

On the operational front, we recorded robust volumes across all our product segments, especially in Ferroalloys and Coke. FY22 was the first full financial year of operations for our Coke segments. Our realizations in these segments have been in tandem with global trends, which resulted in record profitability for the Company.

It is thus safe to say that SMIORE has surpassed its operational and financial expectations in FY22, and is now ready to take on its next leg of challenges.

IN FY22, WE RECORDED A REVENUE FROM OPERATIONS OF ₹ 2,248.74 CRORE, WHICH WAS AT AN ALL-TIME HIGH AND A MULTIFOLD INCREASE OF 201% YEAR-ON-YEAR. WE ALSO ACHIEVED A MARKED INCREASE IN OUR EBITDA FROM ₹ 289.41 CRORE IN FY21 TO ₹ 1,009.36 CRORE IN FY22, RENDERING AN EBITDA MARGIN OF 38% AND 44%, RESPECTIVELY.

### SMIORE'S ENHANCED PROFIT PROFILE

Let us take a closer look at our enhanced profit profile for FY22, which comes in the wake of robust financial performance for the last two years. This is the result of our successful efforts at business diversification.

As may be seen in the below illustration, there was a quantum jump in our PBT, which moved from an average of

FY18-20 (AVERAGE\*) (%)



FY21 (%)



FY22 (%)



₹ 230 crore between FY18 to FY20 to ₹ 996 crore in FY22. This was achieved through two measures, namely, the addition of the Coke and Energy segment, which has resulted in a new stream of profit, and refurbishing and modernisation of the Ferroalloys segment, resulting in significant capacity expansion.

While we acknowledge that our profitability has also been buoyed by good prevailing commodity prices, which may not be repeated every year, we are confident that the Company will maintain a healthy mix of different profit streams, resulting in a more resilient business model than what prevailed in previous years. Furthermore, we plan to build on this momentum with further CAPEX, already in the pipeline.

\*Arithmetic Average FY18-20 | Note - PBT excludes finance costs and unallocable expenses/ income

## Surpassed

It is safe to say that SMIORE has indeed surpassed its financial expectations in FY22, and is now ready to take on its next leg of challenges.

### SMIORE'S GOALS AND AMBITIONS

As communicated through our regular disclosures last year, SMIORE has reworked its long-term operational strategy to better suit its ambitions. With new leadership and renewed fervour, SMIORE is prepared and ready to take the next big leap. In this regard, we have modified our earlier plan for a 1 MTPA fully-integrated steel plant. We now aim to build and operate a 0.4 MTPA hot metal plant, along with a value-added production facility of 0.3 MTPA of DI Pipes. This facility will be a fully-integrated one, with captive Iron Ore and in-house Coke production. Not only is the new plan more suited to SMIORE's current scale of operation and capital allocation policy, but it is also the next step in our ambition to manufacture value-added products. This is in line with our aim to transform ourselves from a merchant miner to an integrated commodity player focused on producing value-added end-products. With this project we will become one of the few plants in India with such a thorough level of integration.

### CONCLUSION

I thank all of you for your support and encouragement. It is your faith in us that keeps us motivated to create maximum value for all of you. We believe we have delivered on our expectations and promises in the past, and we are certain that our endeavours will bear fruitful results as we go forward.

T.R. Raghunandan  
Chairman

## A rendezvous with our MD



### DEAR SHAREHOLDERS,

What a terrific year it has been at SMIORE. We are blessed to have such supportive and enthusiastic team members, shareholders and stakeholders, who have helped us every step of the way in our road to success - thank you very much for being there, and we hope to stand true to your expectations going forward as well.

### A RICH LEGACY

As rightly put by Vladimir Ilyich Lenin, *"There are decades where nothing happens, and then there are weeks when decades happen"*. Why am I referring to this quote? Well, while it has certainly not been weeks, I think it is fair to say that SMIORE, in the last couple of years, has transformed itself completely - perhaps at the fastest pace ever in our history. The Company has evolved to become a new and improved version of itself. At the risk of sounding repetitive, I will remind you that while our business canvas has transformed in response to the changing industry landscape and in anticipation of upcoming trends, what will never change are our core values and principles - we will always remain true to my forefathers' vision. SMIORE was, is and will be a Company that will always uphold the same values that it has for over a century now. We will continue to believe in scientific and systematic mining, extracting but never exploiting our finite natural resources.

Our operations have always been environment friendly, as we believe in thanking nature for its bountiful gifts and conserving it in whatever way we can, be it through afforestation, reclamation, environment protection or rehabilitation. Further, our duty and responsibility towards our employees remain undeterred, as we uphold the principles of being a fair and just employer even today. Ensuring optimal health and safety of our employees will always be our topmost priority, and we will focus on improving their quality of life through welfare initiatives, as we have in the past.



A SIGNIFICANT MILESTONE THAT WE ACHIEVED THIS YEAR WAS THE COKE AND ENERGY VERTICAL COMPLETING ITS FIRST FULL FINANCIAL YEAR OF OPERATIONS, WHICH IN FACT GARNERED EXCEEDINGLY POSITIVE RESULTS FOR US AND AFFIRMED OUR BELIEF IN THIS VERTICAL.

### EXPANDING OUR MAINSTAY: MINING

Through our earlier disclosures, we have communicated our intent and plans of expanding our core operations in the mining vertical, which has been the backbone of the Company since its inception.

To that effect, it is important to note that in November 2021, the Company obtained amended Terms of Reference (ToR) for proposed enhancement of permissible mining limits. Accordingly, we have proposed to enhance manganese ore mining operations from 0.28 MTPA to 0.46 MTPA and iron ore mining operations from 1.60 MTPA to 4.50 MTPA, while duly complying with the parameters prescribed by the Hon'ble Supreme Court. For this aforesaid expansion, the Company has filed requisite applications with the respective Government authorities. Upon receiving the approval, our mining operations should ramp up fairly quickly. Post expansion, our businesses' scale of operations and cash flow generation will move to a different orbit and will prove to be greatly beneficial to the Company. Moreover, to counter any possible depletion in the quality grade of the additional mined ore, the Company has also proposed a significantly higher beneficiation unit facility of 7.0 MTPA compared to the previous proposal for 2.0 MTPA.

### AN EVOLVING BUSINESS CANVAS

As far as the theme of transformation goes, in the last two years we have significantly strengthened our business model. We have successfully transformed ourselves from a pure-play merchant miner to a relevant player in the metallurgical industry. We have been able to add a new feather to our cap by once again proving our mettle in the Ferroalloys industry - and I'm proud to share that today we are running one of the most operationally efficient and profitable set of Ferroalloy operations in the country. This success can be attributed to our existing infrastructure, including in mining, strategically planned and executed projects such as Coke Oven and WHRB based power generation, that have dramatically optimised operational efficiency, and our team's unmatched efforts to execute all projects within the stipulated timelines. Further, in FY22, we obtained approval to expand our manufacturing capabilities to 95,000/ 1,25,000 TPA (SiMn/ FeMn) from 48,000/ 66,000 TPA (SiMn/ FeMn), thus adding more volumes to our output. We are in the process of refurbishing our existing manufacturing facility and obtaining additional power requirements to scale up to enhanced limits by the beginning of FY24.

A significant milestone that we achieved this year was the Coke and Energy vertical completing its first full financial year of operations, which in fact garnered exceedingly positive results for us and affirmed our belief in this vertical. I would like to add that our Coke Oven plant ran at full capacity throughout the year and the energy generated from this facility contributed tremendously to our Ferroalloys operations, enabling us to fully capture the upcycle in the Ferroalloys' market last year. Moreover, due to our efficiencies and optimisations throughout the year, we were also able to reclassify our Coke facility's manufacturing capacity from 0.4 MTPA to 0.5 MTPA, without any incremental CAPEX.

### GROWING ENERGY NEEDS

As mentioned earlier in this letter, one of our core values is to conduct our operations in an environment-friendly and systematic manner, and we have done just that all these years and will do so even in the years to come. We are extremely cognizant of the impact our operations have on the environment, and have always sought sustainable alternatives in every facet of our business - be it running one of our mining operations on the principles of scientific mining, or shifting our coal-based energy generation to environment-friendly waste-heat recovery based power generation in the very recent past.

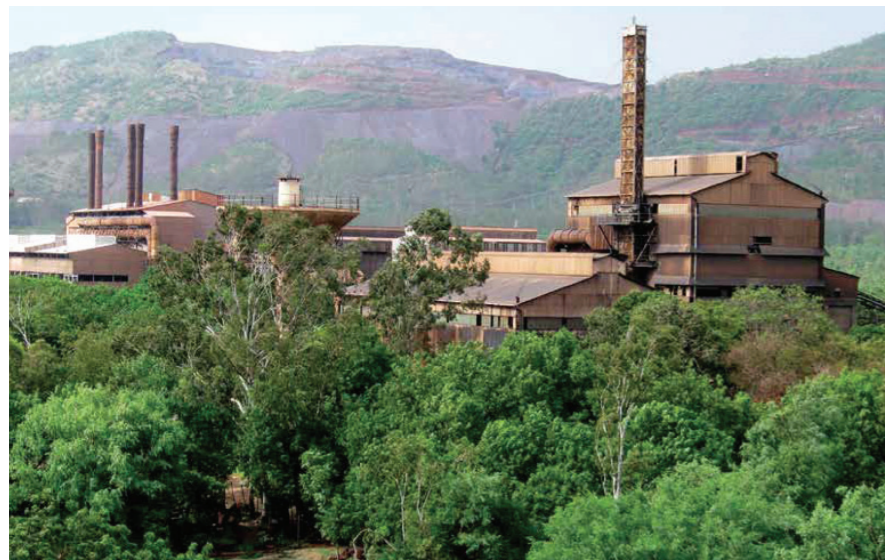
Of course, with the expansion of our business and more ventures in the metallurgical operations, such as the expansion of existing verticals like Ferroalloys, our energy needs will soar in the coming year. However, after giving it much thought, we have decided to meet our energy requirements through renewable sources of energy such as solar and wind. To make this possible, we have signed an agreement with Renew Green Energy Solutions to set up renewable energy assets that will meet our growing needs in a sustainable manner. The key takeaway here that I would like you to understand is that, no matter what the problem, our solution will always be sustainable and well-thought-out.

### A BETTER SUITED EXPANSION PLAN

During the year, we also took a very crucial decision to reconfigure our metallurgy expansion project. We modified our proposal of 1 MTPA integrated steel plant, as per our original plan, and instead chose to venture into a more suitable and well-integrated project of hot metal to DI pipes and Pig Iron. In this regard, we have already announced a 0.4 MTPA capacity expansion which will utilise our mined ore and manufactured coke to produce hot metal. This hot metal will be processed further to create a downstream value-added products, i.e. 0.3 MTPA of DI pipes and balance will be converted to Pig Iron. DI pipes will have vast applications in a growing and developing country such as ours, wherein infrastructure and water supply will require significant investments.

Adding further credibility to our belief is India's effort to grow its water infrastructure, such as the Government's vision of 'Har Ghar Nal Se Jal' or the 'Jal Jeevan Mission', and we are certain that this will prove to be a highly lucrative segment for us in the near and far term. Moreover, our strategically located facility in Southern India will be well-positioned to leverage opportunities coming up in the region as well.

Additionally, we have formed a wholly owned subsidiary called 'Sandur Pellets Private Limited.' This company proposes to set up a Pellet plant and associated



infrastructure to produce a value-added product such as Pellets by consuming the beneficiated ore from the mines to integrate and diversify the product portfolio to strengthen our business model further.

### WEAVING SUSTAINABILITY INTO OUR OPERATIONS

With each passing day, the world is becoming more affirmed in its belief in sustainability for a better tomorrow. At SMIORE, we have always known, understood, promoted and propagated this belief. However, it is now more imperative than ever to engrain sustainability in our DNA, and we are making every effort in this direction. So far, our efforts have been concentrated on sustainable mining operations, which by the way has often been referred to as a case study and an example in the mining industry, but now we are focused on extrapolating this across all our other operations as well. We are resolved in our dedication and commitment towards achieving sustainable growth and ensuring best corporate governance and sustainability practices through our comprehensive strategy, thus setting global benchmarks.

### NEW LEVERS OF GROWTH

The next phase of SMIORE is as exciting as it gets. We have so many new projects to look forward to, some of which have been announced and some of which we are still evaluating. However, what we are absolutely certain about is our direction towards transforming ourselves into an integrated and value-added commodity producer. We are geared to rejig the structure of the Company, which will enable us to maximise the value of our in-house products and cross-leverage the efficiency of one segment into another. This definitely sounds like a daunting task, but I am absolutely sure that with the support, encouragement and enthusiasm from my teammates at SMIORE, we will achieve this milestone and much more.

I am excited to be able to lead this journey and add to the century-long legacy left behind by my forefathers before me. I know we can do this, and I am confident

that our labour today will translate into great fortunes in the years to come.

As a recognition of our long-standing shareholders, whose undeterred support through the decades has strengthened the Company's steadfastness towards sustainable growth, it was felt most appropriate to reward the shareholders with additional shares through the right issue at par value.

I would like to share my gratitude and thank everyone at SMIORE, our shareholders, teammates, and all other stakeholders, for their belief, trust and most importantly their commitment to us. Together, we will create a Company that will become an industry leader.

**WE ARE EXTREMELY COGNIZANT OF THE IMPACT OUR OPERATIONS HAVE ON THE ENVIRONMENT, AND HAVE ALWAYS SOUGHT SUSTAINABLE ALTERNATIVES IN EVERY FACET OF OUR BUSINESS - BE IT RUNNING ONE OF OUR MINING OPERATIONS ON THE PRINCIPLES OF SCIENTIFIC MINING, OR SHIFTING OUR COAL-BASED ENERGY GENERATION TO ENVIRONMENT-FRIENDLY WASTE-HEAT RECOVERY BASED GENERATION IN THE VERY RECENT PAST.**



**Bahirji A. Ghorpade**  
Managing Director



# PARENTAGE

A distinguished panel of leaders



**Yeshwantrao Hindurao Ghorpade**  
VISIONARY

1

**Murarirao Yeshwantrao Ghorpade**  
FOUNDER

2



**Shivrao Yeshwantrao Ghorpade**  
CHAIRMAN EMERITUS

3



**Bahirji A. Ghorpade**  
MANAGING DIRECTOR

5



**T.R. Raghunandan**  
CHAIRMAN

4



# BOARD OF DIRECTORS

Being a value-driven Company, it is no surprise that SMIORE puts transparency and integrity on such a high pedestal. The Company is known for its high standards of compliance and good governance, and has earned a strong reputation for being fair and just in its decades of operation. Even today, what SMIORE values the most is its goodwill, which it has earned through its sheer hard work, grit and resilience.

## Parentage

**YESHWANTRAO HINDURAO GHORPADE**  
VISIONARY

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**  
FOUNDER

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 the 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 Honourable Supreme Court's mining suspension.

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

## Board of Directors

**T.R. RAGHUNANDAN**  
CHAIRMAN

T.R. Raghunandan is a specialist in formulating policies, decentralisation and anti-corruption. He has about three decades of experience in executive management, corporate management and policy-making positions in the state and union governments. His contribution towards rural development and panchayat raj policies' formulation and implementation is remarkable. 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 Cofounder of Avantika Foundation, a non-profit organisation engaged in building the Museum of Movement, which is an effort to showcase India's romance with transport. He is an avid vintage car enthusiast and restorer.

**BAHIRJI A. GHORPADE**  
MANAGING DIRECTOR

Bahirji A. Ghorpade is a graduate in Commerce with a specialisation in Finance from Christ University, Bengaluru. Having 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 higher studies - Masters in Finance and Management from Cranfield School of Management, Cranfield University, United Kingdom, he re-joined the Company in 2018. Since then, he has shouldered the responsibilities of Project Accounting for over a year and half, which includes accounting of all project-related expenses, cash flow management and capitalization of assets. While also being an Executive Assistant to the MD, where he was assisting the MD in functional areas such as corporate affairs, materials management, commercial management, finance, administration, and general management allowing him to look into finer aspects of leadership. He served as Director (Corporate) after which he was elevated to the position of Managing Director of the Company in June 2020. Since then, he has led the team to drive optimisation of performance/ operations, ensure projects' commissioning, strategise marketing of products, enhance outreach to all the stakeholders and plan organisational growth/ sustainability strategies.

## BOARD OF DIRECTORS



**S. S. Rao**  
INDEPENDENT  
DIRECTOR

6

### **S. S. RAO** INDEPENDENT DIRECTOR

S. S. Rao holds a Bachelor's degree in Electrical Engineering, a Master's degree in Business Administration and is also a fellow member of the Institution of Engineers (India). Former Joint Managing Director and CEO of JSW Energy Limited and Former Group Executive President and Business Head of Aditya Birla Group, S. S. Rao has over 46 years of experience in professionally managed, state owned, joint-venture with multinational and private sector power companies. He also holds directorships in NCC Infrastructure Holdings Limited, NCC Urban Infrastructure Limited, Pranava Green Energy Limited, JSW IP Holdings Private Limited and Barmer Lignite Mining Company Limited. Since then, he has led the team to drive optimisation of performance/ operations, ensure projects' commissioning, strategise marketing of products, enhance outreach to all the stakeholders and plan organisational growth/ sustainability strategies.



**G. P. Kundargi**  
INDEPENDENT  
DIRECTOR

7

**Latha Pillai**  
INDEPENDENT  
DIRECTOR

8



### **LATHA PILLAI** INDEPENDENT DIRECTOR

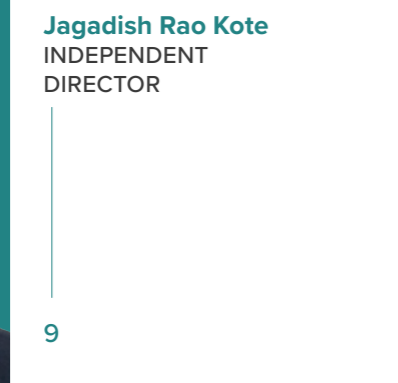
Latha Pillai is an educational administrator with more than three decades of experience in higher education. Her areas of professional interest include quality assessment and evaluation, promotion of women in governance and academic leadership. Latha Pillai was associated with NAAC between 1994 and 2019 and has made significant contributions to institution building. She is the recipient of 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 and Jawaharlal Nehru Birth Centenary Award for 2012 instituted by the Indian Science Congress Association. She has been nominated to various Committees of UGC, MHRD, FICCI and CII, to name a few.

### **JAGADISH RAO KOTE** INDEPENDENT DIRECTOR

Jagadish Rao Kote, graduated in B. Tech (Electronics and Communications) from Mysore University. He is also the recipient of the Kirloskar Memorial Award for being an outstanding student. He completed his post graduation in M. Tech (Industrial Electronics). He is also a Fellow member of the Institute of Cost and Management Accountants of India. He is presently pursuing his Doctoral studies in Power systems under VTU. He is a result-oriented technocrat with over 36 years of industrial and techno- managerial experience in the areas of Strategy Planning, Project Management, Embedded Systems Design Engineering and Electronic Designs. He is currently associated as a professor at a reputed college of engineering in Bengaluru.

### **G. P. KUNDARGI** INDEPENDENT DIRECTOR

G. P. Kundargi graduated in B. Sc. (Chemistry) from Karnataka University in 1976, and completed his post graduation in M. Tech (Mineral Processing) in 1979. He is the former Chairman and Managing Director of MOIL Limited (formerly Manganese Ore India Limited), with expertise in metal mining (both opencast and underground), mineral processing and beneficiation. He is also on the Board of Nava Bharat Ventures Limited.



**Jagadish Rao Kote**  
INDEPENDENT  
DIRECTOR

9



**H. L. Shah**  
DIRECTOR

10

### **H. L. SHAH** DIRECTOR

H. L. Shah graduated in 1974 from N. M. College of Commerce & Economics, Mumbai. Qualified as a Chartered Accountant in 1980 and is an associate member of ICAEW. H. L. Shah has a rich experience of around 40 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 vast experience in the Audit and Assurance function. He has served Indian and Multinational clients and has exposure to Euro Issues, Indian Public Offerings, due diligence, Corporate Governance, etc.

### **MOHAMMED ABDUL SALEEM** DIRECTOR (MINES)

Mohammed Abdul Saleem holds Bachelor's Degree in Commerce (B. Com) and Bachelor's Degree in Law (LLB). He is also a Fellow Member of the Institute of Company Secretaries of India. He has been with the Company since 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 addition, he has acted as a nominee director for SMIORE on the board of a few companies and contributed to their revival. He has spent over 22 years in managerial positions at the Board level. He has been appointed as Director (Mines) in the Company w.e.f. 1 April 2020.

**Mohammed Abdul Saleem**  
DIRECTOR (MINES)

11



# Upholding transparency and ethics

SMIORE is a value-driven Company and there are no two ways about it. Right from its style of leadership to its community-focused approach, everything that the Company does is a true reflection of its deep-seated values that have been passed on from one generation to the next. SMIORE's high sense of responsibility towards its stakeholders,

whether it be its shareholders, customers, team members or its communities, has shaped the organisation to remain transparent at all costs and conduct its business affairs in a fair and ethical manner. The Company is dedicated to growing its business in a socially responsible manner, thus ensuring long-term value creation for all its stakeholders.



## Committees of the Board

SMIORE's board is supported by six committees which play a vital role in decision-making, thereby enabling organisational growth.

AUDIT COMMITTEE

RISK MANAGEMENT COMMITTEE

NOMINATION AND REMUNERATION COMMITTEE

STAKEHOLDERS RELATIONSHIP COMMITTEE

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

CORPORATE SUSTAINABILITY COMMITTEE

## Ethics and Governance Policies

SMIORE has put in place policies and codes that guide its business and ensure utmost integrity, transparency, independence and accountability. Some of these codes and policies are:

CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

CODE OF CONDUCT & ETHICS POLICY FOR EMPLOYEES

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

CODE OF CONDUCT TO REGULATE, MONITOR & REPORT TRADING BY DESIGNATED PERSONS

WHISTLE BLOWER POLICY

POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS

CORPORATE SOCIAL RESPONSIBILITY POLICY

POLICY ON BOARD DIVERSITY

POLICY ON NOMINATION AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

BOARD EVALUATION FRAMEWORK

POLICY FOR DETERMINING MATERIAL SUBSIDIARY

RISK MANAGEMENT POLICY

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

POLICY ON PRESERVATION OF DOCUMENTS

ARCHIVAL POLICY

POLICY ON DETERMINATION OF MATERIALITY OF AN EVENT OR INFORMATION

DIVIDEND DISTRIBUTION POLICY

### SUPPORTED BY A STRONG, COMPETENT AND DIVERSE BOARD

As on 31 March, 2022, the Company's Board consists of eight members with an optimum combination of executive, non-executive and independent directors, including a woman independent director. SMIORE's board is actively focussed on strategic decision making.



1 member with 5-15 years experience

1 member with 16- 25 years experience

6 members with 25+ years experience

7

Board meetings during FY22

98%

Overall attendance rate at Board meetings

16

Board Committee meetings during FY22

98%

Overall attendance rate at Board Committee meetings

1

Independent Directors meeting during FY22

The Board members of SMIORE possess diverse skill sets and experiences that include, industry experience and knowledge, management and leadership qualities and strong interpersonal skills. Some of the Board members have experience that span over decades, therefore rendering an experience that has witnessed multiple changes in business environments, while others have more contemporary experience with modern technology know-how and management knowledge. The board comprises a healthy mix of young and seasoned members, who bring diverse perspectives to the table.

## SMIORE's non-negotiables - environment preservation and community development

*SMIORE, today a multi-faceted business entity with interests in the mining and metallurgical industry, was established on the core principles and values that were rooted in the royal Ghorpade family of Sandur - the values of compassion, empathy and seva (service). These values not only guided the erstwhile rulers of Sandur but are also deeply entrenched in the business principles of SMIORE.*

The Company always has, and always will, continue to prioritise its duties and responsibilities towards its communities and the environment. Its endeavours to protect, conserve and replenish the environment comes from the simple understanding of the world's finite natural resources. SMIORE strongly believes that mining leases are national assets and subject to intergenerational equity; therefore, they are not for any one company or generation to exploit. To that extent, the Company goes to lengths to ensure that its mining practices are sustainable, bearing a measured impact on the finite resources. Further, it places high importance on acquiring necessary certifications and following stringent international management standards in its pursuit of sustainability.

Similarly, its long-standing relationship with the communities of Sandur from the principality days has emboldened SMIORE to look beyond the conventions of its responsibilities and serve the community as a matter of duty. As a result, the Company has taken innumerable measures, from time immemorial and much before CSR became a stated norm, to ensure that its people are well taken care of and insulated from inflationary pressures.



### SUPPLEMENTARY ENVIRONMENT MANAGEMENT PLANS (SEMP)

SMIORE's total mining lease land spans across about 2,000 hectares, of which 1,752 hectares is forest land. Over the years, with good judgement and great care, the Company has worked towards protecting its mining leases.

With the support of a dedicated nursery that provides saplings regularly, the Company has developed and nurtured tree plantations in about 250 hectares of this valuable mining area. In the last 35 years, over 38 lakh trees have been planted in two of SMIORE's mining leases, and about 10,000 bamboo trees have been planted for reclamation of land - which has made the Company's mines a role model for plantation drives. Further, to prevent soil erosion from SMIORE's mining leases, which primarily lie in hilly terrains, the Company has taken several steps such as laying coir mats on dumps, constructing multiple check dams, gully plugs, drains, toe walls, etcetera. This was done to protect nearby lakes from being silted and to prevent dumps from being washed away by rains. In addition, SMIORE has also invested in rainwater harvesting techniques to recharge groundwater, and the stored water from the harvesting pits is being used for dust suppression and greenbelt development.

## 38+ lakh

Trees have been planted in two of SMIORE's mining leases, and about 10,000 bamboo trees have been planted for reclamation of land - which has made the Company's mines a role model for plantation drives.



## CONTRIBUTING TO THE DEVELOPMENT OF SANDUR'S PEOPLE

SMIORE looks beyond its CSR responsibilities and contributes towards the upliftment of the people of Sandur as it has since the days of the kingdom. It is not bound by the profit it makes, and its contributions are not limited to its bottom-line performance. Its monetary contributions, infrastructure development and welfare activities have always been geared towards the requirements of the communities, ensuring that it does the absolute best for them in this regard.

## FOCUSSED ON SCIENTIFIC MINING PRINCIPLES

As envisioned by Late Yeshwantrao Hindurao Ghorpade SMIORE was founded by Late Murarirao Yeshwantrao Ghorpade on the core principles of scientific mining, and these principles stand true even today. Accordingly, the Company has very high regard and respect for the various statutes and rules of mining and, as such, has been conferred with several awards by the Indian government and other private bodies for its outstanding efforts.

# 1,752 hectares

Of forest land from SMIORE's total mining lease land spans across about 2,000 hectares.

IT IS WELL-ESTABLISHED THAT SMIORE VALUES ITS PEOPLE, COMMUNITIES, AND ENVIRONMENT IN ORDER TO PURSUE A COURSE THAT IS PROFITABLE AND SUSTAINABLE FOR ALL ITS STAKEHOLDERS. EVEN BEFORE IT WAS ESTABLISHED, THE GHORPADE FAMILY AND THE COMPANY HAVE ALWAYS UNDERTAKEN WELFARE AND ENVIRONMENTAL CONSERVATION EFFORTS IN THE AREA OF SANDUR. MOREOVER, THE COMPANY HAS ALSO NURTURED ITS EMPLOYEES AND PRIORITISED THEIR HEALTH, WELL-BEING AND SAFETY ABOVE ALL. WHILE THE LEADERS MAY HAVE CHANGED, AND SO HAVE THE TIME, WHAT HASN'T CHANGED A BIT ARE THE PRINCIPLES ON WHICH SMIORE STANDS - INCLUSIVE GROWTH AND ENVIRONMENTAL SUSTAINABILITY.

## Awards and Recognitions



### AWARDED 5-STAR RATING EVERY YEAR SINCE THE INTRODUCTION OF SUSTAINABLE DEVELOPMENT FRAMEWORK (SDF)

The Ministry of Mines, Government of India, has initiated a star-rating scheme to build a framework of compliance mechanisms for environment and forest safeguards, mineral conservation, scientific and sustainable operations, contribution to the society etc., and recognize good performers in the industry, thus motivating all mining leaseholders to achieve excellence. The rewards awarded by the Ministry include sharing best practices, securing faster clearances from regulatory authorities and other such incentives. Upon introduction of this framework, SMIORE was the only mining lessee in Karnataka to have received a 5-star award, and was one among the three iron ore mining lessees in the country. SMIORE has consistently received the 5-star rating each year since.

## 5-star

SMIORE has consistently received the 5-star rating each year since the introduction of SDF.

### NATIONAL SAFETY AWARD (MINES)

The Company has received Vishwakarma Rashtriya Puraskar, National Safety Award (Mines) to the Company's Deogiri Manganese & Iron Ore Mine for the year 2017, i.e., after a gap of about 26 years.

### PRIZES SECURED DURING COMPETITION HELD BY MINES SAFETY ASSOCIATION KARNATAKA

During the recent Zone-1 & State-level competition held by Mines Safety Association Karnataka, for the year 2021-22, the Company managed to secure 1<sup>st</sup> Prize in 16 areas such as overall performance, drilling & blasting, mine workings, safety management system, among others. In addition, the Company also secured 2<sup>nd</sup> Prize in 8 other fields.

### PRIZES SECURED DURING COMPETITION HELD BY MINES ENVIRONMENT & MINERAL CONSERVATION ASSOCIATION

During the recent event organised by Mines Environment & Mineral Conservation Association, for the year 2021-22, the Company managed to secure 1<sup>st</sup> Prize in 8 areas such as waste dump management, reclamation & rehabilitation, Azadi Ka Amrit Mahotsav (Special Prize), afforestation, among others. In addition, the Company also secured 2<sup>nd</sup> Prize in 6 fields and 3<sup>rd</sup> Prize in 1 area.

### LAUDED BY THE VASUDEVA COMMITTEE (CONSTITUTED BY GOVERNMENT OF INDIA) FOR SYSTEMATIC MINING

Published in 1965, the Report of the Vasudeva Committee 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 AS AN ENVIRONMENTAL CONSCIOUS COMPANY

The Conservator of Forests, Ballari, while recommending renewal of the mining lease had written about SMIORE to the Principal Chief Conservator of Forests, with reference to concern for the environment. They mentioned,

"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

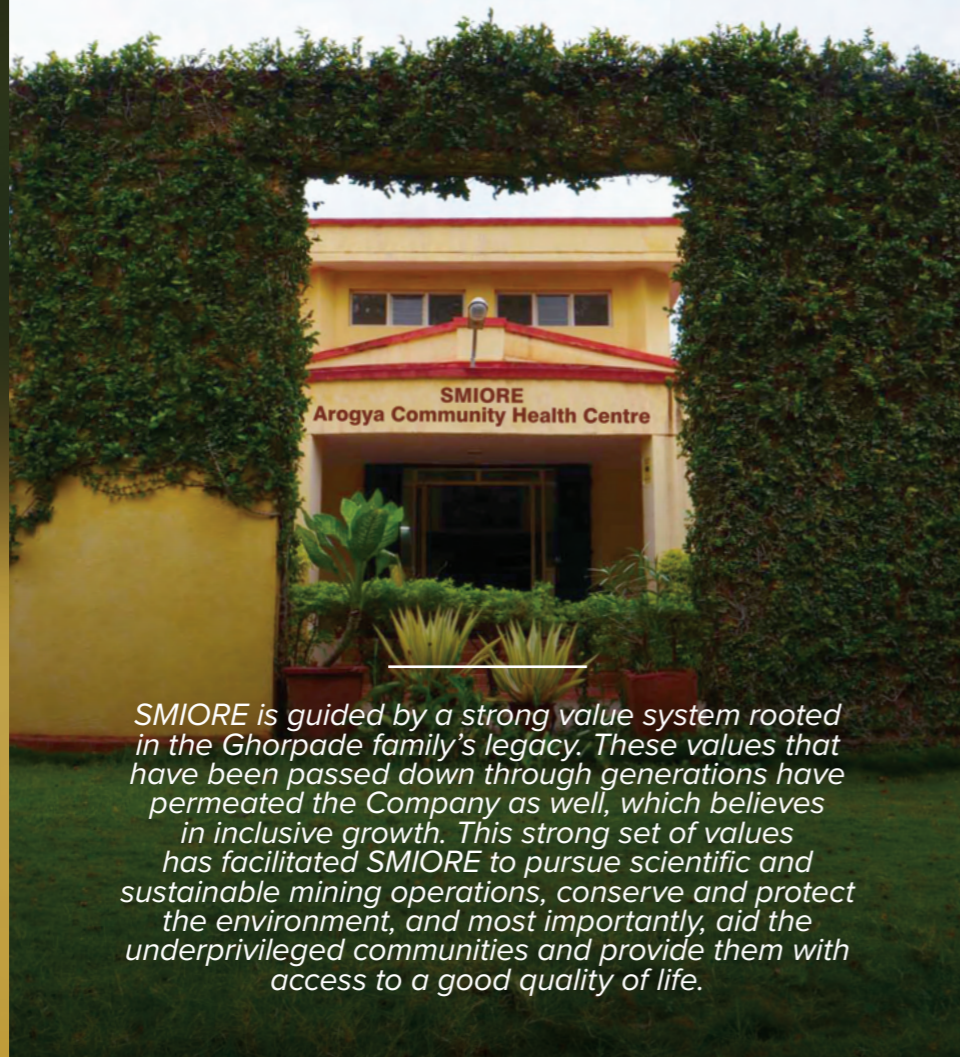
The findings of the Supreme Court appointed Central Empowered Committee (CEC) and the Joint Team for investigation of illegal mining mentioned that, "The owners of the lessee company have voluntarily handed over more than 2,000 hectares of forest land owned by them to the State Government and which has 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 accorded by the Institute of Economic Studies (IES), and was presented by Mr. Korn Dabbaransi, the Hon'ble Former Deputy Prime Minister of Thailand.

The Indian Government has awarded SMIORE with the highest standards of safety awards for many years consecutively. The Company received these awards for its incredible focus on the working conditions of the mineworkers and for other safety norms, and its efforts towards making its environment accident-free with a low injury rate.

## A culture of giving. A culture of prospering together.



*SMIORE is guided by a strong value system rooted in the Ghorpade family's legacy. These values that have been passed down through generations have permeated the Company as well, which believes in inclusive growth. This strong set of values has facilitated SMIORE to pursue scientific and sustainable mining operations, conserve and protect the environment, and most importantly, aid the underprivileged communities and provide them with access to a good quality of life.*

LOOKING BEYOND THE REALM OF CONVENTIONS, THE COMPANY HAS ALWAYS TAKEN MANY STEPS AHEAD OF ITS PEERS REGARDING MATTERS OF THE ENVIRONMENT AND COMMUNITY DEVELOPMENT. PERHAPS THIS VERY ATTRIBUTE OF SMIORE HAS HELPED IT GAIN RECOGNITION FROM MANY AUTHORITIES, GOVERNMENT AND OTHERWISE, AND HAS TRANSFORMED IT INTO THE DEVELOPMENT-FOCUSED COMPANY THAT IT IS.

### FIRM ON SUSTAINABLE MINING OPERATIONS

The core principle on which SMIORE was founded was a scientific mining approach that would also be environmentally sustainable. Over the years, the Company has remained resolute in its commitment towards the environment, as it still regards protecting and conserving its mines as a top priority. To that extent, the Company takes proactive steps to reduce waste generation, greenhouse gas emissions and energy consumption. It also works towards minimising ecological disturbances in its mining lands and rejuvenating the flora in these lands on an ongoing basis. Further, its focus on ensuring the highest health and safety standards for its employees at work has significantly contributed to the Company's sustainability goals.

### FOCUSED ON EMPLOYEE BENEFIT AND WELL-BEING

The Late Ruler and Visionary of SMIORE, Y. R. Ghorpade, and then his son M. Y. Ghorpade, have looked at employees as a part of their family from the beginning. They have worked towards ensuring that their employees feel a sense of belonging within the Company and feel secure about their livelihoods. The Company's healthy and warm relations with its employees have been garnered with much careful consideration. Through these years of operation, these sentiments remain unchanged, and even today, SMIORE strongly believes that its success is directly proportional to its employees' contributions and hard work.



Therefore, it is they who must be congratulated for its success. Here are some of SMIORE's welfare programs for its employees:

### FOOD SECURITY SCHEME

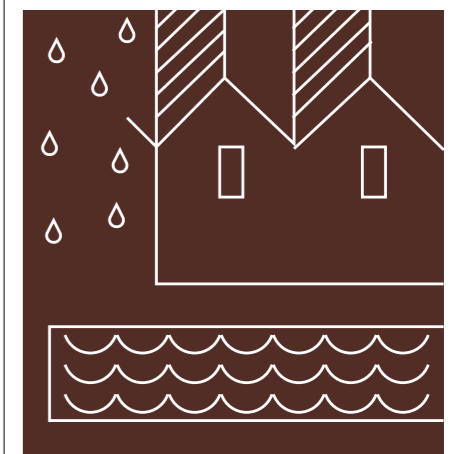
The Company provides a monthly ration of essential food items to all its employees, priced as per the costs prevailing in 1972. This monthly ration, which suffices for a family of 5, is priced at ₹ 145, whereas its market value today stands at more than ₹ 3,500. This tradition has been undertaken since the last 50 years, wherein the Company absorbs the balance cost, thus insulating its employees from inflationary pressures and protecting their real income.

### SUBSIDISED LPG CYLINDER

SMIORE provides subsidised LPG cylinders to a large subset of its employees with a 90% subsidy to prevent them from cutting trees for fuel.

### HOUSING LOAN SUBSIDY

In a bid to encourage its employees to construct their own homes, SMIORE extends subsidies on housing loans, wherein an employee effectively pays only 1% interest, and the Company bears the balance cost.



### OTHER ACTIVITIES

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

**PRIORITISING COMMUNITY DEVELOPMENT INITIATIVES**

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 of the ethos and philosophy of the Ghorpade family and SMIORE. The same ethos of good governance, fair play and righteousness runs strong even today and will continue to be upheld. What the Company has really garnered over these years is its goodwill and SMIORE firmly believes that it is their best asset.

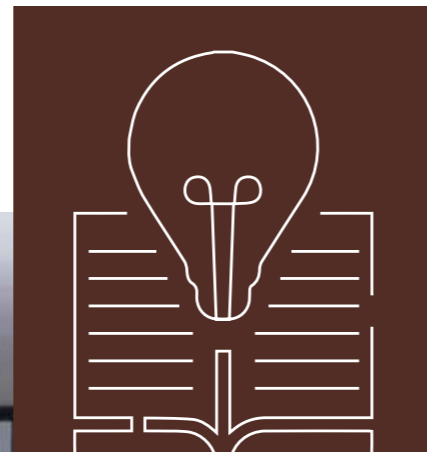
In its decades-long existence, the Company has contributed to multiple welfare and community initiatives pertaining to education and healthcare, among others.

**EDUCATION**

- Providing support to educational institutions, Primary Schools, High Schools, Pre-University Colleges and a Polytechnic, with a population of over 5,500 students and 250 teachers
- Making educational scholarships available for needy and meritorious students
- Providing vocational training to local girls and boys in trades such as electrical wiring, TV Repair, welding, fitting, plumbing, carpentry, masonry, horticulture and computer operation to improve their chances of employability
- Providing aid to Special Training Centre for rural children's education and prevention of child labour. Further, cash incentives are given to parents who send their children to school
- Serving mid-day meals to over 1,200 school children from neighbouring schools

**1,200**

Serving mid-day meals to over 1,200 school children from neighbouring schools



**HEALTHCARE**

- Built dispensaries and hospitals in employee colonies.
- Built a hospital in Sandur that specialises in eye care, women's and child care
- Regularly conducting speciality treatment camps with expert doctors on the floor
- Conducting free eye camps monthly
- Extending financial aid and arranging for medical care of patients from underprivileged families in case of major ailments

**Free**

Conducting free eye camps monthly



**INFRASTRUCTURE DEVELOPMENT**

- Contributing towards Ballari District's development work
- Desilting the lakes around SMIORE's mines
- Construction, repair and maintenance of roads
- Supporting 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
- Built a multipurpose hall, Adarsha Community Center, which benefits SMIORE's employees and the locals of Sandur for marriage ceremonies and other such events

**Desilting**

the lakes around SMIORE's mines



# Management Discussion and Analysis

## GLOBAL ECONOMY

With the advent of FY22 the world witnessed a strong recovery of the global economic growth, which was mainly driven by accelerated COVID-19 vaccination rollouts, higher consumer spends and picking up of international trade. However, as the year progressed, the inflation rate rose higher and supply chain disruptions continued, which got further aggravated with the Ukrainian crisis since February 2022. The crisis still continues and the uncertainties about sustaining the global growth momentum also continue, as the world witnesses record high inflation coupled with impending geopolitical risks. According to the International Monetary Fund (IMF) and a World Economic Outlook report dated April 2022, the global economic growth is projected to decline from 6.1% in 2021 to 3.6% in 2022 and 2023. Beyond 2023, the global growth is estimated to slow down further to 3.3% owing to the weakening of pent-up demand and the unwinding of cohesive macroeconomic policies. What seems to be the key obstacles for economic growth recovery are issues around the ongoing Ukrainian crisis, record high inflation rates, soaring food and energy prices, global supply chain disruptions and withdrawal of fiscal support in many countries.



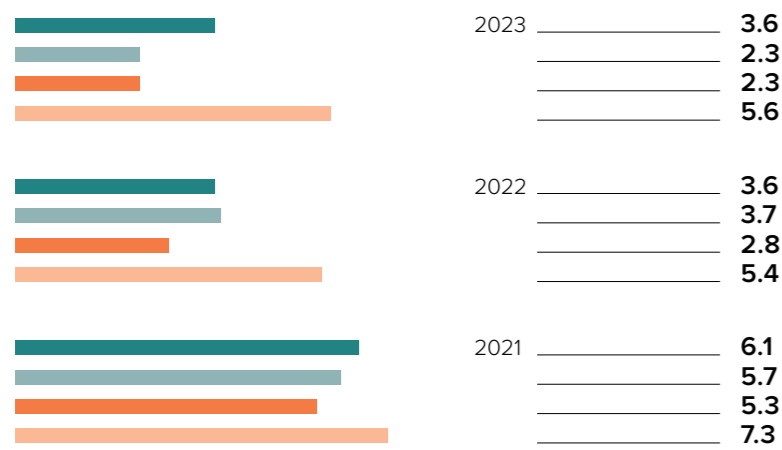
## INDIAN ECONOMY

The Indian economy reported a strong comeback and a fast recovery from the COVID-19 crisis, and recorded a growth of 8.9% in 2021. However in FY22, India too was impacted by the disarrayed global economy. The Russia Ukraine war escalated, right when the Indian economy was at the cusp of witnessing green shoots of recovery after its pandemic induced health crisis, despite uncertainties associated with subsequent waves of the virus and rising global inflationary pressures. The effects of the war led to a sharp rise in commodity prices in India which includes essentials such as oil and food. The Indian Government was prompt to take action against the rising inflation, and while there is turbulence in the short-term, the impact on the long-term outlook is expected to remain marginal. The Government worked towards ramping up its various Production Linked Incentive (PLI) schemes, growing its infrastructure spends and facilitating rapid technological transformation. To that effect, the IMF has stated that India is expected to be the fastest growing economy in the next decade, and has further estimated the economy to grow at a rate of 8.2% in 2022, followed by 6.9% in 2023.

## GDP GROWTH<sup>2</sup> (IN %)

2023F	6.9
2022E	8.2
2021	8.9

## WORLD ECONOMIC OUTLOOK, APRIL 2022 (IN %)



■ World | ■ USA | ■ Europe | ■ Emerging & Developing Asia

1: IMF, World Economic Outlook, April 2022  
2: E - Expected; F - Forecast

## MANGANESE ORE

### GLOBAL MARKET OVERVIEW<sup>3</sup>

South Africa, Gabon, China and Australia are the largest producers of manganese ore, and in 2020 the global manganese ore production was 49.60 million tonnes. Manganese Ore is used extensively in the production of steel. The production of steel picked up rapidly in 2021, after a period of slow growth in 2020, due to the increase in demand post pandemic. In addition, manganese ore is also used in lithium-ion batteries which are used in electric vehicles (EV), and the growth of the EV has aided in the growth of the manganese ore industry as well.

The global manganese ore market is partially consolidated in nature, and Asia-Pacific is expected to be the largest market for global manganese ore. The factors contributing to the domination of APAC are rapid urbanisation endeavours and growing construction in the region, the consequential presence of many end-user industries such as large steel plants and the expanding automotive sector. All in all, the manganese ore market is on an affirmative growth trajectory and is projected to remain that way in the foreseeable future.

### INDIAN MARKET OVERVIEW<sup>4</sup>

The Indian manganese market ranks seventh in the world, and India still continues to be a net importer of manganese ore. The country produced 2.7 million tonnes of manganese ore in FY21, which is a 7.4% decline from the previous year. This number is expected to further dwindle down to 2.4 million tonnes in FY22.

