



The Sandur Manganese & Iron Ores Limited

Registered Office: 'SATYALAYA', Door No. 266 (Old No.80), Ward No.1,
Behind Taluka Office Sandur - 583 119, Ballari District, Karnataka, India
CIN: L85110KA1954PLC000759

NOTICE

Notice is hereby given that the Sixty third Annual General Meeting of Members of the Company will be held on Tuesday, 26th day of September 2017 at 11.00 a.m. at Golden Jubilee Hall, Sandur Residential School, Shivapur, Palace Road, Sandur - 583 119 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt:
 - a. Audited Financial Statements of the Company for the financial year ended 31 March 2017 together with the reports of the Auditors and the Directors' thereon.
 - b. Audited Consolidated Financial Statements for the financial year ended 31 March 2017 together with the report of the Auditors thereon.
2. To declare dividend of ₹5 per equity share i.e., 50% of the paid up equity share capital of the Company, including the Interim Dividend of ₹3 per share for the financial year 2016-17.
3. To appoint a Director in place of Vatsala Watsa (DIN - 02626457) who retires by rotation and being eligible, offers herself for re-appointment.
4. To consider and if thought fit to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 140, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be amended from time to time, as recommended by the Audit Committee and the Board of Directors, M/s. R. Subramanian and Company LLP, Chartered Accountants, (ICAI Firm Registration No. 004137S) be and are hereby appointed as Statutory Auditors of the Company, in place of retiring auditors M/s. Deloitte Haskins & Sells, to hold office from the conclusion of 63rd Annual General Meeting until the conclusion of 68th Annual General Meeting, subject to ratification by members every year, at such remuneration as may be mutually agreed between the Board of Directors and the Auditors.”

SPECIAL BUSINESS

5. To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and Schedule V thereto and all applicable guidelines for managerial remuneration issued by the Central Government from time to time, and subject to such other approvals as may be required, consent of the Company be and is hereby accorded to the appointment of Nazim Sheikh (DIN – 00064275) as Managing Director of the Company, who will accordingly be not liable to retire by rotation, for a period of three years with effect from 1 April 2017 upon such terms and conditions, including remuneration and otherwise, as contained in the draft of an agreement expressed to be made between the Company of one part and the said Nazim Sheikh of the other part, which draft is available for inspection by the members at the Registered Office of the Company and initialled by the Company Secretary & Chief General Manager (Mines) for the sake of identification and the terms thereof hereby approved, with liberty to the Board (which term shall be deemed to include any Committee constituted/ to be constituted by the Board) from time to time, to alter the said terms and conditions, including the designation, in such manner as may be agreed to between the Company and the said Nazim Sheikh, in the best interest of the Company, and as may be permissible at law and the stamped engrossments of the said agreement in duplicate with modifications thereof, if any, as aforesaid when finalized, be executed in the manner authorized by the Articles of Association of the Company.”



6. To consider and if thought fit, to pass the following resolution as a **Special Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and Schedule V thereto and all applicable guidelines for managerial remuneration issued by the Central Government from time to time and subject to such other approvals as may be required, consent of the Company be and is hereby accorded to the appointment of U. R. Acharya (DIN – 00135676) as Director (Commercial), liable to retire by rotation, for a period of one year with effect from 1 April 2017 upon such terms and conditions, including remuneration and otherwise, as contained in the draft of an agreement expressed to be made between the Company of the one part and the said U. R. Acharya of the other part which draft is available for inspection by the members at the Registered Office of the Company and initialled by the Company Secretary & Chief General Manager (Mines) for the sake of identification and the terms thereof hereby approved, with liberty to the Board (which term shall be deemed to include any Committee constituted / to be constituted by the Board) from time to time, to alter the said terms and conditions, including the designation, in such manner as may be agreed to between the Company and the said U. R. Acharya, in the best interest of the Company and as may be permissible at law and the stamped engrossments of the said agreement in duplicate with modifications thereof, if any, as aforesaid when finalized, be executed in the manner authorized by the Articles of Association of the Company.”
7. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013, read with the Rules framed thereunder, and Schedule IV of the Act, as may be amended from time to time, consent of the Company be and is hereby accorded for re-designation of K. V. Ramarathnam (DIN - 00097892), who was appointed as a Non-Executive Director of the Company on 14 September 2016, as an Independent Director of the Company for a term of five consecutive years commencing from 30 May 2017”
8. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder, and Schedule IV of the Act, as may be amended from time to time, G. P. Kundargi (DIN - 02256516) who was appointed as an additional director of the Company with effect from 12 November 2016, and in respect of whom, the Company has received a notice in writing from a member proposing the candidature of G. P. Kundargi for office of Independent Director along with the deposit of ₹1,00,000/-, be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years from the date of appointment on the Board.”
9. To consider and if thought fit, to pass the following resolution as a **Special Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as may be amended from time to time, and the Articles of Association of the Company, approval of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing, from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves provided that the total amount so borrowed by the Board shall not at any time exceed ₹1,200 crore or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.
RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution.”
10. To consider and if thought fit to pass the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as may be amended from time to time, remuneration of ₹1,25,000/- and applicable taxes thereon apart from reimbursement of out of pocket expenses towards travelling, conveyance etc., payable to M/s. Kamalakara & Co., Cost Accountants (Firm Registration No. 000296), for conducting Cost Audit for the financial year 2017-18, as recommended by the Audit Committee and approved by the Board of Directors, be and is hereby ratified.”



NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. IN ORDER TO BE EFFECTIVE, THE PROXIES SHOULD BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN **48 HOURS** BEFORE THE MEETING. PROXIES SUBMITTED ON BEHALF OF CORPORATES INCLUDING COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTION OF THE BOARD OF DIRECTORS OR OTHER GOVERNING BODY.
2. Pursuant to the provisions of Section 91 of the Companies Act, 2013 and Regulation 42 of the SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, the Register of Members and shares Transfer Books of the Company will be closed from **Wednesday, 20th September 2017 to Tuesday, 26th September 2017 (Both days inclusive)**.
3. Members holding shares in physical form and desirous of availing Electronic Clearance Services (ECS) for direct credit of dividend to their bank account are requested to provide their bank details in the Electronic Clearing Service (ECS) Mandate. In respect of shareholders holding shares in dematerialised form, bank details as furnished by their Depositories will be used for distribution of dividend through ECS.
4. Members are requested to quote their Folio Number/ Client ID, in all correspondence and intimate any change in their address to the Share Transfer Agent / Depository Participant promptly.
5. Pursuant to the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, the Company is sending the Annual Report electronically on email addresses registered with the Depositories / the Company's Share Transfer Agent. For others, the Company will continue to send the printed Annual Reports as usual. Shareholders wishing to receive the Annual Report in electronic mode are requested to provide their email address to the Company's Share Transfer Agent.
6. Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, the dividend which remains unclaimed/unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investors' Education and Protection Fund (IEPF) established by the Central Government. The unclaimed dividends and the relevant due dates for transfer of such amounts are as under:

Financial Year	Unclaimed Dividend as on 31 May 2017 (in ₹)	Date of Declaration	Due date for Transfer to IEPF
2009-10 (Final dividend)	1,40,430	29 September 2010	4 November 2017
2010-11 (Final dividend)	2,90,750	10 September 2011	16 October 2018
2013-14 (Final dividend)	2,09,178	27 September 2014	2 November 2021
2014-15 (Final dividend)	2,47,644	19 September 2015	25 October 2022
2015-16 (Final dividend)	2,28,327	14 September 2016	20 October 2023
2016-17 (Interim dividend-I)	2,59,944	12 November 2016	18 December 2023
2016-17 (Interim dividend-II)	0 *	31 March 2017	5 May 2024

* The Pay Orders pertaining to Interim Dividend II issued by the Bank on 24 April 2017 are valid for a period of three months. The Bank will be able to confirm the details of Pay Order remaining unclaimed / unpaid only on expiry of the said three months.



7. The route map showing directions to reach the venue of the 63rd Annual General Meeting is annexed.
8. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered at the 63rd Annual General Meeting (AGM) through e-Voting Services provided by National Securities Depository Limited (NSDL).

The voting period begins on 23 September 2017 at 10.00 AM and ends on 25 September 2017 at 5.00 PM. During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 19 September 2017, may cast their vote electronically.

