

Through Online Filing

SECY/2021/ Stock Exchange/158-159
Saturday, the 29th May, 2021

Deputy General Manager,
Department of Corporate Services,
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
MUMBAI - 400001.



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

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)
MUMBAI - 400051

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 182nd Board Meeting - Saturday, the 29th May, 2021 held through permitted Audio Visual Mode.

Dear Sir,

1. The 182nd Meeting of the Board of Directors of the Company was held on Saturday, the 29th May, 2021 through permitted Audio Visual mode.
2. The Board of Directors of the Company has considered, noted and approved the following:



Visit us at www.sunflagsteel.com

BHANDARA OFFICE :
BHANDARA ROAD,
WARTHI - 441 905
TEL: 07184-285551 To 285555
FAX : 07184 - 285740
GRAM : FLAGDYER
E-mail : admin@sunflagsteel.com

DELHI OFFICE :
D-47, DEFENCE COLONY,
2ND FLOOR, NEW DELHI - 110 024
TEL: 011-49576030/6040/6050
FAX : 011-49576020
E-mail : delhioffice@sunflagsteel.com

MUMBAI OFFICE :
307, HAMILTON - B
HIRANANDANI BUSINESS PARK
GHODBUNDER ROAD,
THANE - 400 607
TEL : 022-25862294/5/6
FAX : 022-25861931
E-mail : mktg_wz@sunflagsteel.com



PUNE OFFICE :
65-69, FIFTH FLOOR,
'SAI KRIPA BHAVAN',
PUNE MUMBAI HIGHWAY,
OPP. KSB PUMPS, S. No. 6743,
KHARALWADI, PIMPRI,
PUNE - 411 018.
TEL: 020 - 27424685
FAX : 020 - 27423013
E-mail : mktg_pz@sunflagsteel.com

FARIDABAD OFFICE :
PLOT No. 12, SECTOR '6'
MATHURA ROAD,
FARIDABAD - 121 006
TEL: 0129 - 2311116, 2311112,
2311117
E-mail : mktg_nz@sunflagsteel.com

CHENNAI OFFICE :
705, 7th FLOOR, CHALLAMALL,
11/11A, SIR THIAGARAYA ROAD,
T NAGAR, CHENNAI - 600 017
044-24342262, 24342263
FAX : 044-24347649
E-mail : mktg_sz@sunflagsteel.com

- (i) The Audited Financial Statements (Standalone and Consolidated) of the Company for the Financial Year ended 31st March, 2021, as reviewed and recommended by the Audit Committee.
- (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 31st March, 2021 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 31st March, 2021 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.

- (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 2020-21 ended on 31st March, 2021.



3. 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 2021-22.
4. The Board of Directors of the Company has also duly considered, approved and adopted the "Dividend Distribution Policy" pursuant to the provisions of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (As Amended). A copy of the said Policy is enclosed herewith.

Please note that the 182nd Board Meeting commenced at 12:00 Hrs. and concluded at 3.50 Pm on Saturday, the 29th May, 2021.

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
e-Mail: avm@sunflagsteel.com
Phone No: +91 712 2524661
Mobile No: +91 9373793288
33, Mount Road, Sadar, Nagpur – 440001



Encl: As Above

SECY / 2021 / 160 – 161
Saturday, the 29th May, 2021

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

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



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E-Mail : admin@sunflagsteel.com

Website : www.sunflagsteel.com

CIN:L27100MH1984PLC034003

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 27th 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 27th May, 2016, we do hereby **confirm and declare** that, M/s. NSBP & Company, Chartered Accountants, New Delhi (ICAI Firm Registration No.001075N, Peer Review Certificate No. 009284), 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 31st March, 2021, 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 Saturday, the 29th May, 2021.

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
Chief Financial Officer



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NSBP & CO.