## Affirmative

growth trajectory and is projected to remain that way in the foreseeable future

3: World Mineral Production, British Geological Survey & U.S. Geological Survey  
4: Ministry of Mines, Government of India

# 51%

India's self-sufficiency ratio for Manganese Ore production

However, what is interesting to note is that in terms of value, manganese ore production was ₹ 1,794 crore during FY21, which is estimated to rise to ₹ 1,908 crore in FY22, driven by improved realisation globally.

As projected by the Ministry of Mines, India's consumption of manganese ore during FY20 was 5.5 million tonnes, thus recording a self-sufficiency ratio of 51%. Madhya Pradesh remained the largest producer of manganese ore, contributing about 34.3% to the total output of the country. Also, the number of reporting mines was 135 in FY21, which was only 131 in the previous year.



## IRON ORE

### GLOBAL MARKET OVERVIEW<sup>3</sup>

The global iron ore production in 2020 was 2,016 million tonnes, and the largest producers of iron ore were Australia, China, Brazil and India. Production ramped up in 2021 post recovery from the pandemic, and shipments and trades normalised as well, which earlier witnessed a hollowed production and consumption in 2020. Overall, global prices trended upward to an average unit value of \$ 178.27 per tonne in the first nine months of 2021, a 64% increase from the 2020 annual average of \$ 108.92 per tonne and a 90% increase from the 2019 annual average of \$ 93.85 per tonne. Based on reported prices of iron ore fines (62% iron content) imported into China (cost, insurance, and freight into Tianjin Port), the highest monthly average price during the first nine months of 2021 was \$ 214.43 per tonne compared with the high of \$ 155.43 per tonne in December 2020. The lowest monthly average price during the same period in 2021 was \$ 124.52 per tonne in September, compared with the low of \$ 84.73 per tonne in April 2020. However, record high iron ore prices were noted in May 2021 as crude steel production witnessed an uptick, therefore also hitting its highest monthly levels of 99 million tonnes in the same month. Prices in the latter half of 2021, however, declined sharply as the Government began to enforce strict production curbs to cap 2021 output at 2020 levels. The prices soared upward due to reduced supply of higher grade iron ore products and demand for higher grade ore to reduce greenhouse gas emissions in steel production.



## INDIAN MARKET OVERVIEW <sup>5</sup>

India ranks fourth in iron ore production globally, and continues to remain a net-exporter of iron ore. The production of iron ore, which consists of Lumps, Fines and Concentrates, was 204 million tonnes in FY21, decreasing by almost 16.9% as compared to 246 million tonnes in the previous year. However, the production of iron ore is expected to increase to 217 million tonnes in FY22. In terms of value, iron ore production was ₹ 49,396 crore during FY21 and is estimated to be ₹ 86,942 crore in FY22. As projected by the Ministry of Mines, India's consumption of iron ore during FY20 was 206 million tonnes, thus recording a self-sufficiency ratio of 129%.

The state of Odisha continues to be the leading producer of iron ore, accounting for 51.1% of total production, followed by Chhattisgarh at 18.0%, Karnataka at 16.9%, Jharkhand at 10.4%, and the remaining 3.32% production was reported from Andhra Pradesh, Madhya Pradesh, Maharashtra and Rajasthan. Also, the number of reporting mines was 273 in FY21, which was only 271 in the previous year.

Further, the iron ore production in India is projected to grow in tandem with the domestic steel production, which is expected to reach 300 MTPA of crude steel capacity by FY31. Moreover, the Indian government's thrust on mega infrastructure development coupled with efforts to ramp up affordable housing will bode well for domestic steel and iron ore demand.



## FERROALLOYS

Ferroalloys are one of the critical inputs in the manufacture of alloys and special steel since they are used as deoxidisers and alloy additives in the steel manufacturing process, thus indicating that the development of the ferroalloys industry is closely linked to the development of the iron and steel industries, foundry industries, and to some extent the electrode industries.

The principal ferroalloys are chromium, manganese and silicon, and the product series consists mainly of ferromanganese, silicomanganese, ferrosilicon and ferrochrome. As per the Indian Ferroalloys Producers' Association (IFAPA), the total installed capacity of the bulk Ferroalloys Industry in India is estimated to be 5.10 million tonnes per annum, and for noble ferroalloys stands at 50,000 tonnes per annum.

The ferroalloy units in India are mainly set up in Andhra Pradesh, Chhattisgarh, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Odisha and West Bengal, owing to abundant availability of raw material as well as uninterrupted electricity supply. However, in recent

years the industry has also spread out to North-Eastern India, and a number of small units producing ferrosilicon and ferrosilicon manganese have come up in Meghalaya.

## COKE

### GLOBAL MARKET OVERVIEW

Although coal is distributed widely across the world, what is interesting is that only a few countries produce the majority of coking coal. In fact, almost 90% of the world's coking coal is produced by only five countries, with China dominating the space. Coking coal prices have witnessed several extremes, mirroring coal prices due to volatility in demand and supply constraints, which are governed by several regulatory factors across the globe.

Globally, Metallurgical coal has always traded at a premium when compared to steam coal. According to many estimates, the international trade in metallurgical coal is expected to increase at a steady growth rate in the coming years. In China, the rationalisation of the coal sector is projected to lead to a shortfall in domestic capacities and an increase in imports. Coking coal demand in Europe is expected to remain steady, with the rise in demand from some countries offsetting the decline in demand from others. In 2020, the total coke and semi-coke traded value was \$ 5.7 billion, and according to the Organisation for Economic Co-operation and Development (OECD), Poland was the highest exporter of coke and semi-coke in 2020, with an export share of 24.3% and \$ 1.39 billion in value terms.

### FERROALLOYS INSTALLED CAPACITY: INDIA

Total Installed Capacity	5.15 million tonnes
Bulk Ferroalloys	5.10 million tonnes
• Manganese alloys	3.16 million tonnes
• Chrome alloys	1.69 million tonnes
• Ferrosilicon	0.25 million tonnes
Nobel Ferroalloys	0.05 million tonnes

# 129%

India's self-sufficiency ratio for Iron Ore production

5: Ministry of Mines, Government of India

Poland was followed by China with a 14% share and export value of \$ 851 million, Columbia at \$ 655 million, Japan at \$ 654 million and finally Russia at \$ 564 million. On the Import front, India was the highest importer of coke and semi coke with imports of \$ 632 million accounted for 11% of global imports. India was followed by China, which accounted for 10.7% of the global imports and an import value of \$ 611 million, Germany at \$ 360 million, Brazil at \$ 296 million, and finally Malaysia at \$ 257 million.

The world's coking coal consumption is directly proportional to steel production, especially the steel production in China and India.

## INDIAN MARKET OVERVIEW

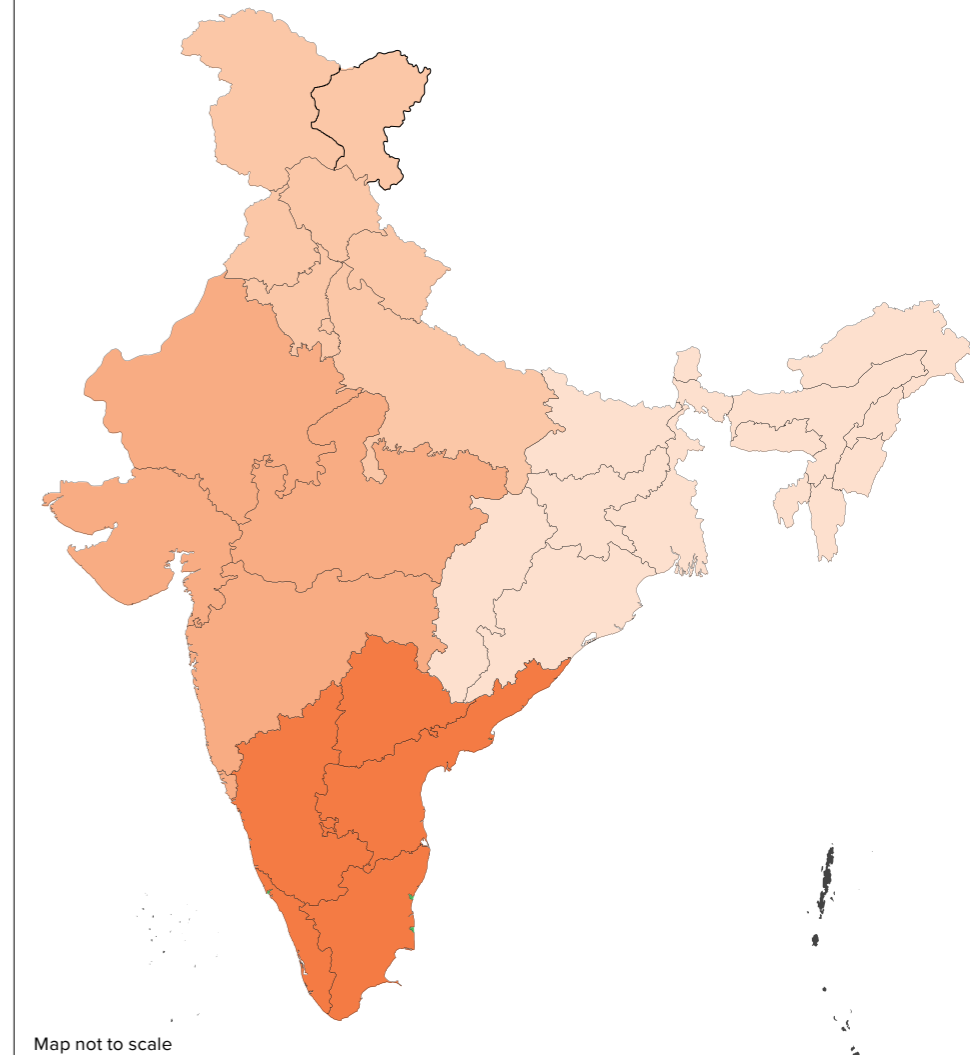
### COKE

India is the second-largest importer of coking coal following China, and in fact was the highest importer of coke and semi-coke in 2020. India is a net importer of coke and accounts for 11% of the global imports with a value of \$ 632 million. In 2020, it exported 111,507 tonnes of coke and imported 2,912,775 tonnes.

### MET COKE <sup>6</sup>

India's total met coke capacity was 52.1 million tonnes in 2020. The coking coal prices escalated significantly during 2021, as the Australian Premium HCC Monthly Average Price skyrocketed from ~\$ 142 per tonne in February 2021 to a high of ~\$ 444 per tonne in February 2022. FOB Australian prices were largely driven by an unprecedented rally in China's domestic coal prices, as the nation struggled with tight local and seaborne supply. In 2022 as well, Coking coal prices have seen huge volatility over developments surrounding EU sanctions on Russia.

## INDIA MET COKE CAPACITY IN 2020 (IN MT)



Map not to scale



# 52.1 MT

India's total met coke capacity in 2020

6: Ministry of Coal, Steelmint

## DUCTILE IRON (DI) PIPES

### GLOBAL MARKET OVERVIEW

In 2021, the global DI pipes market was valued at around \$ 7.8 billion, and this market is projected to grow at a CAGR of 6% until 2030. Currently, the manufacturers of DI pipes are all concentrated in Asia, with China being the largest producer in this segment. More specifically, East Asia dominates the DI pipes industry with close to 30% market share.

DI pipes find application in public infrastructure for potable water distribution, irrigation, mining, sewage and wastewater transportation. This segment is poised for growth in the years ahead as governments around the world, and more so in Asia, are looking to increase spending on water infrastructure; the sales of DI pipes are also estimated to rise alongside. What is orchestrating this growth is a combination of factors that include a focus on making clean drinking water available, improving wastewater management solutions and increasing investment in the development of smart cities.

### INDIAN MARKET OVERVIEW

The demand for the DI pipes industry is majorly driven by government organisations such as municipal bodies and infrastructure agencies. According to industry estimates, the DI Pipe installed capacity in India is estimated at 2.4 MTPA, which at present operates at around 80- 85% utilisation levels, rendering an annual production of anywhere between 1.9-2.1 MTPA. However, the Indian government's efforts toward strengthening the water transportation segment have certainly pushed the industry to take proactive steps. In fact, the industry has announced a significant

## Nal se Jal

The Indian DI pipes market has historically grown at a CAGR of 8-10% and is projected to grow at a slightly faster rate of 12-15% for the next 3-4 years, propelled primarily by government spending on water projects

# Demand

driven by government organisations such as municipal bodies and infrastructure agencies

capacity augmentation to the tune of an additional 1 MTPA, and most of this capacity is either being executed or is in the planning stage as on date.

Since this is a government-driven industry, the DI pipes demand was severely affected by the nationwide lockdown in Q1FY22, as new projects were not being announced in most states, and funds were being diverted to healthcare from water. Moreover, the industry faced a stressful time with limited order availability for dispatch and delayed fund clearances from the government's side. Further, since no new projects were announced, the industry started to aggressively price its products, which led to an industry-wide lower realisation. To add to this, India's primary export markets, such as South East Asia, were also not doing business with the country during this period of Q1FY22. Somewhere towards the middle of Q2FY22, the scenario gradually improved, and order bookings gained momentum. By Q3FY22, the situation stabilised, and multiple government projects also started picking up. In Q4FY22, dispatches were finally restored to nearly pre-covid levels, and the various supply chains responded positively and helped overcome the liquidity crisis and other operational uncertainties as well.

The Indian DI pipes market has historically grown at a CAGR of 8-10% and is projected to grow at a slightly faster rate of 12-15% for the next 3-4 years, propelled primarily by government spending on water projects such as 'Nal se Jal'.

### GOVERNMENT INITIATIVES TO PUSH THE DI PIPES INDUSTRY

The Indian government, in the past few years, has made umpteen efforts to make potable water available to all. Moreover, its efforts towards making irrigable water available and rejuvenating important rivers and other water bodies are also prime examples of what the country is hoping to achieve with respect to its water resources.



### COMPANY OVERVIEW

The Sandur Manganese & Iron Ores Limited (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 environment friendly, systematic, safe and scientific mining. Upon introduction of the Sustainable Development Framework (SDF) by the Government of India, SMIORE was the only iron ore 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.

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. In the longer run, the Company plans to transform itself into a fully-integrated commodity producer with an announced capacity of 0.4 MTPA in hot metal and 0.3 MTPA DI Pipe and 0.2 MTPA Pig Iron (combined maximum output of 0.4 MTPA).

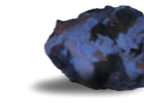
## BUSINESS SEGMENT OVERVIEW

### MINING



#### MANGANESE ORE

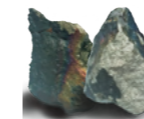
Manganese Ore production during FY22 was 2.85 LTPA, same as the previous year, which is the maximum permissible production limit. Net of internal captive consumption, the sale of manganese ore was 2.10 LTPA in FY22, compared to 2.01 LTPA in FY21, an increase of 5%. Realisation per tonne of manganese ore was ₹ 8,742 in FY22, an increase of 34% over the previous year's ₹ 6,502.



#### IRON ORE

Iron Ore production during FY22 was 15.66 LTPA, compared to 15.95 LTPA, which is the maximum permissible production limit. During the same period, the sale of iron ore was 16.00 LTPA in FY22, compared to 15.92 LTPA in FY21, an increase of 1%. Realisation per tonne of iron ore was ₹ 3,967 in FY22, an increase of 71% over the previous year's ₹ 2,319.

Revenue from Operations from the Mining segment was ₹ 887.55 crore in FY22, an increase of 68% over the previous year's ₹ 527.78 crore.



#### FERROALLOYS

Ferroalloys production during FY22 was 54,698 tonnes, a significant increase of 51% over the previous year's 36,265 tonnes, driven by the increase in production capacity during the financial year. During the same period, the sale of ferroalloys was 53,114 tonnes in FY22, compared to 37,523 tonnes in FY21, an increase of 42%. Realisation per tonne

of ferroalloys was ₹ 86,451 in FY22, an increase of 49% over the previous year's ₹ 57,876.

Revenue from Operations from the Ferroalloys segment was ₹ 460.70 crore in FY22, an increase of 321% over the previous year's ₹ 109.40 crore.



#### COKE AND ENERGY

Coke and Energy business segment completed its first-full year of operations in FY22, hence the operational and financial figures are not comparable with FY21.

During the year, the production for Coke was 2.93 LTPA, with net of captive consumption, the sale of Coke was 2.84 LTPA. Realisation per tonne of Coke was ₹ 32,723 in FY22. Revenue from Operations from the Coke and Energy segment was ₹ 1,023.77 crore in FY22.

## FY22 PERFORMANCE DISCUSSION

Revenue from Operations for FY22 was ₹ 2,248.74 crore compared to ₹ 746.59 crore in the previous year, a multifold increase of 201%. This increase was primarily due to the completion of the first full year of Coke and Energy business segment's operations after successful commissioning in Q4FY21, along with expansion of capacity in the Ferroalloys segment and healthy increase in realisations across all three business segments, in line with global commodity prices in FY22.

EBITDA (excluding Other Income) for FY22 was ₹ 974.13 crore compared to ₹ 271.63 crore in the previous year, a multifold increase of 259%. This increase was due to a healthy increase in realisations in all three business segments, successful turnaround & expansion of the Ferroalloys business driven by the commissioning of Coke and Waste Heat Recovery Boiler ("WHRB") setup, and the addition of Coke to the Company's product portfolio. As a result, EBITDA margins for the year FY22 was 43% compared to 36% in FY21. Subsequently, PBT and PAT for FY22 was ₹ 915.32 crore and ₹ 675.11 crore respectively, compared to ₹ 249.53 crore and ₹ 153.93 crore in FY21.

## Increase

primarily due to the completion of the first full year of Coke and Energy business segment's operations after successful commissioning in Q4 FY21

## KEY FINANCIAL RATIOS

Ratios	FY22	FY21	% Change	Remarks
Debt to equity ratio	0.19	0.37	(50)	The improvement in debt equity ratio was primarily due to the increase in equity due to improved profitability during the year.
Current ratio	2.26	2.01	13	
Debt service coverage ratio	8.32	4.36	91	The increase in debt service coverage ratio primarily due to the increase in EBIDTA during the year on account of better realisation and full year operations of Coke Plant.
Debtors turnover (Times)	16.10	9.82	64	Effective working capital management has resulted in an improvement of the ratio.
Inventory turnover (Times)	3.34	0.76	340	Effective working capital management has resulted in an improvement of the ratio.
Operating profit margin (%)	41%	33%	22	
Net profit margin (%)	30%	21%	46	Increase in scale of operations along with improvement in margins have resulted in an improvement in the ratio.

## OUTLOOK

The Company expects to realise the benefit of expanding Ferroalloys operations in the coming financial year (FY23) and optimum utilisation in other business segments such as Mining and Coke and Energy. Furthermore, the Company has also proposed an expansion in its Mining segment to the respective government authorities, subject to their approval, the Company plans on expanding its operations in both manganese ore and iron ore mining. In the longer run the Company is progressing toward its objective of producing value-added products through an integrated setup.

## HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

The Company believes that its human resources are one of the most crucial assets and critical enablers of the Company's growth. To that extent, the Company engages with its employees to hone their skill sets and equip them with knowledge and know-how. It is also deeply invested in establishing

its brand name to attract and retain the best talent in the market. During the period under review, employee relations continued to be healthy, cordial and harmonious at all levels, and the Company aims to maintain such relations with the employees going forward as well. As of 31 March 2022 the Company has 2,287 permanent employees.



## RISK AND RISK 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 identify, assess, and mitigate 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 as well as globally. 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. Material changes in the demand-supply scenarios within the steel as well as mining, ferroalloys, and coke sector may impact its performance.

## 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 CONTROL AND 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 a 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 Board's Report.

## CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, estimates, expectations, or projections may constitute "forward-looking statements" within applicable laws and regulations. However, actual results may differ materially from those either expressed or implied in the statements. Important factors that would influence the Company's operations include raw materials prices, product and application industry's performance, tax laws, interest rates, power cost, economic developments, and other factors within the country and the global economics domain.

# Corporate Information

## DIRECTORS

T. R. Raghunandan  
Chairman (Non-Executive Non-Independent Director)

Bahirji A. Ghorpade  
Managing Director

S. S. Rao  
Non-Executive Independent Director

G. P. Kundargi  
Non-Executive Independent Director

Latha Pillai  
Non-Executive Independent Director

Jagadish Rao Kote  
Non-Executive Independent Director

H. L. Shah  
Non-Executive Non-Independent Director

Mohammed Abdul Saleem  
Executive Director, Director (Mines)

## CHIEF FINANCIAL OFFICER & CHIEF RISK OFFICER

Uttam Kumar Bhageria

## COMPANY SECRETARY & CHIEF COMPLIANCE OFFICER

Bijan Kumar Dash

## STATUTORY AUDITOR

R. Subramanian & Co., LLP  
Chartered Accountants  
Firm Regn. No.: 004137S/S200041  
New No. 6, Krishnaswamy Avenue, Luz,  
Mylapore, Chennai - 600 004, Tamil Nadu

## REGISTRAR & SHARE TRANSFER AGENTS

Venture Capital & Corporate Investments Private Limited  
12-10-167, Bharat Nagar, Hyderabad - 500 018, Andhra Pradesh

## 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

## CORPORATE OFFICE

'Sandur House', No. 9, Bellary Road  
Sadashivanagar, Bengaluru – 560 080, Karnataka

## MINES OFFICE

Deogiri, Sandur Taluk – 583 112, Ballari District, Karnataka

## PLANT

Vyasankere, Mariyammanhalli Halli, Hosapete Taluk- 583 222,  
Vijayanagara District, Karnataka

## AUDIT COMMITTEE

G. P. Kundargi, Chairman  
T. R. Raghunandan, Member  
S. S. Rao, Member  
Latha Pillai, Member  
Jagadish Rao Kote, Member  
H. L. Shah, Member

## NOMINATION AND REMUNERATION COMMITTEE

Latha Pillai, Chairperson  
T. R. Raghunandan, Member  
S. S. Rao, Member  
G. P. Kundargi, Member  
Jagadish Rao Kote, Member  
H. L. Shah, Member

## STAKEHOLDERS RELATIONSHIP COMMITTEE

Jagadish Rao Kote, Chairman  
Bahirji A. Ghorpade, Member  
G. P. Kundargi, Member  
Latha Pillai, Member  
H. L. Shah, Member

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

H. L. Shah, Chairman  
T. R. Raghunandan, Member  
Bahirji A. Ghorpade, Member  
S. S. Rao, Member  
Jagadish 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  
Jagadish Rao Kote, Member  
H. L. Shah, Member  
Mohammed Abdul Saleem, Member

## CORPORATE SUSTAINABILITY COMMITTEE

T. R. Raghunandan, Chairman  
S. S. Rao, Member  
G. P. Kundargi, Member  
Latha Pillai, Member  
Mohammed Abdul Saleem, Member

## CORPORATE IDENTIFICATION NUMBER

L85110KA1954PLC000759

## LISTING

BSE Limited, Mumbai  
Company Code: 504918

# Notice

**Notice** is hereby given that 68<sup>th</sup> Annual General Meeting (AGM) of the Members of The Sandur Manganese & Iron Ores Limited (the Company) will be held on Wednesday, the 28<sup>th</sup> day of September 2022 at 11.00 a.m. (IST) through Video Conferencing / Other Audio-Visual Means (VC/ OAVM) to transact the following businesses:

## ORDINARY BUSINESS:

### 1. ADOPTION OF AUDITED FINANCIAL STATEMENTS:

To receive, consider and adopt audited financial statements of the Company for the financial year ended 31 March 2022, together with the Reports of the Board of Directors and the Auditors thereon.

### 2. DECLARATION OF FINAL DIVIDEND FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022:

To declare a final dividend of ₹ 5 per equity share of face value of ₹ 10 each for the financial year ended 31 March 2022.

### 3. RE-APPOINTMENT OF MOHAMMED ABDUL SALEEM (DIN:00061497) AS DIRECTOR, LIABLE TO RETIRE BY ROTATION:

To re-appoint a Director in place of Mohammed Abdul Saleem (DIN:00061497) who retires by rotation and being eligible, offers himself for re-appointment.

### 4. APPOINTMENT OF STATUTORY AUDITORS OF THE COMPANY FOR A TERM OF FIVE YEARS:

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

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s), amendments(s) or re-enactment thereof for the time being in force), and based on the recommendation of the Audit Committee and the Board of Directors, approval of the Members of the Company be and is hereby accorded for appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, (Firm Registration No. 008072S), as the Statutory Auditors of the Company, for a term of five consecutive years i.e., from the conclusion of this 68<sup>th</sup> AGM till the conclusion of 73<sup>rd</sup> AGM of the Company, to examine and audit the accounts of the Company, at a remuneration up to ₹ 97.50 lakh (Ninety Seven Lakh Fifty Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses, for the financial year ending 31 March 2023, and the Board of Directors be and is hereby authorized, based on the recommendation of the Audit Committee, to finalize the terms and conditions of appointment, including remuneration of the Statutory Auditors for the remaining period.

**RESOLVED FURTHER THAT** the Managing Director, Director (Mines) and Company Secretary, be and is hereby severally authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution.”

## SPECIAL BUSINESS:

### 5. RATIFICATION OF REMUNERATION PAYABLE TO M/S. KAMALAKARA & CO., COST AUDITOR OF THE COMPANY FOR FINANCIAL YEAR 2022-23:

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 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and based on the recommendation of the Audit Committee and approval of the Board of Directors, the Members of the Company do hereby ratify the remuneration of ₹ 2.25 lakh (Rupees Two Lakh Twenty Five Thousand only) plus applicable taxes thereon, apart from reimbursement of out of pocket expenses in actuals towards travelling, conveyance etc., payable to M/s. Kamalakara & Co., Cost Accountants (Firm Registration No. 000296) who are re-appointed by the Board of Directors as Cost Auditors, for conducting the audit of cost records maintained by the Company for the financial year 2022-23.

**RESOLVED FURTHER THAT** the Managing Director, Director (Mines) and Company Secretary, be and is hereby severally authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution.”

### 6. APPOINTMENT OF HEMENDRA LAXMIDAS SHAH (DIN: 00996888) 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, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors), Rules, 2014, relevant regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of the Nomination and Remuneration Committee and Board of Directors, Hemendra Laxmidas Shah (DIN: 00996888) who was appointed as Non-Executive Non-Independent Director of the Company with effect from 27 May 2019, and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and who is eligible for appointment as Non-Executive Independent Director of the Company, and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from 1 October 2022 to 30 September 2027.

**RESOLVED FURTHER THAT** pursuant to the provisions of sections 149, 197 and other applicable provisions of the Act and the Rules made thereunder, Hemendra Laxmidas Shah shall be entitled to receive the remuneration/ fees/ commission as permitted to be received in a capacity of an Independent Director under the Act and Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.

**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.”

**7. RE-APPOINTMENT OF MOHAMMED ABDUL SALEEM (DIN: 00061497) AS A WHOLE TIME DIRECTOR DESIGNATED AS DIRECTOR (MINES) FOR A TENURE OF THREE YEARS FROM 1 OCTOBER 2022:**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 (the Act), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory amendment(s) or modification(s) thereto, or enactment(s) thereof, for the time being in force) and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, consent of the Members of the Company be and is hereby accorded for re-appointment of Mohammed Abdul Saleem (DIN: 00061497) as Whole Time Director of the Company designated as Director (Mines), liable to retire by rotation, for a period of 3 (three) years with effect from 1 October 2022 to 30 September 2025, on the terms and conditions of re-appointment and remuneration, as contained in the draft of an agreement expressed to be made between the Company of one part and Mohammed Abdul Saleem of the other part, material terms of which are set out in the explanatory statement annexed with this notice (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), with liberty to the Board (which term shall be deemed to include any Committee constituted/ to be constituted by the Board) from time to time, to alter or vary the said terms and conditions, in such manner as may be agreed to between the Board of Directors and Mohammed Abdul Saleem.

**RESOLVED FURTHER THAT** pursuant to the provisions of Regulation 17(6)(e) of the Listing Regulations, consent of the Members of the Company is hereby accorded for payment remuneration to Mohammed Abdul Saleem during his tenure as Whole Time Director, notwithstanding that the annual remuneration paid during his tenure as Whole Time Director together with annual remuneration for all such executive directors belonging to promoter or promoter group in the Company exceeds 5% of the net profits calculated as per Section 198 of the Act.

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby authorised to take all such steps as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

**8. RE-APPOINTMENT OF BAHIRJI A. GHORPADE (DIN: 08452844) AS MANAGING DIRECTOR FOR A TENURE OF THREE YEARS FROM 1 OCTOBER 2022:**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 (the Act), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, relevant regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory amendment(s) or modification(s) thereto, or enactment(s) thereof, for the time being in force) and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, consent of the Members of the Company be and is hereby accorded for re-appointment of Bahirji A. Ghorpade (DIN: 08452844), in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, as Managing Director of the Company, not liable to retire by rotation, for a further period of 3 (three) years with effect from 1 October 2022 to 30 September 2025, upon the terms and conditions of re-appointment and remuneration, as contained in the draft of an agreement expressed to be made between the Company of one part and Bahirji A. Ghorpade of the other part, material terms of which are set out in the explanatory statement annexed with this notice (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), with liberty to the Board (which term shall be deemed to include any Committee constituted/ to be constituted by the Board) from time to time, to alter or vary the said terms and conditions, in such manner as may be agreed to between the Board of Directors and Bahirji A. Ghorpade.

**RESOLVED FURTHER THAT** pursuant to the provisions of Regulation 17(6)(e) of the Listing Regulations, consent of the Members of the Company be and is hereby accorded for payment of remuneration to Bahirji A. Ghorpade during his tenure as Managing Director, notwithstanding that the annual remuneration paid during his tenure as Managing Director together with annual remuneration for all such executive directors belonging to promoter or promoter group in the Company exceeds 5% of the net profits calculated as per Section 198 of the Act.

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby authorised to take all such steps as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

**9. INCREASE IN BORROWING LIMITS FROM ₹ 1,200 CRORE TO ₹ 4,000 CRORE OR THE AGGREGATE OF THE PAID-UP CAPITAL, FREE RESERVES AND SECURITIES PREMIUM OF THE COMPANY, WHICHEVER IS HIGHER:**

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

**“RESOLVED THAT** in supersession of the earlier resolution passed by the Members of the Company at the 63<sup>rd</sup> Annual General Meeting held on 26 September 2017 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee thereof) for borrowing, from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid up capital, free reserves and securities premium of the Company provided that the total amount so borrowed by the Board shall not at any time exceed ₹ 4,000 crore (Rupees Four Thousand Crore only) or the aggregate of the paid-up capital, free reserves and securities premium of the Company, whichever is higher.

**RESOLVED FURTHER THAT** the Board of Directors and any other person authorized by the Board of Directors of the Company be and are hereby authorized to finalize with the lenders, bankers, financial institutions, or trustees of the lenders all the documents, instruments or writings required for such borrowings or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts, deeds, matters and things as may be necessary, ancillary, expedient or incidental thereto and to sign and execute all such documents as may be necessary for giving effect to the above resolution.”

**10. CREATION OF CHARGES / MORTGAGES / HYPOTHECATIONS ON THE MOVABLE AND IMMOVABLE PROPERTIES OF THE COMPANY, BOTH PRESENT AND FUTURE, IN RESPECT OF BORROWINGS:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee thereof) to create charges / mortgages / hypothecations in addition to the existing charges / mortgages / hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit and as may be agreed to between the Company and the lenders/ bankers/ financial institutions so as to secure the borrowings by the Company, together with interest costs, charges, expenses and all other monies payable by the Company to the concerned lenders/ bankers/ financial institutions, under the respective arrangements entered into or to be entered by the Company and/ or Board, provided that the total amount of borrowings together with interest costs, charges, expenses and all other monies payable by the Company in respect of the said borrowings for which the charges / mortgages / hypothecations is to be created, shall not, at any time exceed ₹ 4,000 crore (Rupees Four Thousand Crore only) or the aggregate of the paid-up capital, free reserves and securities premium of the Company, whichever is higher.

**RESOLVED FURTHER THAT** the Board of Directors and any other person authorized by the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this resolution.”

**11. AUTHORISATION TO BOARD OF DIRECTORS TO GIVE LOAN, PROVIDE GUARANTEE OR SECURITY AND TO MAKE INVESTMENT UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Meeting of Board and its Powers) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee thereof) to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate (in one or more tranches), as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of ₹ 2,500 crore (Rupees Two Thousand Five Hundred Crore only) or the limit of sixty percent of paid-up capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Act.

**RESOLVED FURTHER THAT** the Board of Directors and any other person authorized by the Board of Directors of the Company be and are hereby authorised to negotiate and finalise the terms and conditions of the loans, investment, guarantee or security on behalf of the Company as it may deem fit in the interest of the Company, to take all such actions and to settle all matters arising out of and incidental thereto and to sign, execute all deeds, applications, documents and to do all such acts, deeds and things as may be necessary, expedient or incidental for the purpose of giving effect to this resolution.”

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

**Bijan Kumar Dash**  
Company Secretary & Chief Compliance Officer  
M. No.: A17222

**Place:** Bengaluru  
**Date:** 11 August 2022

# Notes:

1. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (the Act) setting out material facts concerning the businesses under Item Nos. 4 to 11 of the Notice, is annexed hereto. The relevant details pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/ re-appointment at this AGM are also annexed. Requisite declarations have been received from Directors seeking appointment/ re-appointment.
2. In view of the ongoing threat posed by the COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) vide its General Circulars Nos. 14/2020 dated 8 April 2020, 17/2020 dated 13 April 2020 read with other relevant circulars including General Circular No. 3/2022 dated 5 May 2022 (collectively referred to as MCA Circulars) and SEBI vide its Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15 January 2021 read with other relevant circulars including SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13 May 2022 (collectively referred to as SEBI Circulars) has permitted the holding of the Annual General Meeting (AGM) through Video Conferencing / Other Audio Visual Means (VC/ OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, Listing Regulations, MCA and SEBI Circulars, the 68<sup>th</sup> AGM of the Company is being conducted through VC/ OAVM. The deemed venue for the 68<sup>th</sup> AGM shall be the Registered Office of the Company at 'Satyalaya', Door No.266 (Old No.80), Behind Taluka Office, Ward No.1, Palace Road, Sandur - 583 119, Ballari District, Karnataka.
3. Since this AGM is being held through VC/ OAVM pursuant to the MCA and SEBI Circulars, physical attendance of the Members has been dispensed with. Accordingly, the facility to appoint proxy to attend and cast vote on behalf of the Members will not be available for this AGM and hence Attendance Slip and Proxy Form are not attached to this Notice. However, the Corporates/ Institutional Members are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM and participate there at 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 Act.
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/ OAVM in accordance with the MCA Circulars and SEBI Circulars, the route map is not attached to this Notice.
7. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/ OAVM facility. Corporate Members and Institutional Investors intending to appoint their authorized representatives pursuant to Section 113 of the Act, to attend the AGM through VC/ OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution and 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 [sathya\\_acs@yahoo.co.in](mailto:sathya_acs@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
8. The facility for voting during the AGM will also be made available. Members present in the AGM through VC/ OAVM 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.
9. The Notice is being sent to all the Members whose e-mail addresses are registered with the Company / Depository Participants (DPs) unless any Member has requested for a physical copy of the same. The Company shall send a physical copy of the Annual Report to those Members who request the same at [investors@sandurgroup.com](mailto:investors@sandurgroup.com) mentioning their Folio No. / DP ID and Client ID.
10. In line with MCA Circulars, the Notice of AGM has been uploaded on the website of the Company at [www.sandurgroup.com](http://www.sandurgroup.com). The Notice can also be accessed from the website of BSE Limited, the Stock Exchange where the Company's shares are listed at [www.bseindia.com](http://www.bseindia.com) and on the website of NSDL (agency for providing the remote e-voting facility) at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
11. As per the provisions of Clause 3.A.II. of the General Circular No. 20/2020 dated 5 May 2020 issued by MCA, the matters of Special Business as appearing at Item Nos. 5 to 11 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.
12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 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 be available 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., 28 September 2022. Members seeking to inspect such documents can send an email to [investors@sandurgroup.com](mailto:investors@sandurgroup.com).
13. Book Closure and Dividend:
  - (a) The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 22 September 2022 to Wednesday, 28 September 2022 (both days inclusive) for the purpose of this AGM and for



determining the entitlement of Members to final dividend for the financial year ended 31 March 2022, if approved at the AGM.

(b) The dividend of ₹ 5 per equity share of face value of ₹ 10 each (50%), if declared at the AGM, will be paid subject to deduction of tax at source (TDS) on or after Monday, 3 October 2022, as under:

(i) To all the Beneficial Owners as of the close of business hours on Wednesday, 21 September 2022, as per the list of beneficial owners to be furnished by the National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and

(ii) To all Members in respect of shares held in physical form after giving effect to valid transmission and transposition in respect of valid requests lodged with the Company as of the close of business hours on Wednesday, 21 September 2022.

14. Members are urged 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](mailto:investor.relations@vccipl.com) to receive copies of the Annual Report 2021-22 in electronic mode.

15. In accordance with the provisions of Section 72 of the Act and Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, as amended, 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 in Form SH-13 appended at the end of this Annual Report, to RTA of the Company. Member holding shares in electronic mode may contact their respective Depository Participants for availing the nomination facility.

16. 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. A form capturing these additional details is appended at the end of this Annual Report.

17. Members are requested to quote their Folio Number/ Client ID, in all correspondence and intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, mandates, nominations, bank details:

(a) For shares held in electronic form: to their Depository Participants

(b) For shares held in physical form: to the Company/ RTA in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2021/655 dated 3 November 2021.

The Company has sent communication to shareholders in this regard.

18. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members 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, 21 September 2022 before 5.00 P.M. (IST). For the detailed process, please visit website of the Company <https://www.sandurgroup.com/Stake.html>, 'Communication on Tax Deduction on Dividend'.

19. Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means are requested to send the following documents to our RTA, latest by Wednesday, 21 September 2022, to receive the dividend on time:

(a) Form No. ISR-1 duly filled and signed by the holders stating their name, folio number, complete address with pin code, and following details relating to the bank account in which the dividend is to be received:

- i. Name of Bank and Bank Branch;
- ii. Bank Account Number & Type allotted by your bank after implementation of Core Banking Solutions;
- iii. 11-digit IFSC Code;
- iv. 9-digit MICR Code.

(b) Copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;

(c) Self-attested copy of the PAN Card; and

(d) Self-attested copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/ addition/ deletion in such bank details. Accordingly, the Members holding shares in Demat form are requested to update their Electronic Bank Mandate with their respective DPs.

Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applied to the dividend paid on shares held in electronic form.

20. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25 January 2022, has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. issue of duplicate securities certificate; claim from unclaimed dividend account; exchange of securities certificate; sub-division of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, on the website of the Company's RTA at <https://www.vccipl.com/>. It may be noted that any service request can be processed only after the folio is KYC Compliant.
21. SEBI vide its notification dated 24 January 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
22. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
23. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
24. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
25. Pursuant to the provisions of Section 124(5) of the Act, 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/ unpaid dividends and the relevant due dates for transfer of such amounts are mentioned in Boards' Report.
26. Members are requested to note that the shares in respect of unclaimed/ unpaid dividends which are not en-cashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company 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. Members who have not en-cashed the dividend warrant(s) from financial year 2014-15 onwards, may forward their claims to the Company/ RTA before 12 October 2022, to avoid any transfer of dividend or shares to the IEPF Authority. The Members, whose unclaimed/ unpaid dividends or shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in web form IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in).

27. The SEBI vide its Circulars dated 3 November 2021 and 14 December 2021, has mandated the furnishing of PAN, address with PIN code, E-mail address, Mobile Number, Bank Account details, Specimen Signature and Nomination by holders of physical securities. Further, if any ONE of the cited documents / details as enunciated in the said circular is NOT registered with Company / RTA, within 31 March 2023, such folios shall be frozen by the Company / RTA. The securities held in folios that have no PAN registered against the same/ have invalid PAN registered on the Company/ RTA records, as on the notified cutoff date of 31 March 2023, or any other date specified by the CBDT, shall also be frozen.
28. Effective 1 January 2022, Grievance Redressal / Service Requests can be availed with the RTA only after the required documents / complete data as mandated are furnished for physical folios.

#### VOTING THROUGH ELECTRONIC MEANS:

1. In compliance with Section 108 of the Act read with the Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, 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.
2. The e-voting period commences from 9.00 a.m. (IST) on Sunday, 25 September 2022 and ends at 5.00 p.m. (IST) on Tuesday, 27 September 2022. During this period, Members holding shares either in physical or dematerialized form, as on cut-off date, i.e. Wednesday, 21 September 2022 may cast their votes electronically. The e-voting module will be disabled by NSDL for voting thereafter. 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.
3. Instructions for e-voting can also be accessed on the Company's website at [www.sandurgroup.com](http://www.sandurgroup.com), website of BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of NSDL (agency for providing e-voting facility) at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
4. The Board at its meeting held on 11 August 2022 has appointed T. Sathya Prasad Yadav, Practicing Advocate as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.

5. Members holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes Member of the Company after sending the Notice through e-mail and holding shares as of the cut-off date i.e. Wednesday, 21 September 2022 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or the Company/ 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](http://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, 21 September 2022 may follow steps mentioned in the Notice.
6. 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 two working days from the conclusion of the AGM.
7. 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](http://www.sandurgroup.com). The results shall also be displayed on the notice board at the Registered Office of the Company.
8. Subject to the requisite number of votes, the resolutions forming part of the Notice of AGM shall be deemed to be passed on the date of the AGM i.e., Wednesday, 28 September 2022.

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

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

#### i. 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
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Individual shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "<b>Beneficial Owner</b>" icon under "<b>Login</b>" which is available under '<b>IDeAS</b>' 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 "<b>Access to e-voting</b>" under e-voting services and you will be able to see e-voting page. Click on company name or <b>e-voting service provider</b> 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 &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "<b>Register Online for IDeAS Portal</b>" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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 <b>e-voting service provider i.e. NSDL</b> 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 and voting during the meeting.</li> <li>4. Shareholders/ Members can also download NSDL Mobile App "<b>NSDL Speede</b>" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>
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NSDL Mobile App is available on



Individual shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/ Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/ Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>Alternatively, the user can directly access e-voting page by providing demat account number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile and Email as recorded in the demat account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-voting is in progress.</li> </ol>
Individual shareholders (holding securities in demat mode) login through their DPs	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 and 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 respective 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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**ii. 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:**

- 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.*
- 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 e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail 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 e-mail ID is not registered, please follow steps mentioned below in **process for those shareholders whose e-mail 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](http://www.evoting.nsdl.com).
  - b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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](mailto:evoting@nsdl.co.in) mentioning your demat account number/ folio number, PAN, name and registered address.
  - d) Members can also use the OTP 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.
2. Select "EVEN" of Company which is 121216 for which you wish to cast your vote during the remote e-voting period.
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 or 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 and you will receive a confirmation by way of a SMS on your registered mobile number from depository.
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 MEMBERS FOR VOTING ON THE RESOLUTIONS:

1. Corporate/ Institutional Members (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 [sathya\\_acs@yahoo.co.in](mailto:sathya_acs@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto: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](http://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](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Vice President, NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

### PROCESS FOR THOSE MEMBERS WHOSE EMAIL ADDRESS ARE NOT REGISTERED WITH THE RTA/ DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF EMAIL ADDRESS 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 ISR-1 form, along with details such as folio, name of shareholder, email address self-attested scanned copy of PAN card, self-attested scanned copy of Aadhar Card by email to RTA at [investors.relations@vccipl.com](mailto:investors.relations@vccipl.com) and [info@vccipl.com](mailto:info@vccipl.com). Shareholders can download the updation form through the link <https://www.vccipl.com/sebipdf/Form%20ISR-1.pdf>.
2. In case shares are held in electronic mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID),

### STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN MEETING ON NSDL E-VOTING SYSTEM.

#### How to cast your vote electronically 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.

name of the shareholder, client master list to RTA at [investors.relations@vccipl.com](mailto:investors.relations@vccipl.com) and [info@vccipl.com](mailto:info@vccipl.com) only for temporary registration of E-mail address for the receipt of the notice. If you are an individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **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](mailto:evoting@nsdl.co.in) for obtaining User ID and Password by providing the details mentioned in Point (1) or (2) as the case may be.

### INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM:

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:

1. Member will be provided with a facility to attend the 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.

2. Members are encouraged to join the meeting through Laptops for better experience.
3. 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. Members who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending a request mentioning their name, demat account number/ folio number, email id, mobile number at [investors@sandurgroup.com](mailto:investors@sandurgroup.com) on or before 5.00 p.m. (IST) on Monday, 26 September 2022. 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.
6. Those Members 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.

# Explanatory Statement Pursuant to Section 102 of the Act

## ITEM NO. 4

### APPOINTMENT OF STATUTORY AUDITORS OF THE COMPANY FOR A TERM OF FIVE YEARS:

The Members of the Company at the 63<sup>rd</sup> AGM held on 26 September 2017, had approved the appointment of M/s. R. Subramanian and Company LLP, Chartered Accountants (ICAI Firm Registration No. 004137S/S200041), as the Statutory Auditors of the Company for a period of 5 (five) years commencing from the conclusion of the 63<sup>rd</sup> AGM till the conclusion of the 68<sup>th</sup> AGM. Accordingly, M/s. R. Subramanian and Company LLP would be completing its term of five years at the conclusion of this 68<sup>th</sup> AGM.

