



### Through Online Filing

SECY / 2020 / 274 – 275  
Friday, the 26<sup>th</sup> June, 2020

Deputy General Manager,  
Department of Corporate Services,  
**BSE Limited**  
Phiroze Jeejeebhoy Towers, Dalal Street,  
**M U M B A I – 4 0 0 0 0 1.**

### BSE Scrip Code - 500404

The Manager, Listing Department,  
**National Stock Exchange of India Ltd.,**  
“Exchange Plaza”, C - 1, Block G,  
Bandra – Kurla Complex, Bandra (East)  
**M U M B A I – 4 0 0 0 5 1**

### NSE Scrip Code - SUNFLAG

**Sub: Disclosure pursuant to Regulation 30 read with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) - Outcome of the 178<sup>th</sup> Board Meeting – Friday, the 26<sup>th</sup> June, 2020 at the Registered Office of the Company at Nagpur**

Dear Sir,

1. The 178<sup>th</sup> Meeting of the Board of Directors of the Company was held on Friday, the 26<sup>th</sup> June, 2020 at the Registered Office of the Company at Nagpur.
2. The Board of Directors of the Company has considered, noted and approved the following:
  - (i) The Audited Financial Statements (Standalone and Consolidated) of the Company for the Financial Year ended 31<sup>st</sup> March, 2020, as reviewed and recommended by the Audit Committee.

Visit us at [www.sunflagsteel.com](http://www.sunflagsteel.com)



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- (ii) Audited Financial Results together with Audited Statement of Assets and Liabilities (Standalone and Consolidated) of the Company for the Fourth Quarter (Q-4) / Half-Year (H-2) / Financial Year ended 31<sup>st</sup> March, 2020 as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as reviewed and recommended by the Audit Committee.

In accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) Audited Financial Results and Statement of Assets and Liabilities (Standalone and Consolidated) of the Company for the Fourth Quarter (Q-4) / Half-Year (H-2) / Financial Year ended 31<sup>st</sup> March, 2020 together with the Report of the Statutory Auditors and Declaration on Unmodified Opinion of the Company, are enclosed herewith.

The above financial results are also made available on the Company's website [www.sunflagsteel.com](http://www.sunflagsteel.com).

- (iii) The Board considered and took on record the Draft Auditors' Report in respect of Audited Financial Statements (Standalone and Consolidated) of the Company for the Financial Year 2019-20 ended on 31<sup>st</sup> March, 2020.
3. The Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee, has also duly considered, approved and recommended the following agenda item/s to be put up to the members for their approval at the ensuing Annual General Meeting of the Company:
- a) the re-appointment of Mrs. Neelam Kothari (DIN: 06709241) as a Director (Category- Non-Executive, Independent) of the Company, not liable to retire by rotation, for a fixed second term of consecutive Five (5) years, as her existing term is till the conclusion of ensuing Thirty-fourth (34<sup>th</sup>) Annual General Meeting of the Company;
- b) the Re-appointment of Mr. Surendra Kumar Gupta (DIN: 00054836) as the Deputy Managing Director, designated Key Managerial Personnel of the Company liable to retire by rotation for the period of Three (3) years commencing from 30<sup>th</sup> July, 2020, whose existing tenure expires on 29<sup>th</sup> July, 2020.

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- c) the Re-appointment of CA R. Muralidhar (DIN: 00982212) as an Executive Director (Finance), designated Key Managerial Personnel of the Company, liable to retire by rotation for the period of 3 years commencing from 14<sup>th</sup> August, 2020, whose existing tenure expires on 13<sup>th</sup> August, 2020.
- d) the Re-appointment of Mr. Ramchandra Vasant Dalvi (DIN: 00012065), as an Executive Director (Works), Designated Key Managerial Personnel of the Company, liable to retire by rotation for the period of 3 years commencing from 14<sup>th</sup> August, 2020, whose existing tenure expires on 13<sup>th</sup> August, 2020.
4. The Board of Directors of the Company, on recommendation of the Audit Committee, has also duly considered and approved the re-appointment of M/s. G. R. Paliwal & Company, Cost Accountants, Nagpur as the Cost Auditors of the Company for the Financial Year 2020–21.
5. The Board of Directors of the Company has also duly revised, considered, approved and adopt the “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)” pursuant to the provisions of Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015 (As Amended). A copy of the revised Code is enclosed herewith.
6. The Board of Directors of the Company has also duly considered and approved, the modification in Authorisation to Key Managerial Personnel (‘KMP’) of the Company for determining materiality of an event or information. The revised list of contact details of Key Managerial Personnel for making disclosure to stock exchanges are provided herein under for your reference and record:

