

The Sandur Manganese & Iron Ores Limited

(An ISO 9001:2015; ISO 14001:2015 and 45001:2018 certified company)

CIN: L85110KA1954PLC000759; Website: www.sandurgroup.com

REGISTERED OFFICE

'SATYALAYA', No.266
Ward No.1, Palace Road
Sandur - 583 119, Ballari District
Karnataka, India
Tel: +91 8395 260301/ 283173-199
Fax: +91 8395 260473



CORPORATE OFFICE

'SANDUR HOUSE', No.9
Bellary Road, Sadashivanagar
Bengaluru - 560 080
Karnataka, India
Tel: +91 80 4152 0176 - 79 / 4547 3000
Fax: +91 80 4152 0182

10 February 2023

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

Dear Sir/Madam,

Sub: Investor Presentation in connection with Un-audited Standalone and Consolidated Financial Results for quarter ended 31 December 2022

Ref: Company Code: 504918

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the copy of Investor Presentation in connection with Un-audited Standalone and Consolidated Financial Results for quarter ended 31 December 2022.

The Exchange is requested to take the same on record.

Thanking you.

Yours faithfully,
for **The Sandur Manganese & Iron Ores Limited**

Bijan Kumar Dash
Company Secretary & Chief Compliance Officer

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

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

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

Tel: +91 8394 244450 / 244335



THE SANDUR MANGANESE &
IRON ORES LIMITED

Q3FY23

Towards an integrated future

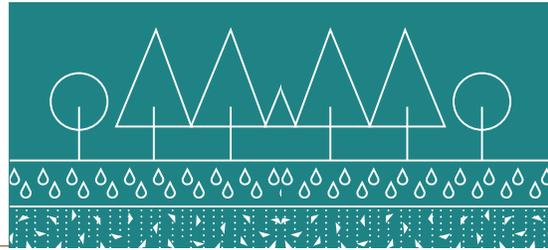
Earnings Presentation

FEBRUARY 2023

SMIORE at a Glance

6+ decades

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



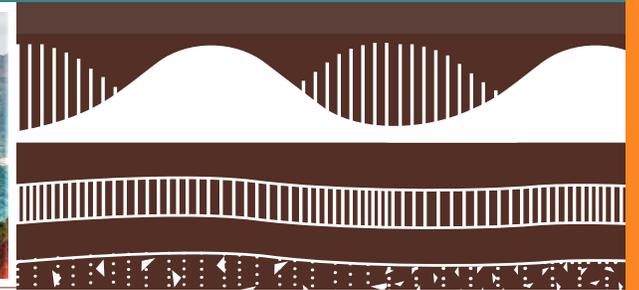
VAST MINING RESERVES WITH LEASES UP TO 2033

17 MT
Manganese Ore

105 MT
Iron Ore

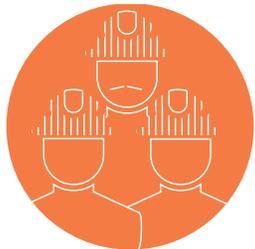
3rd Largest

Manganese ore miner in India



A/Stable

CRISIL & ICRA RATED
Robust credit rating



2,274*

SMIORE family members

CAPACITIES



0.28 MTPA

Manganese Ore



1.60 MTPA

Iron Ore



0.50 MTPA

Coke



32 MW

WHRB-based Power



95,000/

1,25,000 TPA

Ferroalloys (SiMn/ FeMn)

*As on 31 December 2022

Operational Units



Bengaluru
Corporate
Office

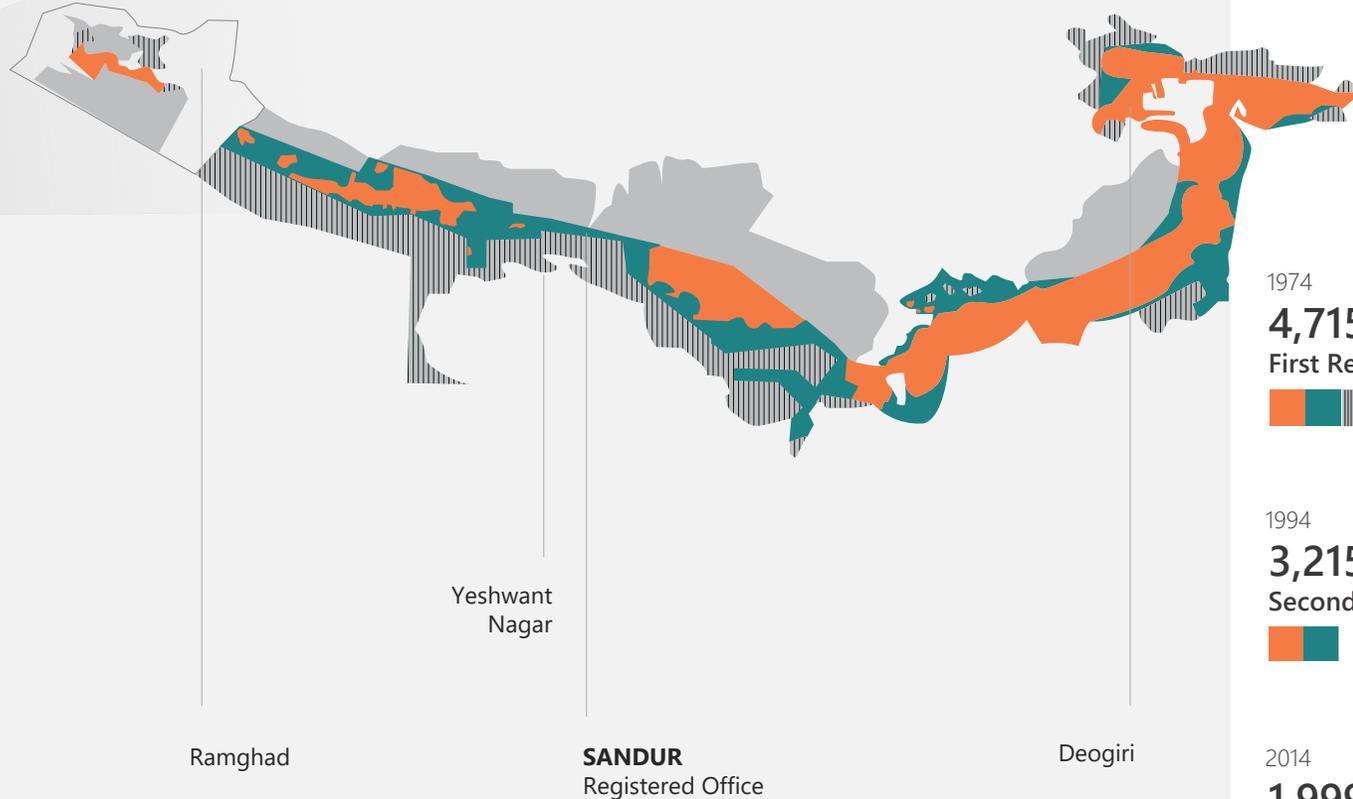
Mining Leases

(Deogiri, Kammathuru,
Subbarayanahalli and Ramghad)