The Board of Directors has, based on the recommendation of the Audit Committee and subject to the approval of the Members, appointed M/s. Deloitte Haskins & Sells, Chartered Accountants, (Firm Registration No. 008072S), as Statutory Auditors of the Company for a term of five (5) years to hold office from the conclusion of this 68<sup>th</sup> AGM till the conclusion of the 73<sup>rd</sup> AGM.

M/s. Deloitte Haskins & Sells, is one of the leading firms providing audit and assurance services in India. M/s. Deloitte Haskins & Sells is a member of global network of firms with a capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments and possesses the market standing and technical knowledge best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

M/s. Deloitte Haskins & Sells confirmed that they are independent, as required by the relevant ethical/ independence requirements as enunciated in the Act and the Code of Ethics issued by the ICAI, that are relevant to their audit of the financial statement under the provisions of the Act and the Rules made thereunder. They further confirmed that they are not under a relationship that impact or impair their independence as Statutory Auditors of the Company.

Pursuant to Section 139 of the Act and the rules framed thereunder, the Company has received written consent from M/s. Deloitte Haskins & Sells and a certificate stating that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and Rules framed thereunder. M/s. Deloitte Haskins & Sells has also confirmed that they have subjected themselves to the peer-review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the 'Peer Review Board of ICAI'.

The Board has, based on the recommendation of the Audit Committee, approved a fee of ₹ 97.50 lakh (Ninety Seven Lakh Fifty Thousand only) for the year ending 31 March 2023 plus out of pocket expenses and applicable taxes. The remuneration for the subsequent year(s) of their term shall be determined based on the recommendation of the Audit Committee and as mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

Statement showing additional disclosures as required under Regulation 36(5) of the Listing Regulations, regarding appointment of M/s. Deloitte Haskins & Sells as Statutory Auditors of the Company are as follows:

1.	Proposed fee	₹ 97.50 lakh (Ninety Seven Lakh Fifty Thousand only)
2.	Terms of Appointment	Five years
3.	Material changes in the fee payable to new statutory auditor	The increased fees commensurate with the size of the Company, audit coverage and scope of the work
4.	Basis of recommendation for appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed	M/s. Deloitte Haskins & Sells are in the league of Big Four recognised audit firms in India. M/s. Deloitte Haskins & Sells is a member of global network of firms with a capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments and possesses the market standing and technical knowledge best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.  The recommendations made by the Audit Committee, and the Board of Directors of the Company, are in fulfilment of the eligible criteria as prescribed under the Act and the applicable Rules made thereunder.

Based on the recommendation made by the Audit Committee, and considering the experience and expertise of M/s. Deloitte Haskins & Sells, the Board recommends the appointment of M/s. Deloitte Haskins & Sells as Statutory Auditors for a term of 5 (five) years, as set out in the Item no. 4, for approval of the Members as an Ordinary Resolution.

None of the Director, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

**ITEM NO. 5****RATIFICATION OF REMUNERATION PAYABLE TO M/S. KAMALAKARA & CO., COST AUDITOR OF THE COMPANY FOR THE FINANCIAL YEAR 2022-23:**

In terms of the provisions of Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain Cost Audit records and have the same 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 the recommendation of the Audit Committee, the Board of Directors at its meeting held on 11 August 2022 accorded its approval for appointment of M/s. Kamalakara & Co., as Cost Auditor for the financial year 2022-23, at a remuneration of ₹ 2.25 lakh (Rupees Two Lakh Twenty Five Thousand only) plus applicable taxes thereon, apart from reimbursement of out of pocket expenses in actuals towards travelling, conveyance etc.

Pursuant to the provisions of Section 148(3) of Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 as amended, the remuneration as recommended by the Audit Committee and approved by the Board of Directors is required to be subsequently ratified by the Members.

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 Board recommends the remuneration payable to Cost Auditor, as set out in the Item no. 5 for approval of the Members as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

**ITEM NO. 6****APPOINTMENT OF HEMENDRA LAXMIDAS SHAH (DIN: 00996888) AS AN INDEPENDENT DIRECTOR:**

Hemendra Laxmidas Shah was appointed as an Additional Director on the Board of the Company under the provisions of the Act with effect from 27 May 2019 and was regularised vide resolution passed by the Members at the 65<sup>th</sup> Annual General Meeting held on 21 September 2019 as a Non-Executive Director.

A brief profile of Hemendra Laxmidas Shah is as follows:

Hemendra Laxmidas Shah has a rich experience of around 40 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 and Auto Ancillaries, Information Technology, Engineering, Mining, Power, Pharmaceuticals, Telecommunication, Fertilizers & Petrochemicals etc. He has exposure to Euro Issues, Indian Public Offerings, Due Diligence, Corporate Governance etc.

The Board at its meeting held on 11 August 2022, based on the recommendation of the Nomination and Remuneration Committee and excellent rating assigned to Hemendra Laxmidas Shah in the Board, during performance evaluation for the year 2021-22, proposed to appoint him as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years with effect from 1 October 2022 to 30 September 2027, subject to approval of Members by Special Resolution. The Board considers that his continued association would be beneficial to the Company. Further, the Company has, in terms of Section 160(1) of the Act, received a notice in writing from a Member proposing the candidature of Hemendra Laxmidas Shah for the office of Director.

Hemendra Laxmidas Shah has consented to act as Independent Director of the Company and has given his declaration to the Board that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, Hemendra Laxmidas Shah has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. He has also confirmed that he is not debarred from holding the office of a Director by virtue of any SEBI Order or any such Authority pursuant to circular dated 20 June 2018, issued by BSE Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by listed companies. Further, Hemendra Laxmidas Shah is not disqualified from being appointed as a Director in terms of Section 164 of the Act. He has also confirmed the compliance of Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs. The Board at its meeting held on 11 August 2022 perused the declarations and affirmed the same.

Hemendra Laxmidas Shah would be entitled to sitting fees for attending the meetings of the Board of Directors and Committees thereof where he is a Member. In addition, he would be entitled to commission as determined each year by the Board of Directors within the limits approved by the Members of the Company for the Non-Executive Directors of the Company. In the opinion of the Board of Directors, Hemendra Laxmidas Shah is a person of integrity, fulfils the conditions specified in the Act and the rules made thereunder read with the provisions of Listing Regulations as amended and is independent of the management.

The draft letter of appointment of Hemendra Laxmidas Shah setting out the terms and conditions of appointment shall be available for inspection by the Members electronically. Members seeking to inspect the same can send an email to [investors@sandurgroup.com](mailto:investors@sandurgroup.com)

The information pursuant to Regulation 36(3) of the Listing Regulations and the Secretarial Standard on General Meetings (SS-2), is given at '**Annexure B**' to this Notice.

Accordingly, the Board recommends the resolution as set out in the Item no. 6 for approval of the Members as a Special Resolution.

Except Hemendra Laxmidas Shah, being the appointee, or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the said resolution.



**ITEM NO. 7****RE-APPOINTMENT OF MOHAMMED ABDUL SALEEM (DIN: 00061497) AS A WHOLE TIME DIRECTOR DESIGNATED AS DIRECTOR (MINES) FOR A TENURE OF THREE YEARS FROM 1 OCTOBER 2022:**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 14 February 2020, had appointed Mohammed Abdul Saleem (DIN: 00061497) as Whole Time Director of the Company designated as Director (Mines) for a term of 3 (three) years with effect from 1 April 2020 to 31 March 2023. Subsequently, the Members vide their resolution passed through Postal Ballot on 30 June 2020, approved the appointment and terms of remuneration of Mohammed Abdul Saleem as Whole Time Director of the Company designated as Director (Mines).

A brief profile of Mohammed Abdul Saleem is as follows:

Mohammed Abdul Saleem, born on 28 April 1974, holds Bachelor's Degree in Commerce (B. Com) and Bachelor's Degree in Law (LLB) from Osmania University. He is 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 having ferroalloy and power businesses. He joined the Company on 1 September 2005 as Company Secretary. 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. He has played the role of the Company's nominee director on the board of a couple of companies and contributed for their revival. While serving as Company Secretary and also, later as the Chief General Manager (Mines), Mohammed Abdul Saleem has played a significant role during Supreme Court's suspension of mining operations arising due to PIL regarding illegal mining, in representing facts of Company's mining operations in co-ordination with senior and eminent advocates, in the High Court and Supreme Court and in ensuring that Company's factual and justified status as a 'violation free' Company is protected and getting classified as a Category 'A' mining lease.

He has also greatly contributed, for streamlining mining operations, ensuring compliances and sustainable development of the mines and surrounding areas which has resulted in both the mining leases of the Company (Nos. 2678 and 2679) being awarded Five Star Rating consecutively for the last 7 (seven) years by the Ministry of Mines, ever since the inception of Sustainable Development Framework (SDF) in 2014-15. During his tenure, the Company has also received Vishwakarma Rashtriya Puraskar, National Safety Award (Mines) to the Company's Deogiri Manganese & Iron Ore Mine for the year 2017, i.e., after a gap of about 26 years.

Out of the overall experience of more than 25 years, he has spent over 22 years in the senior management / key managerial positions at the Board level. His experience, commitment and capabilities are playing crucial role in the growth, evolution and sustainability of the Company.

Keeping in view that Mohammed Abdul Saleem has rich and diverse experience in secretarial, legal, knowledge about the industry in which the Company operates and has been associated

with the Company since 2005 in various capacities and handled different portfolios in the Company, it would be in the interest of the Company to continue the employment of Mohammed Abdul Saleem as Whole Time Director designated as Director (Mines) of the Company for a further period of 3 (three) years.

The Board of Directors of the Company, at its meeting held on 11 August 2022, based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Members, has approved the re-appointment of Mohammed Abdul Saleem as Whole Time Director designated as Director (Mines) of the Company for a period of 3 (three) years from 1 October 2022 to 30 September 2025, liable to retire by rotation. He fulfils the conditions prescribed under Part I of Schedule V to the Companies Act, 2013 for appointment as a Whole Time Director.

Mohammed Abdul Saleem has given his consent to get re-appointed as Whole Time Director designated as Director (Mines) of the Company. He has also confirmed that he is not debarred from holding the office of a Director by virtue of any SEBI Order or any such Authority pursuant to circular dated 20 June 2018, issued by BSE Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by listed companies. Further, he is not disqualified from being appointed as a Director in terms of Section 164 of the Act. The Board at its meeting held on 11 August 2022 persued the declarations and affirmed the same.

The principal terms and conditions of re-appointment of Mohammed Abdul Saleem including the terms of remuneration are given below:

**Nature of Duties:**

Subject to the supervision and control of the Board of Directors of the Company, he will be acting as a Whole Time Director of the Company and exercise such functions and powers as shall from time to time be entrusted to him by the Board of Directors.

**Tenure of Appointment:**

For a period of 3 (three) years with effect from 1 October 2022 to 30 September 2025, liable to retire by rotation.

**Remuneration including Benefits, Perquisites and Allowances:**

- (a) Basic Salary of ₹ 4,50,000 in the Scale of ₹ 4,50,000-1,15,000-7,95,000-2,00,000-13,95,000-3,50,000-24,45,000.
- (b) Allowances, perquisites, benefits etc., not exceeding two times the basic salary per month.

In addition to (a) and (b) above, he will be eligible for the following benefit/facilities:

- (i) Benefits which may be availed under various Schemes extended by the Company to all its employees including but not limited to Chronic Ailment Medical Benefit Scheme, Food Subsidy, Housing Loan Subsidy, Education Scholarships, Marriage Gifts, Festival Gifts, which shall be additional to benefits forming part of salary as per (b) above;
- (ii) Leave encashment as per Company rules;
- (iii) Commission: Such amount or percentage of profits as may be decided by the Board from time to time;
- (iv) Payment of Gratuity, Contribution to Provident Fund, Superannuation Fund and Leaves, including its encashment, shall be in accordance with the provisions of Section IV of Schedule V to the Act;

- (v) Company maintained and run car with driver or, at the option to be exercised by the Whole Time Director, conveyance facility/ scheme as applicable to senior executives;
- (vi) Telephone at residence, mobile phone limited to maximum of two connections, credit cards, hotel and club memberships (excluding life membership fee) etc., shall be provided for office use and the same shall not form part of remuneration; and
- (vii) Reimbursement of travelling, boarding and lodging expenses and other amenities as may be incurred by him from time to time, in connection with the Company's business as per Company rules and the same shall not form part of remuneration.

#### Commission:

In addition to salary, benefits, perquisites and allowances, the Whole Time Director would be paid such remuneration by way of Commission, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of the Company subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the Whole Time Director will be based on his performance as evaluated by the Board or the Nomination and Remuneration Committee and approved by the Board and will be payable annually after the annual accounts have been approved by the Board.

#### Minimum Remuneration:

In the event of loss or inadequacy of profits in any financial year during the tenure of Mohammed Abdul Saleem as Whole Time Director, the monthly salary, allowances, perquisites and other benefits shall be paid to him as detailed above notwithstanding that the remuneration is in excess of the limit mentioned in clause (B) of Section II of Part II of Schedule V to the Act.

Further, approval of the Members is also being sought in terms of Regulation 17(6)(e) of the Listing Regulations, to cater to a situation where the annual remuneration payable to executive directors belonging to the 'promoter and promoter group' exceeds 5% of the net profit during the tenure of his appointment.

Mohammed Abdul Saleem shall not be paid any sitting fee for attending the meetings of the Board or any committee thereof.

Copy of the draft of the agreement proposed to be entered with Mohammed Abdul Saleem is available 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. 28 September 2022. Members seeking to inspect such documents can send an email to [investors@sandurgroup.com](mailto:investors@sandurgroup.com)

A statement furnishing information pursuant to sub-clause (iv) of clause (B) of Section II of Part II of Schedule V to the Act is given at **'Annexure A'** to this Notice.

The information pursuant to Regulation 36(3) of the Listing Regulations and the Secretarial Standard on General Meetings (SS-2), is given at **'Annexure B'** to this Notice.

As on the date of this Notice, Mohammed Abdul Saleem holds 2,727 equity shares of the Company. He is not related to any of the Directors on the Board of the Company. He holds directorship in Sandur Pellets Private Limited (a wholly owned subsidiary of the Company).

Accordingly, the Board recommends the resolutions as set out in the Item no.7 for approval of the Members as a Special Resolution.

Except Mohammed Abdul Saleem being the appointee, or his relatives none of the Directors, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

### ITEM NO. 8

#### RE-APPOINTMENT OF BAHIRJI A. GHORPADE (DIN: 08452844) AS MANAGING DIRECTOR FOR A TENURE OF THREE YEARS FROM 1 OCTOBER 2022:

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 17 June 2020, had appointed Bahirji A. Ghorpade (DIN: 08452844) as Managing Director of the Company for a term of 3 (three) years with effect from 17 June 2020 upto 16 June 2023. Subsequently, the Members at the 66<sup>th</sup> AGM held on 23 September 2020, approved the appointment and terms of remuneration of Bahirji A. Ghorpade as Managing Director of the Company.

A brief profile of Bahirji A. Ghorpade is as follows:

Bahirji A. Ghorpade, born on 22 May 1995, is a Commerce graduate with specialisation in Finance from Christ University, Bengaluru and Masters in Finance and Management from Cranfield School of Management, Cranfield University, United Kingdom and has also 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. He shouldered the responsibilities of project accounting for over a year and a half from 1 October 2018, which includes accounting of all project related expenses, cash flow management and capitalization of assets. Being an Executive Assistant to the Managing Director, he was assisting the Managing Director in functional areas such as corporate affairs, materials management, commercial management, finance, administration and general management affording him an opportunity to look into finer aspects of 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. On 17 June 2020, he took charge as Managing Director of the Company.

Bahirji A. Ghorpade, the youngest Board member, also represent Skand Private Limited (the holding Company), as the promoter Director. Bahirji A. Ghorpade has grown up in the Company's culture from childhood and seen the Company growing through many ups and downs closely from childhood. Since the time he has taken the reign of the Company, the Company has broken many records and achieved the milestones of highest turnover, highest profitability, commissioning of the Coke Oven Plant and the Waste Heat Recovery Boilers well ahead of the scheduled time frame and obtaining Environmental Clearance for the plant for change in plant configuration and product mix within a record time.

Considering the hard work, dedication and determination towards the growth of organization, long term vision he possess for the organization's future growth and the milestones achieved by the Company during the current tenure, the Board of Directors of the Company, at its meeting held on 11 August 2022, based on the recommendation of the Nomination and Remuneration Committee

and subject to the approval of the Members, has approved the re-appointment of Bahirji A. Ghorpade as Managing Director of the Company for a period of 3 (three) years from 1 October 2022 to 30 September 2025, not liable to retire by rotation. It would be in the interest of the Company to continue the employment of Bahirji A. Ghorpade as Managing Director as he has rich and diverse experience in the business and industry and has been associated with the Company since 2015 and was involved in the operations, administration and management of the Company. His experience, commitment and capabilities are playing pivotal role in the growth, evolution and sustainability of the Company. The Board considers that his continued association would be beneficial to the Company. Further, the Company has, in terms of Section 160(1) of the Act, received a notice in writing from a Member proposing the candidature of Bahirji A. Ghorpade for the office of Director. He fulfils the conditions prescribed under Part I of Schedule V to the Act for appointment as a Managing Director.

Bahirji A. Ghorpade has given his consent to get re-appointed as Managing Director of the Company. He has also confirmed that he is not debarred from holding the office of a Director by virtue of any SEBI Order or any such Authority pursuant to circular dated 20 June 2018, issued by BSE Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by listed companies. Further, he is not disqualified from being appointed as a Director in terms of Section 164 of the Act. The Board at its meeting held on 11 August 2022 perused the declarations and affirmed the same.

The principal terms and conditions of re-appointment of Bahirji A. Ghorpade including the terms of remuneration are given below:

#### Nature of Duties:

Subject to the supervision and control of the Board of Directors of the Company, the Managing Director shall be in charge of the entire business affairs of the Company and exercise such functions and powers as shall from time to time be entrusted to him by the Board of Directors.

#### Tenure of Appointment:

For a period of 3 (three) years with effect from 1 October 2022 to 30 September 2025, not liable to retire by rotation.

#### Remuneration including Benefits, Perquisites and Allowances:

- (a) Basic Salary of ₹ 13,50,000 in the Scale of ₹ 13,50,000-3,40,000-23,70,000-5,95,000-41,55,000-10,40,000-72,75,000.
- (b) Allowances, perquisites, benefits etc., not exceeding two times the basic salary per month.

In addition to (a) and (b) above, the following benefit/ facilities shall be extended:

- (i) Benefits which may be availed under various schemes extended by the Company to all its employees including but not limited to Chronic Ailment Medical Benefit Scheme, Food Subsidy, Housing Loan Subsidy, Education Scholarships, Marriage Gifts, Festival Gifts, which shall be in addition to benefits forming part of salary as per (b) above;
- (ii) Leave encashment as per Company rules;
- (iii) Commission: Such amount or percentage of profits as may be decided by the Board from time to time;

- (iv) Payment of Gratuity, Contribution to Provident Fund, Superannuation Fund and Leaves, including its encashment, shall be in accordance with the provisions of Section IV of Schedule V to the Act;
- (v) Company maintained and run car with driver or, at the option to be exercised by the Managing Director, conveyance facility/ scheme as applicable to senior executives;
- (vi) Telephone at residence, mobile phones limited to maximum of two connections, credit cards, hotel and club memberships (excluding life membership fee) etc., shall be provided for office use and the same shall not form part of remuneration;
- (vii) Reimbursement of travelling, boarding and lodging expenses and other amenities as may be incurred by him from time to time, in connection with the Company's business as per Company rules and the same shall not form part of remuneration.

#### Commission:

In addition to salary, benefits, perquisites and allowances, the Managing Director would be paid such remuneration by way of Commission, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of the Company subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the Managing Director will be based on his performance as evaluated by the Board or the Nomination and Remuneration Committee and approved by the Board and will be payable annually.

#### Minimum Remuneration:

In the event of loss or inadequacy of profits in any financial year during the tenure of Bahirji A. Ghorpade as Managing Director, the monthly salary, allowances, perquisites and other benefits shall be paid to him as detailed above notwithstanding that the remuneration is in excess of the limit mentioned in clause (B) of Section II of Part II of Schedule V to the Act.

Further, approval of the Members is also being sought in terms of Regulation 17(6)(e) of the Listing Regulations, to cater to a situation where the annual remuneration payable to executive directors belonging to the promoter and promoter group exceeds 5% of the net profit during the tenure of his appointment.

Bahirji A. Ghorpade shall not be paid any sitting fee for attending the meetings of the Board or any Committee thereof.

Copy of the draft of the agreement proposed to be entered with Bahirji A. Ghorpade is available 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. 28 September 2022. Members seeking to inspect such documents can send an email to [investors@sandurgroup.com](mailto:investors@sandurgroup.com).

A statement furnishing information pursuant to sub-clause (iv) of clause (B) of Section II of Part II of Schedule V to the Act is given at **'Annexure A'** to this Notice.

The information pursuant to Regulation 36(3) of the Listing Regulations and the Secretarial Standard on General Meetings (SS-2), is given at **'Annexure B'** to this Notice.

As on the date of this Notice, Bahirji A. Ghorpade holds 2,78,485 equity shares of the Company. He is not related to any of the

Directors on the Board of the Company. He holds directorship in Skand Private Limited, holding company.

Accordingly, the Board recommends the resolution as set out in the Item no. 8 for approval of the Members as a Special Resolution.

Except Bahirji A. Ghorpade being the appointee, or his relatives, none of the Directors, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

#### ITEM NO. 9

##### **INCREASE IN BORROWING LIMITS FROM ₹ 1,200 CRORE TO ₹ 4,000 CRORE OR THE AGGREGATE OF THE PAID-UP CAPITAL, FREE RESERVES AND SECURITIES PREMIUM OF THE COMPANY, WHICHEVER IS HIGHER:**

Pursuant to the provisions of Section 180(1)(c) of the Act, the Board of Directors of a company shall exercise its powers to borrow money, where the money to be borrowed, together with the money already borrowed by the company exceeding aggregate of its paid-up share capital, free reserves and securities premium, apart from temporary loans obtained from the company's bankers in the ordinary course of business, only with consent of the company by way of a special resolution.

The Members of the Company at its 63<sup>rd</sup> Annual General Meeting held on 26 September 2017 had authorized Board, for borrowing, from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) beyond the aggregate of the paid up capital of the Company and its free reserves provided that the total amount so borrowed by the Board shall not at any time exceed ₹ 1,200 crore (Rupees One Thousand Two Hundred Crore only) or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

As per the latest audited Balance Sheet of the Company, one hundred per cent of paid-up share capital, free reserves and securities premium amounts to ₹ 1,695.63 crore (Rupees One Thousand Six Hundred Ninety-Five Crore and Sixty-Three Lakh only). Therefore, the maximum limit available to the Company under Section 180(1) (c) of the Act for borrowing by the Board without approval of the Members, is ₹ 1,695.63 crore (Rupees One Thousand Six Hundred Ninety-Five Crore and Sixty-Three Lakh only).

Considering the Company's future growth strategies, business expansion plans and to support the various working capital and long-term financial requirements of the Company from time to time, the Company would require additional credit and fund/ non-fund based facilities from various banks, financial institutions, any other lending institutions, bodies corporate or through other financing means in excess of ₹ 1,200 crore (Rupees One Thousand Two Hundred Crore only). Therefore, the Board of Directors at its meeting held on 11 August 2022 considered and proposed that the quantum of present borrowing limit of the Company be increased from ₹ 1,200 crore (Rupees One Thousand Two Hundred Crore only) to ₹ 4,000 crore (Rupees Four Thousand Crore only), subject to Members approval.

Accordingly, the Board recommends the enhancement of borrowing limits, as set out in the Item no. 9 for approval of the Members as a Special Resolution.

None of the Director, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

#### ITEM NO. 10

##### **CREATION OF CHARGES / MORTGAGES / HYPOTHECATIONS ON THE MOVABLE AND IMMOVABLE PROPERTIES OF THE COMPANY, BOTH PRESENT AND FUTURE, IN RESPECT OF BORROWINGS:**

Pursuant to the provisions of Section 180(1)(a) of the Act, the Board of Directors of a company shall exercise its powers to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings, only with consent of the company by way of a special resolution.

Considering the fact that the Company is increasing the quantum of borrowing limit of the Company from ₹ 1,200 crore (Rupees One Thousand Two Hundred Crore only) to ₹ 4,000 crore (Rupees Four Thousand Crore only) or the aggregate of the paid up capital and free reserves of the Company, whichever is higher, as laid down in Item no. 10, approval of the Members of the Company by way of Special Resolution is necessary to enable the Board of Directors of the Company to create charges / mortgages / hypothecations in addition to the existing charges / mortgages / hypothecations created by the Company, on such movable and immovable properties, both present and future, in favour of the lenders/ bankers/ financial institutions, to secure the repayment of monies borrowed by the Company together with interest costs, charges, expenses and all other monies payable by the Company to the concerned lenders/ bankers/ financial institutions.

Accordingly, the Board at its meeting held on 11 August 2022, considered the creation of charges / mortgages / hypothecations on the movable and immovable properties of the Company and recommends the same, as set out in the Item no. 10 for approval of the Members as a Special Resolution.

None of the Director, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

#### ITEM NO. 11:

##### **AUTHORISATION TO BOARD OF DIRECTORS TO GIVE LOAN, PROVIDE GUARANTEE OR SECURITY AND TO MAKE INVESTMENT UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

The provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more. Further, the said Section provides that where the giving of any loan or guarantee or providing any security or the acquisition as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of a special resolution is required to be passed at a general meeting.

As per the latest audited Balance Sheet of the Company as on 31 March 2022, sixty per cent of the paid-up share capital, free reserves and securities premium account amounts to ₹ 1,017.38 crore (Rupees One Thousand Seventeen Crore and Thirty-Eight Lakh only) while one hundred per cent of its free reserves and securities premium account amounts to ₹ 1,686.63 crore (Rupees One Thousand Six Hundred Eighty-Six Crore and Sixty-Three Lakh only). Therefore, the maximum limit available to the Company under Section 186(2) of the Act for making investments or giving loans or providing guarantees / securities in connection with a loan, as the case may be, is ₹ 1,686.63 crore (Rupees One Thousand Six Hundred Eighty-Six Crore and Sixty-Three Lakh only).

The operations of the Company have increased substantially during last few years and expected to grow further in coming years. The Company has incorporated a wholly owned subsidiary to carry out the manufacture of pellets. In view of the above and considering the long-term business plans of the Company, which requires the Company to make sizeable investments, give loans or provide guarantees / securities to persons or bodies corporate, from time to time, prior approval of the Members is being sought for enhancing the said limits to ₹ 2,500 crore (Rupees Two Thousand Five Hundred Crore only). The said approval is also sought keeping in mind the fund requirements of Company's subsidiaries / group companies to meet its working capital or long-term financial needs.

Accordingly, the Board at its meeting held on 11 August 2022, considered the limits and recommends the same, as set out in the Item No.11 for approval of the Members as a Special Resolution.

None of the Director, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

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

**Place:** Bengaluru  
**Date:** 11 August 2022

**Bijan Kumar Dash**  
Company Secretary & Chief Compliance Officer  
M. No.: A17222

# Annexure A

(Refer Item nos. 7 and 8 of the Notice)

## STATEMENT PURSUANT TO PROVISIO (IV) OF SECTION II OF PART II OF SCHEDULE V OF THE ACT

### I. GENERAL INFORMATION:

(1)	Nature of industry	Mining and Metallurgy Industry	
(2)	Date or expected date of commencement of commercial production	The Company was incorporated on 18 January 1954. Already commenced the commercial production.	
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable	
(4)	Financial performance (for the last two years)	<b>FY 2021-22 (₹ in lakh)</b>	<b>FY 2020-21 (₹ in lakh)</b>
	Net income from operation	2,24,874	74,659
	Other income	3,523	1,777
	<b>Total income</b>	<b>2,28,397</b>	<b>76,436</b>
	Total expenditure excluding interest and depreciation	1,27,462	47,496
	Profit before interest, depreciation, extraordinary items and taxes	1,00,935	28,940
	Interest	3,843	1,306
	Depreciation	5,560	2,681
	<b>Profit before tax</b>	<b>91,532</b>	<b>24,953</b>
	Current Tax	22,453	6,485
	Deferred Tax	1,567	3,075
	<b>Profit after tax</b>	<b>67,512</b>	<b>15,393</b>
(5)	Foreign investments or collaborations, if any.	There are no foreign investment or Foreign Collaboration in the Company.  However, NRI is holding 0.54% of total paid-up share capital of the Company as on 31 March 2022.	

### II. INFORMATION ABOUT THE APPOINTEES:

Sl. No.	Particulars	Mohammed Abdul Saleem	Bahirji A. Ghorpade
(1)	Background Details	This information is provided in the explanatory statement made under Section 102 of the Act for Item nos. 7 and 8 of the Notice.	
(2)	Past Remuneration	The remuneration paid for the financial year 2021-22 is ₹ 122.17 lakh (including commission of ₹ 25.00 lakh).	The remuneration paid for the financial year 2021-22 is ₹ 208.25 lakh (including commission of ₹ 25.00 lakh).
(3)	Recognition or Awards	Nil	Nil
(4)	Job profile and his suitability	Mohammed Abdul Saleem is having overall more than 25 years of experience in various filed and handled different portfolios. He is associated with the Company since 2005. He is having wide knowledge in Legal, Secretarial and Mining laws. He was appointed as Director (Mines) from 1 April 2020. His knowledge, experience and skills play pivotal role in the growth and success of the Company.	Bahirji A. Ghorpade has worked in various functional areas such as corporate affairs, commercial management, finance, administration and general management during his tenure as executive assistant to Managing Director and is holding the position of Managing Director since 17 June 2020 and leading the organisation from front and pioneered in consolidation of existing business and providing an impetus for future growth.

(5)	Remuneration proposed	This information is provided in the explanatory statement made under Section 102 of the Act for Item nos. 7 and 8 of the Notice.	
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration proposed for the position of Whole Time Director designated as Director (Mines) is comparable with industry standards for similar position.	The remuneration proposed for the position of Managing Director is comparable with industry standards for similar position.
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, or other director if any.	He has no pecuniary relationship with the Company other than receiving remuneration as a Whole Time Director and dividends, as and when declared, in the capacity of a shareholder. He is not related to any other Key Managerial Personnel or Director in the Company.	He has no pecuniary relationship with the Company other than receiving remuneration as a Managing Director and dividends, as and when declared, in the capacity of a shareholder. He is not related to any other Key Managerial Personnel or Director in the Company.

### III. OTHER INFORMATION:

(1)	Reasons of loss or inadequate profits	The Company has been earning adequate profit and has been paying the managerial remuneration as per the provisions of Section 197 of the Act. Although, the Company is confident of sustaining its profits, as a matter of abundant caution, to meet the exigencies of inadequate profits in future, if any, provision is being made for payment of minimum remuneration in accordance with the provisions of sub-section (3) of Section 197 of the Act read with Section II of Part II of Schedule V to the Act to the Managing Director and the Whole Time Director	
(2)	Steps taken or proposed to be taken for improvement	NA	
(3)	Expected increase in productivity and profits in measurable terms	Operation of mining and metal industry depends upon various external and internal risk factors including operation of steel, automobile, infrastructure and real estate industries. The Company has been taking several measures to increase the turnover and profitability of the organisation but ascertaining the productivity and profit in measurable terms is unpredictable.	

# Annexure B

(Refer Item nos. 3, 6, 7 and 8 of the Notice)

## DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE AGM

[Pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 on General Meetings]

Name of the Director	Hemendra Laxmidas Shah	Mohammed Abdul Saleem	Bahirji A. Ghorpade
<b>DIN</b>	00996888	00061497	08452844
<b>Category of Director</b>	Independent Director	Whole Time Director	Managing Director
<b>Date of Birth</b>	25 November 1953	28 April 1974	22 May 1995
<b>Age</b>	68	48	27
<b>Date of first appointment on Board</b>	27 May 2019	1 April 2020	1 April 2020
<b>Qualifications and Expertise in specific functional areas</b>	As detailed out in Item no. 6 of explanatory statement of the Notice	As detailed out in Item no. 7 of explanatory statement of the Notice	As detailed out in Item no. 8 of explanatory statement of the Notice
<b>Directorships held in other companies (excluding foreign, private and Section 8 companies)</b>	Nil	Nil	Nil
<b>Membership/ Chairmanships of committees of other companies (includes only Audit Committee and Stakeholders Relationship Committee)</b>	Nil	Nil	Nil
<b>Name of listed entities from which the person has resigned in the past three years</b>	Nil	Nil	Nil
<b>Inter-se relationship with other Directors and Key Managerial Personnel</b>	None	None	None
<b>Remuneration sought to be paid</b>	No remuneration other than sitting fee and profit related commission	As detailed out in Item no. 7 of explanatory statement of the Notice	As detailed out in Item no. 8 of explanatory statement of the Notice
<b>Remuneration last drawn</b>	Sitting fees of ₹ 8.20 lakh and profit related commission of ₹ 25.00 lakh	₹ 122.17 lakh (including commission of ₹ 25.00 lakh)	₹ 208.25 lakh (including commission of ₹ 25.00 lakh)
<b>Shareholding in the Company including shareholding as a beneficial owner</b>	Nil	2,727	2,78,485
<b>Number of meetings of the Board attended during the year</b>	7 out of 7 meetings held	7 out of 7 meetings held	7 out of 7 meetings held
<b>Terms and conditions of appointment/ re-appointment</b>	As detailed out in Item no. 6 of explanatory statement of the Notice	As detailed out in Item no. 7 of explanatory statement of the Notice	As detailed out in Item no. 8 of explanatory statement of the Notice



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**In the case of Independent Directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements**

The skills and capabilities required for the role of Independent Director has been defined by the Nomination and Remuneration Committee and Board, in context of the Company's business.

NA

NA

The Nomination and Remuneration Committee and Board reviewed domain skills, professional experience and industry exposure of Hemendra Laxmidas Shah, Independent Director and concluded that he fulfils the skills/ expertise/ competencies required in context of the Company's business, to discharge his role as an Independent Director of the Company.

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# Board's Report

## Dear Members,

The Board of Directors is pleased to present the report of the business and operations of the Company along with audited financial statements for the financial year ended 31 March 2022.

## FINANCIAL RESULTS

The summary of the financial results is as follows:

(₹ in lakh)		
Particulars	Current Year 2021-22	Previous Year 2020-21
Net Sales / Income	2,24,874.15	74,658.89
Other Income	3,522.79	1,776.83
<b>Total</b>	<b>2,28,396.94</b>	<b>76,435.72</b>
Expenditure		
(i) Variable	1,07,877.70	31,254.09
(ii) Fixed	19,583.58	16,240.79
(iii) Depreciation / Amortization	5,560.08	2,681.42
(iv) Finance costs	3,843.33	1,306.29
<b>Total</b>	<b>1,36,864.69</b>	<b>51,482.59</b>
<b>Profit Before Taxes</b>	<b>91,532.25</b>	<b>24,953.13</b>
Less:		
(i) Current Tax	22,453.00	6,485.00
(ii) Deferred Tax	1,567.67	3,075.37
<b>Net Profit</b>	<b>67,511.58</b>	<b>15,392.76</b>
Add: Balance brought forward from the previous year	98,410.68	83,069.43
Profit before appropriation	1,65,922.26	98,462.19
Less: Appropriations		
(i) Dividend on Equity Shares	900.19	-
(ii) Other comprehensive loss/ (income)	0.21	51.51
<b>Total</b>	<b>900.40</b>	<b>51.51</b>
<b>Profit carried to Balance Sheet</b>	<b>1,65,021.86</b>	<b>98,410.68</b>

## PERFORMANCE REVIEW AND STATE OF THE COMPANY'S AFFAIRS

During the year under review, the Company has achieved the highest ever turnover amounting to ₹ 2,24,874 lakh and EBITDA of ₹ 1,00,936 lakh, thereby adding a new milestone in the Company's history. Increase in turnover compared to previous year was majorly contributed by coke and energy segment ₹ 89,526 lakh, by mines segment ₹ 35,977 lakh and by ferroalloys segment ₹ 35,130 lakh. Intersegmental revenue adjustments were for ₹ 10,475 lakh and attributable to: i) transfer of power from coke and energy segment to ferroalloys segment; ii) incremental usage of captive ore by ferroalloys segment.

The segment wise revenue growth against previous year for mining, ferroalloys and coke & energy segments were 68%, 321% and 100% respectively. The positive contribution of mining and ferroalloys to the total turnover were primarily on account of better realisation of products sold and optimum production. The contribution of Coke

to the total turnover was on account of commercial production by this segment for the full year after commissioning the Coke Plant on 18 January 2021.

The Company recorded profit before tax of ₹ 91,532 lakh after charging ₹ 5,560 lakh towards depreciation on fixed assets and ₹ 3,843 lakh towards finance costs. The profit before tax has increased by 267% over the previous year mainly due to better realisation in mining operations of Iron Ore and Manganese Ore, better realisation from finished goods of ferroalloys, first full year of coke operations. The segment wise result growth against previous year for mining, ferroalloys and coke & energy segments were 103%, 1740% and 100% respectively.

After charging current income tax of ₹ 22,453 lakh, deferred tax of ₹ 1,568 lakh, the profit after tax (PAT) for the current year has been ₹ 67,512 lakh. The PAT has registered a growth of 339%. There is an increase in income tax as compared to the previous year due to increase in taxable profit.

**MINING**

(In Tonnes)

	Year	Opening stock	Production	Internal Consumption	Sales	Closing stock
<b>Manganese Ore</b>	CY	1,74,015	2,85,478	74,260	2,10,210	1,75,023
<b>(Mn Ore)</b>	PY	1,51,044	2,84,553	60,948	2,00,634	1,74,015
<b>Iron Ore</b>	CY	5,55,583	15,65,668	-	16,00,000	5,21,251
<b>(Fe Ore)</b>	PY	5,52,583	15,95,000	-	15,92,000	5,55,583

CY – Current Year, PY – Previous Year

During the financial year 2021-22, the Company excavated and produced both Manganese and Iron Ores as per the Maximum Permissible Annual Production (MPAP) limits. During the year under review, there is better realisation in the mining operations.

**FERROALLOYS**

(In Tonnes)

	Year	Opening stock	Production	Sales	Closing stock
<b>Silicomanganese</b>	CY	571	50,179	49,323	1,427
<b>(SiMn)</b>	PY	1,829	36,265	37,523	571
<b>Ferromanganese</b>	CY	-	4,519	3,791	728
<b>(FeMn)</b>	PY	-	-	-	-

**Notes: -**

- Silicomanganese production includes Nil tonnes of trial production. (Previous year: 17,223 tonnes)
- Silicomanganese sales includes, sale of Nil tonnes of trial production. (Previous year: 19,053 tonnes)

During the financial year 2021-22, 50,179 tonnes of SiMn and 4,519 tonnes of FeMn were produced of which 49,323 tonnes of SiMn and 3,791 tonnes of FeMn were sold to add revenue of ₹ 46,070 lakh. The incremental profit in ferroalloys segment in the financial year 2021-22 as compared to financial year 2020-21 is mainly due to better realisation of products sold, increase in quantity sold and decrease in cost of production due to usage of power generated through waste heat recovery boilers, for Ferroalloys operations.

**COKE**

(In Tonnes)

	Year	Opening stock	Production	Internal Consumption	Sales	Closing stock
<b>Coke</b>	CY	1,383	2,93,451	9,261	2,83,538	2,035
	PY	13,199	1,68,899	9,228	1,71,486	1,383

**Notes: -**

- Coke production of Nil tonnes pertains to trial production (Previous year: 1,22,956 tonnes)
- Coke sale of Nil tonnes pertains to trial production. (Previous year: 1,25,564 tonnes)

During the financial year, 2,93,451 tonnes of Coke was produced, out of which 2,83,538 tonnes were sold to add a revenue of ₹ 92,786 lakh. The Company has successfully completed first full year of commercial operation of Coke oven plant.

**ENERGY**

(In MWh)

	Year	Generation	Captive Consumption		Grid Sales
			Plant	Auxiliary	
<b>Energy</b>	CY	2,38,430	2,11,550	18,351	8,529
	PY	1,87,790	1,52,084	20,876	14,830

Energy generation at the power plant increased by 26.97% compared to previous year and captive consumption at ferroalloys plant increased by 39.1% as compared to previous year.

## PROJECTS

### EXISTING PROJECTS

#### Downhill Conveyor System and Mines Roads

The Company's proposal for setting up a 300 tonnes per hour Downhill Conveyor System (DCS) from the Company's Kammaturu Iron Ore Mine is under progress. The electrical works and structural fabrication have been completed in full and around 85% of civil works have also been completed. With current status, the DCS project is envisaged to be commissioned three months after Stage 2 approval of Forest Clearance is granted by the Government of India. During the year under review, the Company has identified, acquired, transferred and mutated in favour of Forest Department the alternate land for compensatory afforestation. Successful implementation of this project will lead to higher realizations as product will be delivered directly at railway siding.

During the year, the Company has completed the construction work of about 32 km length of bitumen roads within the mining lease area for suppression of dust, seamless movement of vehicles, effective utilization of machinery and prevent accidents. With regard to upgradation of 14 km of public roads, 83% of the work has been completed. Further, 30% of the construction work of connecting roads of 20.4 km have also been completed. This will further lead to environment friendly mining operations.

#### Housing

The housing project of 96 quarters in Deogiri and 96 quarters in Subbarayanahalli for employees of the Company was completed, inaugurated and allotted to the employees during the year. This initiative has been a fillip to increase employee morale and improve the employee productivity in the mines.

#### Future Projects

The Company has assessed that power availability is a critical factor for future expansions. After exploring the possibility of procurement of power from different sources, the Company has entered into a Power Purchase Agreement and Share Subscription and Share Holding Agreement with Renew Green Energy Solutions Private Limited for supply of solar and wind power to the Company and approved the investment to be made in equity shares in the Special Purpose Vehicle (SPV) Company called Renew Sandur Green Energy Solutions Private Limited.

The Company is also exploring different strategic possibilities and evaluating the opportunities from different parameters in order to sustain growth, achieve substantial market share and meet its future needs. Future market for the envisaged products, availability of infrastructure facilities and utilities are some of the critical aspects that the Company is considering as part of next phase of expansion into beneficiation of ores, manufacturing of pellets etc. Appropriate decisions in this regard will be taken by the Company based on the expert opinion, analysis and evaluation.

#### Change in plant configuration, product mix and setting up Ductile Iron (DI) Pipes in the plant location at Vyasankere, Hosapete

During the year 2021-22, the Company has obtained approval from Ministry of Environment, Forest and Climate Change (MoEF&CC) Government of India for the change in plant configuration and product mix for the Company's plant situated at Hanumanahalli Village, Hosapete Taluk, Vijayanagara District, Karnataka.

The change in plant configuration and product mix as per the amended Environment Clearance (EC) issued by MoEF&CC is as follows:

Sl. No.	Description	Existing configuration as per EC dated 25 June 2018	Final approval as per EC dated 30 March 2022
1.	Submerged arc furnace	1*15 MVA, 2*20 MVA Production Capacity: 0.066 MTPA of FeMn or 0.048 MTPA of SiMn or 0.03 MTPA of ferroalloys or 0.0144 MTPA FeSi	1*15 MVA, 1*20 MVA, 1*24 MVA Production Capacity: 0.125 MTPA of FeMn or 0.095 MTPA of SiMn or 0.135 MTPA Pig Iron or 0.050 MTPA FeSi
2.	Sinter plant (Mn. Ore fines)	0.012 MTPA	0.012 MTPA
3.	Mn Ore beneficiation plant	0.016 MTPA	0.016 MTPA
4.	Coal based power plant	32 MW	32 MW
5.	Non-recovery coke oven	1*0.4 MTPA	1*0.5 MTPA
6.	WHRB and power plant	32 MW	32 MW
7.	Blast Furnace (BF)	2*0.4 MTPA	1*0.4 MTPA
8.	BF gas-based power plant	-	10 MW
9.	Pig casting machine	1*0.4 MTPA	1*0.2 MTPA
10.	Sinter plant (Iron ore fines)	2*0.53 MTPA	1*0.53 MTPA
11.	Ductile Iron pipe plant	NA	1*0.3 MTPA
12.	Oxygen plant	1*23100 TPA + 1*66000 TPA	1*60000 TPA

This change will result in reduction in raw material consumption and pollution load. The Company is in the process of setting up a 0.3 MTPA plant for manufacture of Ductile Iron Pipes as Phase I project of steel expansion plan. Towards this end, the Company has appointed MECON Limited for providing services for preparing project report for setting up blast furnace, sinter plant, Ductile Iron pipe plant and other

associated facilities. A team to execute the project and to look after the procurement and installation of machinery, equipment and devices and construction of required infrastructure for the change in plant configuration and product mix as per the amended EC has been developed.