S. No.	Name of the KMPs	Designation	Contact Details
1.	Mr. Pranav Bhardwaj	Managing Director	Sunflag Iron & Steel Company Limited, 33, Mount Road, Sadar, Nagpur – 440001. Tel No : +91 712 2524661 Email: <a href="mailto:pranavb@sunflagsteel.com">pranavb@sunflagsteel.com</a>
2.	Mr. Surendra Kumar Gupta	Deputy Managing Director	Sunflag Iron & Steel Company Limited, 33, Mount Road, Sadar, Nagpur – 440001. Tel No : +91 712 2524661 Email: <a href="mailto:skgupta@sunflagsteel.com">skgupta@sunflagsteel.com</a>





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3.	CA R. Muralidhar	Executive Director (Finance)	Sunflag Iron & Steel Company Limited, 33, Mount Road, Sadar, Nagpur – 440001. Tel No : +91 712 2524661 Email: rmurlidhar@sunflagsteel.com
4.	CS Ashutosh Mishra	Company Secretary & Compliance Officer	Sunflag Iron & Steel Company Limited, 33, Mount Road, Sadar, Nagpur – 440001. Tel No : +91 712 2524661 E-mail : avm@sunflagsteel.com

**Please note that the 178<sup>th</sup> Board Meeting commenced at 12:00 Hrs. and concluded at 17:30 Hrs. on Friday, the 26<sup>th</sup> June, 2020 at Nagpur.**

You are requested to place the aforesaid information on record.

Sincerely,

**For Sunflag Iron and Steel Company Limited**



**CS Ashutosh Mishra  
Company Secretary  
Membership No. ACS – 23011**



*Encl: As Above*

**e-Mail:** [avm@sunflagsteel.com](mailto:avm@sunflagsteel.com)

**Phone No:** +91 712 2524661

**Mobile No:** +91 9373793288

**33, Mount Road, Sadar, Nagpur – 440001**



SECY / 2020 / 276-277  
Friday, the 26<sup>th</sup> June, 2020



Deputy General Manager,  
Department of Corporate Services,  
**BSE Limited**

Phiroze Jeejeebhoy Towers, Dalal Street,  
**M U M B A I - 4 0 0 0 0 1**  
**Scrip Code - 500404**

**SUNFLAG IRON & STEEL CO. LTD.**

REGD. OFFICE :  
33, MOUNT ROAD, SADAR, NAGPUR - 440 001 (INDIA)  
PH.: 2524661, 2532901, 2520356, 2520358 FAX : 0712-2520360  
E-Mail : admin@sunflagsteel.com  
Website : www.sunflagsteel.com  
CIN:L27100MH1984PLC034003

The Manager, Listing Department,  
National Stock Exchange of India Ltd.,  
"Exchange Plaza", C - 1, Block G,  
Bandra - Kurla Complex, Bandra (East)  
**M U M B A I - 4 0 0 0 5 1**  
**Scrip Symbol - SUNFLAG**

**Sub : Declaration - Disclosure pursuant to Regulation 33(3)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) read with the SEBI Circular bearing No. CIR/CFD/CMD/56/2016 Dated 27<sup>th</sup> May, 2016**