CHARTERED ACCOUNTANTS

Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of Sunflag Iron and Steel Company Limited 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 Company Limited
Nagpur.**

Report on the Audit of the Standalone Annual Financial Results

Opinion

We have audited the accompanying annual financial results of **Sunflag Iron and Steel Company Limited** (the "Company") for the quarter ended March 31, 2021 and year the year to date results for the period April 01, 2020 to March 31, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulation"), which has been initialed by us for identification purpose.

in our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:

(i) is presented in accordance with the requirements of the Listing Regulations in this regard; and

(ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India, of the net profit, other comprehensive income and other financial information of the Company for the quarter ended March 31, 2021 and the year to date results for the period April 01, 2020 to March 31, 2021.

Basis for Opinion

We conducted our audit of the Statement 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 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 Matters

1. We draw attention to Note 3 to the Statement, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. Further, our attendance at the physical inventory verification done by the management was impracticable under the current situation and we have therefore, relied on the related alternate audit procedures to obtain comfort over the existence and condition of inventory at year end. Further due to bulk nature of the inventories maintained by the company, the company has performed perpetual inventory verification process and no material discrepancies has been observed.

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325, Third Floor, US Complex, Opp. Apollo Hospital, 120, Mathura Road, Sarita Vihar, New Delhi 110076, India
E- Mail : info@nsbpco.com Website : www.nsbpc.com

2. We draw attention to the fact that the Company has given a long term advance in the earlier years aggregating of Rs. 3,324 lakhs to one of the supplier of the minerals but due to security issues, there are no movement of the goods done till date. However, based on the management's estimate this contract is having a good potential savings to the Company in terms of availability of the minerals at a very competitive price, hence no provision for the same has been created by the Company against the said advances.

Our opinion is not modified in respect of these matters.

Management and Board of Director's Responsibilities for the Standalone Annual Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Company's management and Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company 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 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 the Statement, the Management and 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 financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Annual 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 Standard on Auditing's' (SA), 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.

- 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 financial statements 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 and Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under the Listing Regulations.
- Conclude on the appropriateness of the Management and 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 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Statement of the company to express and opinion on the annual financial results.

Materiality is the magnitude of misstatements in the Statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial results 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 standalone financial results.

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

1. The Statement includes the comparative results for the quarter and year ended March 31, 2020, are based on the previously issued standalone financial results prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited and reported by S.S. Kothari Mehta & Company having firm registration number 000756N who have issued an unmodified audit report dated June 26, 2020, have been furnished to us by the management and which have been relied

NSBP & Co.

upon by us for the purpose of issuing the report on the Statement.

2. The Statement includes the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the financial year ended March 31, 2021 and the published unaudited year to date figures up to the end of 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 is not modified in respect of above matters.

**For NSBP & Co.
Chartered Accountants
Firm's Registration No. 001075N**

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DEEPAK K. AGGARWAL

Partner

M. No. 095541

UDIN:- 21095541AAAAFF1081

**Place : New Delhi
Date : May 29, 2021**



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 AND YEAR ENDED MARCH 31, 2021

