

The Sandur Manganese & Iron Ores Limited

Registered Office: 'Satyalaya', Door No. 266 (Old No.80), Ward No.1
Behind Taluk Office, Sandur - 583 119, Ballari District
CIN:L85110KA1954PLC000759; Website: www.sandurgroup.com
Telephone: +91 8395 260301 Fax: +91 8395 260473

CORPORATE OFFICE:

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No.6, Hospital Road, Shivajinagar
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✓ Karnataka, India
Tel: 080 - 4152 0176 - 180
Fax: 080 - 4152 0182



MINES OFFICE:

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SMIORE / SEC / 180214/ 01

14 February 2018

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

Dear Sir / Madam,

Sub - Compliance with Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

In compliance with the provisions of Regulation 30 of the SEBI (LO&DR) Regulations, 2015, we write to inform the Exchange that the Board of the Directors has, at its 323rd meeting held on 14 February 2018, inter-alia, transacted the following businesses:

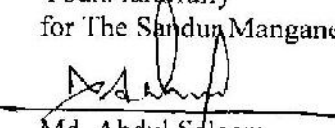
1. Approved the Draft Scheme of Amalgamation of its subsidiary, Star Metallics and Power Private Limited, with the Company. Approval of the Scheme is subject to necessary statutory and regulatory approvals including the approvals of the Stock Exchange(s), National Company Law Tribunal and respective shareholders and creditors, if any. Information pursuant to Regulation 30 of SEBI (LO&DR) Regulations, 2015 read with SEBI Circular No CIR/CFD/CMD/4/2015 dated 9 September 2015 is enclosed as Annexure 'A'.
2. Approved 'The Sandur Manganese & Iron Ores Limited - Employees Stock Option Plan 2018' envisaging issue of up to 4,37,500 stock options carrying an entitlement for the Eligible Employees to subscribe up to 4,37,500 Equity Shares of ₹10 each (or such adjusted numbers for any bonus, rights issue, stock splits or consolidation or other re-organisation of the capital structure of the Company as may be applicable, from time to time).
3. Approved the Notice of Postal Ballot *inter alia* for seeking shareholders' approval by way of special resolution for 'The Sandur Manganese & Iron Ores Limited - Employees Stock Option Plan 2018'.

Further, in terms of Regulation 30(2), we provide herewith a copy of un-audited financial results of the Company for the Quarter ended 31 December 2017, approved by the Board of

Directors. In compliance with Regulation 33 of SEBI (LO&DR) Regulations, 2015, we send herewith a copy of the Limited Review Report of the Auditors M/s. R Subramanian & Co. LLP dated 14 February 2018 duly taken on record by the Board of Directors at its meeting held today.

We request you to kindly take the same on record and acknowledge the receipt.

Yours faithfully
for The Sandur Manganese & Iron Ores Limited


Md. Abdul Saleem
Company Secretary &
Vice President (Mines)

R.Subramanian and Company LLP

CHARTERED ACCOUNTANTS

New No.6, Old No.36, Krishnaswamy Avenue, Luz, Mylapore, Chennai - 600 004.
Phone : 24992261 / 24991347 / 24994231, Fax : 24991408
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INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

Review Report to
The Board of Directors
The Sandur Manganese & Iron Ores Limited

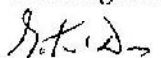
We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **The Sandur Manganese & Iron Ores Limited** ("the Company"), for the **quarter ended December 31, 2017** and year to date from April 1, 2017 to December 31, 2017 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

The preparation of the Statement in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **R Subramanian and Company LLP**
Chartered Accountants
Firm Registration No: 0041375/S200041



Gokul S Dixit
Partner
Membership No: 209464
Place: Bangalore
Date: 14th February 2018





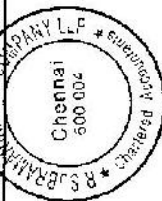
The Sandur Manganese & Iron Ores Limited

Registered Office: 'Satyalaya', Door No.80, Behind Taluka Office Palace Road, Ward No.1, Sandur - 583 119, Ballari District
CIN:L85110KA1854PLC000759