The instructions for remote e-voting are as under:

- a. Log on to the e-voting website: www.evoting.nsdl.com and Click on 'Shareholder-login'.
- b. Enter following details in the appropriate boxes and click "SUBMIT":

	Details
User ID	For NSDL - 8 characters DP ID + 8 digits demat Client ID. For CDSL - 16 digits Beneficial Owner ID. For Physical - Registered Folio Number with the Company.
Password	Your unique password is either pasted as a sticker in the Annual Report or will be sent by email by NSDL/STA

- c. After logging in the aforesaid details, the Shareholders holding shares in physical form will be directed to the voting screen immediately. However, shareholders holding shares in demat logging in for the first time, will be required to mandatorily change their password in the new password field and may choose to enter their demographic details i.e date of birth, mobile number and email id. Change the password with new password of your choice with minimum 8 digits/ characters or combinations thereof. The shareholders are advised to remember the new password. The new password can be used for voting on future e-voting resolution(s) for 'The Sandur Manganese & Iron Ores Limited' or any other company in India.
- d. Home page of "e-voting" opens. Click on "e-voting": - Active Voting Cycles. Select the "Electronic Voting Event Number" (EVEN) of the 'The Sandur Manganese & Iron Ores Limited'.
- e. Now you are ready for "e-voting" as "Cast Vote" page opens. Cast your vote by selecting the appropriate option and click on "Submit" and also "Confirm" when prompted.
- f. You can log in for any number of times till you have voted on all resolutions during the e-voting period. Once you have voted on a resolution, you will not be allowed to modify your vote.
- g. Those persons who have acquired the shares of the Company after the dispatch of the Notice and become members of the Company as on the cut-off date i.e.19 September 2017 may obtain their login ID and password by sending their requests by email at evoting@nsdl.co.in with a copy marked to investors@sandurgroup.com.
- h. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant board resolution / authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorised to vote, to the scrutinizer through e-mail at postalballot@sandurgroup.com with a copy marked to evoting@nsdl.co.in and investors@sandurgroup.com. File name of the scanned image should be "Corporate Name_EVEN". The documents can be sent before/immediately after casting the vote. However, in case the same do not reach before closure of voting, the vote so exercised will be rejected in the system.
- i. In case of queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at "downloads" section for www.evoting.nsdl.com or call on 022-2499 4600.



- j. E-voting period starts from 23 September 2017 at 10.00 a.m. and ends on 25 September 2017 at 5.00 p.m.
 - k. The results shall be declared within 48 hours of the conclusion of AGM. The results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of NSDL and communicated to the stock exchange.
9. In addition to the facility of remote e-voting, the Company shall also be providing the facility for voting at the venue of the Annual General Meeting, either through ballot or polling paper and shareholders attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
10. A Member may participate in the Annual General Meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting. However, in case a Shareholder exercises his voting right by casting his vote at the general meeting in addition to remote e-voting, then voting done through remote e-voting shall prevail and voting done at the general meeting will be treated as invalid. The Scrutinizer's decision on the validity of a voting at the general meeting/ e-voting shall be final.

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

MD. ABDUL SALEEM
Company Secretary &
Chief General Manager (Mines)

Place : Bengaluru
Date : 29 June 2017



EXPLANATORY STATEMENT

In terms of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the special business mentioned in the accompanying Notice. Further information required to be furnished in compliance with Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is also provided hereunder:

Item No. 3

Vatsala Watsa, is a post graduate in Arts - Master of Arts (English Language & Literature and Economics) and holding diploma in Business Administration. During her 39 years in the Indian Administrative Service she held various important positions, including Deputy Commissioner, Tumkur, Secretary of the Karnataka Public Service Commission, Deputy Secretary (Budget & Resources) in the Finance Department, Director, Economics & Statistics, Managing Director of Karnataka Handicrafts Development Corporation and Karnataka Silk Industries Corporation, Secretary of Finance and Co-operation Departments, Principal Secretary of Tourism, Higher Education, Labour, Administrative Reforms and Home Departments and Additional Chief Secretary. She also held the position of Controller, Indian Satellite Research Organisation (ISRO), and Department of Space.

She held the position of Chairperson of Bangalore Development Authority, Government of Karnataka (GoK) until her retirement from the Indian Administrative Service on 31 December 2011.