Amount ₹. in Lakhs except otherwise stated

Sr. No.	PARTICULARS	Quarter Ended			Year Ended	
		March, 31	December, 31	March, 31	March, 31	March, 31
		2021	2020	2020	2021	2020
		AUDITED #	UNAUDITED	AUDITED #	AUDITED	AUDITED
1.	Income from operations					
	a) Revenue from Operations	55,544	64,818	41,750	1,89,155	1,75,812
	b) Other Income	192	409	120	1,092	1,116
	Total income from Operations	55,736	65,227	41,870	1,90,247	1,76,928
2.	Expenses					
	a) Cost of materials consumed	31,208	40,217	28,598	1,09,761	1,06,713
	b) Changes in inventories of Finished Goods and Work-in-process.	(2)	3,544	(6,197)	11,211	1,182
	c) Employees benefits expense	3,099	2,376	2,569	9,246	9,734
	d) Finance Costs	618	701	984	2,868	4,125
	e) Depreciation and amortisation expense	1,862	1,714	1,405	7,018	4,820
	f) Other expenditures	11,408	10,726	11,678	34,283	41,121
	Total expenses	48,213	59,278	39,037	1,74,387	1,67,495
3.	Profit/(Loss) before Exceptional Items & tax	7,523	5,949	2,833	15,860	9,433
4.	Exceptional items	-	-	-	-	-
5.	Profit/(Loss) before tax	7,523	5,949	2,833	15,860	9,433
6.	Tax Expense					
	a) Current Tax	(2,050)	(1,739)	(610)	(4,772)	(2,345)
	b) Deferred Tax	506	486	2,168	992	2,168
	c) Income tax pertaining to earlier years	1,272	-	-	1,272	-
7.	Net Profit/(Loss) for the period/year after tax	7,251	4,696	4,391	13,352	9,256
8.	Other Comprehensive Income/(Loss)					
	a) item not to be classified to profit and loss item	68	-	48,653	68	48,653
	b) Income Tax Relating to above items	-	-	(12,210)	-	(12,210)
	Other Comprehensive Income/(loss) (net of tax)	68	-	36,443	68	36,443
9.	Total Comprehensive Income for the period / year (Net of Tax)	7,319	4,696	40,834	13,420	45,699
10.	Paid-up equity share capital (Face value of ₹.10/-each)	18,022	18,022	18,022	18,022	18,022
11.	Other Equity				1,34,056	1,20,636
12.	Earnings per Share (EPS) (₹.) (Face value of ₹.10/-each)					
	a) Basic and diluted EPS	4.02	2.61	2.44	7.41	5.14
	# Refer note no. 6					

Notes :

- The Standalone financial results have been reviewed by the audit committee and approved by the Board of Directors at their respective meeting held on May 29, 2021. Limited review under regulation 33 of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015 has been carried out by the statutory auditors of the Company. The auditors have expressed an unqualified report on the above results.
- The Standalone financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 as amended and other recognized accounting practices and policies to the extent possible.
- In preparation of financial results for the Quarter & year ended Mar 31, 2021, the Company has taken into account the possible impact of COVID-19 and the related internal and external factors known to the management upto the date of approval of these results.
- 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'.
- In preparation of financial results for the Quarter & year ended March 31, 2021, the Company has taken into account the possible impact of COVID-19 and the related internal and external factors known to the management upto the date of approval of these results.
- The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders, which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
- The figures of previous periods have been re-grouped /re-arranged wherever necessary to make them comparable.
- 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.
- The results of the company are also available on stock exchange websites www.nseindia.com, www.bseindia.com and on the Company website

For and on behalf of the board of directors
 SUNFLAG IRON AND STEEL COMPANY LIMITED

SURENDRA KUMAR GUPTA
 DY. MANAGING DIRECTOR
 DIN : 00054836



PLACE : NAGPUR
 DATE : May 29, 2021

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 Date: 2021.05.29
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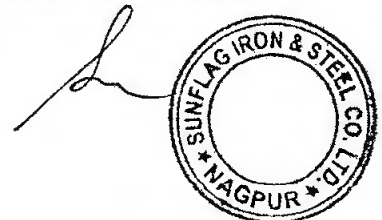