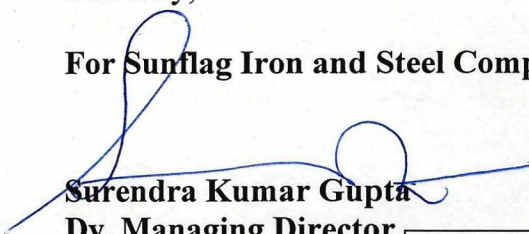
Dear Sir / Madam,


In compliance with the provisions of Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and pursuant to the SEBI Circular bearing No. CIR/CFD/CMD/56/2016 Dated 27<sup>th</sup> May, 2016, we do hereby **confirm and declare** that, M/s. S. S. Kothari Mehta & Company, Chartered Accountants, New Delhi (ICAI Firm Registration No.000756N, Peer Review Certificate No. 008927), Statutory Auditors of the Company, have issued the **Audit Report/s with Unmodified Opinion**, in respect of Financial Statement/s (Standalone and Consolidated) of the Company, for the Fourth Quarter (Q-4) / Half-Year (H-2) and Financial Year ended 31<sup>st</sup> March, 2020, duly reviewed and recommended by the Audit Committee of the Company and approved by the Board of Directors of the Company at their respective meeting/s held on Friday, the 26<sup>th</sup> June, 2020.

You are therefore requested to place the aforesaid information on records.

Sincerely,

For Sunflag Iron and Steel Company Limited

  
**Surendra Kumar Gupta**  
Dy. Managing Director

  
**S. Mahadevan**  
CFO



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**SS KOTHARI MEHTA  
& COMPANY**  
CHARTERED ACCOUNTANTS

**Independent Auditors' Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To  
The Board of Directors of  
Sunflag Iron and Steel Co Limited  
Nagpur**

**Report on the Audit of the Standalone Financial Results**

**Opinion**

We have audited the accompanying standalone financial results of **Sunflag Iron and Steel Co Limited** (the "Company") for the quarter ended March 31, 2020 and for the year March 31, 2020 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("the Listing Regulations"),

In our opinion and to the best of our information and according to the explanations given to us, the statement:

- i. is presented in accordance with the requirements of the Listing Regulations, as applicable to the Company in this regard; and
- ii. give a true and fair view in conformity with the applicable accounting standard and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2020 and for the year ended March 31, 2020.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.





**Emphasis of Matter**

We draw attention to Note No. 7 to the standalone financial results, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. The impact of these uncertainties on the Company's operations is dependent on future developments. Our opinion is not modified in respect of this matter.

**Management's Responsibilities for the Standalone Financial Results**

The Statement has been prepared on the basis of the annual standalone financial statements for the year ended March 31, 2020. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing Statement, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 this Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, 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.





**S S KOTHARI MEHTA**  
**& COMPANY**  
CHARTERED ACCOUNTANTS

- Obtain an understanding of internal 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 with reference to these financial results, 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 Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 ability of the Company 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 Statement 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 Group and of its Joint Venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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.

**Other matters**

The Statement includes the standalone results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

Our opinion on the same is not modified in respect of above matters.

**For S. S. KOTHARI MEHTA & COMPANY**  
Chartered Accountants  
FRN - 000756N

**Sunil Wahal**  
Partner  
Membership No. 087294  
Place: New Delhi  
Date: June 26, 2020



UDIN: 20087294AAAAED7405



**Independent Auditors' Report on the Quarterly and Year to Date Audited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
The Board of Directors of  
Sunflag Iron and Steel Co Limited  
Nagpur

**Report on the Audit of the consolidated Financial Results**

**Opinion**

We have audited the accompanying statement of quarterly and year to date Consolidated financial results of Sunflag Iron and Steel Co Limited (the 'Holding Company' or 'Parent') and its subsidiaries (the Parent and its Subsidiaries together referred to as the 'Group') and its Joint Ventures for the quarter ended March 31, 2020 and year ended March 31, 2020 ('Statement'), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations'). Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended March 31, 2019, as reported in these consolidated financial results have been approved by the Holding Company's Board of Directors but have not been subjected to audit/review.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate audited financial statement of the subsidiaries and the management certified financial statements/results of its Joint Venture, the Statement:

- i. includes the financial results of the following entities:
  - a. **Subsidiaries:**
    1. Sunflag Power Limited
    2. Khappa Coal Company Private Limited
  - b. **Joint Ventures:**
    1. CT Mining Private Limited
    2. Daido DMS India Private Limited
    3. Ramesh Sunwire Private Limited
    4. Madanpur (North) Coal Co. Private Limited
- ii. are presented in accordance with the requirements of the Listing Regulation read with the circular in this regard; and





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& COMPANY**  
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- iii. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information of the Group for the quarter ended March 31, 2020 and for the year ended March 31, 2020.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) as specified under section 143(10) of the Companies Act 2013, as amended ("the Act"). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group and its joint ventures in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below and information provided for the management certified financial statements / results of its joint ventures, is sufficient and appropriate to provide a basis for our opinion on the statement.