**Ferroalloy Plant, Power Plant, Coke
Oven Plant** (Vyasankere)

**Upcoming DI Pipe and Hot Metal
Plant** (Vyasankere)

Sandur
Ballari and Vijayanagara (Districts), Karnataka



1904
7,511 HA
Original Lease



1974
4,715 HA
First Renewal



1973
Area Surrendered:
~2,800 HA

1994
3,215 HA
Second Renewal

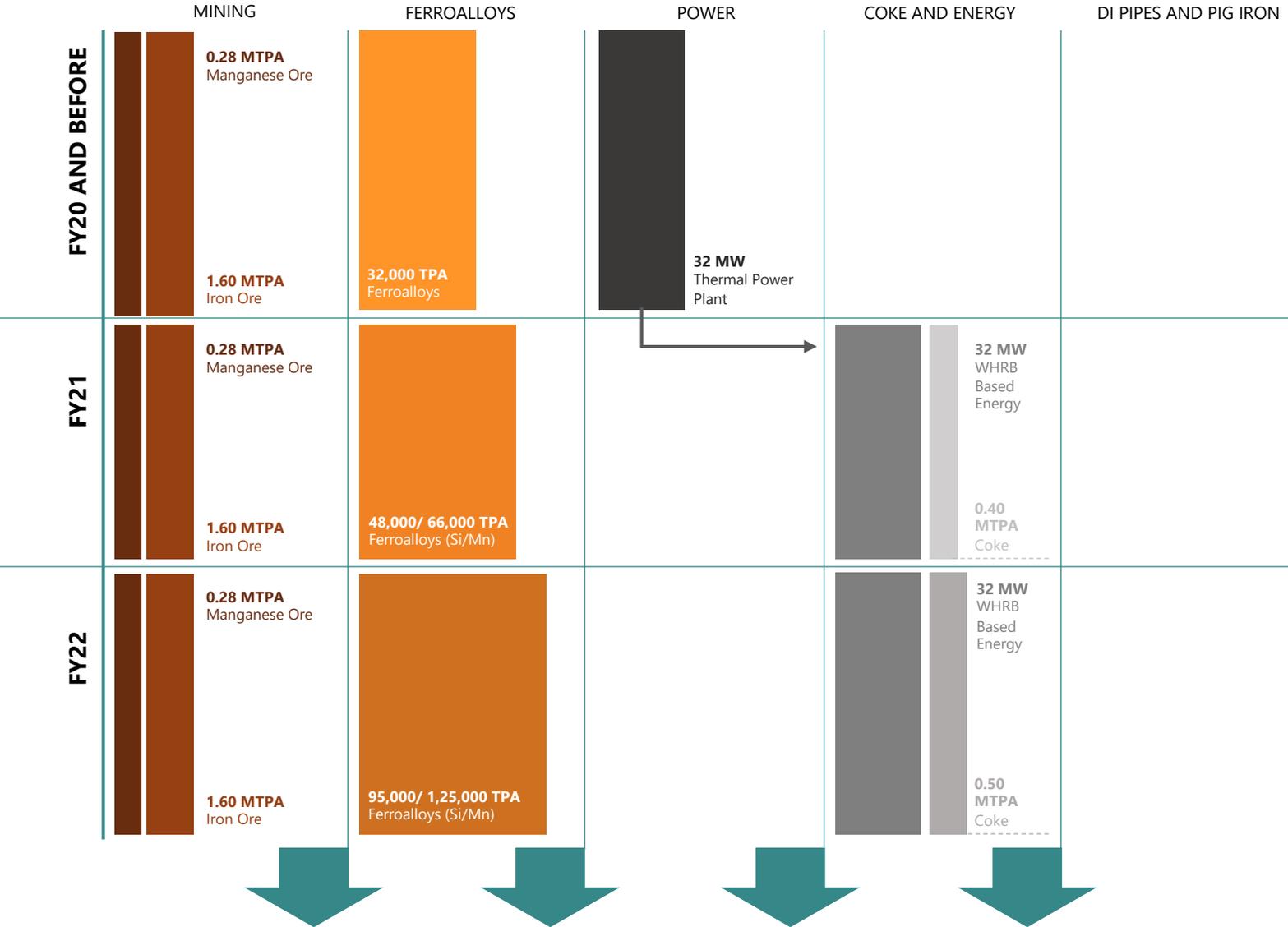


1993
Area Surrendered:
1,500 HA

2014
1,999 HA
Third Renewal

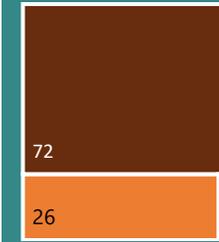


Transforming Business Canvas

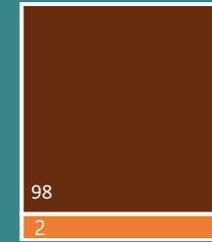


TRAITS

REVENUE CONTRIBUTION FY18-20 (%)

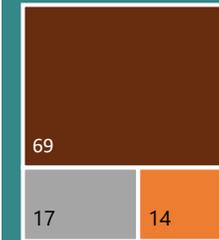


PBT CONTRIBUTION FY18-20 (%)

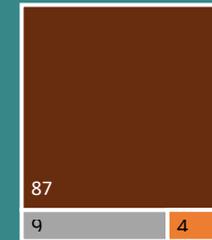


Asset light, free cash-rich generating mining operations coupled with marginally-profitable power-intensive ferroalloys operations

REVENUE CONTRIBUTION (%)

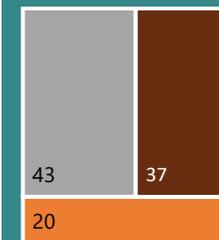


PBT CONTRIBUTION (%)

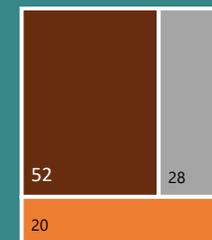


Asset light, free cash-rich generating mining operations coupled with self sustainable and profitable ferroalloys operations supported by Coke + WHRB based power generation

REVENUE CONTRIBUTION (%)



PBT CONTRIBUTION (%)



■ Mining
 ■ Ferroalloys
 ■ Coke and Energy
 ■ Others

Transforming Business Canvas (Going Forward)