SUNFLAG IRON AND STEEL COMPANY LIMITED

Particulars	Amount ₹. In Lakh			
	STANDALONE		CONSOLIDATED	
	Year ended March 31, 2021 AUDITED	Year ended March 31, 2020 AUDITED	Year ended March 31, 2021 AUDITED	Year ended March 31, 2020 AUDITED
ASSETS				
Non-current Assets				
(a) Property, plant, and equipment	1,13,171	1,08,629	1,13,349	1,08,813
(b) Right-of-use assets	5,601	5,840	5,601	5,840
(c) Capital work - in progress	15,026	20,980	17,310	23,259
(d) Financial assets				
(i) Investments	1,389	1,450	1,600	1,075
(ii) Bank Balances	116	94	116	94
(iii) Loans	2,355	3,196	1,327	1,432
(e) Other non-current assets	8,607	6,090	8,831	6,114
Total non-current assets	1,46,465	1,46,279	1,48,134	1,46,627
Current Assets				
(a) Inventories	54,380	56,277	54,380	56,277
(b) Financial assets				
(i) Trade receivables	21,022	22,164	21,022	22,164
(ii) Cash and cash equivalents	1,740	521	1,663	641
(iii) Bank Balances	5,408	4,876	5,408	4,676
(iv) Other financial assets	140	230	140	230
(c) Income tax assets (net)	-	319	-	316
(d) Other current assets	8,893	9,982	8,893	9,854
	91,583	94,169	91,706	94,258
TOTAL ASSETS	2,38,048	2,40,448	2,39,840	2,40,885
EQUITY AND LIABILITIES				
Shareholders' funds				
(a) Share capital	18,022	18,022	18,022	18,022
(b) Other equity	1,34,056	1,20,636	1,35,263	1,20,499
Total Shareholders' funds	1,52,078	1,38,658	1,53,285	1,38,521
Non controlling interest	-	-	152	146
Non-current Liabilities				
(a) Financial liabilities				
(i) Borrowings	12,951	11,930	13,379	12,358
(ii) Lease liabilities	5,721	5,770	5,721	5,770
(iii) Other financial liabilities	1,525	1,915	1,525	1,915
(b) Provisions	3,909	4,480	3,910	4,480
(c) Deferred tax liabilities (Net)	17,252	18,244	17,252	18,244
(d) Other non-current liabilities	60	173	60	173
Total Non-Current Liabilities	41,418	42,512	41,847	42,940
Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	3,146	14,348	3,146	14,348
(ii) Trade payables				
- Total outstanding dues of Micro Enterprises and Small Enterprises	810	1,366	810	1,366
- Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	28,666	30,103	26,668	30,103
(iii) Other financial liabilities	12,080	12,370	12,081	12,370
(iv) Lease Liabilities	254	230	254	230
(b) Other current liabilities	1,001	861	1,001	861
(c) Current tax liabilities (net)	595	-	598	-
Total Current Liabilities	44,552	59,278	44,556	69,278
TOTAL EQUITY AND LIABILITIES	2,38,048	2,40,448	2,39,840	2,40,885

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SUNFLAG IRON AND STEEL COMPANY LIMITED