## AWARDS AND RECOGNITIONS

### FIVE STAR RATING AWARD

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

At the 5<sup>th</sup> National Conclave on Mines & Minerals held on 23 November 2021 in Delhi, the Ministry of Mines, Government of India has awarded Five Star Rating to both the mines of the Company for three years namely 2017-18, 2018-19 and 2019-20. Subsequently, at 6<sup>th</sup> National Conclave on Mines & Minerals held on 12 July 2022 in Delhi, the Ministry of Mines, Government of India has awarded Five Star Rating to both the mines of the Company for the year 2020-21.

The Company has been receiving Five Star Rating Awards from inception of this award by Ministry of Mines, Government of India in the year 2014 -15 and thereafter for all years.

### NATIONAL SAFETY AWARD

The National Safety Award (Mines) was instituted in 1983 by the Ministry of Labour & Employment, Government of India, with a view to promote a competitive spirit amongst mine operators for the betterment of safety standards in mines and to give due recognition to outstanding safety performance at the national level.

The Ministry of Labour and Employment, Government of India has awarded Vishwakarma Rashtriya Puraskar, National Safety Award (Mines) to the Company's Deogiri Manganese & Iron Ore Mine for the year 2017. The award was presented by Hon'ble Minister Bhupender Yadav, Ministry of Labour & Employment, Government of India on 8 March 2022 at Vigyan Bhawan in New Delhi and the same has been received on behalf of the Company by Bahirji A. Ghorpade, Managing Director along with Dodda Obanna, the senior most mine worker (Headman) from the Mines. The National Safety Award presented to the Company for the year 2017 is as a "Winner" in the category of "Lowest Injury Frequency Rate".

The Company is the only major minerals mining company in Karnataka to receive National Safety Award this year. The Company had received the National Safety Awards (Mines) six times on earlier occasions.

## CHANGE IN THE CAPITAL STRUCTURE

As on 31 March 2022, the authorised share capital of the Company was ₹ 11,500 lakh comprising of 11,40,00,000 Equity Shares of ₹ 10 each and 1,00,000 Preference Shares of ₹ 100 each. The paid-up capital of the Company was ₹ 900.19 lakh comprising of 90,01,941 Equity Shares of ₹ 10 each. During the year under review, there was no change in the capital structure of the Company.

The Company has neither issued equity shares with differential rights as to dividend, voting or otherwise nor shares (including sweat equity shares) to employees of the Company under any scheme. Further, the Company has not issued debentures, bonds, convertible or non-convertible securities or warrants and has not held any shares in trust for the benefit of employees where the

voting rights are not exercised directly by the employees. The Company has not bought back any of its securities during the year.

## CHANGE IN THE NATURE OF THE BUSINESS

During the year under review, there was no change in nature of business.

## DIVIDEND DISTRIBUTION POLICY

As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), top 1000 listed companies based on market capitalization are required to formulate a dividend distribution policy. Accordingly, the Company has adopted the Dividend Distribution Policy which sets out the parameters and circumstances which are to be considered by the Board in determining the distribution of dividend to its Members and / or retaining profits earned by the Company. The Company's Dividend Distribution Policy is available on the Company's website at <https://www.sandurgroup.com/Policies.html> and annexed to this Report as 'Annexure A'.

## DIVIDEND

The Directors have recommended a final dividend of ₹ 5 per equity share of ₹ 10 each (50%) for the year ended 31 March 2022. The said dividend is subject to the approval of Members at the ensuing Annual General Meeting of the Company. According to the Finance Act, 2020, dividend income will be taxable in the hands of the Members w.e.f., 1 April 2020, and the Company is required to deduct tax at source from the dividend paid to the Members at prescribed rates as per the Income Tax Act, 1961.

The record date is fixed as Wednesday, 21 September 2022 and Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 22 September 2022 to Wednesday, 28 September 2022 (both days inclusive) to determine the eligible Members to receive the final dividend for the year ended 31 March 2022.

## TRANSFER TO RESERVES

As permitted under the Companies Act, 2013 (the Act), the Board does not propose to transfer any amount to general reserve and has decided to retain the entire amount of profit for the financial year 2021-22 in the statement of profit and loss.

## TRANSFER OF AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND

As per Section 124(5) of the Act read with rules made thereunder, dividends remaining unpaid/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). Further, the shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company in the name of IEPF.

In pursuance of the above, the dividend remaining unclaimed or unpaid in respect of dividends declared for financial year 2013-14 amounting to ₹ 1,31,307 had been transferred to the IEPF during the financial year 2021-22. Consequently, 6,051 shares belonging to 29 Members in respect of which dividends remained unpaid/unclaimed for seven consecutive years were also transferred to IEPF.

In the interest of the Members, the Company sends periodical reminders to the Members to claim their dividends to avoid the transfer of dividends or shares to the IEPF Authority. Notices in this regard are also published in the newspapers and the details of unpaid/unclaimed dividends and Members whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website <https://www.sandurgroup.com/Investor-Education-and-Protection-Fund.html>.

It may be noted that as per the above-mentioned provisions of the Act, the unpaid/unclaimed dividend pertaining to the financial year 2014-15, along with the underlying shares are due to be transferred to IEPF by 26 October 2022. Members who have not en-cashed the dividend warrant(s) from financial year 2014-15 onwards, may forward their claims to the Company/ Registrar and Transfer Agents before 12 October 2022, to avoid any transfer of dividend or shares to the IEPF Authority.

The information in respect of unpaid/unclaimed dividend and shares thereto along with due date for transfer to IEPF are given below:

Financial Year	Date of declaration	Due date for transfer to IEPF	Unclaimed Dividend as on 31 March 2022	Unclaimed Shares as on 31 March 2022
2014-15 (Final dividend)	19 September 2015	26 October 2022	1,45,944.00	48,648
2015-16 (Final dividend)	14 September 2016	21 October 2023	1,51,182.00	50,394
2016-17 (Interim dividend-I)	12 November 2016	19 December 2023	2,03,460.00	1,01,730
2016-17 (Interim dividend-II)	31 March 2017	7 May 2024	85,540.00	85,540
2016-17 (Final Dividend)	26 September 2017	2 November 2024	1,56,280.00	78,140
2017-18 (Interim Dividend)	27 December 2017	2 February 2025	4,66,620.00	93,324
2017-18 (Final Dividend)	1 September 2018	7 October 2025	1,92,374.00	96,187
2018-19 (Interim Dividend)	14 November 2018	21 December 2025	2,78,152.00	79,472
2018-19 (Final Dividend)	21 September 2019	28 October 2026	2,10,570.50	60,613
2019-20 (Interim Dividend I)	11 November 2019	18 December 2026	1,29,426.00	64,713
2019-2020 (Interim Dividend II)	5 March 2020	11 April 2027	3,57,100.00	71,420
2020-21 (Final Dividend)	22 September 2021	29 October 2028	4,67,641.00	54,532

The voting rights on the shares lying with IEPF shall remain frozen till the rightful owner claims the shares. The benefits arising out of the shares transferred to IEPF is credited to IEPF Authorities. The Members can claim the same from the IEPF Authorities.

The Members whose unpaid/unclaimed dividends or shares are transferred to the IEPF can request the Company / Registrar and Transfer Agent as per the applicable provisions in the prescribed e-form IEPF-5 for claiming the unpaid/unclaimed dividend or shares out of the IEPF. The process for claiming the unpaid/unclaimed dividend or 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 under the provisions of IEPF.

### SUBSIDIARY COMPANY, ASSOCIATE COMPANY AND JOINT VENTURES

During the year under review, the Company does not have any subsidiary company, associate company or joint ventures. However, after the closure of financial year ended 31 March 2022, the Board at its meeting held on 10 April 2022 accorded its approval for incorporation of a Wholly Owned Subsidiary (WOS) company with the name "Sandur Pellets Private Limited" by subscribing to 100% of its share capital. Accordingly, the WOS company got incorporated on 7 May 2022.

The disclosure pursuant to first proviso to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014 is annexed with this Report as 'Annexure B'.

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

There are no significant and material orders passed by the Regulators / Courts/ Tribunals that would impact the going concern status of the Company and its future operations.

### 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.

However, the Board at its meeting held on 10 April 2022, had approved the proposal for the issuance of equity shares of ₹ 10 each of the Company on a rights basis in the ratio of 2 new equity shares for every 1 equity share held by the Members as on the record date i.e., 27 July 2022.

As on date of this Report, the Company has obtained in-principle approval from BSE Limited (Bombay Stock Exchange) and is in the process of issuing Right Shares.

### PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

In terms of clause (h) of Section 134(3) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of the contracts or arrangements entered into by the Company with its related parties as referred to in Section 188(1) of the Act in Form No. AOC-2 is annexed with this Report as 'Annexure C'.

During the year under review, all related party transactions entered into by the Company were on an arm's length basis and in the ordinary course of business. All Related Party Transactions are placed before the Audit Committee of the Company and placed before Board for information/ approval, as and when required.

Further, the Company has not entered into any contract/ arrangement/transaction with related parties which are considered to be material as per Regulation 23 of the Listing Regulations and the Company's Policy on Related Party Transactions.

In line with the requirements of the Act and the Listing Regulations, the Company has formulated a Policy on Related Party Transactions and the same can be accessed on the Company's website at <https://www.sandurgroup.com/Policies.html>. During the year under review, the Policy was reviewed and amended by the Audit Committee and the Board to inter-alia incorporate the regulatory changes brought as per amendment in Regulation 23 of the Listing Regulations (effective from 1 January 2022).

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

The Company has not granted any loans, made investments or provided guarantees and securities under Section 186 of the Act.

### DEPOSITS

The Company does not have any deposits at the beginning of the financial year and has neither accepted nor renewed any deposits during the year under review. Thus, provisions of Section 73 of the Act are not applicable to the Company.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on the 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 Non-Independent Directors. The Chairman of the Board is a Non-Executive Director.

### INDUCTION

During the year, Uttam Kumar Bhageria, a qualified Chartered Accountant has been appointed as Chief Financial Officer of the Company w.e.f., 15 September 2021 by the Board on recommendation of the Nomination and Remuneration Committee (NRC), in place of Sachin Dattatray Sanu, who ceased to be the Chief Financial Officer due to his resignation.

### RE-APPOINTMENT(S)

During the year, G. P. Kundargi (DIN: 02256516) was re-appointed as an Independent Director by the Members of the Company at its 67<sup>th</sup> Annual General Meeting held on 22 September 2022, for a second term of five consecutive years commencing from 12 November 2021 to 11 November 2026. The Board opined that he is a person of integrity and possess relevant expertise and experience (including proficiency) and he satisfies the independence criteria as laid down under the Act and the Listing Regulations.

### During the period from 1 April 2022 till the date of this report, the following re-appointments were made:

- The Board at its meeting held on 18 May 2022 had re-appointed Jagadish Rao Kote (DIN: 00521065) as an Independent Director for a second term of five consecutive years with effect from 27 May 2022 to 26 May 2027, subject to Members approval. The NRC had reviewed domain skills, professional experience and industry exposure of Jagadish Rao Kote, Independent Director and noted that he fulfills the skills/ expertise/ competencies required in context of the Company's business. Thereafter, the NRC considering the excellent rating assigned to Jagadish Rao Kote during performance evaluation for the year 2021-22, recommended his re-appointment for a further period of five consecutive years to the Board as it will be advantageous and beneficial for the Company. Further, the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Act. The Board opined that he is a person of integrity and possess relevant expertise and experience (including proficiency) and he satisfies the independence criteria as laid down under the Act and the Listing Regulations. The Members approved his re-appointment, through Postal Ballot, on 17 July 2022.
- In terms of the provisions of Section 152(6) of the Act, Mohammed Abdul Saleem (DIN: 00061497), the Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offered himself for re-appointment.
- The Board at its meeting held on 11 August 2022, accorded its approval for the appointment of Hemendra Laxmidas Shah (DIN: 00996888), as an Independent Director of the Company for a term of five consecutive years with effect from 1 October 2022 to 30 September 2027, subject to Members approval at the ensuing Annual General Meeting. The NRC had reviewed domain skills, professional experience and industry exposure of Hemendra Laxmidas Shah, Independent Director and noted that he fulfills the skills/ expertise/ competencies required in context of the Company's business. Thereafter, the NRC considering the excellent rating assigned to Hemendra Laxmidas Shah during performance evaluation for the year 2021-22, recommended his appointment for a further period of five consecutive years to the Board as it will be advantageous and beneficial for the Company. Further, the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Act. The Board opined that he is a person of integrity and possess relevant expertise and experience (including proficiency) and he satisfies the independence criteria as laid down under the Act and the Listing Regulations.

- The Board at its meeting held on 11 August 2022 approved the re-appointment of Mohammed Abdul Saleem (DIN: 00061497) as Whole Time Director designated as Director (Mines) of the Company for a further term of three years with effect from 1 October 2022 to 30 September 2025, subject to Members approval in the ensuing Annual General Meeting.
- The Board at its meeting held on 11 August 2022 approved the re-appointment of Bahirji A. Ghorpade (DIN: 08452844) as Managing Director of the Company for a further term of three years with effect from 1 October 2022 to 30 September 2025, subject to Members approval in the ensuing Annual General Meeting. The Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Act.

**As on 31 March 2022, the following were the Key Managerial Personnel of the Company as per Section 2(51) and 203 of the Act:**

- Bahirji A. Ghorpade, Managing Director
- Mohammed Abdul Saleem, Whole Time Director designated as Director (Mines)
- Uttam Kumar Bhageria, Chief Financial Officer & Chief Risk Officer
- Bijan Kumar Dash, Company Secretary & Chief Compliance Officer.

### BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on Company's business policies and strategies apart from other regular and important business items. However, in case a special and urgent business needs the approval of the Board, such approval is taken by passing resolution through circulation, as permitted by law, which are taken on record in the subsequent Board meeting.

During the financial year 2021-22, the Board met seven times i.e., 28 June 2021, 5 July 2021, 12 August 2021, 8 September 2021, 9 November 2021, 10 November 2021 and 9 February 2022. The details and particulars of Board meetings are given in the Corporate Governance Report forming part of this Report.

### POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company has adopted Policy on Nomination and Remuneration of Directors, Key Managerial Personnel (KMPs) and other employees which inter-alia includes criteria for determining qualification, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 of the Act and relevant provisions of Listing Regulations. The Members may refer Corporate Governance Report for details regarding this policy. The policy is also available on the Company's website at <https://www.sandurgroup.com/Policies.html>.

### DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors of the Company meet the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations. Declarations to this effect have been received from them as prescribed under Section 149(7) of the Act. Further, in terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact their ability to discharge

their duties. During the financial year 2021-22, there has been no change in the circumstances affecting their status as Independent Directors of the Company.

The Independent Directors have also complied with the Code for Independent Directors prescribed in Schedule IV to the Act and Code of Conduct for Directors and Senior Management formulated by the Company under Regulation 17(5) of Listing Regulations.

### BOARD EVALUATION

The Nomination and 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 Act and Listing Regulations, are followed. The criteria for evaluation was based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India (SEBI) and by Institute of Company Secretaries of India (ICSI). 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.

At the Board meeting that followed the meeting of the Independent Directors and meeting of Nomination and Remuneration Committee on 9 February 2022, the outcome of evaluation was discussed. The 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.

### MEETING OF INDEPENDENT DIRECTORS

A separate meeting of Independent Directors for the financial year 2021-22 as per Clause VII(1) of Schedule IV under Section 149(8) of the Act and Regulation 25(3) of the Listing Regulations was held on 9 February 2022, wherein the Independent Directors reviewed the performance of Non-Independent Directors, Chairman of the Board and the Board as a whole.

### TRAINING AND FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Details of training and familiarization programme are provided in the Corporate Governance Report forming part of this Report.

### BOARD COMMITTEES

The Board has constituted six Committees to assist the Board in discharging its functions and responsibilities and supports Board's work in line with the applicable provisions of the Act and Listing Regulations, namely:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee



4. Corporate Social Responsibility Committee
5. Risk Management Committee
6. Corporate Sustainability Committee.

In addition to the above, the Board at its meeting held on 10 April 2022 constituted a "Right Issue Committee" of the Board to decide detailed terms and conditions of the ongoing Company's Right Issue and matters connected or incidental thereto.

The details of the Committees including composition, terms of reference, meeting details etc., are provided in the Corporate Governance Report forming part of this Report.

The recommendations, if any, of these Committees are submitted to the Board for approval. During the year under review, the Board had accepted the recommendations of the Committees.

### VIGIL MECHANISM

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 approach. In accordance with Section 177(9) of the Act read with Rule 7(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company's Audit Committee oversees the vigil mechanism which has been established to address genuine concerns about unethical behavior, actual or suspected fraud, leak of Unpublished Price Sensitive Information or violation of the Company's Code of Conduct and Ethics Policy, if any expressed by the Director(s) or employees or any other person.

The Company has adopted a Whistle Blower Policy which provides for adequate safeguards against victimisation of Director(s) or employee(s) or any other person who avail such mechanism. The Company has also provided direct access to the Chairman of the Audit Committee in matters concerning financial, accounting and concerns relating to officers belonging to above Senior General Manager level.

The Whistle Blower Policy 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 Act, the Directors confirm that:

- (a) in the preparation of the annual 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 2022 and of the profit and loss of the Company for the year ended 31 March 2022;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, 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 2022 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 risk in operations. The Audit Committee review audit report submitted by the internal auditor. 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 the financial year 2021-22.

The Statutory Auditors in their report has stated that the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

## ANNUAL RETURN

A copy of Annual Return, in Form MGT-7, pursuant to the provisions of Section 92(3) of the Act read with relevant Rules 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/Annual-General-Meetings-and-Postal-Ballots.html>.

## AUDITORS

### STATUTORY AUDITOR

M/s. R. Subramanian and Company LLP, Chartered Accountants, Chennai (Firm Registration No. 004137S/S200041), were appointed as Statutory Auditors of the Company at the 63<sup>rd</sup> Annual General Meeting held on 26 September 2017 in terms of the provisions of Section 139 of the Act, to hold office until the conclusion of 68<sup>th</sup> 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.

As the term of five years of the Statutory Auditors is coming to an end, based on the recommendation of the Audit Committee, the Board at its meeting held on 11 August 2022 appointed M/s. Deloitte Haskins & Sells, Chartered Accountants as Statutory Auditors for a period of five years commencing from conclusion of 68<sup>th</sup> Annual General Meeting to 73<sup>rd</sup> Annual General Meeting, subject to Members approval at the ensuing Annual General Meeting, at such remuneration as may be mutually agreed between the Board of Directors and the Auditors.

The Auditors Report on the financial statement of the Company for the year ended 31 March 2022, is forming part of this Report.

### SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204(1) of the Act and Regulation 24A of the Listing Regulations, 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, Practising Company Secretary (having 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 Regulation 24A of Listing Regulations read with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 8 February 2019, the Company has obtained Secretarial Compliance Report for the financial year ended 31 March 2022 from the Secretarial Auditor of the Company and the same has been submitted to the stock exchange (BSE) within due time.

### COST AUDITOR AND COST RECORDS

In terms of Section 148(2) of the Act read with Rule 4 of the Companies (Cost Records and Audit) Rules, 2014, the Company is required to get its cost accounting records audited by a cost auditor. The Board had, at its 348<sup>th</sup> meeting held on 28 June 2021, appointed M/s. K. S. Kamalakara & Co. as Cost Auditors for the financial year 2021-22 and the same was ratified by the Members at the 67<sup>th</sup> Annual General Meeting of the Company.

The Board after considering the recommendations of the Audit Committee, reappointed M/s. K. S. Kamalakara & Co. as Cost

Auditors for the financial year 2022-23. A resolution seeking approval of the Members for ratifying the remuneration payable to the Cost Auditors for financial year 2022-23 is provided in the Notice of the ensuing Annual General Meeting.

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 financial year and the Company is required to file the same with the Ministry of Corporate Affairs (MCA) within 30 days from the date of receipt of the cost audit report. The Cost Audit Report for the financial year 2020-21 was filed with the MCA on 9 September 2021.

The Cost accounts and records as required to be maintained under section 148(1) of the Act are duly made and maintained by the Company.

### INTERNAL AUDITOR

The Company has appointed M/s. P. Chandrasekar LLP, Chartered Accountants as Internal Auditor of the Company as mandated under provisions of Section 138 of the Act to evaluate the internal controls and financial reporting.

## AUDITORS OBSERVATION

There are no qualifications, reservations, adverse remarks or disclaimers made by the Statutory Auditor, Secretarial Auditor, Internal Auditor and Cost Auditor in their respective reports.

## SECRETARIAL STANDARDS

Pursuant to the provisions of Section 118 of the Act, 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.

## CORPORATE GOVERNANCE

Corporate Governance Report forms part of this Report. A Certificate on Corporate Governance Report as required under Regulation 34(3) read with Schedule V of Listing Regulations, issued by M/s. R. Subramanian and Company LLP, Chartered Accountants, is annexed to this Report as '**Annexure E**'.

## MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The Management Discussion and Analysis Report as required under clause (e) of Regulation 34(2) read with Schedule V of the Listing Regulations, forms part of this Report.

## BUSINESS RESPONSIBILITY REPORT

Business Responsibility Report as required under clause (f) of Regulation 34(2) read with Schedule V of the Listing Regulations forms part of this Report.

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

The Board has constituted Risk Management Committee to proactively identify, assess and mitigate risks in order to protect its business, improve Corporate Governance and enhance stakeholders' value. The Risk Management Committee lay down procedures for risk assessment and minimization. It shall serve as the 'eyes and ears' for the Company which would ensure that the Company is insulated from risks both at the macro and micro level.

The Risk Management Committee periodically reviews the various risks associated with the Company's business, industry, operation and recommends steps to be taken to control, monitor and mitigate the risk.

The Company has in place a Risk Management Policy to identify and evaluate various business risks and opportunities. The Risk Management Policy is available on website of the Company at <https://www.sandurgroup.com/Policies.html>.

In terms of Regulation 21 of the Listing Regulations, the Risk Management Committee in its meeting held on 9 February 2022, had appointed Uttam Kumar Bhageria as Chief Risk Officer in addition to his role as Chief Financial Officer.

The Company believes that, periodic review of various risks which has a bearing on the business and operations of the Company is vital to proactively manage uncertainty and changes in the internal and external environment so that it can limit the adverse 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 Management Discussion and Analysis Report forming part of this Report also contain information 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 to have a seamless process in place regarding risk identification, assessment, mitigation and monitoring.

### CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135 of the Act read with rules made thereunder, the Corporate Social Responsibility Committee has been constituted by the Board for the purposes of recommending and monitoring the CSR initiatives of the Company. The details such as composition, terms of reference, meetings held etc., are mentioned in the Corporate Governance Report forming part of this Report.

### 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 seven decades, consciously contributing towards betterment of the local area and living standards of its people, and also protection and improvement of the environment. In accordance with Section 135 of the Act, the Company has undertaken CSR activities, projects and programs, excluding activities undertaken in pursuance of its normal course of business.

Reaching out to under privileged communities is a part of the Company's philosophy and culture. The Company shall continue to be mindful of its social and moral responsibilities towards consumers, employees, members, 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 had a CSR spend of ₹ 446.29 lakh during the financial year 2021-22 as against the mandatory requirement of ₹ 433.69 lakh. The Annual Report on Company's CSR activities of the Company undertaken during the year 2021-22 are furnished in 'Annexure F'.

The Company's Corporate Social Responsibility Policy can be accessed on Company's website at <https://www.sandurgroup.com/Policies.html>. The Members may refer to the Annual Report on CSR for details regarding the policy. 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 Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are set out in 'Annexure G' to this Report.

### PARTICULARS OF EMPLOYEES

In terms of the first proviso to Section 136 of the Act, the Reports and Accounts are being sent to the Members excluding the information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company. Any Member interested in obtaining the same may write to the Company Secretary of the Company.

The statement containing information as required under the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in 'Annexure H' and forms part of this Report.

### REMUNERATION RECEIVED BY MANAGING/ WHOLE TIME DIRECTOR FROM HOLDING COMPANY OR SUBSIDIARY COMPANY

The Managing Director/ Whole Time Director has not received any remuneration from holding company or subsidiary company.

## CREDIT RATING

The following credit ratings of the Company was upgraded during the financial year 2021-22:

Instrument Details	Amount (in ₹ lakh)	Rating upgraded	Name of credit rating agency	Date on which credit rating was upgraded
Long term rating	75,100	A (Stable)	ICRA	6 September 2021
Short term rating		A1		
Long term rating	75,100	A (Stable)	CRISIL	24 August 2021
Short term rating		A1		

## 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, no complaints were received relating to sexual harassment.

## DISCLOSURE OF TRANSACTIONS OF THE COMPANY WITH ANY PERSON OR ENTITY BELONGING TO THE PROMOTER/ PROMOTER GROUP WHICH HOLDS 10% OR MORE SHAREHOLDING IN THE COMPANY

The transactions with the person or entity belonging to the promoter/ promoter group which holds (s) 10% or more shareholding in the Company have been disclosed in the accompanying financial statements.

## 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:

- 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.
- 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 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 the Board of Directors

Place: Bengaluru  
Date: 11 August 2022

**T. R. Raghunandan**  
Chairman  
DIN: 03637265

# Annexure A

## DIVIDEND DISTRIBUTION POLICY

### 1. OBJECTIVE

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.

### 2. EFFECTIVE DATE

The policy shall become effective from the date of its adoption by the Board i.e., 28 June 2021.

### 3. REGULATORY FRAMEWORK

Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) (SEBI LODR) Regulations, 2015 read with SEBI (LODR) (Second Amendment) Regulations, 2021 mandated framing of Dividend Distribution Policy by top 1000 listed companies, based on the market capitalization.

The Company while declaring and paying dividend shall adhere to all applicable provisions of the Companies Act, 2013 (the Act) and rules made there under as amended from time to time and to the extent applicable other applicable Acts, rules, regulations, guidelines relating to dividend distributions.

In view of the said requirement, the Board of Directors of the Company recognizes the need to lay down a broad framework with regard to the distribution of dividend to its shareholders and utilization of the retained earnings.

### 4. FORMS OF DIVIDEND

#### Interim Dividend

The Board of Directors of the Company may declare interim dividend during any financial year or at any time during the period from closure of financial year till holding of the annual general meeting out of the surplus in the profit and loss account or out of profits of the financial year. The interim dividend may be declared and paid by the Board one or more times in the financial year as it may deem fit fulfilling the requirements of the statutory provisions.

#### Final Dividend

The final dividend is paid for the financial year after the finalisation of annual accounts. The Board of Directors of the Company has the power to recommend the payment of final dividend to the shareholders for their approval at the Annual General Meeting of the Company based on which the final dividend shall be paid to the shareholders.

#### Unit of dividend declaration

The dividend shall be declared on per share basis only.

The Interim Dividend and Final Dividend shall be declared complying with the applicable provisions of the Act, SEBI LODR regulations and the criteria set in this policy.

### 5. 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 impacting 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:

- Consolidated 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.

#### **6. PROVISIONS IN RELATION TO DIVIDEND DISTRIBUTION:**

The Company has to follow the provisions of the Act, SEBI LODR regulations, the Income Tax Act, 1961 and other statutory provisions applicable for declaration, disbursement and other events related to dividend payment. The major provisions of dividend distribution for considerations are as under:

##### **Declaration of Dividend**

The Board of Directors shall recommend dividend to the shareholders. Pursuant to the provisions of applicable laws and this Policy, interim dividend can be approved by the Board of Directors and final Dividend, if any, recommended by the Board of Directors, will be subject to shareholders approval, at the ensuing Annual General Meeting of the Company.

##### **Time limit for deposit of dividend**

The amount of the dividend, including interim dividend, must be deposited in a scheduled bank in a separate account within five (5) days from the date of declaration of such dividend or such number of days as may be prescribed by law.

##### **Time limit for payment of dividend**

The dividend has to be paid within 30 days from the date of declaration or such other period as is applicable by law.

##### **Dividend to be paid to Registered Shareholders**

No dividend shall be paid by a company in respect of any share therein except to the registered shareholder of such share or to his order or to his banker and shall not be payable except in cash.

Any dividend payable in cash may be paid by cheque or warrant through post directed to the registered address of the shareholder who is entitled to the payment of the dividend or to his order or in any electronic mode sent to his banker in terms of Section 123(5) of the Act as amended from time to time.

##### **Determine record date / book closure**

The Company shall determine the date of closure of the register of members and the share transfer register of the Company as per requirements of Section 91 of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

##### **Transfer of unpaid dividend to Special Account**

If dividend could not be paid or has not been claimed within the 30 days from the date of its declaration, the Company shall

transfer the total amount of dividend which remains unpaid or unclaimed, to a special account in a scheduled bank to be called "Unpaid Dividend Account". Such transfer shall be made within 7 days from the date of expiry of the said period of 30 days.

Any person who claims a right on unpaid/unclaimed dividend may apply for payment in terms of section 124(4) of the Act to the Company or has to write to Registrar and Share Transfer Agent at the following address for claiming the amount:

Venture Capital and Investments Private Limited  
12-10-167, Bharat Nagar, Hyderabad-500018  
Phone: +91 040-23818475/23818476/23868023  
Fax. NO. 040-23868024  
Email: [investor.relations@vccipl.com](mailto:investor.relations@vccipl.com)

- **Transfer to IEPF after 7 years**

Any money transferred to the unpaid dividend account of the Company in pursuance of section 124 of the Act which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company to the Investor Education and Protection Fund established (IEPF) under section 125(1) of the Act.

- **No claims shall lie against Company**

After the expiry of the period of seven years from the date from which unclaimed and unpaid dividends were transferred to the Unpaid Dividend Account, no claims shall lie against the Fund or the Company in respect of any such amounts.

In this case shareholders can claim the dividend after following the procedure of filing Form IEPF-5 with Investor Education and Protection Fund Authority.

#### 7. DISCLOSURE:

The Dividend Distribution Policy shall be disclosed in the Annual Report and on the website of the Company i.e. at [www.sandurgroup.com](http://www.sandurgroup.com).

#### 8. REVIEW / AMENDMENT OF THE POLICY:

The Board will review this Policy on a periodic basis as per the requirement. This policy, including definition and other provisions of the policy shall stand automatically amended because of any regulatory amendments, clarifications etc. in the applicable laws, rules and regulations.

In case of any amendment(s), clarification(s), circular(s), notification(s), etc., issued by the relevant authorities, not being consistent with the provisions of this policy, such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions of this policy.

# Annexure B

## FORM AOC-1

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

### STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES OR ASSOCIATE COMPANIES OR JOINT VENTURES

#### Part "A": Subsidiaries

1.	Name of the subsidiary	
2.	Date since when subsidiary was acquired /DOI	
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	
8.	Total liabilities (excluding reserves & surplus)	Not Applicable
9.	Investments	
10.	Turnover	
11.	Profit before taxation	
12.	Provision for taxation	
13.	Profit 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

**Note:** After the closure of financial year ended 31 March 2022, the Board at its meeting held on 10 April 2022 accorded its approval for incorporation of a Wholly Owned Subsidiary (WOS) company with the name "Sandur Pellets Private Limited" by subscribing to 100% of its share capital. Accordingly, the WOS company got incorporated on 7 May 2022.

#### Part "B": Associate companies and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	Name of Associate companies /Joint Ventures	Name
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)	
4.	Description of how there is significant influence	Not Applicable
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 the Board of Directors

**T. R. Raghunandan**

Chairman  
DIN: 03637265

**Bahirji A. Ghorpade**

Managing Director  
DIN: 08452844

**Place:** Bengaluru

**Date:** 11 August 2022

**Bijan Kumar Dash**

Company Secretary & Chief Compliance Officer

**Uttam Kumar Bhageria**

Chief Financial Officer & Chief Risk Officer

# Annexure C

## FORM 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 PROVISIO 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							

### 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	Date(s) of approval by the Board	Amount paid as advances, if any
Nil					

**Note:** All the contracts or arrangements with related parties are in the ordinary course of business. And at arm's length basis. All related party transactions are approved by the Audit Committee and reviewed by Statutory Auditors.

For and on behalf of the Board of Directors

**Place:** Bengaluru  
**Date:** 11 August 2022

**T. R. Raghunandan**  
Chairman  
DIN: 03637265

# Annexure D

## FORM NO. MR-3

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

[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 **31 March 2022**, 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 **31 March 2022** 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);**
- h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 **(Not applicable during the audit period);** and
- 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 Act, Rules, Regulations, Guidelines, Secretarial Standards etc.

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 complied with the provisions of the SEBI Regulations.

*With regard to the compliance of the Secretarial Standards on Meetings of Board of Directors, it is observed that there were no other deviations except delay in circulation of Agenda papers, draft and signed Minutes of Board/Committees to Board of Directors/Committee Members in few instances. However, it was noted that all the members of the Board/Committees approved minutes of the meetings and the same 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) Karnataka Forest Act, 1963;
- (vii) Forest (Conservation Act), 1980;

**Place:** Bengaluru

**Date:** 11 August 2022

(vii) Karnataka Mineral Policy 2008;

(ix) National Mineral Policy 2019;

(x) 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 duly complied with laws specifically applicable (provided herein above).

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 CompanySecretary

FCS No. 10003; CP No. 12400

**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 THE 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.

**Place:** Bengaluru  
**Date:** 11 August 2022

Name and Signature: **N.D Satish**  
Designation: Practicing CompanySecretary  
FCS No. 10003; CP No. 12400

# 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, AS AMENDED

The Members

## The Sandur Manganese and Iron Ores Limited

1. The Corporate Governance Report prepared by The Sandur Manganese and Iron Ores Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations) (Applicable criteria) for the year ended 31 March 2022 as required by the Company for annual submission to the Stock exchange.

## 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 controls 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.

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 as on 31 March 2022 and verified whether at-least one independent woman director was on the Board of Directors throughout the year;
  - d. Obtained and read the minutes of the following meetings of the Board of Directors and its Committees held from 1 April 2021 to 31 March 2022:
    - Board of Directors;
    - Audit Committee;
    - Nomination and Remuneration Committee;
    - Stakeholders' Relationship Committee;
    - Risk Management Committee;
    - Corporate Social Responsibility Committee; and
    - Annual General Meeting.
  - e. Obtained necessary representations and declarations from Directors of the Company including the Independent Directors;
  - f. Obtained and read the policy adopted by the Company for related party transactions;
  - g. Obtained the schedule of related party transactions during the year and balances at the year end and read the minutes of the audit committee meeting to verify that all related party transactions have been pre-approved by the audit committee;
  - h. Performed necessary inquiries with the management and obtained necessary specific representations from management; and
8. 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.

## OPINION

9. 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 as on 31 March 2022.

**OTHER MATTERS AND RESTRICTION ON USE**

10. 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.
11. 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 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:** 11 August 2022

**Gokul S Dixit**  
Partner  
Membership Number: 209464

# Annexure F

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2021-22

### 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:

- Scope of CSR activities
- Composition of CSR Committee
- Principle of selecting projects
- Manner in which the CSR programmes will be implemented
- Formulation of annual action plan
- CSR expenditure and its treatment
- Impact assessment study
- Governance and monitoring of CSR activities
- Reporting, disclosure and review.

### 2. COMPOSITION OF CSR COMMITTEE:

Sl. No.	Name of Director	Designation and 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 Non-Executive Director	2	2
2	T. R. Raghunandan	Member Non-Executive Director	2	2
3	Bahirji A. Ghorpade	Member Managing Director	2	2
4	Jagadish Rao Kote	Member Independent Director	2	1
5	S S Rao	Member Independent Director	2	2

### 3. 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 the Company's 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 the Company's 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 the financial year, the details of which are available on the Company's website, at <https://www.sandurgroup.com>

### 4. 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:**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹ lakh)	Amount required to be set-off for the financial year, if any (in ₹ lakh)
1	2018-19	Nil	Nil
2	2019-20	Nil	Nil
3	2020-21	10	Nil
	<b>Total</b>	<b>10</b>	<b>Nil</b>

**6. AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5):** ₹ 21,684.68 lakh

<b>7.</b>	(a)	Two percent of average net profit of the company as per section 135(5):	₹ 433.69 lakh
	(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):	₹ 433.69 lakh

**8. (A) CSR AMOUNT SPENT OR UNSPENT FOR THE FINANCIAL YEAR:**

Total Amount Spent for the Financial Year. (in ₹ lakh)	Amount Unspent (in ₹ lakh)				
	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.
446.29	Nil	Nil	Nil	Nil	Nil

**(B) DETAILS OF CSR AMOUNT SPENT AGAINST ONGOING PROJECTS FOR THE FINANCIAL YEAR:**

(₹ in lakh)

Sl. No	1	2	Total
Name of the project	Promotion of Education Deogiri School Infrastructure Development	SMIORE CSR Protection of Environment Programme	
Item from the list of activities in Schedule VII to the Act	(ii)	(iv)	
Local area (Yes/ No)	Yes	No	
Location of the project	State District	Karnataka Ballari	Throughout India
Project Duration	3 years (FY 2020-21 to 2022-23)	2 years (FY 2021-22 and 2022-23)	
Amount allocated for the project for the financial year 2021-22 (₹ in lakh)	205.00	70.00	<b>275.00</b>
Amount spent in the year ended 31 March 2022 (₹ in lakh)	235.83	70.00	<b>305.83</b>
Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (₹ in lakh)	Nil	Nil	
Mode of Implementation - Direct (Yes/ No)	No	Yes	
Mode of Implementation - Through Implementing Agency	Name CSR Registration Number	Karnataka Seva Sangha CSR00002255	

**(C) DETAILS OF CSR AMOUNT SPENT AGAINST OTHER THAN ONGOING PROJECTS FOR THE FINANCIAL YEAR:**

(₹ in lakh)

Sl. No	1	2	3	4	Total
Name of the project	Promotion of Education	Prevention of Child Labour	Community Development	Any other area - Sponsorship of Bengaluru Open ATP Challenger Tournament (KSLTA)	
Item from the list of activities in schedule VII to the Act	(ii)	(ii)	(x)	(viii)	
Local area (Yes/No)	Yes	Yes	Yes	No	
Location of the project	State	Karnataka	Karnataka	Karnataka	
	District	Ballari	Ballari	Ballari	Bengaluru
Amount spent for the project	123.38	4.00	8.08	5.00	<b>140.46</b>
Mode of implementation – Direct (Yes/No)	No	No	Yes	Yes	
Mode of implementation – Through implementing agency	Name	Karnataka Seva Sangha	Karnataka Seva Sangha		
	CSR registration number	CSR00002255	CSR00002255		

**(D) AMOUNT SPENT IN ADMINISTRATIVE OVERHEADS:**

Nil

**(E) AMOUNT SPENT ON IMPACT ASSESSMENT, IF APPLICABLE:**

Nil

**(F) TOTAL AMOUNT SPENT FOR THE FINANCIAL YEAR (8B+8C+8D+8E)**

₹ 446.29 lakh

**(G) EXCESS AMOUNT FOR SET OFF, IF ANY**

Sl. No.	Particular	Amount (₹ in lakh)
(i)	Two percent of average net profit of the company as per section 135(5)	433.69
(ii)	Total amount spent for the Financial Year	446.29
(iii)	Excess amount spent for the financial year [(ii)-(i)]	12.60
(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)]	12.60

**9. (A) DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹ lakh)	Amount spent in the reporting Financial Year (in ₹ lakh)	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 ₹ lakh)
				Name of the Fund	Amount (in ₹ lakh)	Date of transfer	

Nil

**(B) DETAILS OF CSR AMOUNT SPENT IN THE FINANCIAL YEAR FOR ONGOING PROJECTS OF THE PRECEDING FINANCIAL YEAR(S):**

(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 ₹ lakh)	Amount spent on the project in the reporting Financial Year (in ₹ lakh)	Cumulative amount spent at the end of reporting Financial Year. (in ₹ lakh)	Status of the project - Completed / Ongoing.
1	NA	Promotion of Education – Deogiri School Infrastructure Development	2020-21	3 years	376.00	235.83	341.83	Ongoing

**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 2021-22 through CSR expenditure.

**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

**Place:** Bengaluru  
**Date:** 11 August 2022

**Bahirji A. Ghorpade**  
Managing Director

**H L Shah**  
Chairman of CSR Committee

# Annexure G

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

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

### A. CONSERVATION OF ENERGY:

(i) Steps taken or impact on conservation of energy	<p>The Company has undertaken various solar installations on both 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 ferroalloys plant.</p> <p>Following energy conservation measures have been taken at Ferroalloys and coke oven plant at Vyasankere, Hosapete:</p> <ol style="list-style-type: none"> <li>1) Installation of VVFD drives for HT Motors.</li> <li>2) Reduction in specific power consumptions per tonne of SiMn production.</li> <li>3) Reduction in auxiliary power consumption of power plants.</li> <li>4) Reduction in fresh water usage by recycling the cooling tower blowdown water for coke quenching and slag granulation.</li> <li>5) Fixing of steam traps in steam line to avoid wastage of steam and condensation</li> <li>6) Fixing of transparent sheets in the factory buildings and raw material towers to avoid electrical illumination during day time.</li> </ol>
(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 the registered office, mines, and the plant. 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 residential 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"> <li>1) Installation and commissioning of Coke Oven Plant</li> <li>2) Installation and commissioning of Waste Heat Recovery Boilers</li> <li>3) Upgradation &amp; refurbishment of Ferroalloys Plant</li> </ol>
(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"> <li>1) Addition of metallurgical Coke in Company's product Line.</li> <li>2) Reduction in specific power consumption on Ferroalloy production.</li> <li>3) Complete elimination of thermal coal usage in Power Generation there by reducing green gas emissions.</li> <li>4) Cost reduction due to installation of solar plants.</li> </ol>
(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 w.e.f., 18 January 2021.
(d) If not fully absorbed, areas where absorption has not taken place, and the reasons therefore.	Not Applicable
(iv) Expenditure incurred on Research and Development	Not Applicable

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

(i)	Foreign Exchange Earnings	Not Applicable
(ii)	Foreign Exchange Outgo	₹ 34,282.50 lakh

For and on behalf of the Board of Directors

**Place:** Bengaluru  
**Date:** 11 August 2022

**T. R. Raghunandan**  
Chairman  
DIN: 03637265

# Annexure H

## PARTICULARS OF EMPLOYEES

(Pursuant to provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

### 1. THE RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF THE EMPLOYEES OF THE COMPANY FOR THE FINANCIAL YEAR 2021-22:

Name of the director	Ratio
Bahirji A. Ghorpade	43.32
Mohammed Abdul Saleem	25.42

### 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	% Increase
Bahirji A. Ghorpade	23.30
Mohammed Abdul Saleem	(5.20)
Sachin Sanu, Chief Financial Officer <sup>1</sup>	-
Uttam Kumar Bhageria, Chief Financial Officer <sup>1</sup>	-
Bijan Kumar Dash, Company Secretary <sup>1</sup>	-

<sup>1</sup> The % change in remuneration is not comparable as the said personnel held the position for a part of the year either in 2020-21 or in 2021-22.

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

Particulars	% Increase
Median remuneration of employees	14.01

### 4. NUMBER OF PERMANENT EMPLOYEES ON THE ROLLS OF COMPANY AS ON 31 MARCH 2022: 2,287

### 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: 14.01%
- Percentile increase in the managerial remuneration: 10.97 %

### 6. AFFIRMATION THAT THE REMUNERATION IS AS PER THE REMUNERATION POLICY OF THE COMPANY: Yes

For and on behalf of the Board of Directors

Place: Bengaluru  
Date: 11 August 2022

**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	<a href="http://www.sandurgroup.com">www.sandurgroup.com</a>
5	E-mail id	<a href="mailto:secretarial@sandurgroup.com">secretarial@sandurgroup.com</a>
6	Financial Year reported	2021-22
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	(a) Mining of Manganese Ores (NIC Code 07293) (b) Mining of Iron Ores (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 Ores and Iron Ores (b) Manufacture of Ferroalloys (c) Manufacture of Coke and Generation of Power
	(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 and National

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	₹ 900.19 lakh
2	Total Turnover (INR)	₹ 2,28,397 lakh
3	Total profit after taxes (INR)	₹ 67,512 lakh
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹ 446.29 lakh which exceeds 2% of the average net profit of the Company for the last 3 financial years.
5	List of activities in which expenditure in 4 above has been incurred	Refer Annexure F to the Board’s 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.

## 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	Mohammed Abdul Saleem
3. Designation	Director (Mines)

#### (b) Details of the BR head

1. DIN Number	00061497
2. Name	Mohammed Abdul Saleem
3. Designation	Director (Mines)
4. Telephone number	+91 8395 271127
5. E-mail id	<a href="mailto:saleem@sandurgroup.com">saleem@sandurgroup.com</a>

\* Business Responsibility Reporting has become applicable from the financial year 2019-20. The Board of Directors at its meeting held on 31 August 2020 appointed Mohammed Abdul Saleem, Director (Mines) as the BR head and the person responsible for implementation of the BR policy/policies of the Company.