She does not hold any shares in the Company. She is a member of Audit Committee, Nomination and Remuneration Committee and Risk Management Committee of the Board of Directors of the Company. She also holds directorship in Ansata Hotels Private Limited and Testco Resorts Private Limited.

She is related to T. R. Raghunandan, Non-Executive Director of the Company as a sister.

The Ordinary Resolution at Item No. 3 for her re-election as Director is proposed and accordingly commended for approval.

None of the Directors, Key Managerial Personnel or their relatives is/are, in any way, concerned or interested in this item, except T. R. Raghunandan who being related to Vatsala Watsa is considered to be interested in this resolution and Vatsala Watsa herself, who is interested in this resolution relating to her.

Item No. 5

Nazim Sheikh, born on 11 April 1954, a qualified Metallurgical Engineer has been in the service of the Company for more than four decades. He has held several important positions including those of Executive Assistant to Managing Director, General Manager (Materials), Senior General Manager (Corporate) etc., before being inducted on the Board in 2001 as an Executive Director. He was re-designated as a Joint Managing Director at the 57th Annual General Meeting of the Company with effect from 9 April 2011. Thereafter, he was appointed for another term of 3 years as Joint Managing Director with effect from 1 April 2014. Based on the recommendation of the Nomination and Remuneration Committee, the Board has re-designated Nazim Sheikh as the Managing Director and reappointed him for a term of three years with effect from 1 April 2017; subject to the approval of the shareholders.

The Company has hugely benefited from his immense knowledge and experience. The Five Star rating awarded to SMIORE for Sustainable Development Framework among others was achieved under his leadership and guidance. His rich and varied experience in functional areas such as corporate affairs, materials management, commercial management, finance, administration and general management continues to benefit the Company.

The Company looks forward to his able guidance and leadership especially when the Company is poised to implement the proposal of setting up the pig iron project with an estimated financial outlay of ₹1500 crore over the next 2 years.

The Nomination & Remuneration Committee has, at its meeting held on 31 March 2017, taking into account financial position of the Company vis-à-vis the trend in the industry, appointee's qualification and experience, in



the best interest of the Company recommended the re-appointment of Nazim Sheikh, as Managing Director of the Company for a period of 3 years with effect from 1 April 2017 on the following terms:

- a) Salary: ₹3,30,000/- per month in the scale of ₹75000-7500-112500-11500-170000-17000-255000-25000-380000-38000-570000.
- b) Allowances, Perquisites, benefits etc., not exceeding twice the salary per month.
- c) Commission: Such amount or percentage of profits as may be decided by the Board from time to time.
- d) Payment of Gratuity, Contribution to Provident Fund, Superannuation Fund and Leaves, including its encashment, shall be in accordance with the provisions of Section IV of Schedule V to the Companies Act, 2013 read with applicable rules of the Company, whichever is higher.
- e) Transport facility with driver, telephone at residence, mobile phones, credit cards, hotel and club memberships (excluding life membership fee) etc., shall be provided for office use and the same shall not form part of remuneration.

Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year during the period of appointment of Nazim Sheikh as Managing Director, the monthly salary, allowances, perquisites and other benefits shall be in accordance with and subject to the provisions of Sections 196 and 197 of the Companies Act, 2013 and Section II of Schedule V thereto subject to overall limit fixed by the Board.

Further, Nazim Sheikh shall not be paid any sitting fee for attending the meetings of the Board or any Committee thereof but the Board will be at liberty to sanction additional increment, as and when it deems appropriate.

Copy of the draft of the agreement proposed to be entered with Nazim Sheikh is available for inspection by the members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day up to and inclusive of the date of the Annual General Meeting.

A statement furnishing information pursuant to sub-clause (iv) of clause (B) of Section II of Part II of Schedule V to the Companies Act, 2013 is annexed to this Notice.

He holds 8,300 equity shares of the Company and is a member of Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee, Environment Committee and the Project Committee of the Board of Directors of the Company. He is also a Director on the Boards of Skand Private Limited and Star Metalics and Power Private Limited.