Cash flow statement

₹ in Lakh

Particulars	STANDALONE		CONSOLIDATED	
	Year ended March 31, 2021 AUDITED	Year ended March 31, 2020 AUDITED	Year ended March 31, 2021 AUDITED	Year ended March 31, 2020 AUDITED
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax items that will not be reclassified to profit or loss	15,860	9,433	16,570	9,384
<i>Adjustments for:</i>				
Depreciation and amortisation	7,018	4,620	7,020	4,622
Finance costs	2,868	4,125	2,868	4,125
Interest income	(591)	(650)	(597)	(656)
Actuarial Gain / (Loss)	68	140	68	140
Provision for diminution in investment and Loans (net)	670	-	408	81
Provision for doubtful trade and other receivables, loans and advances	406	81	408	81
Operating profit / (loss) before working capital changes	26,301	17,749	26,337	17,696
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	1,897	(1,059)	1,897	(1,060)
Trade receivables	733	7,352	733	7,352
Short-term loans and advances	1,681	1,109	1,678	1,110
Long-term loans and advances	820	(445)	88	(353)
Other current assets	1,090	(3,765)	1,062	(3,713)
Other non-current assets	(2,836)	(2,919)	(2,719)	(2,840)
Sub Total for changes in working capital	3,385	273	2,739	396
<i>Adjustments for (increase) / (decrease) in operating liabilities:</i>				
Trade payables	(3,994)	4,748	(4,187)	4,748
Other current liabilities	2,068	51	2,263	51
Short-term provisions	-	-	-	-
Other long-term liabilities	(154)	350	(154)	350
Long-term provisions	(570)	13	76	14
Cash flow from extraordinary items	(2,650)	5,162	(2,002)	5,163
Cash generated from operations	(4,772)	(2,345)	(4,772)	(2,345)
Income tax (paid)/refund (net)				
Net cash flow from / (used in) operating activities (A)	22,264	20,839	22,302	20,910
B. Cash flow from investing activities				
Capital expenditure on PPE, including capital advances	(5,366)	(14,175)	(5,372)	(14,242)
Proceeds from sale of property, plant and equipment	-	1	-	1
Other Bank deposits not considered in Cash & Cash Equivalents(Net)	(732)	957	(732)	1,047
Interest income	591	650	597	656
Long-term investments in:				
- Joint ventures	(490)	-	(525)	-
Net cash flow from / (used in) investing activities (B)	(5,997)	(12,567)	(6,032)	(12,538)
C. Cash flow from financing activities				
Proceeds from long-term borrowings	1,730	12,850	1,730	12,849
Inflow/(Repayment) of long-term borrowings	(1,521)	(2,500)	(1,521)	(2,500)
Net (decrease)/ increase in working capital borrowings	(11,203)	(12,031)	(11,203)	(12,032)
Proceeds from other short-term borrowings	-	-	-	-
Repayment of unsecured Deferred Sales Tax Loan	(812)	(860)	(612)	(860)
Finance cost	(2,261)	(3,700)	(2,261)	(3,701)
Dividends paid	-	(901)	-	(901)
Tax on dividend	-	(185)	-	(185)
Lease Payments	(981)	(585)	(981)	(585)
Net cash flow (used in)/ from financing activities (C)	(15,048)	(7,912)	(15,048)	(7,916)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	1,219	360	1,222	457
Cash and cash equivalents at the beginning of the year	521	161	641	164
Effect of exchange differences on restatement of foreign currency	-	-	-	-
Cash and cash equivalents	-	-	-	-
Cash and cash equivalents at the end of the year	1,740	521	1,863	641

Note : Figures in brackets indicates cash outflow

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CHARTERED ACCOUNTANTS

Independent Auditor's Report on the Quarterly and Year to Date Audited Consolidated Financial Results of Sunflag Iron and Steel Company Limited 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 Company Limited
Nagpur.**

Report on the Audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying consolidated annual financial results **Sunflag Iron and Steel Company Limited** (the "Holding Company" or "Parent") and its subsidiaries (the Parent and its subsidiaries together referred as the "Group") and its share of net profit/(loss) after tax and total comprehensive income of its joint ventures for the quarter ended March 31, 2021 and year to date results for the period April 01, 2020 to March 31, 2021 ("the Statement") attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), which has been initialed by us for identification purpose.

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 the other auditors on separate audited financial statements of the subsidiaries and audited/ management certified financial statements/ results of its joint ventures, the aforesaid 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 Sunware Private Limited
4. Madanpur (North) Coal Co. Private Limited

(i) are presented in accordance with the requirements of the Listing Regulations in this regard; and

(ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India, of the consolidated net profit, other comprehensive income and other financial information of the Group and its joint ventures for the quarter ended March 31, 2021 and the year to date results for the period April 01, 2020 to March 31, 2021.