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31.12.2017

Particulars	Three months ended 31.12.2017 (Unaudited) [Refer note 2]	Preceding three months ended 30.09.2017 (Unaudited)	Corresponding three months ended in the previous year 31.12.2016 (Unaudited) [Refer note 2]	Nine Months ended 31.12.2017 (Unaudited)	Corresponding Nine Months ended in the previous year 31.12.2016 (Unaudited)
Statement of Standalone Unaudited results					
I. Revenue from operations	15,233	14,370	10,145	42,495	27,014
II. Other Income	326	268	109	913	587
III. Total Income (I + II)	15,559	14,638	10,254	43,408	27,601
IV. Expenses					
(a) Cost of materials consumed	3,693	3,484	2,948	9,594	6,705
(b) Excise duty on sale of goods	-	-	357	430	752
(c) Changes in inventories of finished goods and work-in-progress	(13)	(537)	(1,836)	293	(2,303)
(d) Employee benefits expense	1,931	2,412	1,520	6,110	4,589
(e) Finance costs	283	(65)	370	367	372
(f) Depreciation and amortisation expense	194	183	166	540	479
(g) Other expenses	6,308	4,730	5,322	15,777	13,471
Total expenses	12,396	10,207	8,847	33,111	24,065
V. Profit before Tax (III - IV)	3,163	4,431	1,407	10,297	3,536
VI. Tax Expense					
Current tax	1,042	1,600	470	3,390	1,152
Deferred tax	68	20	20	190	40
Total Tax Expense	1,110	1,620	490	3,580	1,192
VII. Profit for the period (V - VI)	2,053	2,811	917	6,717	2,344
VIII. Other comprehensive income					
A. (i) Items that will not be recycled to profit or loss					
(a) Remeasurements of the defined benefit liabilities / asset (Net of Tax)	(152)			(152)	(41)
IX. Total comprehensive income for the period (VII + VIII)	2,053	2,659	917	6,565	2,303
X. Earnings per equity share (of ₹ 10 each) (not annualised)					
Basic and diluted (₹)	23.46	30.39	10.46	75.03	26.32

See accompanying notes to the financial results



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Standalone Unaudited Segment wise revenue, results, assets and liabilities (Primary Segment)		Particulars			
	Three months ended	Preceding three months ended	Corresponding three months ended in the previous year	Nine Months ended	Corresponding Nine Months ended in the previous year
	31.12.2017 (Unaudited) [Refer note 2]	30.09.2017 (Unaudited)	31.12.2016 (Unaudited) [Refer note 2]	31.12.2017 (Unaudited)	31.12.2016 (Unaudited)
1. Segment revenue					
(a) Mining	9,892	10,195	7,027	28,257	19,512
(b) Ferroalloys and Power	5,858	4,835	3,684	15,771	8,581
(c) Unallocable	40	27	20	79	36
	15,790	15,057	10,731	44,107	28,129
Less: Inter segment revenue	557	687	586	1,612	1,115
Total	15,233	14,370	10,145	42,495	27,014
2. Segment results					
(a) Mining	3,454	4,763	2,166	11,344	6,297
(b) Ferroalloys and Power	263	25	(20)	260	(1,364)
	3,717	4,788	2,146	11,604	4,903
Less: (i) Finance costs	283	(65)	370	367	372
(ii) Other unallocable expenditure/ (income) net of unallocable (income)/ expenditure	271	422	369	940	995
Profit before tax	3,163	4,431	1,407	10,267	3,556
3. Segment Assets					
(a) Mining	9,210	9,249	7,785	9,210	7,785
(b) Ferroalloys and Power	18,664	17,939	18,350	18,664	18,350
(c) Steel	2	2	3,170	2	3,170
(d) Unallocable	34,211	34,806	22,272	34,211	22,469
Total	62,087	61,996	51,577	62,087	51,774
4. Segment Liabilities					
(a) Mining	8,395	10,180	10,893	8,395	10,763
(b) Ferroalloys and Power	2,202	2,168	1,385	2,202	1,385
(c) Steel	2	2	3	2	3
(d) Unallocable	2,483	2,163	486	2,483	486
Total	13,082	14,513	12,769	13,082	12,639