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

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

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

Item No. 6

U. R. Acharya, a graduate in metallurgical engineering and a post-graduate in Mechanical Engineering has served over 40 years in the Company. His expertise in functional areas of the Company, especially commercial operations has proved to be beneficial to the Company. The Company looks forward to his continuance and his involvement in the Company's future plans. It is in the best interest of the Company to re-appoint U. R. Acharya as Director (Commercial) on suitable terms.

The Nomination & Remuneration Committee has, at its meeting held on 31 March 2017, recommended the re-appointment of U. R. Acharya, as Director (Commercial) of the Company for a period of 1 year with effect from 1 April 2017 on the following terms:

- a) Salary: ₹1,87,000/- per month in the scale of ₹75000-7500-112500-11500-170000-17000-255000-25000-380000-570000.



- b) Allowances, Perquisites, benefits etc., not exceeding twice the salary per month.
- c) Commission: Such amount or percentage of profits as may be decided by the Board from time to time.
- d) Payment of Gratuity, Contribution to Provident Fund, Superannuation Fund and Leaves, including its encashment, shall be in accordance with the provisions of Section IV of Schedule V to the Companies Act, 2013 read with applicable rules of the Company, whichever is higher.
- e) Transport facility with driver, telephone at residence, mobile phones, credit cards, hotel and club memberships (excluding life membership fee) etc., shall be provided for office use and the same shall not form part of remuneration.

Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year during the period of reappointment of U. R. Acharya as Director (Commercial), the monthly salary, allowances, perquisites and other benefits shall be paid to him in accordance with and subject to the provisions of Section 196 and 197 of the Companies Act, 2013 and Section II of Schedule V thereto subject to overall limit fixed by the Board.

Further, U. R. Acharya shall not be paid any sitting fee for attending the meetings of the Board or any committee thereof.

Copy of the draft of the agreement proposed to be entered with U. R. Acharya is available for inspection by the members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day up to and inclusive of the date of the Annual General Meeting.

A statement furnishing information pursuant to sub-clause (iv) of clause (B) of Section II of Part II of Schedule V to the Companies Act, 2013 is annexed to this Notice.

He holds 2000 equity shares of the Company and is a member of Risk Management Committee, Environment Committee and the Project Committee of the Board of Directors of the Company. He also holds directorship in Federation of India Mineral Industries and Sandur Laminates Limited.

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

The Board recommends, the Special Resolution at Item No. 6, for approval of the Shareholders.

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

Item No. 7

K. V. Ramarathnam is a Graduate in Mechanical Engineering of 1969 batch from University of Madras. He was associated as a Key Personnel for more than 21 years with Kalyani Steels Limited and Kalyani Seamless Tubes Limited wherein he handled all areas of operations including Production, Marketing, Process and equipment selection, Project appraisal and implementation, Cost Control, Recruitment & Training, Review of all MIS & action plans, Funds Flow management etc. He was the Chief Executive Officer (CEO) with Welspun Stahlrohren at Bharuch. He served as SBU Head (Steel Division) of Perkasa Indobaja, Subang, Indonesia, (Texmaco Group) for more than 7 years heading Seamless Tubes, Hot Rolling Mill and Steel Melting shop. He served as Managing Director of Mahindra UGINE Steel Company Limited for about 8 years. Thereafter, K. V. Ramarathnam was Advisor/CEO for Innoventive Industries Limited, a possible steel manufacturing unit, for a year and CEO/ President of a Precision Welded Tube Manufacturing Unit for another two years. K. V. Ramarathnam has rich experience of more than 40 years in Steel and related industries, during which he has widely travelled on different assignments and has performed as an effective team leader apart from being a strategist.

K. V. Ramarathanam was inducted as an Additional Director on the Board of the Company on 28 May 2016. Subsequently, the Shareholders of the Company, at the 62nd Annual General Meeting held on 14 September 2016, appointed him as a Non-Executive Director of the Company, liable to retire by rotation.



The Board of Directors, at its 317th meeting held on 30 May 2017, re-designated K. V. Ramarathnam as an Independent Director of the Company. Pursuant to the provisions of Section 150(2) of the Companies Act, 2013, appointment of independent director is required to be approved by the company in general meeting.

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

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

In view of the aforementioned provisions, it is proposed to fix the tenure for K. V. Ramarathnam as an Independent Director, for a term of five consecutive years commencing from 30 May 2017. It is further brought to the attention of the shareholders that in accordance with the provisions of sub-section (13) of Section 149 of the Act, K. V. Ramarathnam would not be liable to retire by rotation at the annual general meetings.