Basis for Opinion

We conducted our audit of the Statement 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

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Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Statement 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 auditor in terms of their report referred to in "Other Matter" paragraph below and information provided for management certified financial statements/ results of its joint ventures, is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matters

1. We draw attention to Note 3 to the Statement, which describes the uncertainties and the impact of Covid-19 pandemic on the Parent's operations and results as assessed by the management. Further, our attendance at the physical inventory verification done by the management was impracticable under the current situation and we have therefore, relied on the related alternate audit procedures to obtain comfort over the existence and condition of inventory at year end. Further due to bulk nature of the inventories maintained by the company, the company has performed perpetual inventory verification process and no material discrepancies has been observed.
2. We draw attention to the fact that the Company has given a long term advance in the earlier years aggregating of Rs. 3,324 lakhs to one of the supplier of the minerals but due to security issues, there are no movement of the goods done till date. However, based on the management's estimate this contract is having a good potential savings to the Company in terms of availability of the minerals at a very competitive price, hence no provision for the same has been created by the Company against the said advances.

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

Management's and Board of Director's Responsibilities for the Consolidated Annual Financial Results

The Statement have been prepared on the basis of the consolidated annual financial statements. The Parent's Management and the 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 of the Group and its joint ventures 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 the Listing Regulations.

The respective Management and Board of Directors of the Companies included in the Group and 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 Management and Directors of the Parent, as aforesaid, which have been used for the purpose of the consolidated financial statements by the Directors of the Company, as aforesaid

In preparing the Statement, the respective Management and the Board of Directors of the companies included in the Group and its joint venture are responsible for assessing the ability of the respective entities to continue as a

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going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and 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 Consolidated Annual 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 Standard on Auditing's' (SA), 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.
- 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 through a separate report on the complete set of financial statements on whether the Group and its joint ventures has adequate internal financial controls with reference to consolidated financial statements 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 and the Board of Directors.
- Conclude on the appropriateness of the Management and 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 opinions 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 Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/ information of the entities 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 the financial information of such entities 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 remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial results 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 consolidated financial results.

We communicate with those charged with governance of the Parent and such other entities included in the Statement of which we are the independent auditors 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 Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

- a) The Statement includes the audited financial results of two (2) subsidiaries whose financial information/financial statements reflect total assets of Rs. 2615 lakhs as at March 31, 2021; as well as the total revenue Rs. 1 lakh and 6 lakhs, total profit after tax of Rs. 1 lakh and 4 lakhs, total comprehensive income of Rs. 1 lakh and 4 lakhs for the quarter and the year ended on that date respectively, and net cash inflow amounting to Rs. 3 lakhs for the year ended March 31, 2021, as considered in the statements which have been audited by the respective independent auditors. All the figures stated above are before giving the effect of consolidation adjustment.

The Independent Auditor's report on the financial results of these entities been furnished to us by the management, and Our opinion on the Statement in so far as it related 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 accompanying Statement also includes Group's share of profit including other comprehensive income of Rs. 81 lakhs and 43 lakhs for the quarter and year ended March 31, 2021 respectively in respect of one (1) joint venture company, whose financial statements have not been audited by us as considered in the consolidated financial statements, which have been audited by the respective independent auditor, our report, to the extent it concerns to this joint venture on the consolidated financial statements is based on the standalone financial statements audited by the respective independent auditor. This joint venture is not considered material to the Group. All the figures stated above are before giving the effect of consolidation adjustments.

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- c) The accompanying Statement also includes Group's share of profit/(loss) including other comprehensive income/(loss) of Rs. 8 lakhs and (8) lakhs for the quarter and year ended March 31, 2021 respectively in respect of three (3) joint venture companies, whose financial statements have been considered on the basis of the management certified accounts, our report, to the extent it concerns to these joint venture entities on the consolidated financial statements is based solely on the management certified financial statements. These joint venture entities are not considered material to the Group. All the figures stated above are before giving the effect of consolidation adjustments.
- d) The figures for the quarter and year ended March 31, 2020, are based on the previously issued consolidated financial results/consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited and reported by S.S. Kothari Mehta & Company having firm registration number 000756N who have issued an unmodified audit report dated June 26, 2020, have been furnished to us by the management and which have been relied upon by us for the purpose of issuing the report on the consolidated financial statements.
- e) The Statement includes the results for the quarter ended March 31, 2021 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year to date figures up to the end of 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 Statement is not modified in respect of above matters.