	MINING	FERROALLOYS	POWER	COKE AND ENERGY	DI PIPES AND PIG IRON
EXISTING CAPACITY	<p>0.28 MTPA Manganese Ore</p> <p>1.60 MTPA Iron Ore</p>	<p>95,000/ 1,25,000 TPA Ferroalloys (Si/Mn)</p>		<p>32 MW WHRB Based Energy</p> <p>0.50 MTPA Coke</p>	
EXPANSION	<p>0.46 MTPA Manganese Ore</p> <p>4.50 MTPA Iron Ore</p> <p>7.00 MTPA Beneficiation Unit</p>	<p>SMIORÉ has partnered to set up a hybrid renewable power plant (42.9 MW) in a SPV which will cater to the increasing power requirement to expand Ferroalloys operations.</p>		<p>32 MW WHRB Based Energy</p> <p>0.50 MTPA Coke</p>	<p>Integrated Operations with captive Coke & Iron Ore</p> <p>0.30 MTPA DI Pipe Plant</p> <p>0.20 MTPA Pig Iron Plant</p> <p>Combined Max Output 0.4 MTPA</p>
TRAITS	<ul style="list-style-type: none"> Asset-light and high ROCE Cost-efficient operations resulting in high OPM and significant operating-leverage Generating consistent Free Cash Flows 	<ul style="list-style-type: none"> Self-sustainable & profitable ferroalloys operations 		<ul style="list-style-type: none"> Long-term vision of growth Mitigates sustainability concerns as a pure-play merchant miner Forward integration into value-added end-products – to begin with DI Pipes 	

TRAITS

Further expansion of mining operations planned

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

*Note: Existing capacities are used primarily to produce SiMn/FeMn, hence capacity calculations are as per SiMn/FeMn. However, the Company plans to add new products, hence actual capacities may differ as per the product-mix.

Improving Profit Profile

Multifold
increase

in absolute PBT

Diversi-
fication

in profit profile of
the Company

FY18-20 (Average*)



₹ 230
Crore

Mining	98%
Ferroalloys	02%

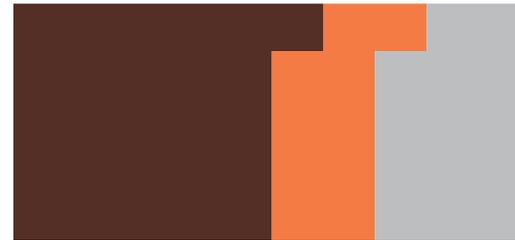
FY21



₹ 296
Crore

Mining	87%
Ferroalloys	04%
Coke and Energy	09%

FY22



₹ 996
Crore

Mining	52%
Ferroalloys	20%
Coke and Energy	28%

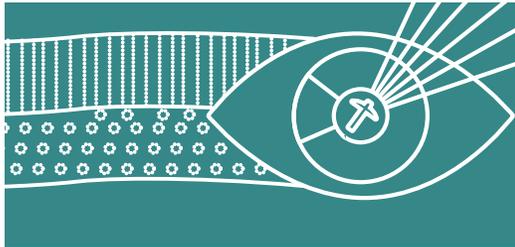
*Arithmetic Average FY18-20 | Note – PBT excludes finance costs and unallocable expenses/income

Values that Drive Us

SANDUR is run by the ethos

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

M.Y. GHORPADE



Awards and Recognitions

Awarded 5-STAR rating every year since the introduction of Sustainable Development Framework (SDF)

Other prestigious awards include **National Safety Award (Mines)**, prizes secured during competition held by **Mines Safety Association Karnataka**, prizes secured during competition held by **Mines Environment & Mineral Conservation Association**, among others.



Some of SMIORE's successful Welfare Programs

Food Security Scheme

A food package for a family of 5 costs ₹ 145 against actual cost of ₹3,950, balance being absorbed by the Company.

Subsidized 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.

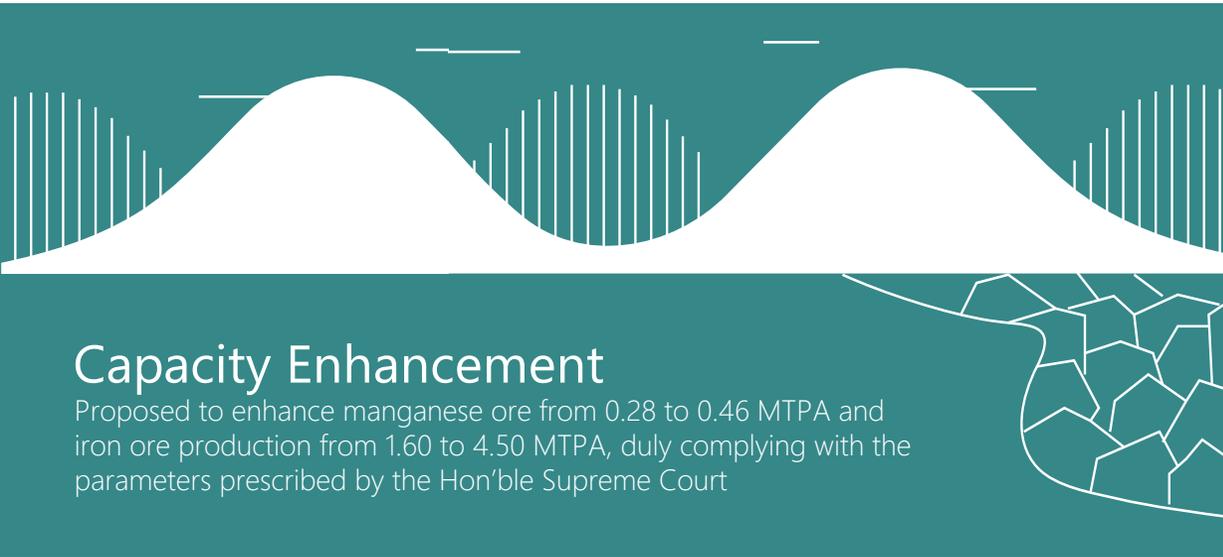
Housing Loan Subsidy

Interest subsidy on housing loans availed by employees.

Other

Including clothes subsidy, marriage & festival gifts, medical care, sickness benefits, education & training facilities, housing & electricity, and many more.