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

He does not hold any shares in the Company. He is a member of Nomination and Remuneration Committee, Risk Management Committee and the Project Committee of the Board of Directors of the Company. He also holds the position of an Independent Director on the Board of Marmagoa Steel Limited and Director on the Board of Mysore Steels Limited.

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

The Board recommends the Ordinary Resolution at Item No. 7 for approval of the shareholders.

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

Item No. 8

G. P. Kundargi holds a Master Degree in Mineral Processing from Karnataka University. He was associated with MOIL Limited, a Central Public-Sector Enterprise (CPSE) under the Ministry of Steel, from 27 October 1999 to 31 August 2016, in various roles from Sr. Deputy General Manager to Chairman and Managing Director, wherein he handled all areas of operations including Production and has experience in all areas of corporate management of a large CPSE. His areas of specialization include Metal Mining (both opencast and underground), Mineral Processing, Research and Technical Operations, Planning, Mine safety, Mining Lease Matters, technical, projects and personnel. He was the Chairman cum Managing Director of MOIL from 2012 until his retirement on 31 August 2016.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, G. P. Kundargi was co-opted as an Additional Director on the Board with effect from 12 November 2016 and he holds office upto the date of ensuing 63rd Annual General Meeting of the Company.

The Company is in receipt of a notice under Section 160 of the Companies Act, 2013 along with requisite deposit of ₹1 lakh from a member proposing the appointment of G. P. Kundargi as a Director on the Board of the Company holding the office of an Independent Director.



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

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

In view of the aforementioned provisions, it is proposed to appoint G. P. Kundargi as an Independent Director, for a term of five consecutive years commencing from the date of appointment on the Board. It is further brought to the attention of the shareholders that in accordance with the provisions of sub-section (13) of Section 149 of the Act, G. P. Kundargi would not be liable to retire by rotation at the annual general meetings.

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

G. P. Kundargi does not hold any shares in the Company. He is a member of Audit Committee, Environment Committee and the Project Committee of the Board of Directors of the Company. Apart from the directorship in the Company he does not hold directorship in any other Company.

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

The Board recommends the Ordinary Resolution at Item No. 8 for approval of the Members.

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

Item No. 9

The Board of Directors has, at its meeting held on 31 March 2017, accorded approval for implementation of stage 1 & 2 of the proposed Pig Iron Project at an estimated total financial outlay of ₹1500 crore.

Pursuant to provisions of Section 180(1)(c) of the Companies Act, 2013, borrowings (apart from temporary loans obtained from the Company's bankers in ordinary course of business) by the Company, beyond the aggregate of the paid-up capital of the company and its free reserve, requires approval from its shareholders by way of a Special Resolution.

Hence, approval of shareholders is sought, by way of a Special Resolution at Item No. 9 authorizing the Board of Directors to borrow monies (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) from time to time on behalf of the Company not exceeding ₹1200 crore to be utilized for the purpose of implementation of stage 1 & 2 of the proposed Pig Iron Project.

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

Item No. 10

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



Based on Audit Committee's recommendation, the Board of Directors has approved to appoint M/s. Kamalakara & Co., as Cost Auditor for the financial year 2017-18, at a remuneration of ₹1,25,000/- plus service tax and actual out-of-pocket expenses.

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

M/s. Kamalakara & Co, have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for the previous three years.

The Ordinary Resolution at Item No.10 for ratification of their remuneration is proposed and accordingly commended for approval.

None of the Directors, Key Managerial Personnel or their relatives is/are, in any way, concerned or interested in this item.