For NSBP & Co.
Chartered Accountants
Firm's Registration No. 001075N

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DEEPAK K. AGGARWAL
Partner
M. No. 095541
UDIN:- 21095541AAAAFG1609

Place : New Delhi
Date : May 29, 2021



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 AND YEAR ENDED MARCH 31, 2021

Amount ₹. In Lakhs except otherwise stated

Sr. No.	PARTICULARS	Quarter Ended			Year Ended	
		March, 31 2021	December, 31 2020	March, 31 2020	March, 31 2021	March, 31 2020
	Result Type ->	AUDITED #	UNAUDITED	AUDITED #	AUDITED	AUDITED
1.	Income from operations					
	a) Revenue from Operations	55,544	84,616	41,750	1,89,155	1,75,812
	b) Other income	194	410	122	1,096	1,122
	Total income from Operations	55,738	85,026	41,872	1,90,251	1,76,934
2.	Expenses					
	a) Cost of materials consumed	31,208	40,217	28,596	1,09,761	1,06,713
	b) Changes in inventories of Finished Goods and Work-in-process.	(2)	3,544	(6,197)	11,211	1,182
	c) Employees benefits expense	3,099	2,376	2,569	9,246	9,734
	d) Finance Costs	616	701	984	2,668	4,125
	e) Depreciation and amortisation expense	1,883	1,715	1,405	7,020	4,620
	f) Other expenditure	10,737	10,726	11,679	33,612	41,122
	Total expenses	47,543	59,279	39,038	1,73,718	1,67,496
3.	Profit/(Loss) before share of profit/(loss) from JVs and Exceptional Items & tax	8,195	5,949	2,834	16,535	9,438
4.	Share of Profit/ (Loss) in Joint Venture	89	(7)	12	35	(54)
5.	Exceptional items	-	-	-	-	-
6.	Profit/(Loss) before tax	8,284	5,942	2,846	16,570	9,384
7.	Tax Expense					
	(a) Current tax	(2,049)	(1,739)	(610)	(4,772)	(2,345)
	(b) Deferred Tax	506	486	2,168	992	2,166
	(c) Income tax pertaining to earlier years	1,272	-	-	1,272	-
8.	Net Profit/(Loss) for the period/year after tax	8,013	4,689	4,404	14,062	9,207
9.	Total Profit / (Loss)	8,013	4,689	4,404	14,062	9,207
10.	Total Profit/(Loss), after Tax attributable to					
	a) Owners Equity	8,013	4,689	4,403	14,061	9,205
	b) Non- Controlling interest	-	-	1	1	2
11.	Total Profit/(Loss) after Tax for the period/ year	8,013	4,689	4,404	14,062	9,207
12.	Other Comprehensive income for the period/ year (net of tax) attributable to					
	a) Owners Equity	68	-	48,653	68	48,653
	b) Non- Controlling interest	-	-	-	-	-
	c) Income Tax Relating to items that will not be reclassified to Profit & Other Comprehensive Income (net of tax)	-	-	(12,210)	-	(12,210)
	Total Comprehensive Income (Net of Tax) attributable to	68	-	36,443	68	36,443
	a) Owners Equity	8,081	4,689	40,847	14,130	45,650
	b) Non- Controlling interest	8,081	4,688	40,846	14,129	45,648
14.	Paid-up equity share capital (Face value of ₹.10/-each)	18,022	18,022	18,022	18,022	18,022
15.	Other Equity	-	1	1	1	2
16.	Earnings per Share (EPS) (₹.) (Face value of ₹.10/-each)				1,35,263	1,20,499
	a) Basic and diluted EPS	4.45	2.60	2.44	7.80	5.11

Notes :