#### 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:

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

S. 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)	<a href="https://www.sandurgroup.com/Policies.html">https://www.sandurgroup.com/Policies.html</a>								
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:**

<b>Principle 1:</b>	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, Code of conduct for the employees
<b>Principle 2:</b>	Tryst with SMIORE – An informal Will of M. Y. Ghorpade; Quality, Environmental, Occupational Health and Safety (QEOHS) Policy
<b>Principle 3:</b>	Human Resource (HR) Policies; Quality, Environmental, Occupational Health and Safety (QEOHS) Policy; Policy on Prevention of Sexual Harassment
<b>Principle 4:</b>	Corporate Social Responsibility Policy; Tryst with SMIORE – An informal Will of M. Y. Ghorpade; Policy on Prevention of Sexual Harassment
<b>Principle 5:</b>	HR Policies; Quality Environmental Occupational Health and Safety (QEOHS) Policy; Policy on Prevention of Sexual Harassment
<b>Principle 6:</b>	Quality Environmental Occupational Health and Safety (QEOHS) Policy; Environmental Clearances for Mines and Plant; Supplementary Environment Mining Plans for mines
<b>Principle 7:</b>	Quality Environmental Occupational Health and Safety (QEOHS) Policy
<b>Principle 8:</b>	Corporate Social Responsibility Policy; Tryst with SMIORE – An informal Will of M. Y. Ghorpade
<b>Principle 9:</b>	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.

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

S. 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

The Company believes that Corporate Governance is not only a principle that the organization follows but it's a way of life that is embedded in organizational culture and behavior of each employee of the organization. Governance of business responsibility begins with policy formulations and its implementation. The mindset of contributing to the different stakeholders and the environment at large, besides earning profits, which emanated from the very objective of incorporation of the organization coexists at present also.

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 intervals in the meetings conducted at Mines and the Plant. However, to make the monitoring of performance holistic and robust, Board of Directors in its meeting dated 10 February 2021 constituted Corporate Sustainability Committee (CSC). The Company conducted meeting of CSC on 9 November 2021 to discuss several matters relating to business responsibility and sustainability. Also, at the meeting of Corporate

Social Responsibility Committee (CSRC) the members discuss principles 4 and 8 of BR principles.

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 robust system of Corporate Governance practices of the Company reflects the value system encompassing its ethos, culture, principles, policies, openness and relationship with internal and external stakeholders. 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. Towards this, the Company has adopted various codes and policies so as to conduct the affairs of the Company in a fair and transparent manner.

Sl. No.	Codes formulated by the Company	SEBI Regulation under which codes are formulated
1	Code of Conduct for Board Members and Senior Management	Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
2.	Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives	Regulation 9(1) read with Schedule B of SEBI (Prohibition of Insider Trading) Regulations, 2015
3	Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information	Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015

With growth of the organization and inclusion of new people from different background, culture and attributes with the existing work force, the Company contemplated to have a comprehensive code of conduct and ethics policy for employees. Besides bringing harmony and maintaining unity amongst diversity the benefit of Code of conduct and ethics policy can be multifold including to inculcate good principles, values and discipline. The management felt that a well implemented Code of Conduct and Ethics Policy enables organization to establish an organizational culture of maintaining highest standards of ethics and integrity at all levels and to prevent and detect unlawful and unethical conduct and activities. The Board in its meeting dated 28 June 2021 approved the Code of Conduct and Ethics Policy for the employees.

The Company's Code of Conduct stands on six pillars namely straightforwardness, morality, integrity, obligations, responsibility and equality (SMIORE) which are six core values imbibed in the organization's culture, building a strong foundation on which the organization stands. Each letter of SMIORE signifies one pillar

correlating to a core value, conveying a healthy relationship with the Company's belief system of GATE (Governance, Accountability, Transparency and Equality). In order to make the employees of the organization to understand the basic tenet of code of conduct and ethics and implement it in day to day operations several training programmes were undertaken by the Secretarial team lead by Company Secretary at Deogiri mines location, plant location at Vyasankere, corporate office and registered office.

In addition to the Code of Conduct policy, the Company also has developed whistle blower policy and POSH policy to strengthen Company's ethics practices.

The clause in the Code of Conduct policy relating to ethics, bribery and corruption covers the Company and extends to a large number of contractors/service providers. The Company during onboarding of vendors and customers ensure mandatory assurance by the new entrants to abide the Code of Conduct policy of the Company. The 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.

During the financial year 2021-22, 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

The foundation of the Company is laid on the principles of safe and scientific mining, and we are proud to progress into the future keeping these principles intact. A commitment to conserve the local ecology and the welfare of surrounding communities lie at the heart of all our mining efforts. Our proactive adherence to applicable norms and voluntary environmental protection projects exemplifies our attachment to the rich heritage of land. The Company's award-winning Sustainable Development Framework (SDF) is a benchmark in sustainable mining operations in the country.

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

The Company produces Manganese Ores and Iron Ores at mines and manufactures ferroalloys and coke at plant locations.

The Company adopted sustainable mining practices and production processes for all its products. It ensures to implement appropriate environmental measures in all its mining operations to protect and safeguard the environmental parameters such as air, water, land, noise and biodiversity. Similarly, special measures are being taken at plant to conserve the resources.

The Company has secured a total of 21 prizes as part of Annual Mines Safety Week Celebrations organized by Mines Safety Association of Karnataka under the aegis of Directorate General of Mines Safety, Government of India. Further, the Company has secured 14 prizes, including Overall First Prize at the Mines Environment & Mineral Conservation celebrations organized under the aegis of Indian Bureau of Mines, Government of India.

### Scientific and systematic mining

The vision of our founders made the Company the vanguard for scientific mining in India. Since its inception, the Company has set exemplary milestones in scientific mining, safety, afforestation and environment protection. Multiple safety and operational excellence awards won by the Company are the testimony to its highly evolved and meticulous functioning steeped in scientific rigour. Congregation of the Company's values, culture and philosophy with utmost regard and respect to the various mining statutes and rules have held us in good stead in our approach to scientific and systematic mining.

More than 87% of our mining lease is forestland, which we nurture and develop through seamless afforestation initiatives. The Company's SEMP programs consist of:

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.

Upholding sustainable practices is core to Company's operations. 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.

Ministry of Mines, Government of India has awarded 5 Star Rating to Company's Mines based on the assessment of various 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 Ores 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. At the 5th National Conclave on Mines & Minerals held on 23 November 2021 in Delhi, the Ministry of Mines, Government of India has awarded 5 Star Rating to both the mines of the Company. The current 5 Star Rating awarded to the mines of the Company are for the years 2017-18, 2018-19 and 2019-20. Subsequently, at the 6<sup>th</sup> National Conclave on Mines & Minerals held on 12 July 2022 in Delhi, the Ministry of Mines, Government of India has awarded Five Star Rating to both the mines of the Company for the year 2020-21.

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. Ministry of Labour & Employment, Government of India has awarded Vishwakarma Rashtriya Puraskar, National Safety Award (Mines) to the Company's Deogiri Manganese & Iron Ores Mine for the year 2017. The award was presented by Hon'ble Minister Bhupender Yadav, Ministry of Labour & Employment, Government of India on 8 March 2022 at Vigyan Bhawan in New Delhi. The Company's culture and philosophy of utmost regard and respect to the various statutes and rules, has held the Company in good stead.

### State of art and highly integrated ferroalloys plant

The Company's state of art ferroalloys plant at Vyasankere, Hosapete operates under sustainable framework enabling operation to manufacture and produce quality products while conserving energy and resources. The Company strives for fully-integrated operations with a vision to achieve self-sufficiency and optimum operational efficiency through forward and backward integrations. The Company completed its coke oven expansion in FY21 with the commissioning of the coke oven plant. The Coke Oven plant is the most recent addition to SMIOR's operations. It consists of 4 batteries and has a cumulative capacity of 0.5 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 our Company to set up a steel plant. With these plant expansions, our Company has enabled a feasible power generation set up to support the Ferroalloys operations.

It has also enabled integration of Coke for future downstream activities of steel expansion. By setting the coke oven plant with integrated Waste Heat Recovery Boilers (WHRB), our Company has taken major steps towards producing metallurgical coke and generating cleaner energy for the power requirement of ferroalloy manufacturing operations.

Several initiatives undertaken at the plants to improve the sustainability aspect and produce quality products during the year 2021-22:

- Significant renewable energy potential identified across all locations;
- Recovery and reuse of metal from ferroalloys slag. Sustained solid waste utilization;
- Process optimization initiatives such as waste heat recovery systems and by-product gas utilization;
- Investment in air pollution control equipment;
- Systems to increase water consumption and its efficiency and reusing water by recycling the it in a close loop.

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, Coke oven and power 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 for Quality Management Systems, ISO 14001:2015 for Environmental Management Systems and ISO 45001:2018 for Occupational Health & Safety Management Systems duly certified by Indian Register Quality Systems and Ferroalloy plant is ISO 9001:2015 for the management system of operations certified by Bureau of Veritas. ISO audit examines various social and environmental parameters and assess the measures taken by the Company thereby 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?**

Consumption of raw material, utilities, stores and spares such as electricity, water, fuel oil, lubricant oil are regularly monitored by the Company at its mines and plant. Energy audits are routinely carried out, both at the mines and plant, and the recommendations implemented. External audit, internal audit and the energy audit are regularly carried out and their recommendations are used for 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?**

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 Manganese Ores from captive mines is transported through road 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 residents and improving their standard of living has been Company's primary objective from inception.

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 directly and indirectly throughout its value chain. The Company encourages deployment of transport trucks and machineries owned by local villagers. In addition, 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%).**

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 water from Sewage Treatment Plant) is used for dust suppression caused by vehicular traffic.

The Ferromanganese (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 ferroalloys 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 (Ferroalloys 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 from operational activities. 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.

### PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

The culture and history of SMIORE goes with doing well for others. From 1950s, under the vision and leadership of Shri. M.Y. Ghorpade, many pioneering initiatives to setup various organisations and institutions were taken up. This was done with an objective to ensure wholesome development and progress of people of the Sandur region. After incorporation of the Company several welfare initiatives for employees were undertaken by the Company.

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.

#### Employee engagement during the year

The Company came out with a unique effort in the name of SANDUR SAMBHRAMA in the year 2021-22. This celebration of oneness is to improve the bonding and enable employees of the organisation to work together. This event began on 7<sup>th</sup> of December (which was the birth anniversary of Company's Founder and Patron M. Y. Ghorpade) and culminated on the 18<sup>th</sup> of January which is SMIORE day, (the day on which the Company was incorporated) included various activities such as sports, cultural and social activities across all our units.

#### Inauguration of employee quarters

On 7 December 2021 at Subbarayanahalli and Deogiri, 192 quarters were inaugurated. These are full-fledged 1 BHK houses with 24-hour supply of electricity and water, along with Solar water heating systems. This is one of SMIORE's most important welfare initiatives for the employees. Satyanarayan Pooja was held at both locations, followed by the house warming ceremonies and handing of the keys to the employees. A grand lunch was organised for

around 7,500 people consisting of employees, family members and villagers from surrounding villages.

#### Existing welfare programmes

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:

- Subsidized LPG (cooking gas) - 8 cylinders a year with 90% subsidy over Government subsidized rates;
- Free solar heated water;
- Free electricity to employees in Company's colonies;
- Free consultation and medication at dispensaries and hospitals at Sandur, mining camps at Deogiri & Subbarayanahalli, Swamihalli & Yeshwanthnagar, and occupational health centre at the Plant;
- 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;
- Generous and almost full reimbursement of cost of treatment/ surgeries in case of major ailments for employees and their dependents;
- Festival gifts for Ugadi, Deepavali, Ramzan and Christmas;
- Cash gift for clothing - ₹ 2,000 to ₹ 12,500 to every employee every year;
- Cash gift for marriage of employees and their children - ₹ 10,000 to ₹ 1 lakh (subject to fulfilment of specified criteria);
- Scholarships to meet total fee (based on Government fee) for PUC, Degree courses, Engineering, Medicine; and other professional courses;
- Scholarships for study in Sandur Residential School, Sandur Polytechnic and SMIORE PU College; and
- 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 (2,287 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 ₹ 900 lakh per annum.

**Details of Employees of the Company are as under:**

3.1	Total number of employees	2,287		
3.2	Total number of employees hired on temporary/ contractual/ casual basis	-		
3.3	Number of permanent women employees	190		
3.4	Number of permanent employees with disabilities	9		
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?	83%		
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	<b>Category</b>	<b>Complaints filed during FY 2021-22</b>	<b>Complaints pending during FY 2021-22</b>
		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?	<b>Category</b>	<b>Percentage</b>	
			<b>Safety Training</b>	<b>Skill Upgradation</b>
		Training		
		Permanent Employees	100%	20%
		Permanent Women Employees	100%	20%
		Casual / Temporary / Contractual Employees	NA	NA
		Employees with disabilities	100%	NIL

**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 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 ₹ 8,500 lakh 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 include the following:

**Internal:**

- Board members
- Promoters
- Employees

**External:**

- (a) Government and other regulatory authorities;
- (b) Customers;
- (c) Shareholders;
- (d) Local community;
- (e) NGO's and other stakeholders;
- (f) 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 our Registered Office located at Sandur, Mines located at Deogiri, Subbarayanahalli, Kamathuru and Ramgad and Plant located at Vyasankere. 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?**

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:

- Support to educational institutions, Primary Schools, High Schools, Pre-University Colleges and a Polytechnic, which together represent about 5,500 students and about 250 teachers.
- Scholarships for studies to needy and meritorious students.
- 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.
- 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.
- SMIORE Academy of Teachers Training for teachers.
- 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.
- 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.
- Outreach programmes for primary eye and health check-up in the neighbouring villages.
- Construction of houses for flood affected victims.
- Contributions for development works in Ballari District.
- De-silting of lakes around the mines and other locations.
- Repair and Construction of roads in local areas.
- 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.
- A multipurpose hall, Adarsha Community Centre, provided almost free of charge to employees and local population of Sandur, for marriages and other events.
- Immediate relief to fire accident victims of surrounding villages by way of free cloth, food grains, etc.
- 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.

**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: BUSINESSES 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 ₹ 7,100 lakh 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:

- 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;
- Economically viable mineral development within the carrying capacity of the Environment;
- Scientific mining with efficiency-increasing technologies, mining and management practices;
- Biodiversity management including mitigating the effects on flora and fauna and preventing pollution of rivers, streams and creeks;
- Pollution control in respect of airborne contaminants, noise and vibration;
- Management of hazardous substances including process reagents, oil and fuel;
- 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 Metal & Ferroalloys (MFA) Plant.

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 (MOEF&CC).

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 set up of the 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.

In addition, SMIOR celebrated World Environment Day on 5 June 2022 with various initiatives in the thematic areas with campaign slogan "Only One Earth" framed by United Nations Environment Programme (UNEP) with focus on "Living Sustainably in Harmony with Nature". Major among these initiatives include establishing a botanical garden harbouring 40 native species consisting medicinal, rare, endemic and threatened flora of the region, setting up a seed repository of native species, mass plantation drive with more than 500 saplings planted on the occasion, tree adoption program and a drawing competition on the theme "Only One Earth" for the students of SMIOR High School, Deogiri. A. Renukamma, Range Forest Officer (RFO), Gudekote, a recipient of the Chief Minister's award, jurisdictional RFO Somashekhar Reddy and a couple of other field officers of the Company were felicitated on the occasion and prizes were distributed to the winners of the drawing competition.

In presence of the chief guest and other dignitaries, employees of SMIOR, elected panchayat members and residents of Deogiri village took oath to make Deogiri Panchayat "single use plastic free" in a phased manner.

#### **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. The Company has planted more than 35 lakh saplings with about 85% survival within its mining leases and is in the process of planting many saplings in and around its ferroalloy and coke plant. 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 (EIA) 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 / MOEF&CC 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.**

**Generation of Solar Energy during the year 2021-22**

Sl. No.	Description	Quantity in Numbers	KWH/System/Year	UNITS Generated in KWH
1	20 Watts Solar street light	232	72	16704
2	50 Watts x 4 No's LED Flood light	8	720	5760
3	20 Watts Home light system	399	72	28728
4	10 KW Solar off grid system	2	36000	72000
5	500 Watts off grid system	1	1800	1800
6	5.5 KW Submersible pump	3	7920	23760
7	1 HP Solar Pump on grid system	2	1074	2148
8	300 KW Solar on grid system	1	300	70330
9	1 KW Solar off grid system	1	1440	1440
10	5 KW Solar on grid system	1	7500	7500
11	5 KW Solar off grid system	1	7500	7500
12	160 W Solar lighting off grid	1	576	576
13	320 W Solar lighting off grid	1	1152	1152
<b>Total</b>				<b>239398</b>

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 and 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 (FIMI), New Delhi and Indian Ferro Alloy Producers Association (IFAPA) Mumbai and 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:

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

### PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

For us at 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 seven 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 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, Vyasankere
- (iii) Sandur Polytechnic, Yeshwantnagar
- (iv) SMIORE Vyasapuri PU College, Vyasankere
- (v) SMIORE Vyasapuri High School (English Medium), Vyasankere
- (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.

SMIORE has also facilitated Covid-19 vaccination at its Hospitals in Deogiri, Subbarayanahalli, 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 (MOEF&CC), 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). Government of India, MOEF&CC (Impact Assessment Division) based on application made by the Company, amended configuration and change in product mix, under Para 7 (ii) of EIA Notification, 2006, for Company's ferroalloys plant located at Hanumanahalli Village, Taluk Hosapete, District Vijayanagara. The amended EC issued on 30 March 2022 suggested CER, expenditure to be incurred under nine specified heads viz., employment for local people, education facilities and sports facilities, drinking water to local village, health care, development of grave yard, toilets, upgradation of temples, green belt development and environment, basic infrastructure development. The spents by the Company under different categories has already been initiated and spents under toilets constructions and upgradation of temple are well above the targets set by the Ministry.

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 MOEF&CC for the Project was received in June 2018, SMIORE had started implementation of CER Programme from financial year 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 stakeholder's 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?

Sl. No.	Activities	Amount spent ₹ in lakh (2021-22)
1	Supporting Education Programme	339.80
2	Promotion of Sports	5.50
3	Promotion of cultural / religious faith	11.09
4	Roads and Infrastructure	235.83
5	As per local body recommendation	0.10
6	Support to forest development, environment and wildlife	110.36
7	Promotion of Traditional Arts and Handicrafts Programme	25.06
8	Prevention of Child Labour	4.00
	<b>Total</b>	<b>731.74</b>

### 8.5 Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

Community development has been one of the important elements of our Company's growth. 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. Various activities used to be undertaken at mines location to bring awareness amongst surrounding people. 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 Swachh 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 financial year 2021-22.

#### 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 behavior 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 the Board of Directors

Place: Bengaluru  
Date: 11 August 2022

**T. R. Raghunandan**  
Chairman  
DIN: 03637265

# Corporate Governance Report

## COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Corporate Governance practices of the Company are built on the moral values of ethics, transparency, accountability, independence, fairness, integrity and social obligations. The Company believes in continuous improvement of its Corporate Governance practices so as to bring a sense of belongingness and confidence in the Company's affairs among its stakeholders. The Company's Code of Conduct stands on six pillars namely Straightforwardness, Morality, Integrity, Obligations, Responsibility and Equality (SMIORE) which are six core values imbibed in the organization's culture, building a strong foundation on which the organization stands. Each letter of SMIORE signifies one pillar correlating to a core value, conveying a healthy relationship with the Company's belief system of GATE (Governance, Accountability, Transparency and Equality).

The Company believes that Corporate Governance is not only a principle that the organization follows but it's a way of life that is embedded in its behavior and culture. The robust system of Corporate Governance practices of the Company reflects the value system encompassing its ethos, culture, principles, policies, openness and relationship with internal and external stakeholders. Towards this, the Company has adopted various codes and policies so as to conduct the affairs of the Company in a fair and transparent manner.

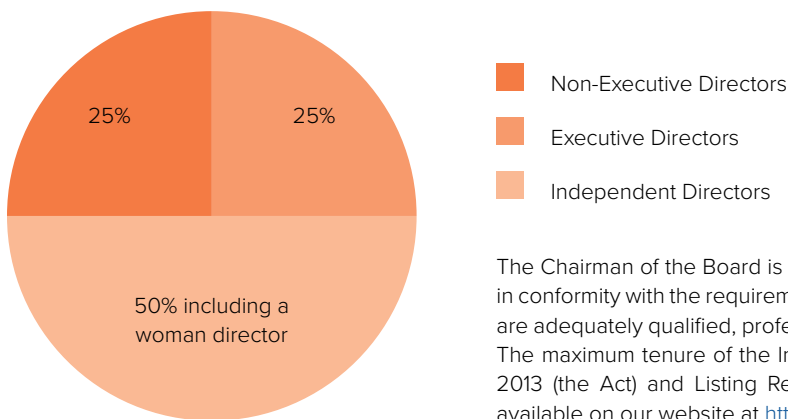
The report on Corporate Governance is pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations). The Company has complied with the applicable requirements of the Listing Regulations and amendments thereto.

## BOARD OF DIRECTORS

The Board of Directors act as a governing body for the Company's operations so as to protect the rights of all the stakeholders of the Company. With their vast diversity of knowledge and expertise, they provide leadership and guidance to the management, thereby enhancing stakeholders value.

### COMPOSITION AND CATEGORY OF DIRECTORS:

The Company believes in a diversified Board with a mixed blend of experiences, expertise, and professionals. The Board of the Company is duly constituted with optimum combination of Executive and Non-Executive, Independent and Non-Independent Directors. As on 31 March 2022, the Board comprised of eight members consisting of four Independent Directors, two Non-Executive Directors and two Executive Directors.



The Chairman of the Board is a Non-Executive Director. The Board composition is in conformity with the requirements of applicable provisions of law. All the Directors are adequately qualified, professional and have vast experience in diverse arenas. The maximum tenure of the Independent Directors is as per the Companies Act, 2013 (the Act) and Listing Regulations. The detailed profile of our Directors is available on our website at <https://www.sandurgroup.com/about-us.html>.

### BOARD MEETINGS:

The Board meets at least once in a quarter to review the results apart from transacting other items of business requiring the Board's attention. Additional meetings are held as and when necessary. The Company Secretary, in consultation with the Managing Director, prepares agenda for the meetings. The Agenda and other related papers were circulated to the Directors well in advance to enable them to take informed decisions. Every Board member can suggest the inclusion of additional items in the agenda.

The information as specified in Part A of Schedule II of the Listing Regulations is being regularly placed before the Board. The Board

further 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. At Board meetings, Senior Management Personnel and representatives who can provide additional insights into the items being discussed, are invited.

During the financial year 2021-22, the Board met seven times i.e., 28 June 2021, 5 July 2021, 12 August 2021, 8 September 2021, 9 November 2021, 10 November 2021 and 9 February 2022. The time gap between any two successive Board meetings did not exceed one hundred and twenty days. The requisite quorum was present for all the meetings.

**ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING:**

The particulars of Directors, their attendance at Board meetings held during the financial year and at the last Annual General Meeting (AGM) held through Video- Conferencing/Other Audio -Visual Means are as under:

Name of the Director	Category of Directorship	Attendance during financial year 2021-22		
		Board Meetings		AGM Yes (Y)/ No (N)
		Number of meetings held	Number of meetings attended	
T. R. Raghunandan	Non-Executive Director / Chairman	7	7	Y
Bahirji A. Ghorpade	Executive Director / Managing Director	7	7	Y
S. S. Rao	Non-Executive Independent Director	7	7	Y
G. P. Kundargi	Non-Executive Independent Director	7	7	Y
Latha Pillai	Non-Executive Independent Director	7	7	Y
Jagadish Rao Kote	Non-Executive Independent Director	7	6	Y
H. L. Shah	Non-Executive Director	7	7	N*
Mohammed Abdul Saleem	Executive Director / Director (Mines)	7	7	Y

\* H. L. Shah, Non-Executive Director could not attend the meeting due to technical glitches.

**INDEPENDENT DIRECTORS AND THEIR MEETING:**

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. The Board includes four Independent Directors, including a woman director.

In accordance with Section 149 read with Schedule IV of the Act and Regulation 25(3) of the Listing Regulations, the Independent Directors of the Company met on 9 February 2022 without the presence of Non-Independent Directors of the Company and members of the management. All the Independent Directors were present at the meeting. The meeting of Independent Directors was chaired by S. S. Rao, Independent Director.

At the aforesaid 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.

The Independent Directors appreciated the effort of management to bring overall improvement across organizations including the corporate governance standards.

**CONFIRMATION BY THE BOARD THAT THE INDEPENDENT DIRECTORS FULFILL THE CONDITIONS SPECIFIED IN LISTING 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 all the Independent Directors of the

Company as on 31 March 2022. In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

Further, in terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact their ability to discharge their duties.

The Independent Directors have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs and that their registration is active.

**DETAILS OF OTHER DIRECTORSHIPS, COMMITTEE MEMBERSHIPS AND CHAIRMANSHIPS:**

None of the Directors hold directorship, committee memberships or chairmanships in excess of the limits permitted under the law. As per the declarations received from the Directors:

- 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;
- 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 10 committees or Chairman of 5 committees (committees being Audit Committee and Stakeholders Relationship Committee) across all public companies in India, in which he/she is a Director.

The details of number of directorship or committee position as a member or chairman held by the Directors of the Company in other public companies, along with the names of the listed entities where the person is a director indicating the category of such directorship as on 31 March 2022, are as under:

Name of Directors	Directorships in other public companies	Listed entities (excluding this Company) where the person is a director and the category of directorship	Committee Memberships* in other companies	
			As Chairman	As Member
T. R. Raghunandan	-	-	-	-
Bahirji A. Ghorpade	-	-	-	-
S. S. Rao	3	-	2	-
G. P. Kundargi	1	Nava Bharat Ventures Limited Non-Executive Independent Director	-	1
Latha Pillai	-	-	-	-
Jagadish Rao Kote	-	-	-	-
H. L. Shah	-	-	-	-
Mohammed Abdul Saleem	-	-	-	-

\* Only Audit Committee and Stakeholders' Relationship Committee are considered for reckoning committee positions.

#### DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE:

None of the Directors are related to each other on the Board within the meaning of the term 'Relative' as per Section 2(77) of the Act.

#### NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS:

As on 31 March 2022, the details of shares held by Non-Executive Directors are as follows:

Name of Directors	Number of shares held
T. R. Raghunandan	1000
S. S. Rao	-
G. P. Kundargi	-
Latha Pillai	-
Jagadish Rao Kote	-
H. L. Shah	-

The Company has not issued any convertible instruments.

#### FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Independent Directors are familiarized with their roles, rights, responsibilities in the Company, nature of the Industry in which the Company operates, business model of the Company etc., through various programmes on an ongoing basis. The Directors are encouraged to visit the plant and mines location of the Company so as to have a deep understanding of the business of the Company, its people, values and culture and to interact with the management.

All new Independent Directors who are inducted into the Board shall attend an orientation programme. The formal letter of appointment issued to Independent Director outlines his/ her role, function, duties and responsibilities and the same is placed on the Company's website at <https://www.sandurgroup.com/doc/Policies/Terms%20and%20Conditions%20for%20Appointment%20of%20Independent%20Director.pdf>.

The Company strives to provide updates to its Directors by making periodic presentations at the Board and the Committee meetings on various topics like Regulatory Updates, Company's operations, sustainability, performance updates, industry scenario, business strategy, risk management etc.

The details of familiarization programmes imparted to the Independent Directors are put up on the website of the Company and can be accessed at <https://www.sandurgroup.com/doc/Policies/Familiarisation%20programme%20for%20independent%20directors.pdf>.

#### MATRIX SETTING OUT THE SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS:

As required under the Listing Regulations, the Board had identified skills/ expertise/ competence in the context of its business and sector for it to function effectively. The skills are categorized as domain skills and experience as professional and industry exposure. The matrix setting out the skills/ expertise/ competence of the Board of Directors along with name of Directors who possess such skills/ expertise/ competence as on 31 March 2022 is appended as 'Annexure A' to the Report.

#### 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:

None of the Independent Directors resigned from the Company during the year under review.

#### BOARD COMMITTEES

As required under the Act and the Listing Regulations, the Company has constituted the following statutory committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Risk Management Committee
5. Corporate Social Responsibility Committee.

In addition to the above, the Board has formed a Corporate Sustainability Committee to inter-alia monitor compliance of the conditions prescribed in the Environment Clearance, Forest Clearance, Consent Fee for Establishment/ Consent Fee for Operation for the Mines and the Plant, Supplementary Environment Management Plan etc.

The Company Secretary of the Company is acting as the Secretary for each of the Committees. The quorum for Committee meetings has been as per the Act and Listing Regulations.

#### AUDIT COMMITTEE:

The Audit Committee has been constituted in accordance with Section 177 of the Act and Regulation 18 of the Listing Regulations. The Audit Committee assist the Board in fulfilling its oversight responsibilities for financial reporting, overseeing transactions with related parties, inter-corporate loans and investments, recommending auditor appointments, evaluating internal financial controls and risk management systems, reviewing adequacy of internal audit function and overseeing the vigil mechanism.

Terms of Reference	<p>The terms of reference of the Audit Committee is in line with the regulatory requirements mandated by the Act and Part C of Schedule III of the Listing Regulations which shall inter-alia include:</p> <ol style="list-style-type: none"> <li>1. oversight of financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;</li> <li>2. recommendation for appointment, remuneration and terms of appointment of auditors;</li> <li>3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;</li> <li>4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:             <ol style="list-style-type: none"> <li>a. matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;</li> <li>b. changes, if any, in accounting policies and practices and reasons for the same;</li> <li>c. major accounting entries involving estimates based on the exercise of judgment by management;</li> <li>d. significant adjustments made in the financial statements arising out of audit findings;</li> <li>e. compliance with listing and other legal requirements relating to financial statements;</li> <li>f. disclosure of any related party transactions;</li> <li>g. modified opinion(s) in the draft audit report;</li> </ol> </li> <li>5. reviewing, with the management, the quarterly financial statements before submission to the Board for approval;</li> <li>6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.) and related matters;</li> <li>7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;</li> <li>8. approval or any subsequent modification of transactions with related parties;</li> <li>9. scrutiny of inter-corporate loans and investments;</li> <li>10. valuation of undertakings or assets, wherever it is necessary;</li> <li>11. evaluation of internal financial controls and risk management systems;</li> <li>12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;</li> <li>13. reviewing the adequacy of internal audit function, reporting structure, coverage and frequency of internal audit;</li> <li>14. discussion with internal auditors of any significant findings and follow up there on;</li> <li>15. 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;</li> <li>16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;</li> <li>17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders;</li> <li>18. to review the functioning of the whistle blower mechanism;</li> <li>19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;</li> </ol>
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	20. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower;																																			
	21. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;																																			
	22. mandatorily review information stipulated in Act and Listing Regulations, as may be amended from time to time.																																			
Composition and attendance at the meetings held during the year	The names of the Directors who constitute the Audit Committee and their attendance at the meetings held during the year are given below:																																			
	<table border="1"> <thead> <tr> <th>Name</th> <th>Designation</th> <th>Category</th> <th>No. of meetings held during the tenure</th> <th>No. of meetings attended</th> </tr> </thead> <tbody> <tr> <td>G. P. Kundargi</td> <td>Chairman</td> <td>Non-Executive Independent Director</td> <td>5</td> <td>5</td> </tr> <tr> <td>T. R. Raghunandan</td> <td>Member</td> <td>Non-Executive Director</td> <td>5</td> <td>5</td> </tr> <tr> <td>S. S. Rao</td> <td>Member</td> <td>Non-Executive Independent Director</td> <td>5</td> <td>5</td> </tr> <tr> <td>Latha Pillai</td> <td>Member</td> <td>Non-Executive Independent Director</td> <td>5</td> <td>5</td> </tr> <tr> <td>Jagadish Rao Kote</td> <td>Member</td> <td>Non-Executive Independent Director</td> <td>5</td> <td>5</td> </tr> <tr> <td>H. L. Shah</td> <td>Member</td> <td>Non-Executive Director</td> <td>5</td> <td>5</td> </tr> </tbody> </table>	Name	Designation	Category	No. of meetings held during the tenure	No. of meetings attended	G. P. Kundargi	Chairman	Non-Executive Independent Director	5	5	T. R. Raghunandan	Member	Non-Executive Director	5	5	S. S. Rao	Member	Non-Executive Independent Director	5	5	Latha Pillai	Member	Non-Executive Independent Director	5	5	Jagadish Rao Kote	Member	Non-Executive Independent Director	5	5	H. L. Shah	Member	Non-Executive Director	5	5
Name	Designation	Category	No. of meetings held during the tenure	No. of meetings attended																																
G. P. Kundargi	Chairman	Non-Executive Independent Director	5	5																																
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Latha Pillai	Member	Non-Executive Independent Director	5	5																																
Jagadish Rao Kote	Member	Non-Executive Independent Director	5	5																																
H. L. Shah	Member	Non-Executive Director	5	5																																
	All members are financially literate and have relevant accounting or related financial management expertise. The Chairman of the Audit Committee is an Independent Director.																																			
Meetings	The Audit Committee met five times during the financial year, on 28 June 2021, 12 August 2021, 8 September 2021, 10 November 2021 and 9 February 2022. The interval between any two successive meetings did not exceed one hundred and twenty days. The meetings are scheduled well in advance.																																			
Others	G. P. Kundargi, Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 22 September 2021 to answer shareholder queries.  The Audit Committee meetings are usually attended by the Managing Director, Director (Mines), Chief Financial Officer, and the respective departmental heads, wherever required. The Statutory Auditors and Internal Auditors also attend the Audit Committee meetings by invitation for specific items.																																			

#### NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee is duly constituted in accordance with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations. The Nomination and Remuneration Committee inter-alia consider and recommend to the Board appointment, re-appointment and remuneration payable to Directors, KMP's and Senior Management Personnel.

Terms of Reference	The terms of reference of the Nomination and Remuneration Committee is in line with the regulatory requirements mandated by the Act and Part D Para A of Schedule III of the Listing Regulations which shall inter-alia include: <ol style="list-style-type: none"> <li>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;</li> <li>2. for appointment of independent director, evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director;</li> <li>3. ensure that the person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may: <ol style="list-style-type: none"> <li>a. use the services of an external agencies, if required;</li> <li>b. consider candidates from a wide range of backgrounds, having due regard to diversity; and</li> </ol> </li> <li>c. consider the time commitments of the candidates;</li> <li>4. formulation of criteria for evaluation of performance of independent directors and the Board of Directors;</li> <li>5. devising a policy on diversity of Board of Directors;</li> <li>6. 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 removal;</li> </ol>
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	7. 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;																																			
	8. recommend to the Board, all remuneration, in whatever form, payable to senior management.																																			
Composition and attendance at the meetings held during the year	The names of the Directors who constitute the Nomination and Remuneration Committee and their attendance at the meetings held during the year are given below:																																			
	<table border="1"> <thead> <tr> <th>Name</th> <th>Designation</th> <th>Category</th> <th>No. of meetings held during the tenure</th> <th>No. of meetings attended</th> </tr> </thead> <tbody> <tr> <td>Latha Pillai</td> <td>Chairperson</td> <td>Non-Executive Independent Director</td> <td>2</td> <td>2</td> </tr> <tr> <td>T. R. Raghunandan</td> <td>Member</td> <td>Non-Executive Director</td> <td>2</td> <td>2</td> </tr> <tr> <td>S. S. Rao</td> <td>Member</td> <td>Non-Executive Independent Director</td> <td>2</td> <td>2</td> </tr> <tr> <td>G. P. Kundargi</td> <td>Member</td> <td>Non-Executive Independent Director</td> <td>2</td> <td>2</td> </tr> <tr> <td>Jagadish Rao Kote</td> <td>Member</td> <td>Non-Executive Independent Director</td> <td>2</td> <td>2</td> </tr> <tr> <td>H. L. Shah</td> <td>Member</td> <td>Non-Executive Director</td> <td>2</td> <td>2</td> </tr> </tbody> </table>	Name	Designation	Category	No. of meetings held during the tenure	No. of meetings attended	Latha Pillai	Chairperson	Non-Executive Independent Director	2	2	T. R. Raghunandan	Member	Non-Executive Director	2	2	S. S. Rao	Member	Non-Executive Independent Director	2	2	G. P. Kundargi	Member	Non-Executive Independent Director	2	2	Jagadish Rao Kote	Member	Non-Executive Independent Director	2	2	H. L. Shah	Member	Non-Executive Director	2	2
Name	Designation	Category	No. of meetings held during the tenure	No. of meetings attended																																
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H. L. Shah	Member	Non-Executive Director	2	2																																
	The Chairperson of the Nomination and Remuneration Committee is an Independent Director.																																			
Meetings	The Nomination and Remuneration Committee met two times during the financial year, on 24 June 2021 and 8 September 2021. The meetings are scheduled well in advance.																																			
Others	Latha Pillai, Chairperson of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on 22 September 2021 to answer shareholder queries.																																			

### Annual performance evaluation

Pursuant to the provisions of the Act and the Listing Regulations, the evaluation of all the Directors, Committees, Chairman of the Board and the Board as a whole was carried out for the financial year 2021-22 on the basis of criteria and framework adopted by the Board as framed by the Nomination and Remuneration Committee. A structured questionnaire covering various aspects such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance etc., was prepared and circulated to the Board for evaluation. The assessment sheets were duly filled by all the Directors.

The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

### Criteria of evaluation

The criteria for evaluation are as follows:

#### A. Board as a whole:

- Structure of the Board** - Competency of the directors, experience of directors, mix of qualifications, diversity in Board under various parameters, appointment to the Board
- Meetings of the Board** - Regularity of meetings, frequency, logistics, agenda, discussion and dissent, recording of minutes, dissemination of information
- 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

- Board & 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, professional development.

#### B. Committees of the Board:

- Mandate and composition
- Effectiveness of the Committee
- Structure of the Committee and meetings – structure, regularity, frequency, logistics, agenda, discussion and dissent, recording of minutes, dissemination of information
- Independence of the Committee from the Board
- Contribution to the decisions of the Board.

#### C. Individual 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 Directors:

- Maintenance of independence and no conflict of interest.
- Exercise of objective independent judgment in the best interest of the Company.

#### Additional criteria for Chairman:

- Effectiveness of leadership and ability to steer the meetings
- Impartiality

c. Ability to keep shareholders interest in mind.

The Nomination and Remuneration Committee and the Board discussed on the outcome of performance evaluation. The details of board evaluation done during the financial year are forming part of the Board's Report.

#### Remuneration Policy

Based on the recommendation of the Nomination and Remuneration Committee, the Board had approved the 'Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and other employees'. The policy is broadly divided into four parts namely:

- 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
- Part C - Remuneration to Directors, Key Managerial Personnel and Senior Management
- Part D - Removal of Directors, Key Managerial Personnel and Senior Management.

During the year under review, there has been no change to the policy. The policy is available on the website of the Company at <https://www.sandurgroup.com/Policies.html>.

#### Remuneration of Directors

##### Whole Time Directors:

The Company has during the year paid remuneration to its Whole Time Directors by way of salary, perquisites and commission within the limits approved by the Members. The details of the remuneration paid to the Whole Time Directors of the Company for the financial year 2021-22 are as follows:

₹ in lakh					
Name of Director	Salary	Perquisite	Contributions <sup>^</sup>	Commission	Terms
Bahirji A Ghorpade Managing Director	50.16	119.55	13.54	25.00	As per the letter of appointment
Mohammed Abdul Saleem Director (Mines)	26.52	63.49	7.16	25.00	As per the letter of appointment

<sup>^</sup> 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.

**Commission:** The commission is calculated based on the net profits of the Company in a particular financial year and is determined by the Board of Directors on the recommendation of the members of the Nomination and Remuneration Committee in the succeeding financial year, subject to the overall ceiling as stipulated in Section 197 of the Act. This is the only variable component in the salary.

**Stock options:** The Company has not issued any stock options.

**Severance fees:** Nil

**Service contracts:** Service contracts exist with the Whole Time Directors which contain their terms and conditions including remuneration, notice period etc., as approved by the members.

**Notice Period:** The agreements may be terminated by either party at any time by giving three months' notice to the other party.

##### 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 Commission payable to Non-Executive Directors is as per the approval obtained from the Members at the 57<sup>th</sup> Annual General Meeting held on 10 September 2011 and is within the limits specified under the Act. During the year under review, the Company paid sitting fees of ₹ 50,000 per meeting for Board and Audit Committee meetings and ₹ 20,000 per meeting for other Committee meetings including Independent Directors meeting.

**Stock options:** The Company has not issued any stock options.

**Pecuniary relationship or transactions:** During the year under review, there was no pecuniary relationship or transactions between the Company and any of its Non-Executive Directors apart from sitting fees, commission, and reimbursement of expenses incurred by them to attend the meetings of the Company.

**The criteria of making payments to Non-Executive Directors can be accessed from the link:** <https://www.sandurgroup.com/doc/Policies/Criteria-for-making-payments.pdf>

Details of sitting fees paid and commission paid to Non-Executive Directors for the financial year 2021-22 are as follows:

Name of the Non-Executive Director	Sitting Fees (₹ in lakh)	Commission (₹ in lakh)
T. R. Raghunandan	7.60	25.00
S. S. Rao	7.80	25.00
G. P. Kundargi	8.20	25.00
Latha Pillai	8.20	25.00
Jagadish Rao Kote	7.50	25.00
H. L. Shah	8.20	25.00

#### STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Stakeholders' Relationship Committee is duly constituted in accordance with the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations. The Stakeholders' Relationship Committee assist the Board of Directors in redressal of grievances of shareholders, debenture holders and other security holders.

Terms of Reference	The terms of reference of the Stakeholders' Relationship Committee is in line with the regulatory requirements mandated by the Act and Part D Para B of Schedule III of the Listing Regulations which shall inter-alia include:				
	<ol style="list-style-type: none"> <li>resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;</li> <li>review of measures taken for effective exercise of voting rights by shareholders;</li> <li>review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar &amp; Share Transfer Agent;</li> <li>review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;</li> <li>Any other function as is mandated by the Board from time to time.</li> </ol>				
Composition and attendance at the meetings held during the year	The names of the Directors who constitute the Stakeholders' Relationship Committee and their attendance at the meetings held during the year are given below:				
	<b>Name</b>	<b>Designation</b>	<b>Category</b>	<b>No. of meetings held during the tenure</b>	<b>No. of meetings attended</b>
	Jagadish Rao Kote	Chairman	Non-Executive Independent Director	4	3
	Bahirji A. Ghorpade	Member	Executive Director / Managing Director	4	4
	G. P. Kundargi	Member	Non-Executive Independent Director	4	4
	Latha Pillai	Member	Non-Executive Independent Director	4	4
	H. L. Shah	Member	Non-Executive Director	4	4
	The Chairman of the Stakeholders' Relationship Committee is an Independent Director.				
Meetings	The Stakeholders' Relationship Committee met four times during the financial year, on 24 June 2021, 12 August 2021, 9 November 2021 and 9 February 2022. The interval between any two successive meetings did not exceed the stipulated time line. The meetings are scheduled well in advance.				
Others	Jagadish Rao Kote, Chairman of the Stakeholders' Relationship Committee was present at the last Annual General Meeting of the Company held on 22 September 2021 to answer shareholder queries.				

**Name and designation of Compliance Officer:** Bijan Kumar Dash, Company Secretary and Chief Compliance Officer

#### Number of shareholder complaints received, resolved to the satisfaction of the shareholder and number of pending complaints

Complaints outstanding as on 1 April 2021	Nil
Complaints received during the financial year	Nil
Complaints resolved during the financial year	Nil
Complaints pending as on 31 March 2022	Nil

**RISK MANAGEMENT COMMITTEE:**

The Risk Management Committee is duly constituted in accordance with the provisions of Regulation 21 of the Listing Regulations. The Risk Management Committee proactively identify, assess and mitigate risks in order to protect its business, improve corporate governance and enhance stakeholders' value.

Terms of Reference	The terms of reference of the Risk Management Committee is in line with the regulatory requirements mandated under Part D Para C of Schedule III of the Listing Regulations which shall inter-alia include:				
	<ol style="list-style-type: none"> <li>1. To formulate a detailed risk management policy which shall include: <ol style="list-style-type: none"> <li>a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;</li> <li>b. Measures for risk mitigation including systems and processes for internal control of identified risks;</li> <li>c. Business continuity plan;</li> </ol> </li> <li>2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;</li> <li>3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;</li> <li>4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;</li> <li>5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;</li> <li>6. Appointment, removal and terms of remuneration of the Chief Risk Officer (if any);</li> <li>7. Any other function as is mandated by the Board from time to time.</li> </ol>				
Composition and attendance at the meetings held during the year	The names of the Directors who constitute the Risk Management Committee and their attendance at the meetings held during the year are given below:				
	<b>Name</b>	<b>Designation</b>	<b>Category</b>	<b>No. of meetings held during the tenure</b>	<b>No. of meetings attended</b>
	S. S. Rao	Chairman	Non-Executive Independent Director	3	3
	T. R. Raghunandan	Member	Non-Executive Director	3	3
	Bahirji A. Ghorpade	Member	Executive Director / Managing Director	3	3
	G. P. Kundargi	Member	Non-Executive Independent Director	3	3
	Latha Pillai	Member	Non-Executive Independent Director	3	3
	Jagadish Rao Kote	Member	Non-Executive Independent Director	3	3
	H. L. Shah	Member	Non-Executive Director	3	3
	Mohammed Abdul Saleem	Member	Executive Director / Director (Mines)	3	3
	The Chairman of the Risk Management Committee is an Independent Director.				
Meetings	The Risk Management Committee met three times during the financial year, on 24 June 2021, 12 August 2021 and 9 February 2022. The interval between any two successive meetings did not exceed the stipulated time line. The meetings are scheduled well in advance.				