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

MD. ABDUL SALEEM
Company Secretary &
Chief General Manager (Mines)

Place : Bengaluru
Date : 29 June 2017



ANNEXURE
(Refer Items 5 and 6 of the Notice of AGM)

Statement pursuant to Clause (B)(iv) of Section II of Part II of Schedule V to the Companies Act, 2013

I. General Information

(1)	Nature of industry	Mining industry	
(2)	Expected date of commencement of commercial production	Already commenced	
(3)	In case of new companies expected date of commencement of activities	Not applicable	
(4)	Financial performance (for the last 2 years)		₹lakh
		2016-17	2015-16
	Net sales/income	42,223.65	22,241.22
	Other income	508.30	488.17
	Total income	42,731.95	22,729.39
	Total expenditure	34,764.56	22,644.89
	Profit/(Loss) before taxes	7,967.39	84.50
	Exceptional items	0	577.00
	Tax	2,940.00	930.43
	Net Profit/(Loss)	5,027.39	(1,422.93)
(5)	Foreign investments or collaborations, if any	Nil	Nil

II.A Information about Nazim Sheikh:

- (1) **Background details:** This information is provided under Explanatory Statement for Item No.5 in the Notice.
- (2) **Past remuneration:** For the financial year 2016-17 he was paid Salary of ₹36.60 lakh, Perquisites of ₹74.75 lakh and Contribution to Provident Fund etc., was to the tune of ₹9.88 lakh and commission of ₹7.76 lakh aggregating his remuneration to ₹128.99 lakh.
- (3) **Recognition and Awards:** Nil
- (4) **Job profile and suitability:** He has been the Executive Director of the Company since 31 January 2001 and is responsible for its overall operations subject to the directions of the Chairman and the Board of Directors. He was re-designated as Joint Managing Director at the Board meeting held on 9 April 2011 and continues to serve in the same capacity. It is now proposed to re-designate him as the Managing Director with effect from 1 April 2017.
- (4) **Remuneration proposed:** This information is provided under Explanatory Statement for Item No.5 in the Notice.
- (5) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:** The remuneration proposed for the director is much lower than the prevailing levels in the industry for comparable positions. Detailed justification for the proposed remuneration is given in the Explanatory Statement to the Notice.
- (6) **Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any:** Nazim Sheikh has no pecuniary relationship with the Company other than receiving remuneration as Managing Director. He is neither related to promoters nor other managerial personnel of the Company.



II.B Information about U. R. Acharya:

- (1) **Background details:** This information is provided under Explanatory Statement for Item No.6 in the Notice.
- (2) **Past remuneration:** For the financial year 2016-17 he was paid Salary of ₹20.40 lakh, Perquisites of ₹42.01 lakh and Contribution to Provident Fund etc., was to the tune of ₹5.51 lakh and commission of ₹7.76 lakh aggregating his remuneration to ₹75.68 lakh.
- (3) **Recognition and Awards:** Nil
- (4) **Job profile and suitability:** He has been the Director (Commercial) of the Company since 9 April 2011. He is responsible for marketing the products and improving the realization.
- (5) **Remuneration proposed:** This information is provided under Explanatory Statement for Item No.6 in the Notice.
- (6) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:** The remuneration proposed for the director is much lower than the prevailing levels in the industry for comparable positions. Detailed justification for the proposed remuneration is given in the Explanatory Statement to the Notice.
- (7) **Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:** U. R. Acharya has no pecuniary relationship with the company other than receiving remuneration as Director (Commercial). He is neither related to promoters nor other managerial personnel of the Company.

III. Other information

1. **Reason for loss or inadequate profits:** The Company, from recent past, has started earning comfortable profits and decided to recognize the unuttered and invaluable service rendered by its whole time directors by way of providing them reasonable remuneration. Though the Company is confident of sustaining its profits, as a matter of abundant caution, to meet the exigencies of inadequate profits in future, if any, provision is being made for the whole time directors for payment of minimum remuneration in accordance with the provisions of Schedule V to the Companies Act, 2013.
2. **Steps taken for improvement:** To ensure long term viability of the Company's business, the Company is contemplating enhancement of manganese ore and iron ore production and is also in the process of consolidating its businesses by setting up a 1 Million Tonne Per Annum Steel Project in two phases.
3. **Expected increase in productivity and profits in measurable terms:** With the possible enhancement in production of ores and the proposed setting up of project, the Company is looking forward to and would be able to consolidate its operations thereby securing its future. The Company seeks to achieve the setting up of the project in 2 phases over the next three years.

IV. Disclosures:

The required information has been included under the heading "Report on Corporate Governance" forming part of the annual report.

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

MD. ABDUL SALEEM
Company Secretary &
Chief General Manager (Mines)

Place : Bengaluru
Date : 29 June 2017