Mining - our mainstay

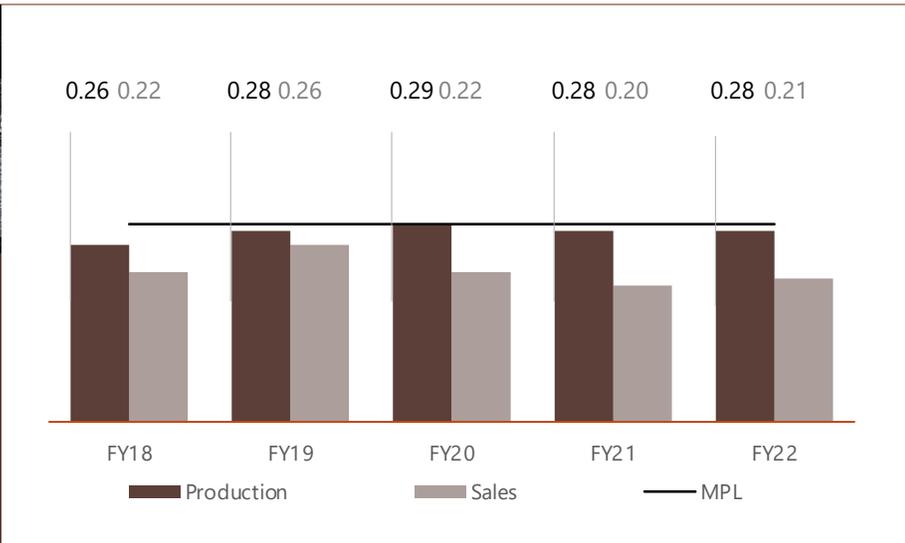


Capacity Enhancement

Proposed to enhance manganese ore from 0.28 to 0.46 MTPA and iron ore production from 1.60 to 4.50 MTPA, duly complying with the parameters prescribed by the Hon'ble Supreme Court

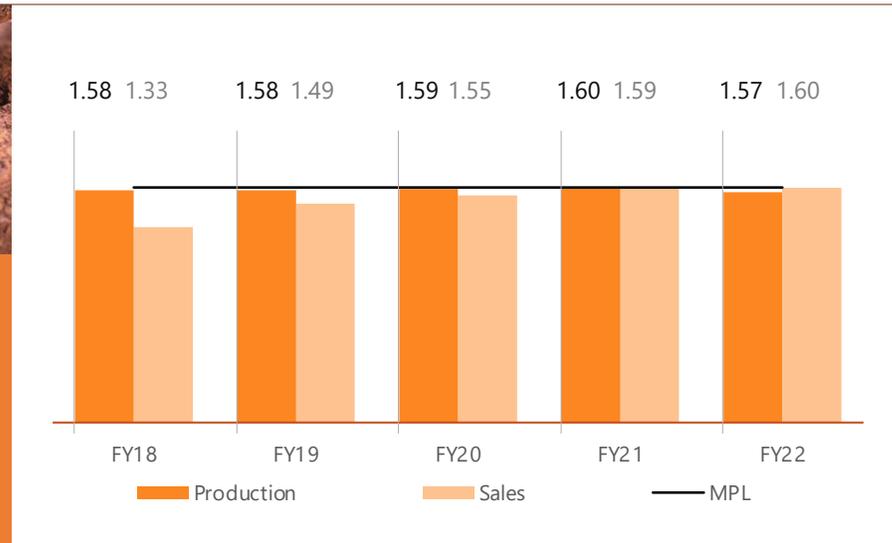
MANGANESE ORE MINING OPERATIONS
(MTPA)

0.28 MTPA



IRON ORE MINING OPERATIONS
(MTPA)

1.60 MTPA



Mining manganese and iron ores from two mining leases located in Sandur (Karnataka)

Mining operations with one of the **best operating metrics & track record** in the Industry

Fully-mechanized iron ore mining contributing to higher margins

Mining operations conducted with utmost respect for environment and adherence to regulatory norms of authorities

Semi-mechanized, labour-intensive manganese ore mining with relatively lower margins but generating large scale employment opportunities

Ferroalloys - new and improved

Turned around ferroalloys operations in FY21 through feasible power generation

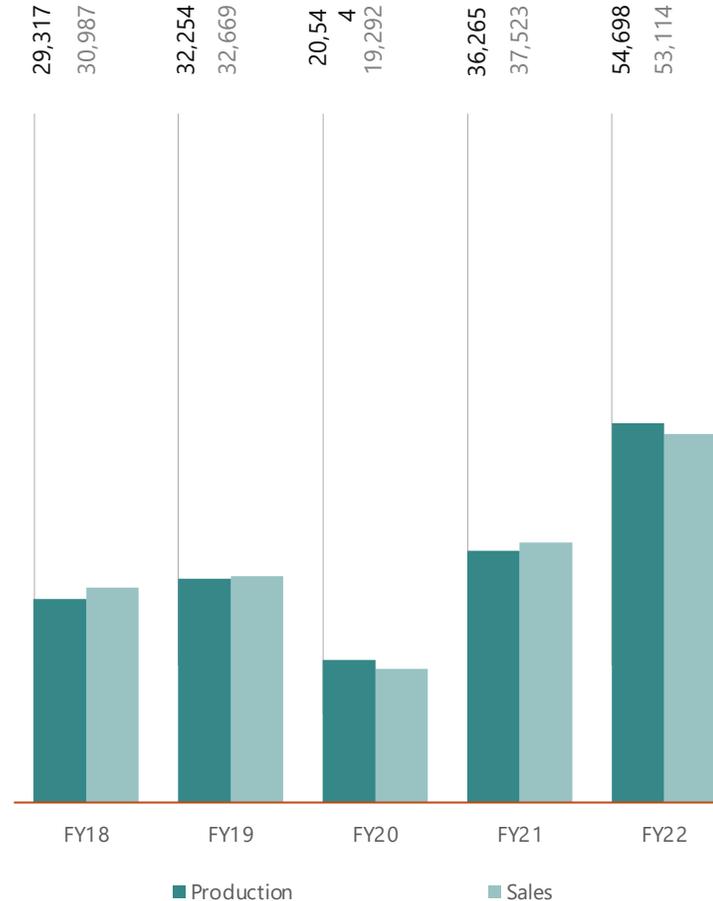
Achieved a shift towards a cleaner source of energy from its previously used coal-based energy

The combination of Coke Oven Plant and WHRB generates power as a by-product, thus leading to substantial savings by eliminating the need for thermal coal

Effective power generation cost was reduced significantly post commissioning of WHRB



FERROALLOYS MINING OPERATIONS (MTPA)



CAPACITIES

FY22
**95,000/
 1,25,000 TPA**
 (SiMn/FeMn)*

FY21
**48,000/
 66,000 TPA**
 (SiMn/FeMn)

FY20
32,000 TPA

*Note - Existing capacities are used primarily to produce SiMn/FeMn, hence capacity calculations are as per SiMn/FeMn. However, the Company plans to add new products, hence actual capacities may differ as per the product-mix.