- The consolidated financial results have been reviewed by the audit committee and approved by the Board of Directors at their respective meeting held on May 20, 2021. Limited review under regulation 33 of the SEBI (Listing obligations and disclosure requirements) Regulation, 2015 has been carried out by the statutory auditors of the Company. The auditors have expressed an unqualified report on the above results.
- The Consolidated financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 as amended and other recognized accounting practices and policies to the extent possible.
- In preparation of financial results for the Quarter & year ended Mar 31, 2021, the Company has taken into account the possible impact of COVID-19 and the related internal and external factors known to the management upto the date of approval of these results.
- 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'.
- In preparation of financial results for the Quarter & year ended March 31, 2021, the Company has taken into account the possible impact of COVID-19 and the related internal and external factors known to the management upto the date of approval of these results.
- The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders, which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
- The figures of previous periods have been re-grouped /re-arranged wherever necessary to make them comparable.
- 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.
- The results of the company are also available on stock exchange websites www.nseindia.com, www.bseindia.com and on the Company website www.sunflagsteel.com

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For and on behalf of the board of directors
SUNFLAG IRON AND STEEL COMPANY LIMITED

SURENDRA KUMAR GUPTA
DY. MANAGING DIRECTOR
DIN : 00054836

DIVIDEND DISTRIBUTION POLICY

The Board of Directors (hereinafter referred to as the "Board") of **Sunflag Iron and Steel Company Limited** (hereinafter referred to as the "Company") at its meeting held on 29th May, 2021 has approved and adopted this **Dividend Distribution Policy** (herein after referred to as the "Policy") as per the provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations").

PURPOSE

The purpose of this Policy is to set up the parameters to be taken into account by the Board of the Company before declaring or recommending dividend.

The Company has a good track record of dividend payment. The Company endeavors to pay dividend having in view its policy of meeting the long-term growth objectives from internal accruals and it will continue to stick to it.

CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The Board of the Company, while declaring or recommending dividend shall ensure compliance with statutory requirements under applicable laws including the provisions of the Companies Act, 2013 and Listing Regulations. While determining the dividend to be declared or recommended the Board shall take into consideration the advice of the management of the Company and the planned and future investments need of the Company for growth apart from other parameters set out in this Policy.

The Board of the Company may not declare or recommend dividend for a particular period if it is of the view that it would be judicious to retain profit for the then ongoing or planned business expansion or other factors which may be considered of more priority and in the larger interest of stakeholders by the Board.

PARAMETERS TO BE CONSIDERED WHILE DECLARING OR RECOMMENDING DIVIDEND

The Board of the Company shall consider the following financial / internal parameters while declaring or recommending dividend to shareholders:

- Profits earned during the financial year
- Retained Earnings
- Earnings outlook for next three to five years
- Expected future capital / liquidity requirements

- Any other relevant factors and material events

The Board of the Company shall consider the following external parameters while declaring or recommending dividend to shareholders:

- Macro-economic environment - Significant changes in macro-economic environment materially affecting the businesses in which the Company is engaged in the geographies in which the Company operates.
- Regulatory changes – Introduction of new regulatory requirements or material changes in existing taxation or regulatory requirements, which significantly affect the businesses in which the Company is engaged.
- Technological changes which necessitate significant new investments in the business in which the Company is engaged.

UTILISATION OF RETAINED EARNINGS

The Company shall endeavor to utilize the retained earnings in a manner which shall be beneficial to the interests of the Company and also its shareholders.

The Company may utilize the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other purpose, as the Board of the Company may deem fit.

PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

The Company has issued only equity shares. Parameters for dividend payments in respect of any other class of shares will be as per the respective terms of issue and in accordance with the applicable regulations and will be determined, if and when the Company decides to issue other classes of shares.

CONFLICT IN POLICY

In the event of any conflict between this Policy and the provisions contained in the regulations, the regulations shall prevail.

AMENDMENTS

The Board may, from time to time, make necessary amendments to this Policy to the extent required due to change in applicable laws and regulations or as deemed fit on a review.