The Board at its 348<sup>th</sup> meeting held on 28 June 2021 has approved Risk Management Policy. A statement on development and implementation of Risk Management Policy of the Company has been delineated in the Board's Report. In terms of Regulation 21 of the Listing Regulations, the Risk Management Committee in its meeting held on 9 February 2022, has appointed Uttam Kumar Bhageria as Chief Risk Officer in addition to his role as Chief Financial Officer.

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The Corporate Social Responsibility Committee is duly constituted in accordance with the provisions of Section 135 of the Act. The Corporate Social Responsibility Committee assist the Board in formulating the CSR Policy and recommending and monitoring of CSR expenditure.

Terms of Reference	The terms of reference of the Corporate Social Responsibility Committee inter-alia include:				
	<ol style="list-style-type: none"> <li>1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII;</li> <li>2. Recommend the amount of expenditure to be incurred on the activities;</li> <li>3. Recommend annual action plan to the Board;</li> <li>4. Institute a monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company; and</li> <li>5. Any other function as is mandated by the Board from time to time.</li> </ol>				
Composition and attendance at the meetings held during the year	The names of the Directors who constitute the Corporate Social Responsibility Committee and their attendance at the meetings held during the year are given below:				
	<b>Name</b>	<b>Designation</b>	<b>Category</b>	<b>No. of meetings held during the tenure</b>	<b>No. of meetings attended</b>
	H. L. Shah	Chairman	Non-Executive Director	2	2
	T. R. Raghunandan	Member	Non-Executive Director	2	2
	Bahirji A. Ghorpade	Member	Executive Director / Managing Director	2	2
	S. S. Rao	Member	Non-Executive Independent Director	2	2
	Jagadish Rao Kote	Member	Non-Executive Independent Director	2	1
	The Chairman of the Corporate Social Responsibility Committee is a Non-Executive Director.				
Meetings	The Corporate Social Responsibility Committee met two times during the financial year, on 24 June 2021 and 9 November 2021. The meetings are scheduled well in advance.				

**CORPORATE SUSTAINABILITY COMMITTEE:**

The Corporate Sustainability Committee is constituted by the Board to monitor compliance of the conditions prescribed in the Environment Clearance, Forest Clearance, Consent Fee for Establishment/ Consent Fee for Operation and so on for the Mines and the Plant of the Company. The Committee further monitor compliance with the Supplementary Environment Management Plan (generally referred as R&R) prescribed for the Mines in accordance with the directions of the Hon'ble Supreme Court.

Terms of Reference	The terms of reference of the Corporate Sustainability Committee inter-alia include:				
	<ol style="list-style-type: none"> <li>1. Laying down guidelines for Environment Management Plan for each of the businesses of the Company;</li> <li>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.;</li> <li>3. Review Sustainable Development Framework (SDF) requirements stipulated by the Indian Bureau of Mines and considered for Star Rating of the Mines;</li> <li>4. Annually assess the Business Responsibility performance of the Company;</li> <li>5. Any other function as is mandated by the Board from time to time.</li> </ol>				
Composition and attendance at the meetings held during the year	The names of the Directors who constitute the Corporate Sustainability Committee and their attendance at the meetings held during the year are given below:				
	<b>Name</b>	<b>Designation</b>	<b>Category</b>	<b>No. of meetings held during the tenure</b>	<b>No. of meetings attended</b>
	T. R. Raghunandan	Chairman	Non-Executive Director	1	1
	S. S. Rao	Member	Non-Executive Independent Director	1	1
	G. P. Kundargi	Member	Non-Executive Independent Director	1	1

	Latha Pillai	Member	Non-Executive Independent Director	1	1
	Mohammed Abdul Saleem	Member	Executive Director / Director (Mines)	1	1
Meetings	The Corporate Sustainability Committee met once during the financial year on 9 November 2021. The meetings are scheduled well in advance.				

## GENERAL BODY MEETINGS

### LOCATION AND TIME, WHERE LAST THREE AGM'S HELD AND DETAILS OF SPECIAL RESOLUTIONS PASSED:

	Location	Date & Time	Special Resolutions passed
67 <sup>th</sup> AGM	Through Video conferencing/ other audio-visual means (VC/OAVM)	22 September 2021 at 11.00 A.M.	Re-appointment of G. P. Kundargi (DIN: 02256516) as an Independent Director
66 <sup>th</sup> AGM	Through Video conferencing/ other audio-visual means (VC/OAVM)	23 September 2020 at 11.00 A.M	To appoint Bahirji A. Ghorpade as Managing Director (DIN 08452844) for a tenure of three years from 17 June 2020
65 <sup>th</sup> AGM	Golden Jubilee Hall Sandur Residential School, Palace Road, Shivapur, Sandur - 583 119	21 September 2019 at 11.00 A.M	Nil

### EXTRA ORDINARY GENERAL MEETINGS:

No Extraordinary General Meeting of the members was held during the year under review.

### SPECIAL RESOLUTION PASSED LAST YEAR THROUGH POSTAL BALLOT AND DETAILS OF VOTING PATTERN:

During the last year, the Company has not passed any resolutions through postal ballot.

### PERSON WHO CONDUCTED THE POSTAL BALLOT EXERCISE:

Not Applicable

### WHETHER ANY SPECIAL RESOLUTION IS PROPOSED TO BE CONDUCTED THROUGH POSTAL BALLOT:

The approval of the Members of the Company by way of special resolution for re-appointment of Jagadish Rao Kote (DIN: 00521065) as an Independent Director of the Company for a second term of five consecutive years w.e.f., 27 May 2022, was sought through postal ballot notice dated 11 June 2022. The same was approved by the Members on 17 July 2022.

### PROCEDURE FOR POSTAL BALLOT:

The postal ballot is conducted in accordance with the provisions contained in Section 110 and other applicable provisions, if any, of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and General Circulars issued by MCA Circulars and SEBI Circulars on account of COVID-19 pandemic. The Members are provided the facility to vote through e-voting. The postal ballot notice is sent to Members as per the permitted mode wherever applicable. The Company also publishes a notice in the newspapers in accordance with the requirements under the Act.

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 desiring to exercise their vote by 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 e-voting is reckoned to be the date on which the resolution would be deemed to have been passed, if approved.

## MEANS OF COMMUNICATION

Quarterly Results	The quarterly, half yearly and yearly financial results are being regularly sent to BSE Limited. The Company also uploads investor presentations for each quarter on BSE site and on the website of the Company.
Newspapers where results are published	The financial results are generally published in 'The Financial Express' (English) and 'Sanjevani' (Kannada) newspapers.
Website where results are displayed	The results are displayed on <a href="https://www.sandurgroup.com/Quarterly-Results.html">https://www.sandurgroup.com/Quarterly-Results.html</a>
Investor complaints	The Company has created an exclusive ID <a href="mailto:investors@sandurgroup.com">investors@sandurgroup.com</a> for investor related queries and complaints.
Annual Reports	Pursuant to the MCA Circulars and SEBI Circulars issued on account of COVID-19 pandemic, the Annual Report containing the Notice of AGM was sent through email to all those shareholders whose email IDs were registered with the Company/ Depository Participants.
Official news releases	Latest updates or any material developments are intimated to BSE Limited and also, displayed on the website of the Company at <a href="http://www.sandurgroup.com">www.sandurgroup.com</a>
Presentation made to institutional investors or to analysts	No presentation has been made to institutional investors or to the analysts during the financial year.
Other communications	The Company issues various reminder letters to Members whose KYCs are not updated, whose shares are liable to be transferred to IEPF etc.

## GENERAL SHAREHOLDER INFORMATION

### DETAILS OF THE ANNUAL GENERAL MEETING:

Date	28 September 2022
Time	11.00 A.M.
Venue	Through Video Conferencing / Other Audio-Visual Means in compliance with circulars issued by MCA and SEBI

### FINANCIAL YEAR: 1 April 2021 to 31 March 2022

**DIVIDEND PAYMENT:** The dividend of ₹ 5 per equity share of ₹ 10 each (50%), as recommended by the Board, if approved by the Members at the AGM, will be paid, subject to deduction of income-tax at source wherever applicable:

Book closure date	Thursday, 22 September 2022 to Wednesday, 28 September 2022 (both days inclusive)
Date of payment of dividend	On or after Monday, 3 October 2022

### FINANCIAL CALENDAR:

The tentative calendar for declaration of results for the financial year 2022-23 are as given below. In addition to this, the Board may meet on other days as and when required.

Quarter/ Half year/ Year	Tentative date
For the quarter ending 30 June 2022	On or before 14 August 2022
For the quarter and half year ending 30 September 2022	On or before 14 November 2022
For the quarter ending 31 December 2022	On or before 14 February 2023
For the quarter and year ending 31 March 2023	On or before 30 May 2023

### NAME AND ADDRESS OF STOCK EXCHANGE AT WHICH COMPANY SHARES ARE LISTED AND STOCK CODE:

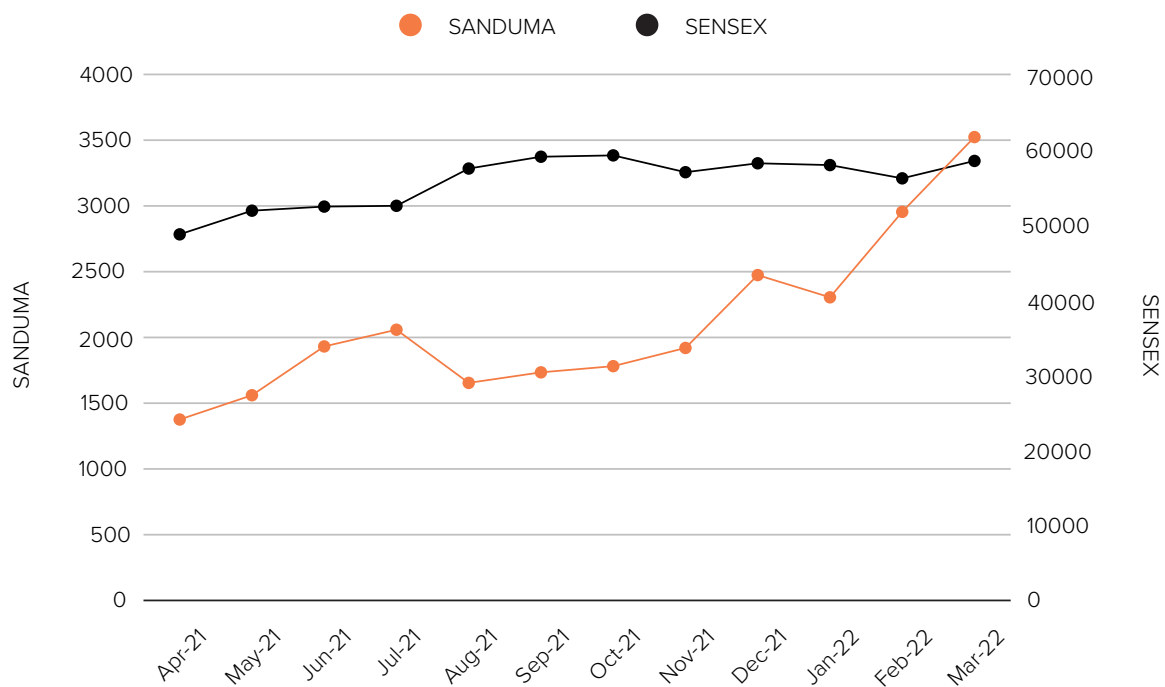
Name of Stock Exchange	Address	Stock Code
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	504918

### LISTING FEES:

Listing fees as prescribed have been paid to BSE Limited for the financial year 2021-22.

## 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 Close (₹)
Apr-21	1037.50	1412.00	1000.00	1377.30	411109	17062	48782.36
May-21	1377.30	1698.00	1355.00	1562.20	393568	19911	51937.44
Jun-21	1560.00	2139.00	1470.00	1933.90	495161	25687	52482.71
Jul-21	1972.00	2234.00	1913.25	2061.10	214757	15972	52586.84
Aug-21	2064.00	2260.25	1551.00	1656.25	442762	26217	57552.39
Sep-21	1675.00	1985.00	1605.25	1736.60	387842	25934	59126.36
Oct-21	1736.60	2099.00	1720.00	1783.65	237387	18005	59306.93
Nov-21	1779.95	2170.00	1749.80	1922.35	421793	27327	57064.87
Dec-21	1910.00	2747.00	1865.15	2477.35	415731	33178	58253.82
Jan-22	2519.90	2550.00	2156.05	2308.00	151957	15832	58014.17
Feb-22	2328.05	2970.00	2310.05	2959.00	458897	35130	56247.28
Mar-22	3000.00	4025.00	2850.15	3528.45	478257	45633	58568.51



## DISTRIBUTION OF EQUITY SHAREHOLDING AS ON 31 MARCH 2022:

Nominal Value	No. of shareholders	No. of shares	% of capital
Upto 5000	12,127	6,21,667	6.91
5001 - 10000	283	2,14,669	2.38
10001 - 20000	141	2,05,779	2.29
20001 - 30000	50	1,21,212	1.35
30001 - 40000	23	81,550	0.91
40001 - 50000	23	1,05,560	1.17
50001 - 100000	38	2,59,317	2.88
100001 - Above	31	73,92,187	82.11
	<b>12,716</b>	<b>90,01,941</b>	<b>100.00</b>



**SHAREHOLDING PATTERN AS ON 31 MARCH 2022:**

Category	No. of shares	% of total shareholding
Promoter and Promoter Group	65,87,759	73.18
Banks and Financial Institutions	2,350	0.03
Mutual Funds	-	-
Insurance Companies	70,000	0.78
Foreign Institutional Investors/ Foreign Portfolio Investors	32,564	0.36
Other Bodies Corporate	3,12,217	3.47
Public	19,97,051	22.18
	<b>90,01,941</b>	<b>100.00</b>

**REGISTRAR AND TRANSFER AGENTS:**

Name: Venture Capital and Corporate Investments Private Limited

Address: 12-10-167, Bharatnagar, Hyderabad - 500 018

Email ID: [investor.relations@vccipl.com](mailto:investor.relations@vccipl.com)

Ph No.: 040-23818475/23818476/23868023

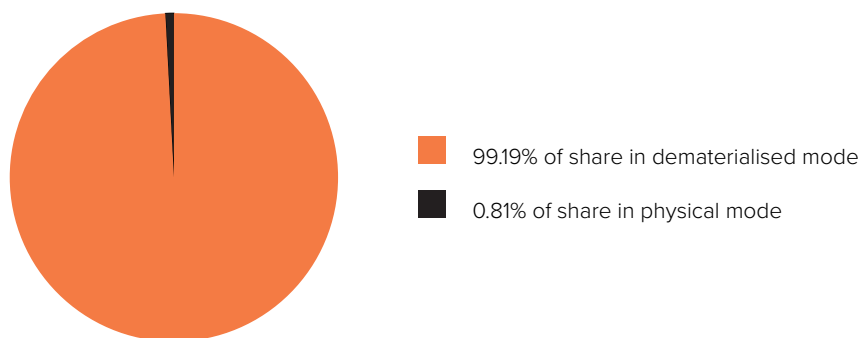
**SHARE TRANSFER SYSTEM:**

According to the Listing Regulations, no shares can be transferred unless they are held in dematerialized mode. Members holding shares in physical form are therefore requested to convert their holdings into dematerialized mode to avoid loss of shares and fraudulent transactions and avail better investor servicing. To expedite the process of share transfers/ transmissions, the Board has delegated the power of share transfer/ transmission to Venture Capital and Corporate Investments Private Limited (VCCIPL), Registrar and Share Transfer Agent of the Company.

Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. However, a statement of share transfers / transmissions effected in each quarter is placed before the Stakeholders' Relationship Committee and Board for noting.

**DEMATERIALIZATION OF SHARES AND LIQUIDITY:**

As on 31 March 2022, 89,28,725 shares were in dematerialized mode with NSDL and CDSL.



Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE149K01016.

**OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:**

The Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments as on 31 March 2022, as such instruments have not been issued in the past.

**COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:**

The Company's functional currency in Indian Rupees. However, the Company undertakes transactions denominated in foreign currencies. Consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rate of foreign currencies affects the cost of imports, primary in relation to raw materials. The Company is generally exposed to foreign exchange risk arising through its purchases denominated in foreign currency predominantly in US dollars.

The disclosures as required under SEBI circular dated 15 November 2018 are as follows:

**RISK MANAGEMENT POLICY OF THE COMPANY WITH RESPECT TO COMMODITIES INCLUDING THROUGH HEDGING:**

The Risk Management Policy can be accessed from the Company's website <https://www.sandurgroup.com/doc/Policies/Risk-Mangement-Policy.pdf>

**EXPOSURE OF THE COMPANY TO COMMODITY AND COMMODITY RISKS FACED BY THE COMPANY THROUGHOUT THE YEAR:**

Total exposure of the Company to commodities: ₹ 45,658 lakh

**a. Exposure of the Company to various commodities:**

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				Total
			Domestic market		International market		
			OTC	Exchange	OTC	Exchange	
Coking Coal	45,658 lakh	172,846 MT	-	-	-	-	-

**b. Commodity risks faced by the Company during the year and how they have been managed:**

During the financial year, the Company has incurred expenditure on import of capital items for Coke Oven plant, imported ores and coking coal which is subject to foreign exchange risk. The Company doesn't enter into any long-term contract with its suppliers for hedging its commodity price risk.

**OPERATIONS LOCATIONS:**

Mines Location	Metal & Ferroalloy Plant Location
<ul style="list-style-type: none"> <li>Deogiri</li> <li>Kammathuru</li> <li>Subbarayanahalli</li> <li>Ramghad</li> </ul>	<ul style="list-style-type: none"> <li>Vyasankere, near Hosapete</li> </ul>

**ADDRESS FOR CORRESPONDENCE:**

**Registered Office:** 'SATYALAYA', Door No. 266 (Old No. 80), Ward No.1, Behind Taluka Office, Sandur, Ballari District, Karnataka - 583 119  
Tel No.: 08395 260301

**Corporate Office:** 'Sandur House', No. 9, Bellary Road, Sadashivanagar, Bengaluru, Karnataka – 560 080  
Tel No.: 080 41520176-80

**Designated email ID for Investor Services:** [investors@sandurgroup.com](mailto:investors@sandurgroup.com)

**Website:** [www.sandurgroup.com](http://www.sandurgroup.com)

**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.

## OTHER DISCLOSURES

Particulars	Details	Website link
Materially significant related party transactions that may have potential conflict with the interests of listed entity at large and weblink of Policy on Related Party Transactions	<p>There are no material related party transactions during the year under review that have conflict with the interest of the Company.</p> <p>The Company 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.</p> <p>All related party transactions are placed before the Audit Committee of the Company and placed for Board's information/approval, as and when required.</p>	<a href="https://www.sandurgroup.com/doc/Policies/Policy-On-Related-Party-Transactions.pdf">https://www.sandurgroup.com/doc/Policies/Policy-On-Related-Party-Transactions.pdf</a>
Details of establishment of vigil mechanism/ whistle blower policy	<p>The Company has adopted Whistle Blower Policy for Director(s) or employee(s) or any other person to report to the management instances of unethical behavior, actual or suspected, fraud, leak of Unpublished Price Sensitive Information etc., and to prohibit any adverse action against them.</p> <p>A mechanism is in place whereby any personnel of the Company has access to the Chairman of the Audit Committee to report any concerns. No person has been denied access to the Chairman/ Audit Committee to report any concern.</p>	<a href="https://www.sandurgroup.com/doc/Policies/Whistle%20Blower%20Policy.pdf">https://www.sandurgroup.com/doc/Policies/Whistle%20Blower%20Policy.pdf</a>
Web link of policy for determining 'material' subsidiaries	In terms of Regulation 16(1)(c) of the Listing Regulations, the Company has formulated a Policy for Determining Material Subsidiaries.	<a href="https://www.sandurgroup.com/doc/Policies/Policy%20for%20determining%20material%20subsidiary.pdf">https://www.sandurgroup.com/doc/Policies/Policy%20for%20determining%20material%20subsidiary.pdf</a>

## WEB-LINKS OF OTHER POLICIES:

Particulars	Details	Website link
Policy on Archival of Documents	This policy has been framed and adopted by the Board in pursuance of Regulation 30 of the Listing Regulations and it deals with the retention and archival of corporate records of the Company.	<a href="https://www.sandurgroup.com/doc/Policies/Policy-on-Archival-of-Document.pdf">https://www.sandurgroup.com/doc/Policies/Policy-on-Archival-of-Document.pdf</a>
Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives	The Company has adopted this Code as per Regulation 9(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015 with a view to regulate, monitor and report trading in securities of the Company by the Designated Persons and their immediate relatives.	<a href="https://www.sandurgroup.com/doc/Policies/Amended-Code-of-Conduct-PIT-Regulations.pdf">https://www.sandurgroup.com/doc/Policies/Amended-Code-of-Conduct-PIT-Regulations.pdf</a>
Policy on Board Diversity	This policy is formulated under Regulation 19(4) read with Part D of the Schedule II of Listing Regulations to assure that the Board is fully diversified and comprise of an ideal combination of Executives, Non-Executive Directors, including Independent Directors, with diverse backgrounds.	<a href="https://www.sandurgroup.com/doc/Policies/Policy_on_Board_Diversity.pdf">https://www.sandurgroup.com/doc/Policies/Policy_on_Board_Diversity.pdf</a>
Risk Management Policy	This policy has been framed under Part D Para C of Schedule II of Listing Regulations which outlines the risk management process to be followed by the Company which includes Risk Identification, risk categorisation, risk analysis and prioritization, risk evaluation, risk mitigation, risk documentation and reporting.	<a href="https://www.sandurgroup.com/doc/Policies/Risk-Mangemnt-Policy.pdf">https://www.sandurgroup.com/doc/Policies/Risk-Mangemnt-Policy.pdf</a>
Dividend Distribution Policy	This Policy has been framed under Regulation 43A of Listing Regulations to ensure the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes.	<a href="https://www.sandurgroup.com/doc/Policies/Final-Dividend-Distribution-Policy.pdf">https://www.sandurgroup.com/doc/Policies/Final-Dividend-Distribution-Policy.pdf</a>
Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information	The Company has adopted this Code as per Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015, for fair disclosure of events and occurrences that could impact price discovery in the market for its securities.	<a href="https://www.sandurgroup.com/doc/Policies/Code-for-fair-disclosure-of-UPSI.pdf">https://www.sandurgroup.com/doc/Policies/Code-for-fair-disclosure-of-UPSI.pdf</a>

Employee Code of conduct and Ethics Policy	This policy aims at setting common standards for the Company, its management and employees.	<a href="https://www.sandurgroup.com/doc/Policies/Employee-Code-of-conudct.pdf">https://www.sandurgroup.com/doc/Policies/Employee-Code-of-conudct.pdf</a>
CSR Policy	This policy outlines the Company's strategy to bring about a positive impact on Society through its CSR programmes as per the provisions of the Act.	<a href="https://www.sandurgroup.com/doc/CSR/CSR-Policy.pdf">https://www.sandurgroup.com/doc/CSR/CSR-Policy.pdf</a>
Policy for determination of materiality of an event or information	The Policy is framed under Regulation 30 (4)(ii) of Listing Regulations to determine materiality of events or information relating to the Company and to ensure timely and accurate disclosure on all material matters concerning the Company.	<a href="https://www.sandurgroup.com/doc/Policies/Policy_for_determination_of_materiality_of_an_event_or_information.pdf">https://www.sandurgroup.com/doc/Policies/Policy_for_determination_of_materiality_of_an_event_or_information.pdf</a>

#### 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 on any matter as regards the rules and regulations prescribed by the Stock Exchanges, SEBI or any other statutory authority relating to capital markets during the last three years. No penalties or strictures have been imposed by them on the Company.

#### DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS:

The Company has complied with corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations.

#### DETAILS OF COMPLIANCE WITH DISCRETIONARY REQUIREMENTS:

- The Company has a Non-Executive Chairman and the Company provides reimbursement of expenses incurred in performance of his duties.
- 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 Members.
- The auditors' report on financial statements of the Company are unmodified.
- The Company has appointed separate persons to the posts of Chairman and Managing Director or Chief Executive Officer.
- Internal auditors of the Company make quarterly presentations to the Audit Committee on their reports.

#### DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32 (7A):

The Company has not raised any funds through preferential allotment or qualified institutions placement.

#### INSTANCES WHERE THE BOARD HAS NOT ACCEPTED ANY RECOMMENDATION OF ANY COMMITTEE OF THE BOARD WHICH IS MANDATORILY REQUIRED, IN THE RELEVANT FINANCIAL YEAR:

All the recommendations of the Audit Committee have been accepted by the Board of Directors.

#### 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. 004137S/S200041) have been appointed as the Statutory Auditors of the Company from the conclusion of 63<sup>rd</sup> AGM till the conclusion of 68<sup>th</sup> AGM of the Company.

The particulars of payment of Statutory Auditors' fees for the financial year ended 31 March 2022, on consolidated basis is given below:

Fee for	Amount (in ₹ )
Audit of Financial Statements	32.00
Limited Review of Quarterly Financials	18.00
Corporate Governance Audit	5.20
Tax Audit	7.00
<b>Total</b>	<b>62.20</b>

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2018:**

Particulars	Number of complaints
Number of complaints filed during the financial year	Nil
Number of complaints disposed-off during the financial year	Nil
Number of complaints pending as on the end of 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 2021 to the concerned District officers for all its locations.

**LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT:**

The Company has not given any loans or advances to firms/ companies in which the directors of the Company are interested.

**NON-COMPLIANCE OF ANY REQUIREMENTS OF CORPORATE GOVERNANCE REPORT:**

There have been no instances of non-compliance of any requirement of the Corporate Governance Report as prescribed by the Listing Regulations.

**DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT:**

The Company does not have any demat suspense account/ unclaimed suspense account.

**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 SEBI/ 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.

**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 Listing Regulations for the financial year 2021-22. The CEO/CFO certification is appended as '**Annexure C**' to the Report.

**AFFIRMATION OF COMPLIANCE WITH CODE OF CONDUCT:**

In compliance with Regulation 17(5) of the Listing Regulations, the Company has framed and adopted the Code of Conduct for Board Members and Senior Management Personnel (Code of Conduct). The Code of Conduct is available on the Company's website at <https://www.sandurgroup.com/doc/Policies/Code-of-Conduct.pdf>.

All members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct. A certificate to this effect, signed by the Managing Director is appended as '**Annexure D**' to the Report.

**CERTIFICATE ON CORPORATE GOVERNANCE:**

A compliance certificate from R. Subramanian & Co., LLP, Statutory Auditors, pursuant to Schedule V of the Listing Regulations regarding the compliance of conditions of corporate governance, is annexed with Board's Report.

For and on behalf of the Board of Directors

**Place:** Bengaluru  
**Date:** 11 August 2022

**T. R. Raghunandan**  
Chairman  
DIN: 03637265

# Annexure A

MATRIX SETTING OUT THE SKILLS/EXPERTISE/COMPETENCIES OF THE DIRECTORS ON THE BOARD AS ON 31 MARCH 2022

Skills/ Expertise/Competencies identified by the Board	TRR	BAG	SSR	GPK	LP	JRK	HLS	MAS	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	✓				✓				Y
Strategy and Planning	✓	✓		✓		✓	✓	✓	Y
Policy making	✓	✓		✓	✓	✓	✓	✓	Y
Commercial	✓	✓	✓	✓					Y
Governance	✓	✓	✓	✓	✓	✓	✓	✓	Y
Risk Management	✓	✓	✓	✓	✓	✓	✓	✓	Y
Project Management	✓	✓	✓	✓	✓	✓	✓	✓	Y
Mining	✓			✓				✓	Y
Power			✓			✓			Y
Banking	✓	✓	✓	✓			✓	✓	Y

**TRR:** T. R. Raghunandan, **BAG:** Bahirji A. Ghorpade **SSR:** S. S. Rao; **GPK:** G.P. Kundargi,

**LP:** Latha Pillai; **JRK:** Jagadish Rao Kote; **HLS:** H. L. Shah; **MAS:** Mohammed Abdul Saleem

# 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** having CIN L85110KA1954PLC000759 and having registered office at 'SATYALAYA' Door No.266 (Old No.80), Ward No. 1, Behind Taluk Office, Sandur, Ballari, Karnataka - 583 119 (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](http://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 31 March 2022 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 Non-Independent Director	03637265	28/05/2016
2.	Bahirji A. Ghorpade	Managing Director	08452844	01/04/2020
3.	Seshagiri Rao Sattiraju	Non-Executive Independent Director	00150816	01/09/2013
4.	Gururaj Pandurang Kundargi	Non-Executive Independent Director	02256516	12/11/2016
5.	Latha Pillai	Non-Executive Independent Director	08378473	08/03/2019
6.	Jagadish Rao Kote	Non-Executive Independent Director	00521065	27/05/2019
7.	Hemendra Laxmidas Shah	Non-Executive Non-Independent Director	00996888	27/05/2019
8.	Mohammed Abdul Saleem	Executive Director	00061497	01/04/2020

Ensuring the eligibility of 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:** 11 August 2022

Name: **N.D. Satish**  
Designation: Practising Company Secretary  
Membership No.: FCS No. 10003  
CP No.:12400  
Peer Review Certificate No. 1737/2022

# Annexure C

## CEO AND CFO CERTIFICATION

We, Bahirji A. Ghorpade, Managing Director and Uttam Kumar Bhageria, Chief Financial Officer & Chief Risk Officer, certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended 31 March 2022 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 changes, if any, in internal control over financial reporting during the year under reference;
  - (ii) Significant changes, if any, in accounting policies during the year requiring disclosures in the notes to the financial statements; and
  - (iii) Instances of significant frauds, if any, during the year with involvement therein, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

for The Sandur Manganese & Iron Ores Limited

**Place:** Bengaluru  
**Date:** 18 May 2022

**Bahirji A. Ghorpade**  
Managing Director

**Uttam Kumar Bhageria**  
Chief Financial Officer & Chief Risk 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 2021-22.

For and on behalf of the Board of Directors

**Place:** Bengaluru  
**Date:** 11 August 2022

**Bahirji A. Ghorpade**  
Managing Director  
DIN: 08452844



# Independent Auditor's Report

To The Members of The Sandur Manganese & Iron Ores Limited

Report on the Audit of the 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 31 March 2022, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and 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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company

as at 31 March 2022, its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## BASIS FOR OPINION

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

## 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 year ended 31 March 2022. 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><b>Evaluation of uncertain tax positions</b></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><b>Principal Audit Procedures</b></p> <p>Obtained details of completed tax assessments and demands for the year ended 31 March 2022 from management. We involved our internal experts to analyse 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 1 April 2021 to evaluate whether any change was required to management's position on these uncertainties.</p>						
<p><b>Balances in Cash and cash equivalents, Other Bank Balances and Current Investments</b></p> <p>As on 31 March 2022, the Company carries</p> <table border="1"> <tr> <td>Cash and Cash Equivalents</td> <td>₹ 4,115.90 lakh</td> </tr> <tr> <td>Other Bank balances</td> <td>₹ 69,805.22 lakh</td> </tr> <tr> <td>Non- Current and Current Investments</td> <td>₹ 37,601.07 lakh</td> </tr> </table> <p>A significant proportion of total assets are in cash and bank balances and investments, which have increased during the financial year.</p>	Cash and Cash Equivalents	₹ 4,115.90 lakh	Other Bank balances	₹ 69,805.22 lakh	Non- Current and Current Investments	₹ 37,601.07 lakh	<p><b>Principal Audit Procedures</b></p> <p>Our audit procedures included and were not limited to the following:</p> <ol style="list-style-type: none"> <li>1. We have verified and tested the design and operating effectiveness of controls with regard to maintenance of cash balances and preparation of bank reconciliation statements.</li> <li>2. We have verified and tested the design and operating effectiveness of controls with regard to maintenance of Investments made, income accrued and gains/losses booked during the year ended 31 March 2022.</li> <li>3. We have verified the cash balances at the end of the year as well as the bank reconciliation statements.</li> <li>4. We have also received confirmation of balances from banks directly, which corroborates with the results of our audit procedures.</li> <li>5. We have also received confirmation of balances from Asset Management Companies directly, which corroborates with the results of our audit procedures.</li> </ol>
Cash and Cash Equivalents	₹ 4,115.90 lakh						
Other Bank balances	₹ 69,805.22 lakh						
Non- Current and Current Investments	₹ 37,601.07 lakh						

**Revenue Recognition**

For the Financial year 2021-22, Revenue from Operation is ₹ 2,24,874.15 lakh as against its previous year ₹ 74,658.89 lakh.

There is significant growth in Revenue from operations during the year, including from new products and services.

**Principal Audit Procedures**

Our audit procedures included and were not limited to the following:

1. Considered the appropriateness of the Company's revenue recognition accounting policy and assessed compliance with Ind AS 115.
2. Performed walkthroughs and test of controls of the revenue recognition processes and assessed the design and operating effectiveness of key controls.
3. Selected samples of sales, in the Ferroalloys and Coke and Energy segments to confirm the revenue recognition procedures in line with terms of sales contracts.
4. Examined E-Auction bid sheet issued by Department of Mines and Geology to affirm that the revenue recognition in Mine segment is in line with the Company's accounting policy.
5. Assessed the input-output ratio of raw material and finished goods for revenue recorded for Coke conversion charges.

**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 information included in the Directors report but does not include the 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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 statements 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 RESPONSIBILITY 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 material 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.

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, based on our audit, 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 Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company disclosed the impact of pending litigations which would impact its financial position – Refer Note 31 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend. As stated in note 14B to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

**Place:** Bengaluru  
**Date:** 18 May 2022

for **R.Subramanian and Company LLP**

Chartered Accountants  
Firm Regn.No 004137S/S200041

Gokul Dixit  
**Partner**  
M. No. 209464

# Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

## Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of The Sandur Manganese & Iron Ores Limited (“the Company”) as of 31 March 2022 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 responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls 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.

### AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting.

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company’s internal financial control over financial reporting 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. A company’s internal financial control over financial reporting 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **R.Subramanian and Company LLP**

Chartered Accountants  
Firm Regn.No 004137S/S200041

Gokul Dixit  
**Partner**  
M. No. 209464

**Place:** Bengaluru  
**Date:** 18 May 2022

# Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of the property, plant and equipment.
- B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals.
- (c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventory were physically verified during the year by the management which, in our opinion, the coverage and procedure of such verification by the management is appropriate; there are no discrepancies noted during physical verification.
- (vii) In respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Value Added Tax, Duty of Customs, Duty of Excise, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- (b) Details of dues of Income Tax, Service Tax and Custom Duty which have not been deposited as on 31 March 2022 on account of disputes are given below:

Name of Statute	Nature of Dues	Amount (₹ lakh)	Period (FY) to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income tax including Interest	314.95 <sup>1</sup>	2011-12	Income Tax Appellate Tribunal
		2563.59 <sup>2</sup>	2012-13, 2013-14, 2015-16, 2016-17 and 2017-18	Commissioner of Income Tax (Appeals)

Customs Act, 1952	Customs duty Including Interest	398.93 <sup>3</sup>	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
Finance Act, 1994	Service Tax on Royalty	570.16 <sup>4</sup>	April 2016 to June 2017	Hon'ble High Court of Karnataka

**Note**

1. Net of ₹ 82 lakh Paid under protest.
  2. Net of ₹ 556.50 lakh Paid under protest.
  3. Against which ₹ 42.22 lakh was Paid under protest.
  4. Excluding Interest and Net of ₹ 100 lakh Paid under protest.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income-tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) The Company has not defaulted in repayment of interest or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any authority.
- (c) The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements, the Company has not raised any funds on short-term basis, and hence, reporting under clause (ix)(d) of the Order is not applicable.
- (e) The Company has not made any investment in or given any new loan or advances to any of its associates during the year and hence, reporting under clause (ix)(e) of the Order is not applicable. The Company does not have any subsidiaries or joint ventures.
- (f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence, reporting under clause (x) (a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports issued of the company issued till 31 March 2022, for the financial year 2021-22 under audit.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its director and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b), (c) and (d) of the Order is not applicable.
- (xvii) The Company has not incurred any cash losses in the financial year covered by our audit and the immediately preceding financial year.

- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) During the financial year 2021-22, the Company has spent CSR expenditure of ₹ 446.29 lakh against the requirement of ₹ 433.69 lakh. Hence, reporting under clause (xx)(a), (b) of the Order is not applicable.

for **R.Subramanian and Company LLP**

Chartered Accountants  
Firm Regn.No 004137S/S200041

Gokul Dixit

**Partner**

M. No. 209464

**Place:** Bengaluru

**Date:** 18 May 2022



# Balance Sheet

as at 31 March 2022

₹ in lakh

Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
<b>I ASSETS</b>			
<b>1 NON-CURRENT ASSETS</b>			
(a) Property, plant and equipment	2	79,380.18	75,422.33
(b) Right-of-use assets	3	132.21	443.05
(c) Capital work-in-progress	4	4,231.72	8,225.27
(d) Investment properties	5	4,848.49	4,871.32
(e) Other intangible assets	6	40.60	37.82
(f) Financial assets			
(i) Investments	7	74.22	77.45
(ii) Other financial assets	8	3,353.42	915.00
(g) Deferred tax assets (net)	9	-	474.00
(h) Other non-current assets	10	5,787.24	7,114.71
<b>SUB-TOTAL</b>		<b>97,848.08</b>	<b>97,580.95</b>
<b>2 CURRENT ASSETS</b>			
(a) Inventories	11	31,128.76	15,698.04
(b) Financial assets			
(i) Investments	7	37,526.85	28,991.16
(ii) Trade receivables	12	20,293.50	7,643.20
(iii) Cash and cash equivalents	13	4,115.90	6,672.51
(iv) Bank balances other than (iii) above	13	69,805.22	6,453.97
(v) Other financial assets	8	794.51	380.94
(c) Other current assets	10	8,647.22	8,965.89
<b>SUB-TOTAL</b>		<b>1,72,311.96</b>	<b>74,805.71</b>
<b>TOTAL ASSETS</b>		<b>2,70,160.04</b>	<b>1,72,386.66</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>1 EQUITY</b>			
(a) Equity share capital	14A	900.19	900.19
(b) Other equity	14B	1,65,021.86	98,410.68
<b>SUB-TOTAL</b>		<b>1,65,922.05</b>	<b>99,310.87</b>
<b>LIABILITIES</b>			
<b>2 NON-CURRENT LIABILITIES</b>			
(a) Financial liabilities			
(i) Borrowings	15	25,233.07	30,835.36
(ii) Lease liabilities	16	23.12	310.05
(iii) Other financial liabilities	17	434.56	3,645.75
(b) Provisions	18	1,304.19	1,066.86
(c) Deferred tax liabilities (net)	9	1,093.67	-
<b>SUB-TOTAL</b>		<b>28,088.61</b>	<b>35,858.02</b>

# Balance Sheet contd.

as at 31 March 2022

₹ in lakh

Particulars	Note No.	As at	
		31 March 2022	31 March 2021
<b>3 CURRENT LIABILITIES</b>			
(a) Financial liabilities			
(i) Borrowings	15	5,603.19	5,576.29
(ii) Lease liabilities	16	118.44	169.82
(iii) Trade payables			
(a) Dues of micro and small enterprises	19	245.87	-
(b) Dues of other than micro and small enterprises	19	56,715.60	22,234.54
(iv) Other financial liabilities	17	1,007.35	1,456.29
(b) Provisions	18	62.47	54.84
(c) Current tax liabilities (net)	20	771.91	157.37
(d) Other current liabilities	21	11,624.55	7,568.62
<b>SUB-TOTAL</b>		<b>76,149.38</b>	<b>37,217.77</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,70,160.04</b>	<b>1,72,386.66</b>

The accompanying notes 1 to 43 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

#### For and on behalf of the Board of Directors

**T.R. Raghunandan**

Chairman

**Bahirji A. Ghorpade**

Managing Director

**Bijan Kumar Dash**

Company Secretary

**Uttam Kumar Bhageria**

Chief Financial Officer & Chief Risk Officer

**Place:** Bengaluru

**Date:** 18 May 2022

**Place:** Bengaluru

**Date:** 18 May 2022

# Statement of Profit and Loss

for the year ended 31 March 2022

₹ in lakh

Particulars	Note No.	For the year ended 31 March 2022	For the year ended 31 March 2021
I Revenue from operations	22	2,24,874.15	74,658.89
II Other income	23	3,522.79	1,776.83
<b>III Total income (I + II)</b>		<b>2,28,396.94</b>	<b>76,435.72</b>
<b>IV Expenses</b>			
(a) Cost of materials consumed		79,051.12	12,113.94
(b) Changes in stock of finished and semi-finished goods	24	(922.06)	(45.61)
(c) Employee benefits expense	25	11,293.80	10,193.03
(d) Finance costs	26	3,843.33	1,306.29
(e) Depreciation and amortisation expense	27	5,560.08	2,681.42
(f) Other expenses	28	38,038.42	25,233.52
<b>Total expenses (IV)</b>		<b>1,36,864.69</b>	<b>51,482.59</b>
<b>V Profit before tax (III-IV)</b>		<b>91,532.25</b>	<b>24,953.13</b>
<b>VI Tax expense</b>			
(a) Current tax	29	22,453.00	6,485.00
(b) Deferred tax	29	1,567.67	2,528.00
(c) MAT credit (Deferred tax)	29	-	547.37
<b>Total tax expense</b>		<b>24,020.67</b>	<b>9,560.37</b>
<b>VII Profit for the year (V-VI)</b>		<b>67,511.58</b>	<b>15,392.76</b>
<b>VIII Other comprehensive income</b>			
Items that will not be reclassified to the statement of profit and loss			
(i) Remeasurement of post-employment benefit obligations		(0.28)	(79.51)
(ii) Income tax relating to these items		0.07	28.00
Items that will be reclassified to the statement of profit and loss			
(i) Cost of hedging - Fair value change		-	(79.50)
(ii) Cost of hedging - Reclassification		-	79.50
<b>IX Total comprehensive income (net of tax) for the year</b>		<b>67,511.37</b>	<b>15,341.25</b>
<b>X Earnings per equity share of ₹ 10:</b>			
(1) Basic	30	749.97	170.99
(2) Diluted	30	749.97	170.99

The accompanying notes 1 to 43 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

#### For and on behalf of the Board of Directors

#### T.R. Raghunandan

Chairman

#### Bahirji A. Ghorpade

Managing Director

#### Bijan Kumar Dash

Company Secretary

#### Uttam Kumar Bhageria

Chief Financial Officer & Chief Risk Officer

**Place:** Bengaluru  
**Date:** 18 May 2022

**Place:** Bengaluru  
**Date:** 18 May 2022

# Statement of Changes in Equity

for the year ended 31 March 2022

## A. EQUITY SHARE CAPITAL

	₹ in lakh	
	Balance as at 1 April 2021	Balance as at 31 March 2022
Changes in equity share capital due to prior period errors	900.19	900.19
Restated balance at the beginning of the current reporting year	-	-
Changes in equity share capital during the current year	900.19	900.19
Changes in equity share	-	-

	₹ in lakh	
	Balance as at 1 April 2020	Balance as at 31 March 2021
Changes in equity share capital due to prior period errors	900.19	900.19
Restated balance at the beginning of the current reporting year	-	-
Changes in equity share capital during the current year	900.19	900.19
Changes in equity share	-	-

## B. OTHER EQUITY

Particulars	Reserves and surplus				Items of other comprehensive income		Total other equity
	Capital redemption reserve	Securities premium	General reserve	Amalgamation adjustment deficit account	Retained earnings	Remeasurement of post-employment obligations (net of tax)	
Balance as at 1 April 2021	100.65	10,272.27	3,788.11	(3,488.91)	87,990.56	(252.00)	98,410.68
Profit / (loss) for the year	-	-	-	-	67,511.58	(0.21)	67,511.37
Dividend paid on equity shares	-	-	-	-	(900.19)	-	(900.19)
As at 31 March 2022	100.65	10,272.27	3,788.11	(3,488.91)	1,54,601.95	(252.21)	1,65,021.86
Balance as at 1 April 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	(252.00)	98,410.68

The accompanying notes 1 to 43 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

**For and on behalf of the Board of Directors**

**T.R. Raghunandan**  
Chairman

**Bahirji A. Ghorpade**  
Managing Director

**Bijan Kumar Dash**  
Company Secretary

**Uttam Kumar Bhageria**  
Chief Financial Officer & Chief Risk Officer

**Place:** Bengaluru  
**Date:** 18 May 2022

# Statement of Cash Flows

for the year ended 31 March 2022

₹ in lakh

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Cash flows from operating activities:</b>		
Profit for the year before taxes	91,532.25	24,953.13
<b>Adjustments for:</b>		
Depreciation and amortisation expense	5,560.08	2,681.42
Gain on sale of property, plant and equipment (net)	(0.21)	(2.71)
Assets discarded	1.57	475.52
Provision for doubtful trade receivables and advances (net)	25.64	686.99
Finance costs	3,843.33	1,306.29
Interest income	(1,279.29)	(420.71)
Dividend income	(16.46)	(128.45)
Gain on investments classified as fair value through profit or loss	(1,657.43)	(997.19)
Rental income	(46.08)	(57.03)
Reclassification of hedge reserve	-	79.50
Foreign exchange gain (net)	(166.10)	(113.86)
<b>Operating profit before working capital changes</b>	<b>97,797.30</b>	<b>28,462.90</b>
<b>Adjustments for (increase)/ decrease in operating assets:</b>		
Other non-current financial assets	(123.93)	76.14
Other non-current assets	-	2.65
Inventories	(15,430.72)	464.86
Trade receivables	(12,649.49)	(4,936.75)
Other current financial assets	65.99	(102.15)
Other current assets	292.22	611.13
<b>Adjustments for increase/ (decrease) in operating liabilities:</b>		
Other non-current financial liabilities	9.50	-
Non-current provisions	173.33	269.73
Trade payables	34,893.06	14,311.96
Other current financial liabilities	(0.00)	(79.50)
Current provisions	7.63	7.47
Other current liabilities	4,055.65	1,236.52
<b>Cash generated from operations</b>	<b>1,09,090.54</b>	<b>40,324.96</b>
Income taxes paid (net)	(21,785.28)	(6,323.56)
<b>Net cash generated from operating activities</b>	<b>87,305.26</b>	<b>34,001.40</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment, intangible assets (including capital work-in-progress and capital advances)	(7,793.63)	(6,010.53)
Proceeds from sale of property, plant and equipment	0.51	7.18
Receipt of Government grant	200.00	-
Deposits with banks and financial institutions (placed)/ matured (net)	(65,665.74)	2,868.98
(Purchase)/ sale of investments (net)	(6,875.05)	(22,357.43)
Interest received	799.73	380.05
Rental income	46.08	57.03
Dividends received	16.46	128.45
<b>Net cash (used in) investing activities</b>	<b>(79,271.64)</b>	<b>(24,926.27)</b>

# Statement of Cash Flows contd.

for the year ended 31 March 2022

₹ in lakh

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Cash flows from financing activities</b>		
(Repayment)/ proceeds from borrowings (net)	(5,714.30)	3,289.24
Proceeds from short term borrowings (net)	-	(6,864.82)
Finance costs	(3,608.17)	(1,228.27)
Dividend paid	(897.20)	(433.91)
Payment of principal portion of lease liabilities	(338.31)	(509.74)
Payment of interest portion on lease liabilities	(32.25)	(78.02)
<b>Net cash (used in) financing activities</b>	<b>(10,590.23)</b>	<b>(5,825.52)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(2,556.61)</b>	<b>3,249.61</b>
Cash and cash equivalents at the beginning of the year	6,672.51	3,422.90
<b>Cash and cash equivalents at the end of the year</b>	<b>4,115.90</b>	<b>6,672.51</b>
<b>Details of Cash and cash equivalents</b>		
Balances with banks		
(i) In current accounts	3,512.67	6,667.52
(ii) Fixed deposits with maturity of less than 3 months	600.00	-
Cash on hand	3.23	4.99
<b>Cash and cash equivalents at the end of the year</b>	<b>4,115.90</b>	<b>6,672.51</b>
<b>Debt reconciliation statement in accordance with Ind AS 7</b>		
<b>Borrowings (including current borrowings)</b>		
<b>Opening balance</b>	<b>36,411.65</b>	<b>39,987.23</b>
Changes from financing cash flows	(5,714.30)	(3,575.58)
Other changes	138.91	-
<b>Closing balance</b>	<b>30,836.26</b>	<b>36,411.65</b>
<b>Lease liabilities (including current lease liabilities)</b>		
<b>Opening balance</b>	<b>479.87</b>	<b>989.61</b>
Changes from financing cash flows	(338.31)	(509.74)
<b>Closing balance</b>	<b>141.56</b>	<b>479.87</b>

The accompanying notes 1 to 43 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

## For and on behalf of the Board of Directors

**T.R. Raghunandan**

Chairman

**Bahirji A. Ghorpade**

Managing Director

**Bijan Kumar Dash**

Company Secretary

**Uttam Kumar Bhageria**

Chief Financial Officer & Chief Risk Officer

**Place:** Bengaluru

**Date:** 18 May 2022

**Place:** Bengaluru

**Date:** 18 May 2022

# Notes to the Financial Statements

## for the year ended 31 March 2022

### 1. CORPORATE INFORMATION

The Company is engaged in mining of manganese and iron ores in Deogiri village of Sandur taluk, Bellary District. The Company is also engaged in the manufacturing of ferroalloys and coke in Vysanakere, Hosapete. The Company is a public limited company incorporated and domiciled in India. The Company has its registered office at 'Satyalaya', No. 266 (old No.80), Ward No.1, Palace Road, Sandur 583 119, Bellary District, Karnataka and its Corporate Office at No. 9, Sandur House, Bellary Road, Sadashivanagar, Bengaluru 560 080, Karnataka.