Key products:
 Silicomanganese
 and Ferromanganese

Coke and Energy - strengthening operations



March 2018
Started expansion work

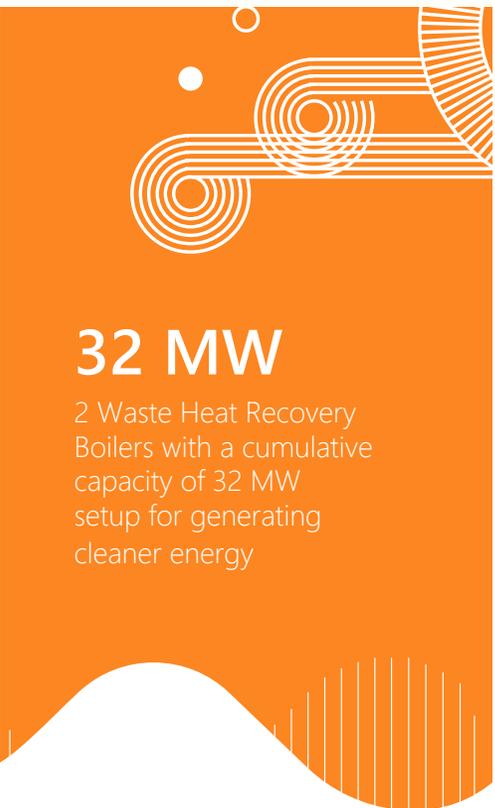
0.5 MTPA

4 Batteries with a cumulative capacity of 0.5 MTPA



18 January 2021

Fully commissioned Coke Oven



32 MW
2 Waste Heat Recovery Boilers with a cumulative capacity of 32 MW setup for generating cleaner energy



Investment Rationale

Stable & Growing Cash Flows

Through long-standing mining operations

New and Improved Ferroalloys

Operations, contributing meaningfully to financial performance

Disciplined Capital Allocation

Guided by strong parentage

Strong Balance Sheet

With net-debt free status, supported by surplus liquidity

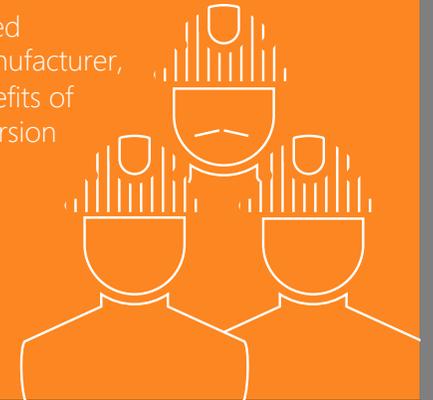


Company With a Heart,

adhering to the highest standards of corporate governance and sustainability

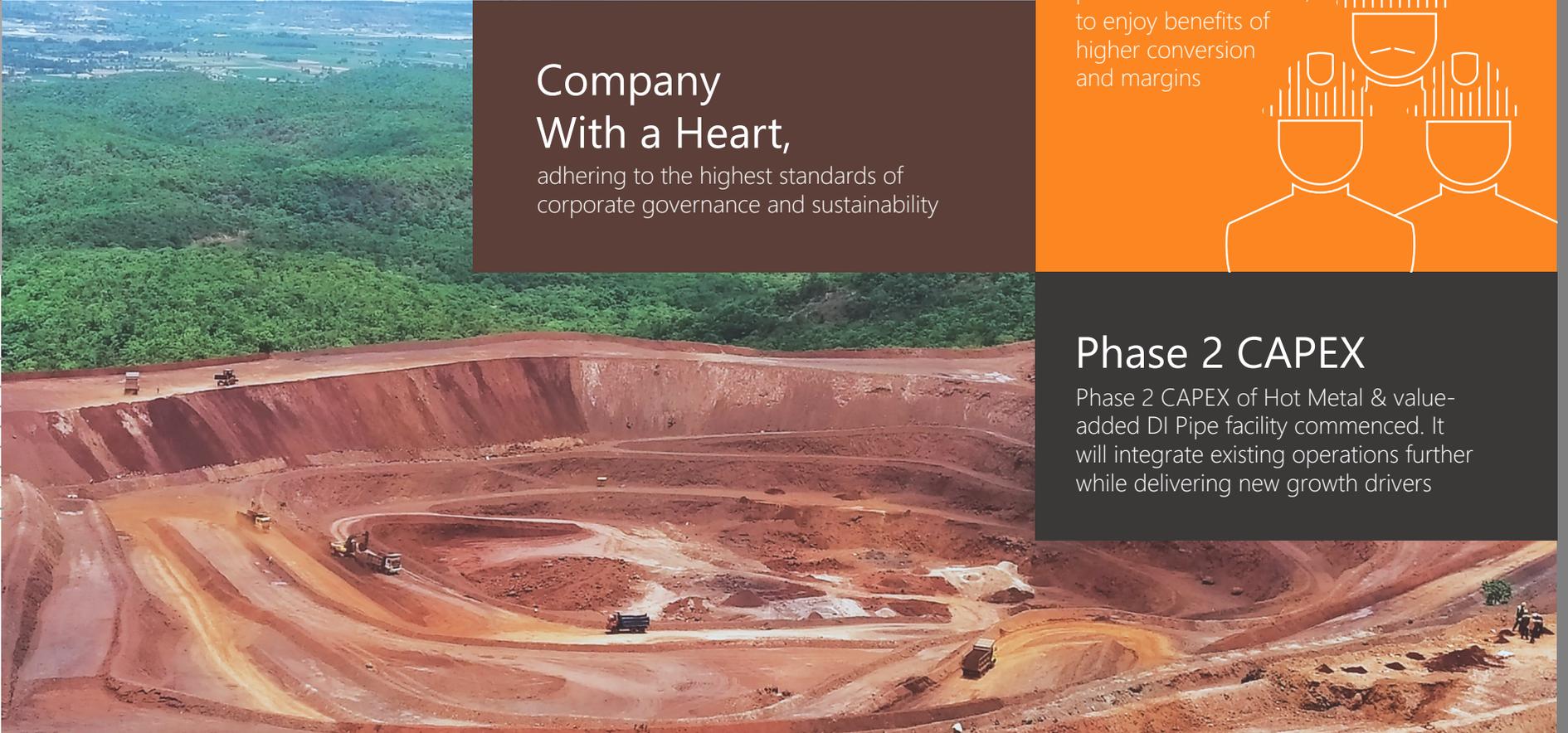
Emerging Integrated Player,

Merchant miner to hot metal & value-added products manufacturer, to enjoy benefits of higher conversion and margins



Phase 2 CAPEX

Phase 2 CAPEX of Hot Metal & value-added DI Pipe facility commenced. It will integrate existing operations further while delivering new growth drivers



Key Performance Indicators

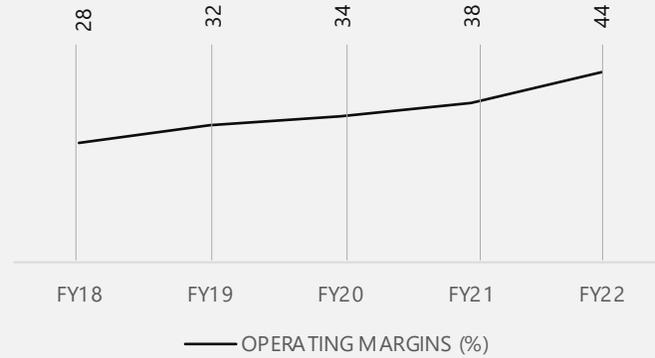
REVENUE, EBITDA

(₹ IN CRORE)