**Emphasis of Matter**

We draw attention to Note No. 7 to the consolidated financial results, which describes the uncertainties and the impact of Covid-19 pandemic on the Group's and its joint ventures operations and results as assessed by the management. The impact of these uncertainties on the Group's and its joint ventures operations is dependent on future developments. Our opinion is not modified in respect of this matter.

**Management's Responsibilities for the Consolidated Financial Results**

The Statement has been prepared on the basis of the consolidated annual financial statements for the year ended March 31, 2020. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its joint ventures 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 the 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.





In preparing Statement, the respective Board of Directors of the Companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or its joint ventures or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies of the Group and of its joint ventures are also responsible for overseeing the financial reporting process of the Group and of its joint ventures.

**Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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 Statement, 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 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 Parent has adequate internal financial controls with reference to these financial results, 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 Board of Directors.





**S S KOTHARI MEHTA  
& COMPANY**  
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- Conclude on the appropriateness of the Board of Directors' 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 ability of the Group and its joint ventures 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 Statement 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 Group and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain Sufficient appropriate audit evidence regarding the financial results / financial information of the entity within the Group and its joint ventures of which we are the independent auditors to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entity included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company 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.

We also performed procedures in accordance with the circular issued by the SEBI under regulation 33(8) of the Listing Regulations, 2015, as amended, to the extent applicable.

**Other matters**

- a) The Statement includes the audited financial results of two (2) subsidiaries whose financial results/financial statement reflect total assets of Rs. 2607 lakhs as at March 31, 2020; as well as the total revenue Rs. 1 lakhs and Rs 6 Lakhs, total net profit after tax of Rs. 0.34 lakhs and Rs 4 Lakhs, total comprehensive income of Rs. Nil Lakhs and Rs Nil Lakhs for the quarter and the year ended on that date respectively, and net cash inflow of Rs. 6 lakhs for the year ended March 31, 2020, as considered in the Statements which have been audited by the respective independent auditors.





**S S KOTHARI MEHTA  
& COMPANY**  
CHARTERED ACCOUNTANTS

The Independent auditor's report on the standalone financial results of these entities been furnished to us by the management, and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and procedure performed by us as stated in paragraph above.

- b) The Statement includes the Group's Share of Profit/(loss) including other comprehensive income/(loss) of Rs 11.80 Lakhs and Rs (53.72) Lakhs for the quarter and year ended March 31, 2020 respectively in respect of four (4) joint venture companies whose financial statements have not been audited by us as considered in the consolidated statements. Our report to the extent it concerns these joint venture companies is based solely on the management certified financial Statement/financial information. These joint ventures companies are not material to the group.

Our opinion on the Statement is not modified in respect of the above matter with respect to our reliance on the work done & the reports of the other auditors and the financial statements/financial results/financial Information certified by the management for joint ventures.

- c) The Statement includes the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of the financial year ended March 31, 2020 and the published unaudited year-to-date figures up to end of third quarter of the current financial year, which were subjected to the limited review by us, as required under the Listing Regulations.

**For S. S. KOTHARI MEHTA & COMPANY**  
Chartered Accountants  
FRN - 000756N

**Sunil Wahal**  
Partner  
Membership No. 087294  
Place: New Delhi  
Date: June 26, 2020



UDIN: 20087294AAAAEE9044





**SUNFLAG IRON AND STEEL COMPANY LIMITED**

Regd. Office : 33, Mount Road, Sadar, Nagpur.