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Notes :

1. The above results were reviewed by the audit committee of the Board and approved by the Board of Directors at the respective meetings held on 14-02-2018. The Statutory auditors of the Company have carried out a limited review of the results for the quarter/Nine months ended December 31, 2017. The IND AS compliant financial results pertaining to quarter/Nine months ended December 31, 2016 have not been subjected to limited review. However the management has exercised due diligence to ensure that the financial results provide a true and fair view of its affairs.
2. These financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and in terms of the Listing Regulations, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The Company has opted to avail the relaxation provided by the Securities and Exchange Board of India ('SEBI') in respect of disclosure requirements for corresponding figures for the earlier periods. The results for the quarter/ Nine months ended December 31, 2016 have been recasted to be Ind AS compliant.
3. Post the applicability of Goods and Service tax (GST) with effect from 1st July 2017, sales are required to be disclosed net of GST. Revenue from operations for the quarter and nine months ended 31-12-2017 are not comparable with the previous period presented in the results.
4. Reconciliation of total comprehensive income between standalone financial results as previously reported (referred to as previous GAAP) and Ind-AS, for the quarter/Nine months ended December 31, 2016 is as under:

Particulars	(₹ lakh) For the three months ended Dec 31, 2016	(₹ lakh) For the Nine months ended Dec 31, 2016
Net Profit as reported under previous GAAP	802	1,976
Adjustments:		
Discounting of long term provisions (Net of unwinding of interest)	51	130
Fair valuation of financial assets	64	197
Remeasurements of the defined benefit liabilities/ asset (Net of Tax)	-	41
Net Profit for the period as per Ind AS	917	2,344
Other comprehensive income (Net of Tax)	-	(41)
Total comprehensive income	917	2,303

5. The Karnataka State Government promulgated the Karnataka Forest (Amendment) Act, 2016, through notification dated 26 July 2016, inserting certain amendments with retrospective effect from 16 August 2008 to the provisions of the Karnataka Forest Act, 1963, re-designating Forest Development tax ("FDT") as "Forest Development Fee" ("FDF"), including inter-alia lease holders of mines under "body notified by the Government" and increasing the rate of FDF from 8% to 12%. The Company has filed a Writ Petition contesting the above amendments before the Hon'ble Supreme Court. The Company had already filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court challenging the competence and jurisdiction of the State to legislate in the field of major minerals which is a central subject. Pending the outcome of the SLP and the Writ Petition, no provision is considered necessary at this stage towards estimated FDF of Rs. 4,210 lakh for the period 27 August 2008 to 11 July 2011, being the date of commencement of e-auction by the Monitoring Committee. Subsequent to the commencement of e-auction by the Monitoring Committee, FDT/FDF is being recovered from the customers directly by the Monitoring Committee and remitted to the authorities.
6. During the current quarter ended 30 September 2017 Hon'ourable Supreme Court of India held that Contribution to District Mineral Foundation (DMF) is liable to be paid from 17th September 2015. Based on said judgement, Company during the quarter ended 30 September 2017 reversed excess provisions made during the previous year towards
 - 1) DMF aggregating to Rs. 462.16 lakhs to the credit of rates and taxes and 2) a sum of Rs. 148 lacs to the credit of finance cost.
7. "During the quarter ended 31st December 2017, the Company has reviewed that the point of transfer of risks and rewards for revenue recognition on sale of Manganese and Iron ore under e-auction has changed such that point of sale is shifted from that of actual despatch of minerals to the completion of e-auction sales and receipt of money from the buyer. Had the Company used the earlier estimate of point of sale for revenue recognition, its Revenue from operations for the quarter ended 31st December 2017 would have been lower to the extent of Rs. 1,787.40 Lakhs. However, the effect of such change in estimate has not been considered in the comparative reported prior interim periods."
8. The figures of the previous periods have been regrouped / reclassified where necessary.



for and on behalf of the Board of Directors

 NAZIM SHEIKH
 Managing Director