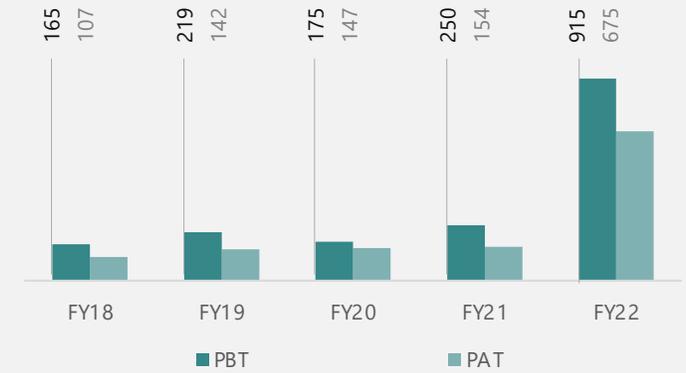
EBITDA MARGINS

(IN %)



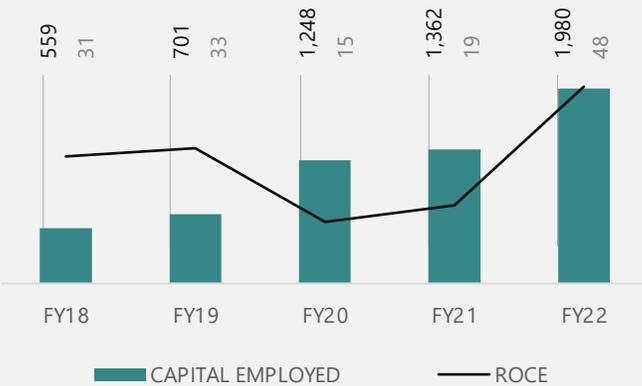
PBT & PAT

(₹ IN CRORE)



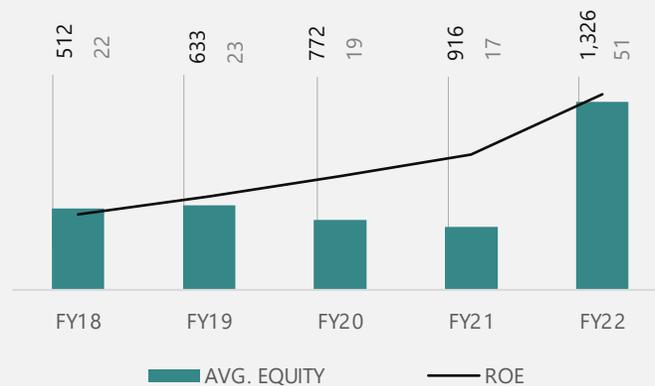
CAPITAL EMPLOYED, ROCE

(IN % & ₹ IN CRORE)



EQUITY, ROE

(IN % & ₹ IN CRORE)



GROSS DEBT TO EQUITY

(IN TIMES)



Q3FY23 Operational Highlights

MANGANESE ORE



IRON ORE



FERROALLOYS



COKE



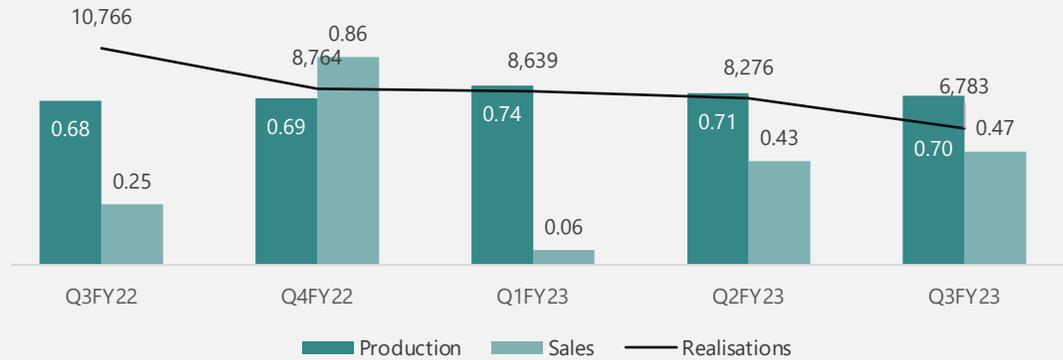
Production	0.70 Lakh Tonne	4.05 Lakh Tonne	15,254 Tonne	0.36* Lakh Tonne
Sales	0.47 Lakh Tonne	4.15 Lakh Tonne	14,063 Tonne	0.34 Lakh Tonne
YoY Sales Volume	89%	43%	20%	(51%)
QoQ Sales Volume	9%	164%	0%	(48%)
Average/Tonne Realization	₹6,783/-	₹2,407/-	₹69,977/-	₹40,318/-**
QoQ Change in Realizations	(18%)	(18%)	(7%)	(6%)
Realization Remarks	Decrease	Decrease	Marginal Decrease	Marginal Decrease
Sales Volumes Remarks	Significant Increase	Significant Increase	Increase	Decrease in Sale Volume Increase in Contract Mfg. Volume

*Excludes production under contract manufacturing of 0.85 Lakh tonnes during the quarter.
 **Excludes conversion & screening income under contract manufacturing of ₹19.15 Crore during the quarter.

Q3FY23 Segment Highlights

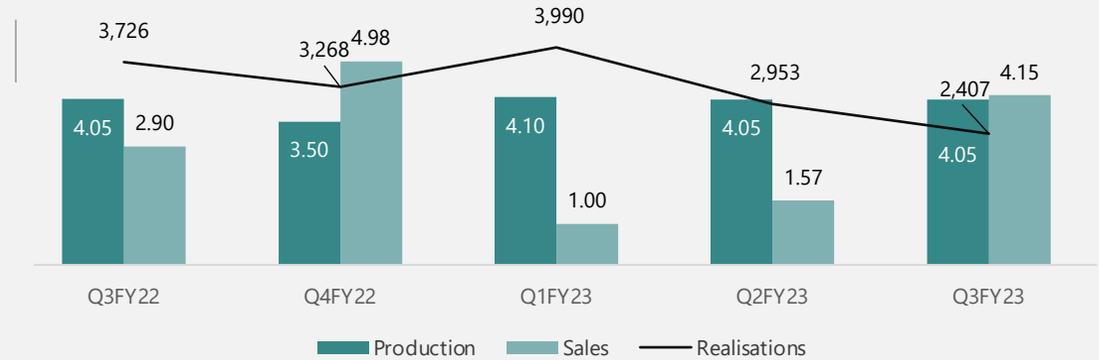
MANGANESE ORE OPERATIONAL PERFORMANCE

(Lakh Tonnes & ₹/Tonne)