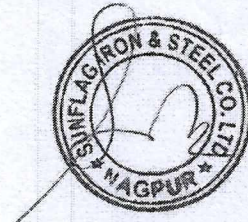
CIN : L27100MH1984PLC034003

Tel No. 0712-2524661/ Fax : 0712-2520360/ e-mail : investor@sunflagsteel.com / web site : www.sunflagsteel.com

**AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED MARCH 31, 2020**

Amount ₹. In Lakh, Except otherwise stated

Sr. No.	PARTICULARS	STANDALONE				
		3 Months ended			Year Ended	
		March, 31	Dec, 31	March, 31	March, 31	March, 31
		2020	2019	2019	2020	2019
Result Type ->	AUDITED	UNAUDITED	UNAUDITED	AUDITED		
1.	Income from operations					
	a) Net Sales/ Income from Operations	41,749	41,950	50,996	1,75,812	2,18,600
	b) Other Income	257	428	276	1,253	1,112
	<b>Total income from operations (net)</b>	<b>42,006</b>	<b>42,378</b>	<b>51,272</b>	<b>1,77,065</b>	<b>2,19,712</b>
2.	Expenses					
	a) Cost of materials consumed	28,598	25,810	38,840	1,06,713	1,47,347
	b) Purchase of stock-in-trade	-	-	-	-	-
	c) Changes in Inventories of Finished Goods, Work-in-process and stock in trade.	(6,197)	(291)	(6,702)	1,182	(10,085)
	d) Employees benefits expense	2,569	2,321	2,871	9,734	10,206
	e) Finance Costs	1,086	1,132	1,069	4,263	3,874
	f) Depreciation and amortisation expense	1,405	1,208	1,022	4,620	3,787
	g) Other expenditure	11,712	9,103	12,658	41,120	47,352
	<b>Total expenses</b>	<b>39,173</b>	<b>39,281</b>	<b>49,758</b>	<b>1,67,632</b>	<b>2,02,483</b>
3.	<b>Profit/(Loss) from ordinary activities after finance costs but before Exceptional Items</b>	<b>2,833</b>	<b>3,097</b>	<b>1,514</b>	<b>9,433</b>	<b>17,229</b>
4.	Exceptional items					
5.	<b>Profit/(Loss) from Ordinary activities before tax</b>	<b>2,833</b>	<b>3,097</b>	<b>1,514</b>	<b>9,433</b>	<b>17,229</b>
6.	Tax Expense	1,558	(758)	(478)	(177)	(6,170)
7.	<b>Net Profit/(Loss) from Ordinary activities after Tax</b>	<b>4,391</b>	<b>2,341</b>	<b>1,036</b>	<b>9,256</b>	<b>11,059</b>
8.	Other Comprehensive Income					
	Items that will not be reclassified to profit or loss	48,653	-	382	48,653	382
	Income tax relating to items that will not be reclassified to profit or loss	(12,210)	-	-	(12,210)	-
9.	<b>Total Comprehensive Income (Net of Tax) (7+8)</b>	<b>40,834</b>	<b>2,341</b>	<b>1,418</b>	<b>45,699</b>	<b>11,441</b>
10.	Paid-up equity share capital (Face value of Rs.10/-each)	18,022	18,022	18,022	18,022	18,022
11.	Other Equity				1,20,636	76,023
12.	Earnings per Share(EPS)					
	a) Basic and diluted EPS before extra ordinary items	2.51	1.30	0.79	5.21	6.14
	b) Basic and diluted EPS after extra ordinary items	2.51	1.30	0.79	5.21	6.14





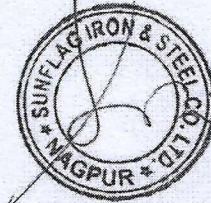


**SUNFLAG IRON AND STEEL COMPANY LIMITED**  
 Regd. Office : 33, Mount Road, Sadar, Nagpur.  
 CIN : L27100MH1984PLC034003

Tel No. 0712-2524661/ Fax : 0712-2520360/ e-mail : investor@sunflagsteel.com / web site : www.sunflagsteel.com

**AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER/ YEAR ENDED MARCH 31, 2020**  
 Amount ₹. In Lakh, Except otherwise stated