#### 1.1 SIGNIFICANT ACCOUNTING POLICIES

##### (a) Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended read with section 133 of the Companies Act, 2013 ("Act") and other relevant provisions of the Act.

##### (b) 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 of Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended read with section 133 of the Companies Act, 2013. All assets and liabilities are classified into current and non current based on the operating cycle of less than twelve months or 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 when control of the goods is transferred to the customer and there are no unfulfilled performance obligations as per the contract with the customers. Revenue is reduced for estimated customer returns, rebates and other similar allowances. Revenue excludes taxes collected from customer which have to be subsequently remitted to the Government authorities.

##### (a) 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 control of the goods is transferred to the customer and there are no unfulfilled performance obligations as per the contract with the customers and realisation is reasonably assured.

##### (b) Ferroalloys and Coke:

Revenue from sale of goods is recognised on dispatch of ferroalloys and coke to customers from plant, when control of the goods is transferred to the customer and there are no unfulfilled performance obligations as per the contract with the customers and realisation is reasonably assured.

##### (c) 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.

##### (d) Rendering of services:

Revenue from rendering of services is recognised over the period of time as per the terms of the contract with customers.

#### 1.4 DIVIDEND AND INTEREST INCOME

Dividend income from investments is recognised when the Company's right to receive payment has been established.

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

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 asset, the Company assesses whether: (i) the contact involves the use of an identified asset (ii) the Company has substantially all of the economic

# Notes to the Financial Statements

## for the year ended 31 March 2022

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.

### The Company as a lessee

As a lessee, the Company recognises a right-of-use asset (ROU) and a lease liability at the lease commencement date. The ROU 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 ROU is subsequently depreciated using the straight-line method from the commencement date to the earlier of (a) the end of the useful life of the ROU or (b) the end of the lease term. The estimated useful life of ROU is determined on the same basis as property, plant and equipment. The ROU 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 (if that rate can be readily determined). If that rate cannot be readily determined, the incremental borrowing rate is used to determine the lease liability. 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 applies the recognition exemption for short-term leases and leases of low-value assets. The lease payment for short-term leases having a lease term of up to 12 months and leases of low-value assets, are recognised as an expenses on a straight line basis over the lease term. The Company applied a single discount rate for 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

Functional currency of an entity is the currency of the primary economic environment in which the entity operates. The financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company.

Transactions in currencies other than the entity's functional currency (foreign currencies) 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.

### 1.7 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 plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined 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 the statement of profit and loss. Past service cost is recognised in the statement of profit and 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
- re-measurement

The Company presents the first two components of defined benefit costs in the statement of profit and 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.



# Notes to the Financial Statements

## for the year ended 31 March 2022

### 1.7.2 Short-term and other short-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 TAXES ON INCOME

Income tax expense comprises of current tax and deferred tax in accordance with the provisions of Income-tax Act, 1961.

#### 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 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.

### 1.8.3 Current and deferred tax for the year

Current and deferred tax are recognised in the statement of profit and 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

#### (a) Recognition and measurement

(i) Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalised as part of the cost.

Capital work-in-progress are measured at cost less accumulated impairment losses, if any.

(ii) 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:

- are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- 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.

(iii) When an item of property, plant and equipment is acquired in exchange for a non-monetary asset or assets, or a combination of monetary and non-monetary assets, the cost of that item is measured at fair value (even if the entity cannot immediately derecognise the asset given up) unless the exchange transaction lacks commercial substance or the fair value of neither the asset received nor the asset given up is reliably measurable. If the acquired item is not measured at fair value, its cost is measured at the carrying amount of the asset given up.

#### (b) Depreciation

Depreciation for the assets at head office and mines (including assets transferred from these locations to any other location) is provided on a written down value method over the prescribed useful lives as per Schedule II to the Companies Act, 2013 after adjustment of the applicable residual values. Depreciation for the assets at plant (including assets transferred from this location to any other location) is provided on a straight line basis over the prescribed useful lives as per Schedule II to the Companies Act, 2013 after adjustment of the applicable residual values. The estimated useful lives, residual values and depreciation method

# Notes to the Financial Statements

## for the year ended 31 March 2022

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.

### (c) Disposal and derecognition

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 the statement of profit and loss.

### 1.10 INVESTMENT PROPERTIES

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 the statement of profit and loss in the period in which the property is derecognised.

Income received from investment property (buildings) is recognised in the statement of profit and loss on a straight line basis over the term of the lease.

### 1.11 INTANGIBLE ASSETS

#### (a) Intangible assets acquired separately

Intangible assets with finite useful lives 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. Intangible assets with indefinite useful lives acquired separately are carried at cost less accumulated impairment losses.

#### (b) 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 assets are recognised in the statement of profit and loss.

#### (c) Useful lives of intangible assets

Intangible assets are amortised over their estimated useful life on a straight line basis as follows:

**Software Licenses:** Lower of 5 years or license period.

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.

### 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. Cost is determined as follows:

Stores and spares	Monthly weighted average rates
Raw materials	Monthly weighted average rates
Finished goods and semi-finished goods	Full absorption costing method based on annual cost of production

### 1.13 PROVISIONS AND CONTINGENCIES

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

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.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made in the financial statements.

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 DIVIDEND

A final dividend, including tax thereon, on equity shares is recorded as a liability on the date of approval by the shareholders. An interim dividend, including tax thereon, is recorded as a liability on the date of declaration by the Board of directors.

# Notes to the Financial Statements

## for the year ended 31 March 2022

### 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 INFORMATION:

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 and energy.

Unallocable represents the income, expenses, assets and liabilities which are related to the Company as a whole and cannot be allocated to a particular segment.

### 1.17 OPERATING CYCLE

As mentioned in para 1.1(ii) above under 'Basis of preparation of the financial statements', 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.

# Notes to the Financial Statements

## for the year ended 31 March 2022

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 COST

Borrowing cost directly attributable to the acquisition, construction or production of qualifying assets, which 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 cost are recognised in the statement of profit and loss in the year in which they are incurred.

The Company determines the amount of borrowing cost eligible for capitalisation as the actual borrowing cost 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 expenditure 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.

### 1.21 GOVERNMENT GRANTS

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are deducted from the carrying amount of the asset resulting in reduced depreciation over the life of property, plant and equipment.

# Notes to the Financial Statements

for the year ended 31 March 2022

## NOTE NO. 2 - PROPERTY, PLANT AND EQUIPMENT

₹ in lakh

Particulars	Land - Freehold	Buildings	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Total
<b>I. Gross carrying amount</b>							
As at 1 April 2021	7,804.47	8,498.23	62,149.34	851.64	729.57	1,328.49	81,361.74
Additions	2,494.73	5,160.10	1,624.98	59.89	4.54	29.45	9,373.69
Disposals/ deductions	-	-	-	32.44	-	-	32.44
Government grant	-	13.19	186.81	-	-	-	200.00
<b>Balance as at 31 March 2022</b>	<b>10,299.20</b>	<b>13,645.14</b>	<b>63,587.51</b>	<b>879.09</b>	<b>734.11</b>	<b>1,357.94</b>	<b>90,502.99</b>
<b>II. Accumulated depreciation</b>							
As at 1 April 2021	-	868.18	3,436.82	439.51	327.04	867.86	5,939.41
Depreciation expense	-	869.68	3,966.95	132.71	102.17	142.46	5,213.97
Disposals/ deductions	-	-	-	30.57	-	-	30.57
<b>Balance as at 31 March 2022</b>	<b>-</b>	<b>1,737.86</b>	<b>7,403.77</b>	<b>541.65</b>	<b>429.21</b>	<b>1,010.32</b>	<b>11,122.81</b>
<b>III. Net carrying amount (I-II)</b>	<b>10,299.20</b>	<b>11,907.28</b>	<b>56,183.74</b>	<b>337.44</b>	<b>304.90</b>	<b>347.62</b>	<b>79,380.18</b>

₹ in lakh

Particulars	Land - Freehold	Buildings	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Total
<b>I. Gross carrying amount</b>							
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/ deductions	8.34	-	806.84	2.60	-	25.56	843.34
<b>Balance as at 31 March 2021</b>	<b>7,804.47</b>	<b>8,498.23</b>	<b>62,149.34</b>	<b>851.64</b>	<b>729.57</b>	<b>1,328.49</b>	<b>81,361.74</b>
<b>II. Accumulated depreciation</b>							
As at 1 April 2020	-	452.56	2,513.99	301.65	190.72	738.26	4,197.18
Depreciation expense	-	415.62	1,254.15	140.32	136.32	153.88	2,100.29
Disposals/ deductions	-	-	331.32	2.46	-	24.28	358.06
<b>Balance as at 31 March 2021</b>	<b>-</b>	<b>868.18</b>	<b>3,436.82</b>	<b>439.51</b>	<b>327.04</b>	<b>867.86</b>	<b>5,939.41</b>
<b>III. Net carrying amount (I-II)</b>	<b>7,804.47</b>	<b>7,630.05</b>	<b>58,712.52</b>	<b>412.13</b>	<b>402.53</b>	<b>460.63</b>	<b>75,422.33</b>

### Notes:

- For depreciation methods used and the useful lives refer note 1.9 to the financial statements.
- The details of property, plant and equipment which are pledged as collateral against borrowings are disclosed in note 15 to the financial statements.
- During the year 2021-2022, the Company has received capital subsidy towards installation of Effluent Treatment Plant (ETP). The Company has fulfilled all the conditions relating to the grant of this subsidy. Refer note 1.21 to the financial statements for the accounting policy followed by the Company.
- The Company has not revalued any of its property, plant and equipment during the year.

# Notes to the Financial Statements

for the year ended 31 March 2022

## NOTE NO. 3 - RIGHT-OF-USE ASSETS

₹ in lakh		
Particulars	Vehicles	Total
<b>I. Gross carrying amount</b>		
As at 1 April 2021	1,374.65	1,374.65
Additions	-	-
Disposals	-	-
<b>Balance as at 31 March 2022</b>	<b>1,374.65</b>	<b>1,374.65</b>
<b>II. Accumulated depreciation</b>		
As at 1 April 2021	931.60	931.60
Additions	310.84	310.84
Disposals	-	-
<b>Balance as at 31 March 2022</b>	<b>1,242.44</b>	<b>1,242.44</b>
<b>III. Net carrying amount (I-II)</b>	<b>132.21</b>	<b>132.21</b>

₹ in lakh		
Particulars	Vehicles	Total
<b>I. Gross carrying amount</b>		
As at 1 April 2020	1,374.65	1,374.65
Additions	-	-
Disposals	-	-
<b>Balance as at 31 March 2021</b>	<b>1,374.65</b>	<b>1,374.65</b>
<b>II. Accumulated depreciation</b>		
As at 1 April 2020	459.87	459.87
Additions	471.73	471.73
Disposals	-	-
<b>Balance as at 31 March 2021</b>	<b>931.60</b>	<b>931.60</b>
<b>III. Net carrying amount (I-II)</b>	<b>443.05</b>	<b>443.05</b>

### Notes:

1. The aggregate depreciation expense on right-of-use assets is included under depreciation and amortisation expense in the statement of profit and loss.
2. For the disclosure on leases, refer note 32 to the financial statements.
3. The Company has not revalued any of its right-of-use assets during the year.

# Notes to the Financial Statements

## for the year ended 31 March 2022

### NOTE NO. 4 - CAPITAL WORK-IN-PROGRESS

#### (A) CAPITAL WORK-IN-PROGRESS (CWIP) AGEING SCHEDULE

As at 31 March 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,664.58	421.72	1,808.87	336.55	4,231.72
<b>Total</b>	<b>1,664.58</b>	<b>421.72</b>	<b>1,808.87</b>	<b>336.55</b>	<b>4,231.72</b>

₹ in lakh

As at 31 March 2021

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,023.35	5,151.50	1,041.44	8.98	8,225.27
<b>Total</b>	<b>2,023.35</b>	<b>5,151.50</b>	<b>1,041.44</b>	<b>8.98</b>	<b>8,225.27</b>

₹ in lakh

#### (B) CAPITAL-WORK-IN PROGRESS COMPLETION SCHEDULE FOR PROJECTS WHOSE COMPLETION IS OVERDUE AS COMPARED TO ITS ORIGINAL PLAN

As at 31 March 2022

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Downhill conveyor	2,269.61	-	-	-	2,269.61
Construction of school	968.79	-	-	-	968.79
<b>Total</b>	<b>3,238.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,238.40</b>

₹ in lakh

As at 31 March 2021

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Downhill conveyor	-	1,777.08	-	-	1,777.08
Construction of school	-	753.79	-	-	753.79
<b>Total</b>	<b>-</b>	<b>2,530.87</b>	<b>-</b>	<b>-</b>	<b>2,530.87</b>

₹ in lakh

# Notes to the Financial Statements

for the year ended 31 March 2022

## NOTE NO. 5 - INVESTMENT PROPERTIES

₹ in lakh			
Particulars	Land	Buildings	Total
<b>I. Gross carrying amount</b>			
As at 1 April 2021	4,401.71	604.90	5,006.61
Additions	-	-	-
Disposals	-	-	-
<b>Balance as at 31 March 2022</b>	<b>4,401.71</b>	<b>604.90</b>	<b>5,006.61</b>
<b>II. Accumulated depreciation</b>			
As at 1 April 2021	-	135.29	135.29
Additions	-	22.83	22.83
Disposals	-	-	-
<b>Balance as at 31 March 2022</b>	<b>-</b>	<b>158.12</b>	<b>158.12</b>
<b>III. Net carrying amount (I-II)</b>	<b>4,401.71</b>	<b>446.78</b>	<b>4,848.49</b>

₹ in lakh			
Particulars	Land	Buildings	Total
<b>I. Gross carrying amount</b>			
As at 1 April 2020	4,401.71	604.90	5,006.61
Additions	-	-	-
Disposals	-	-	-
<b>Balance as at 31 March 2021</b>	<b>4,401.71</b>	<b>604.90</b>	<b>5,006.61</b>
<b>II. Accumulated depreciation</b>			
As at 1 April 2020	-	111.29	111.29
Additions	-	24.00	24.00
Disposals	-	-	-
<b>Balance as at 31 March 2021</b>	<b>-</b>	<b>135.29</b>	<b>135.29</b>
<b>III. Net carrying amount (I-II)</b>	<b>4,401.71</b>	<b>469.61</b>	<b>4,871.32</b>

### Notes:

- The Company's investment properties consist of two commercial and 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.
- For depreciation methods used, the useful lives and the depreciation expense, refer note 1.10 to the financial statements.
- All of the Company's investment properties are pledged as collateral against borrowings (Refer note 15 to the financial statements).
- Fair market value of investment properties have been determined on the basis of valuations carried out by an independent registered valuer (As at 31 March 2021: Company internally).The fair values have been categorised as level 2 based on the techniques used and inputs applied. The details of these valuations are as below:

₹ in lakh		
Particulars	As at 31 March 2022	As at 31 March 2021
Land	6,011.41	7,131.38
Buildings	1,297.10	740.61
<b>Total</b>	<b>7,308.51</b>	<b>7,871.99</b>

- The Company has restrictions on the realisability/ disposal of investment properties due to these being pledged as collateral against borrowings, however there are no restrictions on the remittance of income. There are no contractual obligations to purchase, construct or develop investment properties for repair, maintenance or enhancements.



# Notes to the Financial Statements

## for the year ended 31 March 2022

6. Amounts recognised in the statement of profit and loss for the investment properties:

₹ in lakh

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Rental income	46.08	57.03
Direct operating expenses related to investment properties	(8.62)	(9.43)
Profit from investment properties before depreciation	37.46	47.60
Depreciation	(22.83)	(24.00)
<b>Profit from investment properties</b>	<b>14.63</b>	<b>23.60</b>

### NOTE NO. 6 - OTHER INTANGIBLE ASSETS

₹ in lakh

Particulars	Computer softwares	Total
<b>I. Gross carrying amount</b>		
As at 1 April 2021	443.27	443.27
Additions	15.22	15.22
Disposals/ deductions	-	-
<b>Balance as at 31 March 2022</b>	<b>458.49</b>	<b>458.49</b>
<b>II. Accumulated depreciation</b>		
As at 1 April 2021	405.45	405.45
Amortisation expense	12.44	12.44
Disposals/ deductions	-	-
<b>Balance as at 31 March 2022</b>	<b>417.89</b>	<b>417.89</b>
<b>III. Net carrying amount (I-II)</b>	<b>40.60</b>	<b>40.60</b>

₹ in lakh

Particulars	Computer softwares	Total
<b>I. Gross carrying amount</b>		
As at 1 April 2020	430.98	430.98
Additions	12.65	12.65
Disposals/ deductions	0.36	0.36
<b>Balance as at 31 March 2021</b>	<b>443.27</b>	<b>443.27</b>
<b>II. Accumulated depreciation</b>		
As at 1 April 2020	320.39	320.39
Amortisation expense	85.40	85.40
Disposals/ deductions	0.34	0.34
<b>Balance as at 31 March 2021</b>	<b>405.45</b>	<b>405.45</b>
<b>III. Net carrying amount (I-II)</b>	<b>37.82</b>	<b>37.82</b>

#### Notes:

- For amortisation method used and the useful lives refer note 1.11 (c) to the financial statements.
- The Company has not revalued any of its intangible assets during the year.

# Notes to the Financial Statements

for the year ended 31 March 2022

## NOTE NO. 7 - INVESTMENTS

₹ in lakh

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	Non-current	Current	Non-current
<b>Investments carried at fair value through profit or loss</b>				
Investments in equity Instruments (Quoted)	-	74.22	-	77.45
Investments in mutual funds (Quoted)	36,292.83	-	28,250.17	-
Investments in mutual funds (Unquoted)	637.28	-	740.99	-
Investments in corporate bonds (Quoted)	596.74	-	-	-
<b>Total</b>	<b>37,526.85</b>	<b>74.22</b>	<b>28,991.16</b>	<b>77.45</b>
Aggregate value of quoted investments	36,889.57	74.22	28,250.17	77.45
Aggregate market value of quoted investments	36,889.57	74.22	28,250.17	77.45
Aggregate value of unquoted investments	637.28	-	740.99	-
Aggregate amount of impairment in value of investments	-	-	-	-

## NOTE NO. 8 - OTHER FINANCIAL ASSETS

₹ in lakh

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	Non-current	Current	Non-current
<b>Unsecured and considered good</b>				
(a) Security deposits	-	590.18	-	466.25
(b) Deposits with banks and financial institutions with more than 12 months maturity (*)	-	2,763.24	-	448.75
(c) Loans and advances to employees	188.29	-	254.28	-
(d) Interest accrued on deposits	606.22	-	126.66	-
<b>Total</b>	<b>794.51</b>	<b>3,353.42</b>	<b>380.94</b>	<b>915.00</b>

\* Fixed deposit ₹ 368.24 lakh against margin accounts (As at March 31 2021: ₹ 332.18 lakh).

## NOTE NO. 9 - DEFERRED TAX BALANCES

₹ in lakh

Particulars	As at	As at
	31 March 2022	31 March 2021
Deferred tax (liabilities)/ assets (net)	(1,093.67)	474.00
<b>Total</b>	<b>(1,093.67)</b>	<b>474.00</b>

### As at 31 March 2022

₹ in lakh

Particulars	Opening balance	Recognised in the statement of profit and loss	Recognised in other comprehensive income	Closing balance
	<b>Deferred tax (liabilities)/ assets in relation to:</b>			
Property, plant and equipment	(2,794.96)	(375.89)	-	(3,170.85)
Right-of-use assets	154.82	(188.09)	-	(33.27)
Investments	363.69	(798.64)	-	(434.95)
Provision for doubtful debts	287.78	(90.13)	-	197.65
Provision for employee benefits	440.44	(87.75)	-	352.69
Disallowances under section 40(a)(i) and section 43B of the Income-tax Act, 1961	2,042.53	(206.17)	-	1,836.36
Others	(20.30)	179.00	-	158.70
<b>Total</b>	<b>474.00</b>	<b>(1,567.67)</b>	<b>-</b>	<b>(1,093.67)</b>

# Notes to the Financial Statements

## for the year ended 31 March 2022

As at 31 March 2021

Particulars	Opening balance	Recognised in the statement of profit and loss	Recognised in other comprehensive income	₹ in lakh
				Closing balance
<b>Deferred tax (liabilities)/ assets in relation to:</b>				
Property, plant and equipment	532.90	(3,327.86)	-	(2,794.96)
Right-of-use assets	319.66	(164.84)	-	154.82
Intangible assets	(369.20)	348.90	-	(20.30)
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) and section 43B of the Income-tax Act, 1961	2,033.24	9.29	-	2,042.53
<b>Total</b>	<b>3,549.37</b>	<b>(3,075.37)</b>	<b>-</b>	<b>474.00</b>

### NOTE NO. 10 - OTHER ASSETS

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	Non-current	Current	Non-current
	<b>Unsecured considered good, unless otherwise stated</b>			
(a) Capital advances	-	463.29	-	1,737.65
(b) Advances other than capital advances				
(i) Balances with government authorities (other than income taxes)				
- Considered good	2,124.96	156.99	5,804.81	156.99
- Considered doubtful	3.65	-	3.65	-
	2,128.61	156.99	5,808.46	156.99
Less: Provision for doubtful advances	3.65	-	3.65	-
	<b>2,124.96</b>	<b>156.99</b>	<b>5,804.81</b>	<b>156.99</b>
(ii) Other advances (advances to vendors and others)				
- Considered good	6,476.39	-	3,126.66	-
- Considered doubtful	362.87	-	336.42	-
	6,839.26	-	3,463.08	-
Less: Provision for doubtful advances	362.87	-	336.42	-
	<b>6,476.39</b>	<b>-</b>	<b>3,126.66</b>	<b>-</b>
(iii) Gratuity fund (Refer note 33)	45.87	-	34.42	-
(iv) Income tax assets (net of provision for tax of ₹ 51,121.20 lakh (As at 31 March 2021: ₹ 51,021.20 lakh))	-	5,166.96	-	5,220.07
<b>Total</b>	<b>8,647.22</b>	<b>5,787.24</b>	<b>8,965.89</b>	<b>7,114.71</b>

# Notes to the Financial Statements

for the year ended 31 March 2022

## NOTE NO. 11 - INVENTORIES

Particulars	₹ in lakh	
	As at 31 March 2022	As at 31 March 2021
(a) Raw materials (includes goods-in-transit as at 31 March 2022: ₹ 17,840.82 lakh; as at 31 March 2021: ₹ 6,024.74 lakh)	22,893.55	8,664.84
(b) Finished and semi-finished goods	7,094.42	6,172.36
(c) Stores and spares	1,140.79	860.84
<b>Total inventories (at lower of cost and net realisable value)</b>	<b>31,128.76</b>	<b>15,698.04</b>

### Notes:

- The cost of inventories recognised as an expense during the year is ₹ 78,129.06 lakh (For the year ended 31 March 2021: ₹ 12,068.33 lakh).
- Mode of valuation of inventories is stated in note 1.12 to the financial statements.
- All of the Company's inventories are pledged as collateral against borrowings (Refer note 15 to the financial statements).

## NOTE NO. 12 - TRADE RECEIVABLES

Particulars	₹ in lakh	
	As at 31 March 2022	As at 31 March 2021
<b>Unsecured considered good, unless otherwise stated</b>		
(a) Trade receivables		
- Considered good	20,293.50	7,556.90
- Credit impaired	422.45	423.26
	20,715.95	7,980.16
Less: Allowance for doubtful trade receivables	422.45	423.26
	<b>20,293.50</b>	<b>7,556.90</b>
(b) Unbilled revenue	-	86.30
<b>Total</b>	<b>20,293.50</b>	<b>7,643.20</b>

### TRADE RECEIVABLES AGEING SCHEDULE AS AT 31 MARCH 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	11,017.99	9,032.08	148.51	85.61	4.45	4.86	20,293.50
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	0.39	-	0.57	21.18	400.31	422.45
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>11,017.99</b>	<b>9,032.47</b>	<b>148.51</b>	<b>86.18</b>	<b>25.63</b>	<b>405.17</b>	<b>20,715.95</b>
Less: Allowance for doubtful trade receivables							422.45
Add: Unbilled revenue							-
<b>Total</b>							<b>20,293.50</b>

# Notes to the Financial Statements

## for the year ended 31 March 2022

### TRADE RECEIVABLES AGEING SCHEDULE AS AT 31 MARCH 2021

₹ in lakh

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	1,179.23	6,332.38	29.23	11.19	0.40	4.47	7,556.90
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	-	22.30	294.18	106.78	423.26
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>1,179.23</b>	<b>6,332.38</b>	<b>29.23</b>	<b>33.49</b>	<b>294.58</b>	<b>111.25</b>	<b>7,980.16</b>
Less: Allowance for doubtful trade receivables							423.26
Add: Unbilled revenue							86.30
<b>Total</b>							<b>7,643.20</b>

### NOTE NO. 13 - CASH AND CASH EQUIVALENTS

₹ in lakh

Particulars	As at	As at
	31 March 2022	31 March 2021
<b>Cash and cash equivalents</b>		
(a) Balances with banks		
- Current accounts	3,512.67	6,667.52
- Fixed deposits with maturity less than 3 months	600.00	-
(b) Cash on hand	3.23	4.99
<b>Total</b>	<b>4,115.90</b>	<b>6,672.51</b>
<b>Other bank balances</b>		
(a) Earmarked balances with banks - dividend accounts	28.44	25.45
(b) Balances with banks:		
Fixed deposit with banks and financial institutions with maturity of more than 3 months (*)	72,540.02	6,877.27
Less: Fixed deposits with banks and financial institutions with maturity greater than 12 months disclosed under note 8 to the financial statements.	(2,763.24)	(448.75)
	<b>69,776.78</b>	<b>6,428.52</b>
<b>Total</b>	<b>69,805.22</b>	<b>6,453.97</b>

\* Fixed deposit ₹ 55,882.51 lakh against margin accounts (As at March 31 2021- ₹ 6,877.27 lakh).

### NOTE NO. 14A - EQUITY SHARE CAPITAL

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount ₹ in lakh	No. of shares	Amount ₹ in lakh
<b>(i) Authorised:</b>				
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
<b>(ii) Issued, subscribed and fully paid-up:</b>				
Equity shares of ₹ 10 each with voting rights	90,01,941	900.19	90,01,941	900.19
<b>Total</b>	<b>90,01,941</b>	<b>900.19</b>	<b>90,01,941</b>	<b>900.19</b>

# Notes to the Financial Statements

for the year ended 31 March 2022

(iii) Reconciliation of the number of equity shares outstanding at the beginning and end of the year:

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount ₹ in lakh	No. of shares	Amount ₹ in lakh
At the beginning of the year	90,01,941	900.19	90,01,941	900.19
Add: Shares issued during the year	-	-	-	-
Less: Shares bought back/ other changes	-	-	-	-
Increase/ (decrease) during the year	-	-	-	-
<b>At the end of the year</b>	<b>90,01,941</b>	<b>900.19</b>	<b>90,01,941</b>	<b>900.19</b>

(iv) 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 the 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 the liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholdings after distribution of all preferential amounts.

(v) Aggregate number and class of equity shares allotted as fully paid without payment being received in cash for the period of 5 years immediately preceding the balance sheet date:

The scheme of amalgamation of Star Metallica 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 4 March 2020, and on completion of the required formalities the Scheme became effective from 1 April 2019. Pursuant to the approval of the scheme, 251,941 equity shares of ₹ 10 each were issued to the minority shareholders.

(vi) Details of equity shares held by the holding company:

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount ₹ in lakh	No. of shares	Amount ₹ in lakh
Skand Private Limited	46,37,440	463.74	46,32,040	463.20

(vii) Details of equity shares held by shareholders holding more than 5% shares:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Skand Private Limited	46,37,440	51.52	46,32,040	51.46
Euro Industrial Enterprises Private Limited	6,77,329	7.52	6,77,329	7.52

(viii) Disclosure of shareholding of promoters:

Particulars	As at 31 March 2022		As at 31 March 2021		% change during the year
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	
Bahirji A. Ghorpade	2,78,485	3.09%	2,78,485	3.09%	-

# Notes to the Financial Statements

## for the year ended 31 March 2022

### NOTE NO. 14B - OTHER EQUITY

₹ in lakh

Particulars	Reserves and surplus					Items of other comprehensive income	Total other equity
	Capital redemption reserve	Securities premium	General reserve	Amalgamation adjustment deficit account	Retained earnings	Remeasurement of post-employment defined benefit obligations (net of tax)	
<b>As at 1 April 2020</b>	<b>100.65</b>	<b>10,272.27</b>	<b>3,788.11</b>	<b>(3,488.91)</b>	<b>72,597.80</b>	<b>(200.49)</b>	<b>83,069.43</b>
Profit/ (loss) for the year	-	-	-	-	15,392.76	(51.51)	15,341.25
<b>As at 31 March 2021</b>	<b>100.65</b>	<b>10,272.27</b>	<b>3,788.11</b>	<b>(3,488.91)</b>	<b>87,990.56</b>	<b>(252.00)</b>	<b>98,410.68</b>
Profit/ (loss) for the year	-	-	-	-	67,511.58	(0.21)	67,511.37
Payment of dividends	-	-	-	-	(900.19)	-	(900.19)
<b>As at 31 March 2022</b>	<b>100.65</b>	<b>10,272.27</b>	<b>3,788.11</b>	<b>(3,488.91)</b>	<b>1,54,601.95</b>	<b>(252.21)</b>	<b>1,65,021.86</b>

#### DESCRIPTION OF THE NATURE AND PURPOSE OF OTHER EQUITY:

**(a) Capital redemption reserve:** Reserve created on redemption of capital.

₹ in lakh

Particulars	As at	As at
	31 March 2022	31 March 2021
As at the beginning of the year	100.65	100.65
As at the end of the year	100.65	100.65

**(b) Securities premium:** Amounts received on issue of shares in excess of the par value has been classified as securities premium.

₹ in lakh

Particulars	As at	As at
	31 March 2022	31 March 2021
As at the beginning of the year	10,272.27	10,272.27
As at the end of the year	10,272.27	10,272.27

**(c) 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 statement of profit and loss.

₹ in lakh

Particulars	As at	As at
	31 March 2022	31 March 2021
As at the beginning of the year	3,788.11	3,788.11
As at the end of the year	3,788.11	3,788.11

**(d) Amalgamation adjustment deficit account:** It represents excess of the carrying value of the net assets (including reserves) in case of common control business combination. This amount will be adjusted in determining the surplus available for dividend distribution.

₹ in lakh

Particulars	As at	As at
	31 March 2022	31 March 2021
As at the beginning of the year	(3,488.91)	(3,488.91)
As at the end of the year	(3,488.91)	(3,488.91)

# Notes to the Financial Statements

## for the year ended 31 March 2022

**(e) Retained earnings:** Retained earnings comprise of the Company's prior years undistributed earnings after taxes.

Particulars	₹ in lakh	
	As at 31 March 2022	As at 31 March 2021
As at the beginning of the year	87,990.56	72,597.80
As at the end of the year	1,54,601.95	87,990.56

### (f) Distributions made and proposed

The Board of Directors at its meeting held on 28 June 2021 had proposed a final dividend of ₹ 10 per equity share of par value of ₹ 10 each for the financial year ended 31 March 2021. The proposal was approved by shareholders at the Annual General Meeting held on 22 September 2021 and the same was paid during the year ended 31 March 2022 resulting in a total outflow of ₹ 900.19 lakh.

The Board of Directors at its meeting held on 18 May 2022 had proposed a final dividend of ₹ 5 per equity share of par value of ₹ 10 each for the financial year ended 31 March 2022.

## NOTE NO. 15 - BORROWINGS

Particulars	₹ in lakh			
	As at 31 March 2022		As at 31 March 2021	
	Current	Non-current	Current	Non-current
Secured				
Term loans from banks	5,603.19	25,233.07	5,576.29	30,835.36
<b>Total</b>	<b>5,603.19</b>	<b>25,233.07</b>	<b>5,576.29</b>	<b>30,835.36</b>

### Notes:

- Terms of repayment: Payable over 84 equal instalments starting from 31 March 2021.
- Security:
  - First pari-passu charge on all the immovable assets (limited to properties pledged against the facility), movable assets, project receivables, debt service reserve accounts assets and escrow account assets.
  - Second pari-passu charge on all the current assets and receivables.
- Rate of interest: In the range of 6.5% to 7.35% as at 31 March 2022 (As at 31 March 2021: 9.5% to 10.55%).
- Working capital facilities (fund based and non-fund based) aggregating to ₹ 35,100 lakh (As at 31 March 2021 ₹ 35,100 lakh) are secured by first pari-passu charge on all the current assets and receivables and second pari-passu charge on all the immovable assets (limited to properties pledged against the facility), movable assets, project receivables, debt service reserve accounts assets and escrow account assets.
- Pledge of the shares of the holding company against the borrowings obtained by the Company Nil (As at 31 March 2021: 35,00,000 equity shares of ₹ 10 each).
- The quarterly statements of book debts and inventories filed with the banks against the borrowings obtained by the Company are in agreement with the books of account.

## NOTE NO. 16 - LEASE LIABILITIES

Particulars	₹ in lakh			
	As at 31 March 2022		As at 31 March 2021	
	Current	Non-current	Current	Non-current
Lease liabilities (Refer note 32)	118.44	23.12	169.82	310.05
<b>Total</b>	<b>118.44</b>	<b>23.12</b>	<b>169.82</b>	<b>310.05</b>



# Notes to the Financial Statements

## for the year ended 31 March 2022

### NOTE NO. 17 - OTHER FINANCIAL LIABILITIES

₹ in lakh

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	Non-current	Current	Non-current
Security deposits	382.68	434.56	697.12	3,645.75
Payables on purchase of fixed assets	596.23	-	733.72	-
Unclaimed dividends	28.44	-	25.45	-
<b>Total</b>	<b>1,007.35</b>	<b>434.56</b>	<b>1,456.29</b>	<b>3,645.75</b>

### NOTE NO. 18 - PROVISIONS

₹ in lakh

Particulars	As at 31 March 2022		As at 31 March 2021	
	Current	Non-current	Current	Non-current
Provision for:				
- Compensated absences (Refer note 33(b) (ii))	62.47	380.19	54.84	353.86
- Restoration liabilities	-	924.00	-	713.00
<b>Total</b>	<b>62.47</b>	<b>1,304.19</b>	<b>54.84</b>	<b>1,066.86</b>

### DETAILS OF MOVEMENT IN PROVISION FOR RESTORATION LIABILITIES

₹ in lakh

Particulars	For the year ended	For the year ended
	31 March 2022	31 March 2021
Balance at the beginning of the year	713.00	533.00
Recognised during the year	147.00	132.00
Unwinding of discount	64.00	48.00
Utilised / reversed during the year	-	-
<b>Balance at the end of the year</b>	<b>924.00</b>	<b>713.00</b>

#### Note:

The financial obligation towards restoration liabilities (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. 19 - TRADE PAYABLES

₹ in lakh

Particulars	As at	As at
	31 March 2022	31 March 2021
Dues of micro and small enterprises	245.87	-
Dues of other than micro and small enterprises	56,715.60	22,234.54
<b>Total</b>	<b>56,961.47</b>	<b>22,234.54</b>

# Notes to the Financial Statements

for the year ended 31 March 2022

## TRADE PAYABLES AGING SCHEDULE

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	(a) Undisputed dues - Micro and small enterprises	55.11	190.76	-	-	
(b) Undisputed dues - Other than micro and small enterprises	149.82	54,338.24	398.01	226.39	1,603.14	56,715.60
(c) Disputed dues - Micro and small enterprises	-	-	-	-	-	-
(d) Disputed dues - Other than micro and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>204.93</b>	<b>54,529.00</b>	<b>398.01</b>	<b>226.39</b>	<b>1,603.14</b>	<b>56,961.47</b>

₹ in lakh

As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	(a) Undisputed dues - Micro and small enterprises	-	-	-	-	
(b) Undisputed dues - Other than micro and small enterprises	329.66	19,652.80	365.65	452.40	1,434.03	22,234.54
(c) Disputed dues - Micro and small enterprises	-	-	-	-	-	-
(d) Disputed dues - Other than micro and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>329.66</b>	<b>19,652.80</b>	<b>365.65</b>	<b>452.40</b>	<b>1,434.03</b>	<b>22,234.54</b>

₹ in lakh

### Notes:

- Trade payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.
- The disclosures required under the section 22 of Micro, Small and Medium Enterprises Development Act, 2006 have been provided under note 37 to the financial statements.