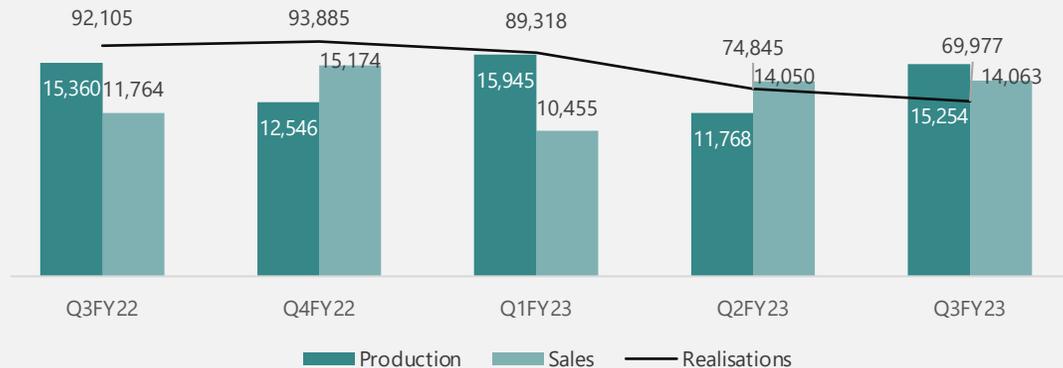
IRON ORE OPERATIONAL PERFORMANCE

(Lakh Tonnes & ₹/Tonne)



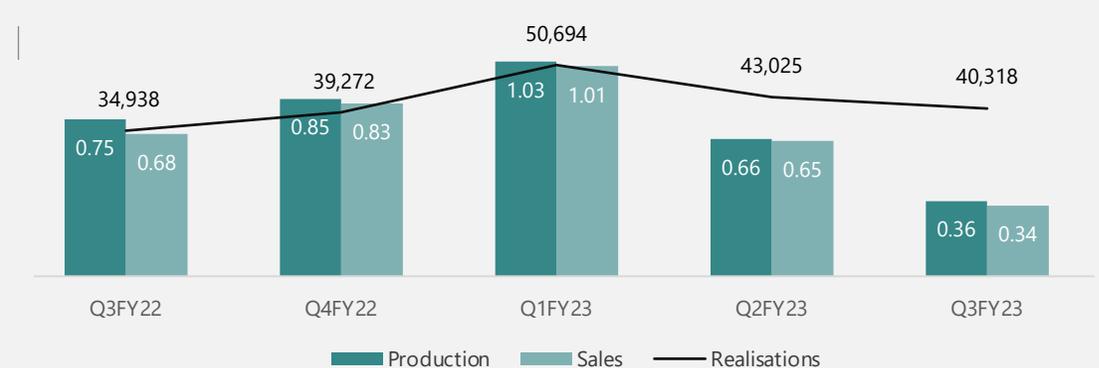
FERROALLOYS OPERATIONAL PERFORMANCE

(Tonnes & ₹/Tonne)



COKE OPERATIONAL PERFORMANCE

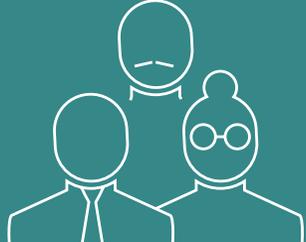
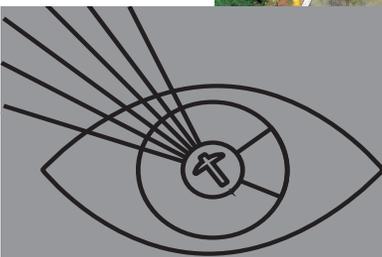
(Lakh Tonnes & ₹/Tonne)



Note: Coke Production Data excludes production under contract manufacturing of 0.85 Lakh tonnes during the quarter. Realisations exclude conversion & screening income under contract manufacturing of ₹19.15 Crore during the quarter.

Q3FY23 Financial Highlights

(₹ in Crore)

	Total Income	EBITDA	PAT	Capital Structure
Growth (YoY)	(20%)	(60%)	(62%)	<div data-bbox="1592 214 2433 499"> <p>400 Total Income</p>  </div> <div data-bbox="1592 499 2025 785"> <p>79 EBITDA</p>  </div> <div data-bbox="1592 785 1796 1035"> <p>41 PAT</p> </div> <div data-bbox="1592 1035 2433 1320"> <p>1,760 Shareholders Funds</p>  </div>
Growth (QoQ)	(19%)	49%	88%	
Margin		20%	10%	
Margins Expansion/ (Contraction) (YoY)		(1,994 bps)	(1,153 bps)	
Gross Debt/Equity				

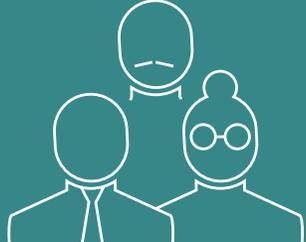
9MFY23 Financial Highlights

(₹ in Crore)

	Total Income	EBITDA	PAT	Capital Structure
Growth (YoY)	0.3%	(74%)	(78%)	
Margin		13%	6%	
Margins Expansion/ (Contraction) (YoY)		(3,704 bps)	(2,205 bps)	
Gross Debt/Equity				0.15

1,560

Total Income

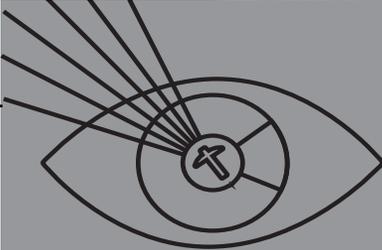


200

EBITDA

97

PAT



1,760

Shareholders Funds

Q3FY23 Management Commentary



Progressing well on Phase 2 CAPEX of DI Pipe & Pig Iron project.

BAHIRJI A. GHORPADE
MANAGING DIRECTOR

Mining

As communicated earlier, we have increased offering our mined ore from Q3 onwards. While we have witnessed a quarter-on-quarter increase in sale of mining volumes, for both manganese ore & iron ore, we haven't cleared all our inventories from the previous quarters. We are confident of completing the sale of all the stocks in the coming quarter so as to meet our annual targets. On the realisation front, there was compression in both the products, in line with the global pricing trends.

Mining Expansion

On the mining expansion front, post a successful public hearing in December 2022 and subsequent recommendation of the proposal by the Expert Advisory Committee, the Company is expecting Environment Clearance soon. Once all approvals are in place, we can proceed with the beneficiation project as well.

Ferrous Alloys

On the ferrous alloys front, we witnessed further compression in realisations and consequently profitability margins due to industry-wide decrease in realisations of silicomanganese. The continued adverse conditions of the steel manufacturing industry have trickled down to the ferrous alloys industry as well. The Company is attempting to curtail the impact on realisations by optimising the product-mix, to the extent possible.