PARTICULARS	3 Months ended			Year Ended	
	March, 31	Dec, 31	March, 31	March, 31	March, 31
	2020	2019	2019	2020	2019
	AUDITED	UNAUDITED	UNAUDITED	AUDITED	AUDITED
Income from operations	41,749	41,950	50,996	1,75,612	2,18,600
a) Net Sales/ Income from Operations	259	429	276	1,259	1,116
b) Other Income	42,008	42,379	51,274	1,77,071	2,19,716
<b>Total income from operations (net)</b>					
Expenses	28,598	25,810	38,840	1,06,713	1,47,347
a) Cost of materials consumed	-	-	-	-	-
b) Purchase of stock-in-trade	(6,197)	(291)	(6,702)	1,182	(10,085)
c) Changes in Inventories of Finished Goods, Work-in-process and stock in trade.	2,569	2,321	2,871	9,734	10,208
d) Employees benefits expense	1,066	1,132	1,069	4,263	3,874
e) Finance Costs	1,406	1,205	1,022	4,821	3,787
f) Depreciation and amortisation expense	11,712	9,103	12,658	41,120	47,353
g) Other expenditure	39,174	39,200	49,758	1,67,633	2,02,484
<b>Total expenses</b>	2,834	3,089	1,516	9,438	17,234
<b>Profit/(Loss) from ordinary activities after finance costs but before Exceptional Items</b>	-	-	-	-	-
Exceptional items	2,834	3,089	1,516	9,438	17,234
<b>Profit/(Loss) from Ordinary activities before tax</b>	1,558	(755)	(478)	(177)	(6,170)
Tax Expense	4,392	2,343	1,038	9,261	11,064
<b>Net Profit/(Loss) from Ordinary activities after Tax</b>	12	(21)	10	(54)	(34)
Share of Profit/ (Loss) in Joint Venture	4,404	2,322	1,048	9,207	11,030
<b>Total Profit / (Loss)</b>					
<b>Total Profit/(Loss) from Continuing operations after Tax attributable to</b>	4,403	2,321	1,046	9,205	11,027
a) Owners Equity	1	1	2	2	3
b) Non- Controlling Interest	4,404	2,322	1,048	9,207	11,030
<b>Total Profit/(Loss) from Continuing operations after Tax</b>					
<b>Other Comprehensive Income attributable to</b>	48,653	-	-	48,653	382
a) Owners Equity	-	-	-	-	-
b) Non- Controlling Interest	(12,210)	-	-	(12,210)	-
c) Income tax relating to items that will not be reclassified to profit or loss	40,847	2,322	1,048	45,650	11,412
<b>Total Comprehensive Income (Net of Tax) (8+9)</b>	40,846	2,321	1,046	45,648	11,409
a) Owners Equity	1	1	2	2	3
b) Non- Controlling Interest					
<b>Paid-up equity share capital (Face value of ₹.10/-each)</b>	18,022	18,022	18,022	18,022	18,022
<b>Reserves excluding Revaluation reserves as per Balance sheet of previous accounting year</b>				120499	75,992
<b>Earnings per Share (EPS) (₹.) (Face value of ₹.10/-each)</b>	2.52	1.29	0.58	5.19	6.12
a) Basic and diluted EPS before extra ordinary items	2.52	1.29	0.58	5.19	6.12
b) Basic and diluted EPS after extra ordinary items					







**Sunflag Iron & Steel Co. Ltd**

Audited Standalone/ Consolidated Statement of Assets and Liabilities as at 31<sup>st</sup> March 2020