## NOTE NO. 20 - CURRENT TAX LIABILITIES (NET)

Particulars	₹ in lakh	
	As at 31 March 2022	As at 31 March 2021
Provision for income tax (Net of advance tax ₹ 21,796.02 lakh (As at 31 March 2021: ₹ 6,327.63 lakh))	771.91	157.37
<b>Total</b>	<b>771.91</b>	<b>157.37</b>

## NOTE NO. 21 - OTHER CURRENT LIABILITIES

Particulars	₹ in lakh	
	As at 31 March 2022	As at 31 March 2021
(a) Advances received from customers	1,864.81	416.90
(b) Statutory dues	9,747.33	7,139.85
(c) Other creditors	12.41	11.87
<b>Total</b>	<b>11,624.55</b>	<b>7,568.62</b>

# Notes to the Financial Statements

## for the year ended 31 March 2022

### NOTE NO. 22 - REVENUE FROM OPERATIONS

THE FOLLOWING IS AN ANALYSIS OF THE COMPANY'S REVENUE FROM OPERATIONS FOR THE YEAR

₹ in lakh

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Sale of products	2,20,615.01	73,044.08
(b) Rendering of services	2,989.52	459.01
(c) Other operating revenues	1,269.62	1,155.80
<b>Total</b>	<b>2,24,874.15</b>	<b>74,658.89</b>

#### Notes :

Disaggregated revenue information

₹ in lakh

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(i) Revenue from sale of products:		
(a) Manganese ore	18,375.93	13,045.69
(b) Iron ore	63,473.24	36,918.26
(c) Silicomanganese	41,606.47	10,689.50
(d) Ferromanganese	4,311.11	-
(e) Energy	61.86	185.15
(f) Coke	92,786.40	12,205.48
	<b>2,20,615.01</b>	<b>73,044.08</b>
(ii) Revenue from rendering of services:		
Coke conversion charges	<b>2,989.52</b>	<b>459.01</b>
(iii) Other operating revenues:		
(a) Handling charges	800.26	787.78
(b) Sale of scrap/ waste	286.90	246.10
(c) Other miscellaneous receipts	182.46	121.92
	<b>1,269.62</b>	<b>1,155.80</b>
(iv) Timing of revenue recognition:		
(a) Goods transferred at a point in time	2,24,716.65	74,557.56
(b) Services transferred over time	157.50	101.33
	<b>2,24,874.15</b>	<b>74,658.89</b>
(v) Contract balance:		
Trade receivables	<b>20,293.50</b>	<b>7,556.90</b>

# Notes to the Financial Statements

for the year ended 31 March 2022

## NOTE NO. 23 - OTHER INCOME

₹ in lakh

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Interest income:		
- On banks, corporate deposits and supplier's credit	1,276.83	417.84
- On others	2.46	2.87
	<b>1,279.29</b>	<b>420.71</b>
(b) Gain on investments classified as fair value through profit or loss		
- Gain on revaluation of investments	847.73	583.82
- Gain on sale of investments	809.70	413.37
	<b>1,657.43</b>	<b>997.19</b>
(c) Dividend income	16.46	128.45
(d) Sale of petroleum products (Net of expenses of ₹ 2,674.32 lakh directly attributable to the sale (for the year ended 31 March 2021- ₹ 2,002.00 lakh))	38.08	55.35
(e) Gain on sale of property, plant and equipment (net)	0.21	2.71
(f) Foreign exchange gain (net)	270.31	109.19
(g) Miscellaneous income	261.01	63.23
<b>Total</b>	<b>3,522.79</b>	<b>1,776.83</b>

## NOTE NO. 24 - CHANGES IN STOCK OF FINISHED AND SEMI-FINISHED GOODS

₹ in lakh

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Inventories at the beginning of the year:</b>		
Finished and semi-finished goods	6,172.36	6,126.75
<b>Inventories at the end of the year:</b>		
Finished and semi-finished goods	7,094.42	6,172.36
<b>Net (increase) / decrease in inventory</b>	<b>(922.06)</b>	<b>(45.61)</b>

## NOTE NO. 25 - EMPLOYEE BENEFITS EXPENSE

₹ in lakh

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Salaries, wages and bonus	8,685.88	7,676.90
(b) Contribution to provident and other funds (Refer note 33)	476.88	468.21
(c) Staff welfare expenses	1,244.53	1,155.48
(d) Subsidy on food grains	886.51	892.44
<b>Total</b>	<b>11,293.80</b>	<b>10,193.03</b>

## NOTE NO. 26 - FINANCE COSTS

₹ in lakh

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Interest expense on:		
Term loans from banks	3,153.17	3,507.49
Less: Amounts included in the cost of qualifying assets	-	2,812.47
	3,153.17	695.02
Lease liabilities	32.25	78.02
Others	593.91	485.25
(b) Unwinding of discount on financial liabilities	64.00	48.00
<b>Total</b>	<b>3,843.33</b>	<b>1,306.29</b>

# Notes to the Financial Statements

## for the year ended 31 March 2022

### NOTE NO. 27 - DEPRECIATION AND AMORTISATION EXPENSE

₹ in lakh

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Depreciation of property, plant and equipment (Refer note 2)	5,213.97	2,100.29
(b) Depreciation of right-of-use assets (Refer note 3)	310.84	471.73
(c) Depreciation of investment properties (Refer note 5)	22.83	24.00
(d) Amortisation of other intangible assets (Refer note 6)	12.44	85.40
<b>Total</b>	<b>5,560.08</b>	<b>2,681.42</b>

### NOTE NO. 28 - OTHER EXPENSES

₹ in lakh

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Stores and spares consumed	1,071.10	456.72
(b) Operation and maintenance	1,448.18	683.22
(c) Power and fuel	55.54	35.67
(d) Rent	161.70	151.03
(e) Rates and taxes	15,010.11	8,523.09
(f) Insurance	250.49	75.91
(g) Repairs and maintenance - machinery	338.66	170.35
(h) Repairs and maintenance - building	101.48	193.34
(i) Repairs and maintenance - others	546.66	440.31
(j) Mine running expenses	8,125.23	5,662.61
(k) Freight, loading and siding charges	3,798.68	3,250.95
(l) Selling expenses	1,367.93	705.86
(m) Travelling and conveyance	712.17	655.93
(n) Expenditure on corporate social responsibility (Refer note 38)	446.29	385.28
(o) Donations and contributions	125.00	192.00
(p) Auditors remuneration		
- Statutory audit fees	50.00	50.00
- Tax audit fees	7.00	7.00
- Other services	5.20	5.00
- Out of pocket expenses	2.17	0.25
(q) Provision for doubtful debts/ advances	56.55	686.99
Less: Provision released	30.91	-
	25.64	686.99
(r) Legal and other professional charges	2,209.91	440.76
(s) Assets discarded	1.57	475.52
(t) Loss on sale of property, plant and equipment and intangible assets	-	5.31
(u) Fair value losses on derivatives not designated as hedges (net)	-	105.81
(v) Miscellaneous expenses	2,177.71	1,874.61
<b>Total</b>	<b>38,038.42</b>	<b>25,233.52</b>

# Notes to the Financial Statements

for the year ended 31 March 2022

## NOTE NO. 29 - CURRENT TAX AND DEFERRED TAX

(A) TAX EXPENSE RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS:

Particulars	₹ in lakh	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax	22,453.00	6,485.00
Deferred tax	1,567.67	2,528.00
MAT credit (Deferred tax)	-	547.37
<b>Total</b>	<b>24,020.67</b>	<b>9,560.37</b>

(B) TAX EXPENSE RECOGNISED IN OTHER COMPREHENSIVE INCOME:

Particulars	₹ in lakh	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Remeasurement of post-employment benefit obligations	0.07	28.00
<b>Total</b>	<b>0.07</b>	<b>28.00</b>

(C) RECONCILIATION OF TAX EXPENSE AND THE ACCOUNTING PROFIT MULTIPLIED BY COMPANY'S DOMESTIC TAX RATE:

Particulars	₹ in lakh	
	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Profit before tax</b>	91,532.25	24,953.13
Enacted income tax rate in India	25.17%	34.94%
Computed expected tax expense	23,036.84	8,719.62
<b>Effect of:</b>		
- Expenses that are not deductible in determining taxable profit	176.43	369.00
- Effect of change in income tax rate*	132.60	-
- Others	674.80	471.75
<b>Total</b>	<b>24,020.67</b>	<b>9,560.37</b>

### Note:

\* From the Assessment Year 2022-23 relevant to the financial year 2021-22, the Company elected to exercise the option permitted under section 115BAA(1) of the Income-tax Act, 1961 after satisfying the conditions contained in section 115BAA(2) as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for income tax for the year ended 31 March 2022 and computed deferred tax based on the rate prescribed in the said section.

## NOTE NO. 30 - EARNINGS PER SHARE

Particulars	₹ in lakh	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit for the year (₹ in lakh) (a)	67,511.58	15,392.76
Weighted average number of equity shares (b)	90,01,941	90,01,941
Earnings per share (a/ b):		
- Basic (₹)	749.97	170.99
- Diluted (₹)	749.97	170.99
Nominal value of shares (₹)	10	10

# Notes to the Financial Statements

for the year ended 31 March 2022

## NOTE NO. 31 - CONTINGENT LIABILITIES AND COMMITMENTS

### (A) CONTINGENT LIABILITIES AND COMMITMENTS:

#### (i) Contingent liabilities not provided for:

₹ in lakh

Particulars	As at	As at
	31 March 2022	31 March 2021
Income tax (relating to disallowance of deduction)	6,071.41	6,838.66
Service tax (relating to applicability of tax)	293.35	293.35
Forest development tax including interest	7,472.50	6,820.07
Differential rate relating to sale of power (including interest)	495.18	463.40
Differential royalty including interest	953.53	953.53
Customs duty (relating to demand towards differential duty payable on import of coal)	416.38	395.95
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.

#### (ii) Guarantees given by the Company:

₹ in lakh

Particulars	As at	As at
	31 March 2022	31 March 2021
Bank guarantee issued to Indian Bureau of Mines towards progressive mine closure plan	5,595.38	3,630.73

### (B) CAPITAL COMMITMENTS

₹ in lakh

Particulars	As at	As at
	31 March 2022	31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,726.58	4,011.46

## NOTE NO. 32 - LEASES

### AMOUNTS RECOGNISED IN BALANCE SHEET:

₹ in lakh

Particulars	As at	As at
	31 March 2022	31 March 2021
Right-of-use assets		
- Vehicles	132.21	443.05
Lease liabilities		
- Non-current	23.12	310.05
- Current	118.44	169.82

### AMOUNTS RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS:

₹ in lakh

Particulars	As at	As at
	31 March 2022	31 March 2021
(a) Depreciation and amortisation expense		
- Vehicles (Refer note 27)	310.84	471.73
(b) Finance costs (Refer note 26)	32.25	78.02
(c) Expense relating to short-term leases (Refer note 28)	161.70	151.03

#### Notes:

1. Short-term leases have been accounted by applying Paragraph 6 of Ind AS 116- Leases and accordingly recognised as expense in the statement of profit and loss.

2. The total cash outflow pertaining to leases for the year ended 31 March 2022 amounts to ₹ 370.56 lakh (Previous year: ₹ 587.76 lakh).

# Notes to the Financial Statements

for the year ended 31 March 2022

## NOTE NO. 33 - EMPLOYEE BENEFITS

### (A) DEFINED CONTRIBUTION PLAN

The Company's contribution to provident fund and superannuation fund aggregating ₹ 308.36 lakh (For the year ended 31 March 2021: ₹ 297.64 lakh) has been recognised in the statement of profit and loss under the head employee benefits expense.

### (B) DEFINED BENEFIT PLAN

#### (i) Gratuity (Funded)

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 and the Company's 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.

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.

Particulars	Valuation as at	
	31 March 2022	31 March 2021
Discount rate (p.a.)	7.25%	6.80%
Expected rate of salary increase (p.a.)	6.00%	6.00%
Attrition rate (p.a.)	2.00%	2.00%

The retirement age of employees of the Company is 60 years.

The mortality rates considered are as per the published rates in the Indian Assured Lives Mortality (2012-14) Ult table.

Details of defined benefit plans as per actuarial valuation as at 31 March is as follows:

Particulars	₹ in lakh	
	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Amount recognised in other comprehensive income in respect of defined benefit plan is as follows:</b>		
Actuarial gains and losses arising from		
- Changes in financial assumptions	(77.86)	(8.58)
- Experience adjustments	(5.30)	169.00
Actual return on plan assets less interest on plan assets	83.44	(80.91)
<b>Total</b>	<b>0.28</b>	<b>79.51</b>
<b>Amount recognised in the statement of profit and loss in respect of defined benefit plan is as follows:</b>		
Current service cost	174.27	167.26
Interest on net defined benefit liability/ (asset)	(5.75)	3.31
<b>Total</b>	<b>168.52</b>	<b>170.57</b>
<b>I. Net asset/ (liability) recognised in the balance sheet</b>		
Present value of defined benefit obligation	2,095.49	2,044.84
Fair value of plan assets	2,141.36	2,079.26
<b>Surplus/ (deficit)</b>	<b>45.87</b>	<b>34.42</b>
Current portion of the above	45.87	34.42
Non-current portion of the above	-	-



# Notes to the Financial Statements

## for the year ended 31 March 2022

₹ in lakh

Particulars	As at	
	31 March 2022	31 March 2021
<b>II. Movements in the present value of the defined benefit obligation</b>		
Defined benefit obligation at the beginning of the year	2,044.84	2,020.85
Current service cost	174.27	167.26
Interest on net defined benefit liability/ (asset)	132.43	123.30
Actuarial gains and losses arising from		
- Changes in financial assumptions	(77.86)	(8.58)
- Experience adjustments	(5.30)	169.00
Benefit payments	(172.89)	(426.99)
<b>Defined benefit obligation at the end of the year</b>	<b>2,095.49</b>	<b>2,044.84</b>
<b>III. Movements in the fair value of plan assets</b>		
Fair value of plan assets at the beginning of the year	2,079.26	1,921.79
Interest on plan assets	138.18	119.99
Actual return on plan assets less interest on plan assets	(83.44)	80.91
Contributions by employer	180.25	383.56
Benefit payments	(172.89)	(426.99)
<b>Fair value of plan assets at the end of the year</b>	<b>2,141.36</b>	<b>2,079.26</b>
<b>IV. The Major categories of plan assets</b>		
Government of India Securities	44.21%	60.91%
Corporate Bonds	33.56%	30.48%
Others	22.23%	8.61%

### Sensitivity analysis

The key actuarial assumptions to which the defined benefit plan is particularly sensitive to are discount rate and salary growth rate. The following table summarises the impact on the reported defined benefit obligation at the end of the year arising on account of an increase or decrease in the assumption by 50 basis points:

₹ in lakh

Particulars	As at 31 March 2022	
	Discount rate	Salary growth rate
Defined benefit obligation on plus 50 basis points	(2,014.44)	2,182.94
Defined benefit obligation on minus 50 basis points	2,182.31	(2,013.15)

₹ in lakh

Particulars	As at 31 March 2021	
	Discount rate	Salary growth rate
Defined benefit obligation on plus 50 basis points	(1,962.19)	2,133.69
Defined benefit obligation on minus 50 basis points	2,133.43	(1,961.21)

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 and when calculating the defined benefit liability recognised in the Balance sheet.

# Notes to the Financial Statements

## for the year ended 31 March 2022

Maturity profile of defined benefit obligation:

Particulars	₹ in lakh	
	As at 31 March 2022	As at 31 March 2021
Within 1 year	223.77	194.54
1 year to 2 years	142.76	138.37
2 years to 3 years	190.37	152.42
3 years to 4 years	178.54	189.06
4 years to 5 years	279.72	182.37
Over 5 years	3,344.03	3,267.37

The Company expects to contribute ₹ 100 lakh to the gratuity trusts during the next financial year.

### Plan Assets

The category wise fair value of Company's pension plan asset as at 31 March 2022 and 31 March 2021 are as follows:

Particulars	₹ in lakh	
	As at 31 March 2022	As at 31 March 2021
Insurer managed funds	2,141.36	2,054.06
Others	-	25.20
<b>Total</b>	<b>2,141.36</b>	<b>2,079.26</b>

The weighted average duration of the defined benefit obligation as at 31 March 2022 is 8.00 years (As at 31 March 2021: 8.37 years).

Summary of defined benefit obligation/ plan assets and experience adjustments:

Particulars	₹ in lakh				
	For the year ended				
	31 March 2022	31 March 2021	31 March 2020	31 March 2019	31 March 2018
1. Defined benefit obligation	2,095.49	2,044.84	2,020.85	1,888.67	1,992.74
2. Fair value of plan assets	2,141.36	2,079.26	1,921.79	1,874.32	2,042.96
3. Surplus/ (Deficit)	45.87	34.42	(99.06)	(14.35)	50.22
4. Experience adjustment on plan liabilities [(Gain)/ Loss]	(5.30)	169.00	0.75	(51.96)	229.15
5. Experience adjustment on plan assets [Gain/ (Loss)]	(77.86)	(8.58)	106.34	18.84	(69.61)

The expected rate of return on plan assets is based on the average long term rate of return expected on investments 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.

### (ii) Compensated absences (Unfunded)

The defined benefit obligations which are provided for but not funded are as under:

Particulars	₹ in lakh	
	As at 31 March 2022	As at 31 March 2021
Compensated absences		
- Current	62.47	54.84
- Non-current	380.19	353.86
<b>Total</b>	<b>442.66</b>	<b>408.70</b>

The actuarial valuation has been carried out using projected unit credit method based on assumptions given in respect of gratuity valuation.

# Notes to the Financial Statements

## for the year ended 31 March 2022

### NOTE NO. 34 - RELATED PARTY DISCLOSURES

#### (A) LIST OF RELATED PARTIES AND RELATIONSHIP

1. Name of the Parent Company	Skand Private Limited
2. Key Managerial Personnel (KMP)	<p>(a) Bahirji A. Ghorpade [Managing Director (w.e.f. 17 June 2020), Director (Corporate) From 1 April 2020 to 16 June 2020]</p> <p>(b) Mohammed Abdul Saleem, Director (Mines)</p> <p>(c) Uttam Kumar Bhageria, Chief Financial Officer and Chief Risk Officer (w.e.f. 15 September 2021)</p> <p>(d) Sachin Sanu, Chief Financial Officer (Up to 15 September 2021)</p> <p>(e) Bijan Kumar Dash, Company Secretary (w.e.f. 1 March 2021)</p> <p>(f) Divya Ajith, Company Secretary (Up to 1 March 2021)</p> <p>(g) Nazim Sheikh, Managing Director (Up to 16 June 2020)</p> <p>(h) Rajnish Singh, Director (Corporate) (Up to 23 September 2020)</p> <p><b>Non - Executive Directors</b></p> <p>(a) Thoniparambil Raghavan Raghunandan</p> <p>(b) Seshagiri Rao Sattiraju</p> <p>(c) Gururaj Pandurang Kundargi</p> <p>(d) Latha Pillai</p> <p>(e) Jagadish Rao Kote</p> <p>(f) Hemendra Laxmidas Shah</p>
3. Key Managerial Personnel of Parent Company	<p>(a) Suryaprabha Ajai Ghorpade</p> <p>(b) Bahirji A. Ghorpade</p> <p>(c) Aditi Raja</p> <p>(d) K. Raman</p>
4. Relative of KMP	<p>(a) Ajai Murarirao Ghorpade</p> <p>(b) Ekambar Ajai Ghorpade</p> <p>(c) Dr. Nazima Banu</p> <p>(d) Mohammed Abdul Raheem</p> <p>(e) Mubeen A Sheriff (Up to 16 June 2020)</p> <p>(f) R.P. Singh (Up to 23 September 2020)</p>
5. Entities controlled by Key Managerial Personnel or their relatives	(a) S S Infra (Up to 16 June 2020)
6. Entity over which Key Managerial Personnel or their relative have significant influence	<p>(a) Shivavilas Trust</p> <p>(b) Shivapur Trust</p> <p>(c) Skandapur Trust</p> <p>(d) Lohagiri Industrial Private Limited (w.e.f. 5 July 2021)</p> <p>(e) Sandur Laminates Limited (w.e.f. 9 August 2021)</p> <p>(f) Euro Industrial Enterprises Private Limited (w.e.f. 5 July 2021)</p> <p>(g) Sandur Poultry Farm</p> <p>(h) Sandur Dairy</p> <p>(i) Sandur Kushala Kendra</p> <p>(j) Karnataka Seva Sangha</p>
7. Post employee benefit plan entities	<p>(a) SMIORE Employee Provident Fund Trust</p> <p>(b) SMIORE Gratuity Fund Trust</p>

# Notes to the Financial Statements

## for the year ended 31 March 2022

### (B) DETAILS OF RELATED PARTY TRANSACTIONS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

Particulars	Parent Company	Key Managerial Personnel		Relative of KMP	Entities controlled by Key Managerial Personnel or their relatives	Entity over which Key Managerial Personnel has significant influence	Post employee benefit plan entities
		Personnel	Company				
Purchases of services/ goods	-	-	-	-	-	4,247.17	-
Lease rentals	7.23	-	-	9.86	-	41.62	-
Dividends paid	417.37	25.74	0.14	1.90	-	87.11	-
Remuneration	-	403.54	-	24.24	-	-	-
Commission and sitting fees	-	247.50	-	-	-	-	-
Corporate social responsibility	-	-	-	-	-	363.21	-
Contribution	-	-	-	-	-	-	903.46

₹ in lakh

### (C) BALANCES OUTSTANDING [RECEIVABLES / (PAYABLES)] AS AT 31 MARCH 2022

Particulars	Parent Company	Key Managerial Personnel		Relative of KMP	Entities controlled by Key Managerial Personnel or their relatives	Entity over which Key Managerial Personnel has significant influence	Post employee benefit plan entities
		Personnel	Company				
Receivables	-	-	-	-	-	117.04	-
Payables	0.63	243.38	-	2.25	-	-	8.55

₹ in lakh

### (D) DETAILS OF RELATED PARTY TRANSACTIONS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

Particulars	Parent Company	Key Managerial Personnel		Relative of KMP	Entities controlled by Key Managerial Personnel or their relatives	Entity over which Key Managerial Personnel has significant influence	Post employee benefit plan entities
		Personnel	Company				
Purchases of services/ goods	-	-	2.76	4.04	148.43	-	-
Lease rentals	7.01	-	-	7.61	-	8.79	-
Dividends paid	208.44	13.22	0.07	0.94	-	-	-
Remuneration	-	606.02	-	28.19	-	-	-
Commission and sitting fees	-	398.20	-	-	-	-	-
Corporate social responsibility	-	-	-	-	-	342.00	-
Contribution	-	-	-	-	-	-	856.59

₹ in lakh

# Notes to the Financial Statements

## for the year ended 31 March 2022

### (E) BALANCES OUTSTANDING [RECEIVABLES / (PAYABLES)] AS AT 31 MARCH 2021

Particulars	₹ in lakh						
	Parent Company	Key Managerial Personnel	Key Managerial Personnel of Parent Company	Relative of KMP	Entities controlled by Key Managerial Personnel or their relatives	Entity over which Key Managerial Personnel has significant influence	Post employee benefit plan entities
Receivables	-	-	-	1.65	-	-	-
Payables	0.64	360.87	-	-	-	-	15.70

### (F) BREAK-UP OF REMUNERATION PAID TO WHOLE-TIME DIRECTORS & EXECUTIVE OFFICERS

Particulars	₹ in lakh	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Short-term employee benefits	377.57	577.29
Post-employment benefits	25.97	28.73
<b>Total</b>	<b>403.54</b>	<b>606.02</b>

#### Notes:

- (a) The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.
- (b) The above figures do not include provisions for encashable leave & gratuity as separate actuarial valuation is not available.

# Notes to the Financial Statements

for the year ended 31 March 2022

## NOTE NO. 35 - SEGMENT INFORMATION

The Chief Operating Decision maker of the Company examines the performance of the Company from a product perspective and has identified three reportable segments (a) Mining, (b) Ferroalloys (c) Coke and Energy. Unallocable represents the income, expenses, assets and liabilities which are related to the Company as a whole and cannot be allocated to a particular segment.

The Company operates in a single geographical territory and accordingly, the reporting for secondary segment is not applicable.

### For the year ended 31 March 2022

Particulars						₹ in lakh
	Mining	Ferroalloys	Coke and Energy	Unallocable	Inter-segment eliminations	Total
<b>Revenue from operations</b>						
External customers	82,669.98	46,070.46	95,974.24	159.47	-	2,24,874.15
Inter-segment	6,084.96	-	6,402.49	-	(12,487.45)	-
<b>Total revenue from operations</b>	<b>88,754.94</b>	<b>46,070.46</b>	<b>1,02,376.73</b>	<b>159.47</b>	<b>(12,487.45)</b>	<b>2,24,874.15</b>
Income/ (Expenses)	35,506.25	25,815.56	71,402.00	4,981.42	(12,487.45)	1,25,217.78
Depreciation and amortisation	862.83	661.60	3,532.04	503.61	-	5,560.08
Interest income	(2.21)	(12.36)	(189.12)	(1,075.60)	-	(1,279.29)
Finance costs	-	-	-	3,843.33	-	3,843.33
<b>Total expenses</b>	<b>36,366.87</b>	<b>26,464.80</b>	<b>74,744.92</b>	<b>8,252.76</b>	<b>(12,487.45)</b>	<b>1,33,341.90</b>
<b>Profit before tax</b>	<b>52,388.07</b>	<b>19,605.66</b>	<b>27,631.81</b>	<b>(8,093.29)</b>	<b>-</b>	<b>91,532.25</b>
Tax expenses	-	-	-	24,020.67	-	24,020.67
<b>Profit for the year</b>	<b>52,388.07</b>	<b>19,605.66</b>	<b>27,631.81</b>	<b>(32,113.96)</b>	<b>-</b>	<b>67,511.58</b>
<b>Total assets</b>	<b>20,004.92</b>	<b>20,972.60</b>	<b>94,171.42</b>	<b>1,35,011.10</b>	<b>-</b>	<b>2,70,160.04</b>
<b>Total liabilities</b>	<b>15,155.19</b>	<b>2,131.92</b>	<b>52,907.88</b>	<b>34,043.00</b>	<b>-</b>	<b>1,04,237.99</b>

### For the year ended 31 March 2021

Particulars						₹ in lakh
	Mining	Ferroalloys	Coke and Energy	Unallocable	Inter-segment eliminations	Total
<b>Revenue from operations</b>						
External customers	50,766.00	10,940.00	12,850.89	102.00	-	74,658.89
Inter-segment	2,012.00	-	-	-	(2,012.00)	-
<b>Total revenue from operations</b>	<b>52,778.00</b>	<b>10,940.00</b>	<b>12,850.89</b>	<b>102.00</b>	<b>(2,012.00)</b>	<b>74,658.89</b>
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)
Finance costs	-	-	-	1,306.29	-	1,306.29
<b>Total expenses</b>	<b>26,954.05</b>	<b>9,874.13</b>	<b>10,181.20</b>	<b>4,708.38</b>	<b>(2,012.00)</b>	<b>49,705.76</b>
<b>Profit before tax</b>	<b>25,823.95</b>	<b>1,065.87</b>	<b>2,669.69</b>	<b>(4,606.38)</b>	<b>-</b>	<b>24,953.13</b>
Tax expenses	-	-	-	9,560.37	-	9,560.37
<b>Profit for the year</b>	<b>25,823.95</b>	<b>1,065.87</b>	<b>2,669.69</b>	<b>(14,166.75)</b>	<b>-</b>	<b>15,392.76</b>
<b>Total assets</b>	<b>20,045.13</b>	<b>16,774.68</b>	<b>72,360.27</b>	<b>63,206.58</b>	<b>-</b>	<b>1,72,386.66</b>
<b>Total liabilities</b>	<b>11,800.44</b>	<b>2,590.03</b>	<b>21,602.82</b>	<b>37,082.50</b>	<b>-</b>	<b>73,075.79</b>

# Notes to the Financial Statements

## for the year ended 31 March 2022

### Geographical information

₹ in lakh

Particulars	India		Rest of the world		Total	
	For the year Ended 31 March 2022	For the year Ended 31 March 2021	For the year Ended 31 March 2022	For the year Ended 31 March 2021	For the year Ended 31 March 2022	For the year Ended 31 March 2021
	<b>Revenue from operations</b>					
Manganese ore	18,375.93	13,045.69	-	-	18,375.93	13,045.69
Iron ore	63,473.24	36,918.26	-	-	63,473.24	36,918.26
Ferroalloys	45,917.58	10,689.50	-	-	45,917.58	10,689.50
Coke and Energy	92,848.26	12,390.63	-	-	92,848.26	12,390.63
Coke conversion charges	2,989.52	459.01	-	-	2,989.52	459.01
Others	1,269.62	1,155.80	-	-	1,269.62	1,155.80
<b>Total</b>	<b>2,24,874.15</b>	<b>74,658.89</b>	<b>-</b>	<b>-</b>	<b>2,24,874.15</b>	<b>74,658.89</b>

### NOTE NO. 36 - 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.

#### FINANCIAL INSTRUMENTS BY CATEGORY AND HIERARCHY

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is as follows:

**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.

There are no transfers between levels during the year.

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.

# Notes to the Financial Statements

for the year ended 31 March 2022

## Financial assets and liabilities as at 31 March 2022

Particulars	Level	Amortised cost	Fair value through profit or loss	₹ in lakh	
				Total carrying value	Total fair value
<b>Financial assets</b>					
(a) Investments					
- Equity instruments (Quoted)	1	-	74.22	74.22	74.22
- Mutual funds (Quoted)	1	-	36,292.83	36,292.83	36,292.83
- Mutual funds (Unquoted)	2	-	637.28	637.28	637.28
- Corporate bonds (Quoted)	1	-	596.74	596.74	596.74
(b) Trade receivables	3	20,293.50	-	20,293.50	20,293.50
(c) Cash and cash equivalents	3	4,115.90	-	4,115.90	4,115.90
(d) Bank balances other than (c) above	3	69,805.22	-	69,805.22	69,805.22
(e) Other financial assets (Current and non-current)	3	4,147.93	-	4,147.93	4,147.93
<b>Total</b>		<b>98,362.55</b>	<b>37,601.07</b>	<b>1,35,963.62</b>	<b>1,35,963.62</b>
<b>Financial liabilities</b>					
(a) Borrowings (Current and non-current)	3	30,836.26	-	30,836.26	30,836.26
(b) Lease liabilities (Current and non-current)	3	141.56	-	141.56	141.56
(c) Trade payables	3	56,961.47	-	56,961.47	56,961.47
(d) Other financial liabilities (Current and non-current)	3	1,441.91	-	1,441.91	1,441.91
<b>Total</b>		<b>89,381.20</b>	<b>-</b>	<b>89,381.20</b>	<b>89,381.20</b>

## Financial assets and liabilities as at 31 March 2021

Particulars	Level	Amortised cost	Fair value through profit or loss	₹ in lakh	
				Total carrying value	Total fair value
<b>Financial assets</b>					
(a) Investments					
- Equity Instruments (Quoted)	1	-	77.45	77.45	77.45
- Mutual funds (Quoted)	1	-	28,250.17	28,250.17	28,250.17
- Mutual funds (Unquoted)	2	-	740.99	740.99	740.99
(b) Trade receivables	3	7,643.20	-	7,643.20	7,643.20
(c) Cash and cash equivalents	3	6,672.51	-	6,672.51	6,672.51
(d) Bank balances other than (c) above	3	6,453.97	-	6,453.97	6,453.97
(e) Other financial assets (Current and non-current)	3	1,295.94	-	1,295.94	1,295.94
<b>Total</b>		<b>22,065.62</b>	<b>29,068.61</b>	<b>51,134.23</b>	<b>51,134.23</b>
<b>Financial liabilities</b>					
(a) Borrowings (Current and non-current)	3	36,411.65	-	36,411.65	36,411.65
(b) Lease liabilities (Current and non-current)	3	479.87	-	479.87	479.87
(c) Trade payables	3	22,234.54	-	22,234.54	22,234.54
(d) Other financial liabilities (Current and non-current)	3	5,102.04	-	5,102.04	5,102.04
<b>Total</b>		<b>64,228.10</b>	<b>-</b>	<b>64,228.10</b>	<b>64,228.10</b>

### Note:

The carrying amount of trade receivables, cash and cash equivalents, other bank balances, other financial assets, borrowings, lease liabilities, trade payables and other financial liabilities approximate their fair values.



# Notes to the Financial Statements

## for the year ended 31 March 2022

### Financial risk management

The Board of Directors of the Company have the overall responsibility for the establishment and oversight of 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 foreign currency risk, credit risk, liquidity risk and interest rate risk.

### Foreign currency risk management

The Company's functional currency in Indian Rupees (INR). The Company undertakes transactions denominated in foreign currencies due to which it is exposed to exchange rate fluctuations. Volatility in exchange rate of foreign currencies affects the cost of Imports, primarily in relation to raw materials. The Company is generally exposed to foreign exchange risk arising through its sales and purchases denominated in foreign currency predominantly in US dollars;

During the current year there are no exports, however the Company has imported ores and coking coal which is subject to foreign exchange risk.

### Foreign currency risk exposure as at balance sheet date

Particulars	As at	As at
	31 March 2022	31 March 2021
	USD	USD
Trade Payables	6,02,28,936	1,09,73,020

### Sensitivity analysis:

Impact on profit / (loss) for the year a 1% change in exchange rates:

Particulars	As at	As at
	31 March 2022	31 March 2021
	₹ in lakh	
Payables- USD/ INR		
Increase in INR	456.58	80.29
Decrease in INR	(456.58)	(80.29)

### 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 31 March 2022 is considered to be adequate.

# Notes to the Financial Statements

for the year ended 31 March 2022

## Movement in allowance for bad and doubtful debts

Particulars	₹ in lakh
As at 1 April 2020	49.57
Movement during the year	(472.83)
As at 31 March 2021	<b>(423.26)</b>
Movement during the year	0.81
As at 31 March 2022	<b>(422.45)</b>

## 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 managing the liquidity risk rests with the management, which has established an appropriate liquidity risk management framework for managing the Company's short-term, medium-term and long-term funding. 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.

### As at 31 March 2022

Financial liabilities	Due within (years)			Total
	Less than 1 year	1 - 3 years	3+ years	
	₹ in lakh			
Borrowings (Refer note 15)	5,603.19	11,206.38	14,026.69	30,836.26
Trade payables (Refer note 19)	56,961.47	-	-	56,961.47
Other financial liabilities (Refer note 17)	1,007.35	434.56	-	1,441.91
<b>Total</b>	<b>63,572.01</b>	<b>11,640.94</b>	<b>14,026.69</b>	<b>89,239.64</b>

### As at 31 March 2021

Financial liabilities	Due within (years)			Total
	Less than 1 year	1 - 3 years	3+ years	
	₹ in lakh			
Borrowings (Refer note 15)	5,576.29	11,152.58	19,682.78	36,411.65
Trade payables (Refer note 19)	22,234.54	-	-	22,234.54
Other financial liabilities (Refer note 17)	1,456.29	3,645.75	-	5,102.04
<b>Total</b>	<b>29,267.12</b>	<b>14,798.33</b>	<b>19,682.78</b>	<b>63,748.23</b>

## 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 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:

Particulars	₹ in lakh	
	As at 31 March 2022	As at 31 March 2021
Team Loan (Including Current Maturities) (Refer note 15)	30,836.26	36,411.65

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.

# Notes to the Financial Statements

## for the year ended 31 March 2022

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 2022 would decrease / increase by ₹ 308.36 lakh (for the year ended 31 March 2021: decrease / increase by ₹ 364.12 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's 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 capital gearing ratio as at the balance sheet date is computed below:

Particulars	₹ in lakh	
	As at 31 March 2022	As at 31 March 2021
Borrowings (Including Current Maturities) (Refer note 15)	30,836.26	36,411.65
<b>Less:</b>		
Cash and cash equivalents (Refer note 13)	4,115.90	6,672.51
Bank balances other than cash and cash equivalents (Refer note 13)	69,805.22	6,453.97
Current investments (Refer note 7)	37,526.85	28,991.17
<b>Net debt</b>	<b>(80,611.71)</b>	<b>(5,706.00)</b>
<b>Total equity</b>	<b>1,65,922.05</b>	<b>99,310.87</b>
<b>Capital gearing ratio</b>	<b>(49%)</b>	<b>(6%)</b>

### NOTE NO. 37 - DISCLOSURES UNDER "THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT)

Particulars	₹ in lakh	
	As at 31 March 2022	As at 31 March 2021
(a) The principal amount remaining unpaid to any supplier as at the end of the year	245.87	-
(b) The interest due thereon remaining unpaid to any supplier as at the end of the year	-	-
(c) The amount of interest paid by the buyer in terms the MSMED Act	-	-
(d) The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
(e) The amount of interest due and payable for the year	-	-
(f) The amount of interest accrued and remaining unpaid at the year	-	-
(g) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid	-	-

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.

# Notes to the Financial Statements

for the year ended 31 March 2022

## NOTE NO. 38 - EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY (AS PER SECTION 135 OF THE COMPANIES ACT, 2013)

Particulars	₹ in lakh	
	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Amount required to be spent during the year	433.69	374.82
(b) Amount of expenditure incurred other than on construction/ acquisition of an asset	446.29	385.28
(c) Shortfall at the end of the year	-	-
(d) Total of previous years shortfall	-	-
(e) Reason for shortfall	-	-
(f) Nature of CSR activities	Promotion of education, prevention of child labour, infrastructure development, wildlife protection and community development.	
(g) Details of related party transactions as per the relevant Accounting Standard		
- Karnataka Seva Senga	363.21	342.00
(h) Provision towards CSR	-	-

## NOTE NO. 39 - PRODUCTION / PURCHASE, SALES, OPENING AND CLOSING STOCK OF FINISHED GOODS

Particulars	Opening stock	Production/ purchase/ generation	Power import from grid	Internal consumption	Sales	Closing stock	(Excess) / shortage
Manganese ore (Tonnes)	1,74,015	2,85,478	-	74,260	2,10,210	1,75,023	-
	(1,51,044)	(2,84,553)	(-)	(60,948)	(2,00,634)	(1,74,015)	(-)
Iron ore (Tonnes)	5,55,583	15,65,668	-	-	16,00,000	5,21,251	-
	(5,52,583)	(15,95,000)	(-)	(-)	(15,92,000)	(5,55,583)	(-)
Silicomanganese (Tonnes)	571	50,179	-	-	49,323	1,427	-
	(1,829)	(36,265)	(-)	(-)	(37,523)	(571)	(-)
Ferromanganese (Tonnes)	-	4,519	-	-	3,791	728	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Energy (Mega watts)	-	2,22,455	15,975	2,11,550	8,529	-	(18,351)
	(-)	(1,87,790)	(-)	(1,52,084)	(14,830)	(-)	(20,876)
Coke (Tonnes)	1,383	2,93,451	-	9,261	2,83,538	2,035	-
	(13,199)	(1,68,899)	(-)	(9,228)	(1,71,486)	(1,384)	(-)

### Notes:

(a) Silicomanganese production includes Nil tonnes of trial production (Previous year: 17,223 tonnes).

(b) Silicomanganese sales includes, sale of Nil tonnes of trial production (Previous year: 19,053 tonnes).

(c) Coke production of Nil tonnes pertains to trial production (Previous year: 1,22,956 tonnes).

(d) Coke sales includes, sale of Nil tonnes of trial production (Previous year: 1,25,564 tonnes).

(e) Previous year figures are in brackets.

# Notes to the Financial Statements

for the year ended 31 March 2022

## NOTE NO. 40 - EVENT OCCURRING AFTER REPORTING PERIOD

### RIGHTS ISSUE

In the Board meeting held on 10 April 2022, approval of the Board was obtained for the issuance of equity shares of ₹ 10 each of the Company on a rights basis in the right entitlement ratio of two new equity shares for every one equity share held by the eligible shareholders on the record date.

## NOTE NO. 41 - RATIOS

The following are analytical ratios for the year ended 31 March 2022 and 31 March 2021:

Ratio	Numerator	Denominator	For the year ended 31 March 2022	For the year ended 31 March 2021	% Variance	Remarks
Current ratio	Current assets	Current liabilities	2.26	2.01	13%	
Debt equity ratio	Total debt	Shareholder's equity	0.19	0.37	(50%)	Refer note (a)
Debt service coverage ratio	Earnings available for debt service	Debt service (Interest+Principal)	8.32	4.36	91%	Refer note (a)
Return on equity ratio	Net profit after taxes	Average shareholder's equity	0.51	0.17	203%	Refer note (b)
Inventory turnover ratio	Cost of goods sold	Average inventory	3.34	0.76	340%	Refer note (c)
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	16.10	9.82	64%	Refer note (c)
Trade payables turnover ratio	Total purchases	Average trade payables	2.36	0.70	236%	Refer note (d)
Net capital turnover ratio	Revenue from operations	Working capital	2.34	1.99	18%	
Net profit ratio	Net profit after taxes	Revenue from operations	0.30	0.21	46%	Refer note (e)
Return on capital employed	Earnings before interest and tax	Capital employed	0.48	0.19	150%	Refer note (f)
Return on investment	Income generated from investments	Weighted average Investments	0.05	0.06	(22%)	

### Notes:

- Revenue growth along with the scheduled repayment of debt has resulted in an improvement in the ratio.
- Revenue growth along with increase in margins has resulted in an improvement in the ratio.
- Effective working capital management has resulted in an improvement of the ratio.
- Increase in the prices of imported raw material compared to the previous year has resulted in a deterioration in the ratio.
- Increase in scale of operations along with improvement in margins have resulted in an improvement in the ratio.
- Efficient deployment of capital alongside increase in scale of operations have resulted in an improvement in the ratio.

# Notes to the Financial Statements

## for the year ended 31 March 2022

### NOTE NO. 42

Previous year figures have been regrouped/ reclassified wherever necessary, to confirm to current year classification.

### NOTE NO. 43

The financial statements of The Sandur Manganese & Iron Ores Limited were approved by the Board of Directors and authorised for issue on 18 May 2022.

#### In terms of our report attached

For **R.Subramanian and Company LLP**

Chartered Accountants

FRN: 004137S/ S200041

#### **Gokul S. Dixit**

Partner

Membership No. 209464

**Place:** Bengaluru

**Date:** 18 May 2022

#### For and on behalf of the Board of Directors

#### **T.R. Raghunandan**

Chairman

#### **Bijan Kumar Dash**

Company Secretary

**Place:** Bengaluru

**Date:** 18 May 2022

#### **Bahirji A. Ghorpade**

Managing Director

#### **Uttam Kumar Bhageria**

Chief Financial Officer & Chief Risk Officer

# Nomination Form

## FORM NO. SH-13

(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(3) of the Companies Act, 2013 and Rule 19(9) 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:



# Form ISR – 1

(SEBI circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 03, 2021 on Common and Simplified Norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination)

## REQUEST FOR REGISTERING PAN, KYC DETAILS OR CHANGES / UPDATION THEREOF

[For Securities (Shares / Debentures / Bonds, etc.) of listed companies held in physical form]

A. I / WE, REQUEST YOU TO REGISTER / CHANGE / UPDATE THE FOLLOWING (TICK ✓ RELEVANT BOX)

Date: / /

- |                                       |                                             |                                         |
|---------------------------------------|---------------------------------------------|-----------------------------------------|
| <input type="checkbox"/> PAN          | <input type="checkbox"/> Signature          | <input type="checkbox"/> Mobile Number  |
| <input type="checkbox"/> Bank details | <input type="checkbox"/> Registered Address | <input type="checkbox"/> E-mail address |

B. SECURITY AND KYC DETAILS [to be filled in by the First Holder]

Name of the Issuer Company	Folio No(s)
Face value of Securities	Number of Securities
Distinctive number of Securities (Optional) From	To
E-mail Address	
Mobile Number	

C. I / WE ARE SUBMITTING DOCUMENTS AS PER TABLE BELOW (tick ✓ as relevant, refer to the instructions):

Name(s) of the Security holder(s) in Capital as per PAN Copies of PAN of all the Holder(s) duly self-attested with date to be enclosed with this Form.	PAN	PAN Linked to Aadhaar -Y/ N Tick any one [✓] *
1.		Yes / No
2.		Yes / No
3.		Yes / No
4.		Yes / No

Note: \* PAN shall be valid only if it is linked to Aadhaar by March 31, 2022, or any other date as may be specified by CBDT.

To know the status of your PAN Linked to Aadhaar check on this link: <https://www.incometax.gov.in/iec/foportal>

### Bank Account Details of First Holder

Name of the Bank & Branch
Bank A/c No.
IFSC
<b>Tick any one [✓]- Account type</b>
<input type="checkbox"/> Savings Current <input type="checkbox"/> NRO <input type="checkbox"/> NRE <input type="checkbox"/> Any other [ ]

Note: Original cancelled cheque leaf bearing the name of the first holder is mandatory, failing which first security holder shall submit copy of bank passbook / statement attested by the Bank for registering the Bank Account details.

Demat Account Number	16-digit DP/CL [ ]
----------------------	--------------------

Also provide Client Master List (CML) of your Demat Account, provided by the Depository Participant.

Authorization: I / We authorise you (RTA) to update the above PAN and KYC details in my / our above folio(s) (use Separate Annexure if extra space is required) in which I / we are the holder(s). *[strike off what is not applicable]*

**DECLARATION: ALL THE ABOVE FACTS AND DOCUMENTS ENCLOSED ARE TRUE AND CORRECT.**

First Holder	Joint Holder - 1	Joint Holder - 2	Joint Holder - 3
Signature			
Name			
Address			
PIN			

Note: If the address mentioned above differs from the address registered with the Company, you are requested to record the new address by submitting the documents as specified in point (3) overleaf.

No.	✓	Document/ Information/ Details	Instruction/ Remark
1	<input type="checkbox"/>	PAN of (all) the (joint) holder(s)	PAN copies of all the holder(s) duly self-attested with date to be enclosed. PAN shall be valid only if it is linked to Aadhaar by March 31, 2022, or any date as may be specified by the CBDT. For Exemptions / Clarifications on PAN, please refer to Objection Memo as specified in SEBI circular.
2	<input type="checkbox"/>	Demat Account Number	Provide Client Master List (CML) of your Demat Account, provided by the Depository Participant.
3	<input type="checkbox"/>	Proof of Address of the first Holder	<p><b>Provide self-attested copy of any ONE of the documents, issued by a Govt. Authority, only if there is change in the address;</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Client Master List (CML) of your Demat Account, provided by the Depository Participant.</li> <li><input type="checkbox"/> Valid Passport/ Registered Lease or Sale Agreement of Residence/ Driving License/ Flat Maintenance Bill*</li> <li><input type="checkbox"/> Utility bills like Telephone Bill (only land line), Electricity bill or Gas bill - Not more than 3 months old.</li> <li><input type="checkbox"/> Identity card (with Photo) / document with address, issued by Central/ State Government and its Departments, Statutory / Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions.</li> <li><input type="checkbox"/> For FII / sub account, Power of Attorney given by FII / sub- account to the Custodians (which are duly notarized and / or apostilled or consularised) that gives the registered address should be taken.</li> <li><input type="checkbox"/> The proof of address in the name of the spouse*</li> </ul> <p><b>* Kindly provide additional self-attested copy of Identity Proof of the holder/ claimant.</b></p>
4	<input type="checkbox"/>	Bank details	Provide the latest copy of the bank statement with details of bank name, branch, account number and IFSC or Original cancelled cheque leaf bearing the name of first holder. Alternatively, Bank details available in the CML as enclosed will be updated in the folio.
5	<input type="checkbox"/>	E-mail address	As mentioned on Form ISR-1, alternatively the E-mail address available in the CML as enclosed will be updated in the folio.
6	<input type="checkbox"/>	Mobile	As mentioned on Form ISR-1, alternatively the mobile number available in the CML as enclosed will be updated in the folio.
7	<input type="checkbox"/>	Specimen Signature	Provide banker's attestation of the signature of the holder(s) as per Form ISR – 2 and Original cancelled cheque leaf bearing the name of the first holder.
8	<input type="checkbox"/>	Nomination	<p><b>Submit Form(s) as per any ONE of the following options. SH-13 For First Time Nomination</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> SH-14 For Cancellation or Variation in Nomination</li> <li><input type="checkbox"/> SH-14 and ISR-3 For Cancellation of Nomination and to“Opt-Out”</li> <li><input type="checkbox"/> ISR-3 To “OPT-Out” of Nomination or if No-Nomination is required</li> </ul>

Note: All the above forms are also available on our website.



## THE SANDUR MANGANESE & IRON ORES LIMITED

CIN: L85110KA1954PLC000759

E: investors@sandurgroup.com

### Registered Office

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Behind Taluka Office, Ward No.1 Palace Road,  
Sandur – 583 119,  
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### Corporate Office

'Sandur House', No.9,  
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Bengaluru – 560 080 Karnataka, India

T: +91 80 4152 0176/ 80 F: +91 80 4152 0182