As far as the expansion of this segment goes, we are on track to complete furnace refurbishment before the end of this financial year. On the power front, we are expecting offtake from our renewable power project from April onwards. Post commissioning, we will be able to effectively utilise our 95,000/ 1,25,000 TPA (SiMn/ FeMn) capacity.

Coke and Energy

After a particularly challenging H1, we have witnessed a marginal comeback in this segment in Q3. Some portion of higher-cost inventories have partly affected our performance in Q3 as well, however almost all the high-cost inventory has been cleared now and fresh procurement is at competitive rates. We have reduced our exposure to Coke volatility with higher production under contract manufacturing arrangements during the quarter. Going forward as well the Company will keep an optimum mix of direct sales and contract manufacturing arrangements.

Phase 2 CAPEX

DI Pipe & Pig Iron

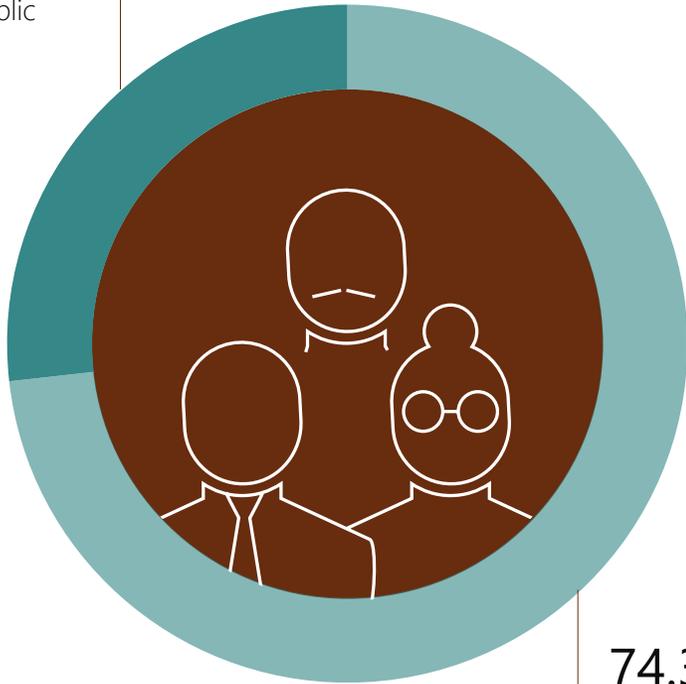
After initial ground breaking, site preparation and levelling works at the project site, the Company has commenced placing orders for procurement of equipment. With all major approvals in place, we are positively progressing as per the plan.

Corporate Information

SHAREHOLDING SUMMARY

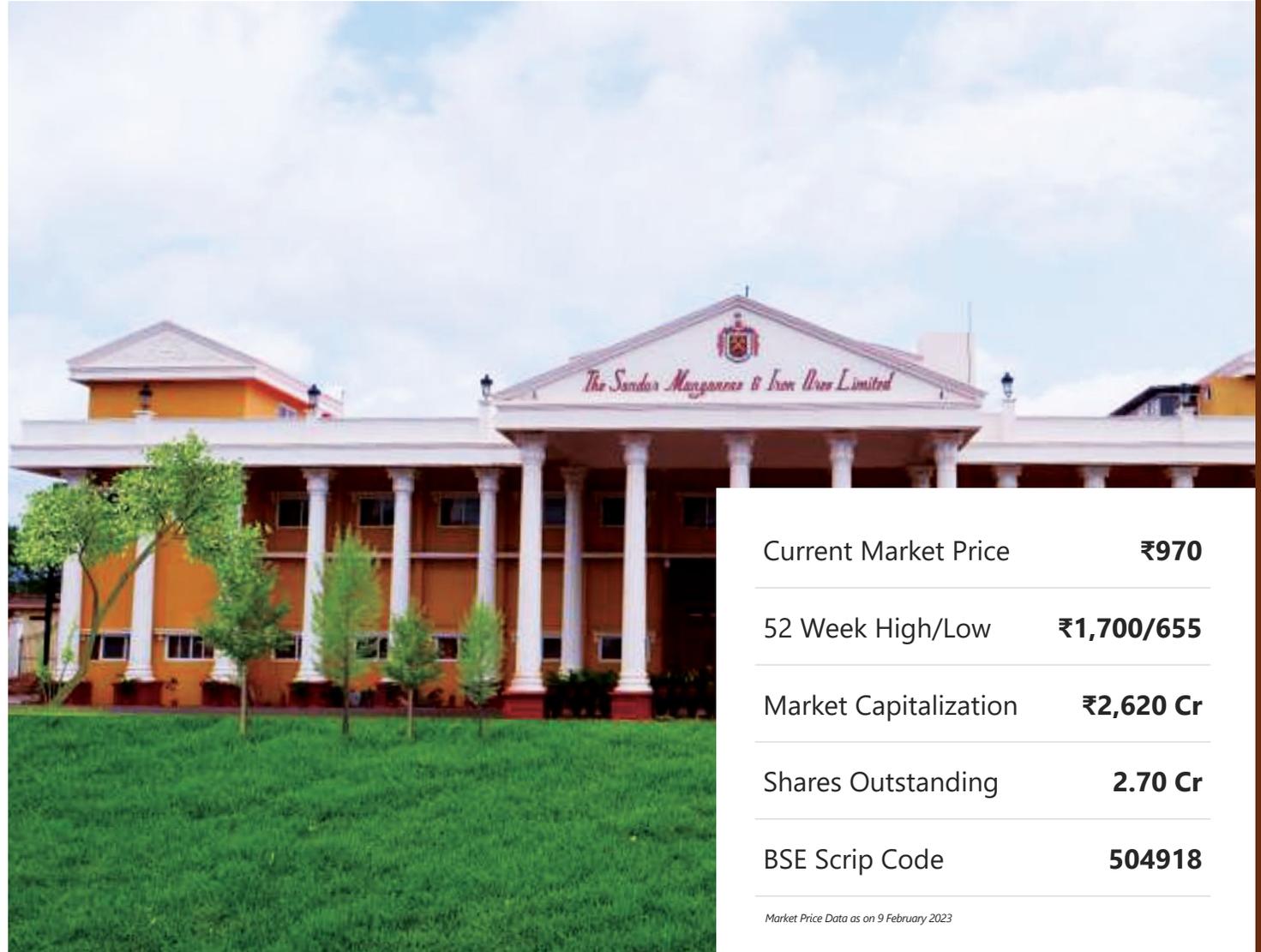
(IN %)

25.63
Public



74.37
Promoters

Shareholding Data as on 31 December 2022



Current Market Price **₹970**

52 Week High/Low **₹1,700/655**

Market Capitalization **₹2,620 Cr**

Shares Outstanding **2.70 Cr**

BSE Scrip Code **504918**

Market Price Data as on 9 February 2023

Safe Harbor

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THE SANDUR MANGANESE &
IRON ORES LIMITED

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