Amount ₹. In Lacs

Particulars	Standalone		Consolidated	
	Year ended		As at 31st March	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
	Audited		Audited	
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	1,14,469	53,482	1,14,853	53,667
Capital work - in - progress	20,980	17,897	23,259	20,162
Financial assets				
Investments	1,450	1,450	1,075	1,155
Bank Balances	94	73	94	73
Loans	3,197	2,773	1,432	1,027
Other non current asset	6,090	3,174	6,114	3,174
<b>Total non-current assets</b>	<b>1,46,280</b>	<b>78,849</b>	<b>1,46,627</b>	<b>79,288</b>
<b>Current assets</b>				
Inventories	56,277	55,217	56,277	55,217
Financial assets				
Trade receivables	21,169	28,602	21,169	28,602
Cash and cash equivalents	521	161	641	184
Bank balances other than above	4,676	5,633	4,676	5,723
Others	230	257	230	257
Current tax assets (net)	319	1,401	316	1,399
Other current assets	9,982	6,218	9,954	6,241
<b>Total current assets</b>	<b>93,174</b>	<b>97,489</b>	<b>93,263</b>	<b>97,623</b>
<b>Total Assets</b>	<b>2,39,454</b>	<b>1,76,338</b>	<b>2,39,890</b>	<b>1,76,881</b>
<b>Equity and liabilities</b>				
<b>Shareholders' funds</b>				
Share capital	18,022	18,022	18,022	18,022
Other equity	1,20,636	76,023	1,20,499	75,992
<b>Total shareholders' funds</b>	<b>1,38,658</b>	<b>94,045</b>	<b>1,38,521</b>	<b>94,014</b>
Non controlling interest			146	146
<b>Non-current Liabilities</b>				
<b>Financial liabilities</b>				
Borrowings	11,930	5,040	12,358	5,468
Other financial liabilities	8,351	2,001	8,351	2,001
Provisions	2,342	2,328	2,342	2,328
Deferred tax liabilities (Net)	18,244	8,202	18,244	8,202
Other non-current liabilities	173	333	173	333
<b>Total non-current liabilities</b>	<b>41,040</b>	<b>17,904</b>	<b>41,468</b>	<b>18,332</b>
<b>Current Liabilities</b>				
<b>Financial liabilities</b>				
Borrowings	14,348	26,380	14,348	26,380
Trade payables				
- Total outstanding dues of Micro Enterprises and Small Enterprises	1,366	1,263	1,366	1,263
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	30,103	25,458	30,103	25,458
Other financial liabilities	13,078	10,128	13,077	10,128
Other current liabilities	861	1,160	861	1,160
<b>Total current liabilities</b>	<b>59,756</b>	<b>64,389</b>	<b>59,755</b>	<b>64,389</b>
<b>Total equity and liabilities</b>	<b>2,39,454</b>	<b>1,76,338</b>	<b>2,39,890</b>	<b>1,76,881</b>







Sunflag Iron & Steel Co. Ltd

Cash flow statement for the year ended March 31, 2020

Amount ₹. In Lacs

Particulars	STANDALONE		CONSOLIDATED	
	Year Ended March 31		Year Ended March 31	
	2020	2019	2020	2019
<b>A. Cash flow from operating activities</b>	9,433	17,229	9,438	17,200
Net Profit / (Loss) before extraordinary items and tax items that will not be reclassified to profit or loss	-	-	-	-
Adjustments for:				
Depreciation and amortisation	4,620	3,767	4,621	3,787
(Profit) / loss on sale / write off of assets	0	(2)	-	(2)
Finance costs	4,263	3,874	4,263	3,874
Interest income	-	-	-	-
Actuarial gain/(loss)	140	382	140	382
Provision for doubtful trade and other receivables, loans and advances	81	276	81	276
<b>Operating profit / (loss) before working capital changes</b>	<b>18,537</b>	<b>25,546</b>	<b>18,543</b>	<b>25,517</b>
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	(1,059)	(11,934)	(1,060)	(11,933)
Trade receivables	7,352	1,298	7,352	1,298
Short-term loans and advances	1,109	9	1,110	9
Long-term loans and advances	(445)	(49)	(353)	(35)
Other current assets	(3,765)	(1,339)	(3,713)	(1,339)
Other non-current assets	(2,919)	1,515	(2,940)	1,515
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	273	(10,500)	396	(10,465)
Other current liabilities	4,748	7,802	4,748	7,802
Short-term provisions	51	259	51	298
Other long-term liabilities	-	-	-	-
Long-term provisions	350	1,048	350	1,048
Long-term provisions	13	(638)	14	(638)
Cash flow from extraordinary items	-	-	-	-
Cash generated from operations	5,162	8,471	5,163	8,510
Net income tax (paid) / refunds	(2,345)	(5,840)	(2,345)	(5,842)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>21,627</b>	<b>17,677</b>	<b>21,757</b>	<b>17,700</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances	(14,175)	(13,130)	(14,296)	(13,145)
Proceeds from sale of fixed assets	1	-	1	-
Other Bank deposits not considered in Cash & Cash equivalent (Net)	957	(752)	1,047	(751)
Long-term investments in:				
- Joint ventures	-	(278)	-	(244)
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(13,217)</b>	<b>(14,160)</b>	<b>(13,248)</b>	<b>(14,140)</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from issue of equity shares	-	-	-	-
Inflow/(Repayment) of long-term borrowings	9,490	(3,192)	9,489	(3,231)
Net (decrease)/ increase in working capital borrowings	(12,031)	4,316	(12,032)	4,315
Proceeds from other short-term borrowings	-	-	-	-
Repayment of unsecured Deferred Sales Tax Loan	-	-	-	-
Finance cost	(3,838)	(3,874)	(3,838)	(3,873)
Dividends paid	(901)	(901)	(901)	(901)
Tax on dividend	(185)	(185)	(185)	(185)
Lease repayment	(585)	-	(585)	-
<b>Net cash flow (used in)/ from financing activities (C)</b>	<b>(8,050)</b>	<b>(3,836)</b>	<b>(8,052)</b>	<b>(3,875)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>360</b>	<b>(319)</b>	<b>457</b>	<b>(315)</b>
Cash and cash equivalents at the beginning of the year	161	480	184	499
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	-	-	-	-
<b>Cash and cash equivalents at the end of the year</b>	<b>521</b>	<b>161</b>	<b>641</b>	<b>184</b>





Notes:

1. After review by the Audit Committee, the above financial results were approved by the Board of Directors of the Company at their meeting held on 26th Jun, 2020.
2. The Company has only one operating segment i.e. 'Iron & Steel Business' and operations are mainly within India. Hence, it is the only reportable segment under IND AS 108 'Operating Segments'.
3. The company has adopted Ind-AS 115 "Revenue from contract with Customers" which replaces earlier revenue recognition standard. Accordingly, the revenue are shown net of discounts allowed. However, there is no material impact on either revenue or retained earnings / profit.
4. The Company has adopted Ind-AS 116 - "Leases" as applicable with effect from April 1, 2019. However, there is no material impact on a Standalone/ Consolidated revenue or retained earnings/ profit.
5. Pursuant to Taxation Laws (Amendment) Ordinance 2019, dated September 20, 2019, the Company intends to exercise the option permitted U/s 115BAA of the Income Tax Act, 1961 to compute Income tax at the revised rate (i.e. 25.168%) from the current financial year. The tax expenses for the year ended March 31, 2020 are after considering the impact of the revised rate.
6. The company have revalued its plant and machinery and building as at 31st March, 2020 through an independent & approved valuer and accordingly changed its accounting policy from cost model to fair value model. All other assets such as Land, Furniture & Fixtures etc are valued at cost. The revaluation gain of Rs.48512 Lakhs has been accounted for in the gross block and credited to other equity under the head revaluation surplus. The WDV of these assets before such revaluation was Rs.58468 Lakhs. (WDV of Plant & Machinery Rs.45674 and Building Rs.12794
7. In view of outbreak of COVID-19 followed by Nationwide lock down announced by Government of India, the manufacturing facilities and other commercial activities of the company were closed w.e.f. 24th March, 2020. The company have restarted its operations from 23rd May, 2020 in a phased manner after obtaining necessary permission and has established all safety measures maintaining high standard of hygiene for the employees.  
Based on the initial assessment by the management and considering various internal and external information upto the date of approval of this financial results, the company does not have any material impact in the recoverability of carrying amount of its loans and advances, inventory, trade receivables etc. Further Reserve Bank of India granted relief to the borrowers by way of moratorium in repayment and servicing of interest due to bank. The company have availed such moratorium up to August 2020. However, these evaluations are subject to impact of uncertainties that COVID-19 outbreak may ultimately pose on economic recovery and consequential effect on Company's performance.
8. The Figures of last Quarter are the balancing figures between Audited figures in respect of the full financial year and the published year to date figures upto the third quarter of Current Financial year.
9. The figures of previous periods have been re-grouped /re-arranged wherever necessary.

PLACE : NAGPUR  
Date : Jun 26, 2020

For and on behalf of the Board of Directors

SURENDRA KUMAR GUPTA  
DY. MANAGING DIRECTOR  
DIN . 00054836

