

2014 - 15

61ST ANNUAL REPORT

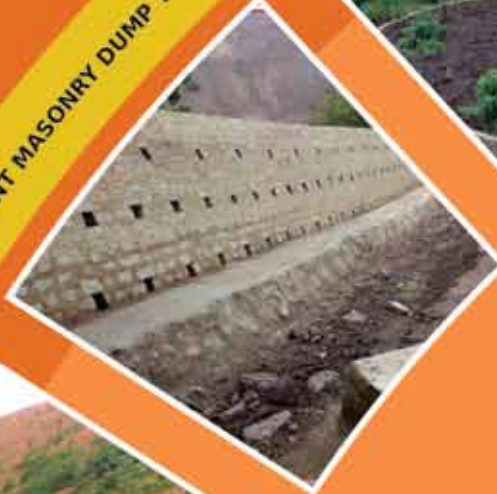
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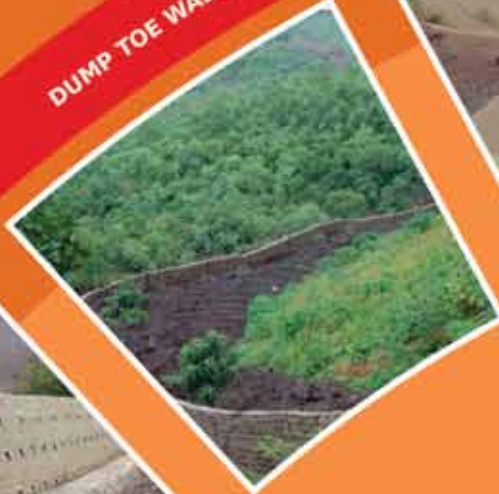
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DUMP TOE WALL



COIR MATTING ON DUMPS



The Sandur Manganese & Iron Ores Limited



The Sandur Manganese & Iron Ores Limited

ANNUAL REPORT 2014 - 15

DIRECTORS

S. Y. Ghorpade, Chairman & Managing Director
Nazim Sheikh, Joint Managing Director
S. H. Mohan, Executive Director (Projects)
S. R. Sridhar, Executive Director (Mines)
R. Subramanian, Director
V. Balasubramanian, Director
P. Vishwanatha Shetty, Director
U. R. Acharya, Director (Commercial)
K. Raman, Director (Finance) & Chief Financial Officer
B. Ananda Kumar, Director
S. S. Rao, Director
Vatsala Watsa, Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Md. Abdul Saleem, CS & CGM (Mines)

CHIEF FINANCIAL OFFICER

K. Raman, Director (Finance) & Chief Financial Officer

AUDITORS

M/s. Deloitte Haskins & Sells, Bangalore

SHARE TRANSFER AGENT

Venture Capital & Corporate Investments Pvt. Ltd
Hyderabad

BANKER

State Bank of Mysore

RISK MANAGEMENT COMMITTEE

(Re-constituted w.e.f 8 November 2014)

S. Y. Ghorpade, Chairman
S. H. Mohan, Member
R. Subramanian, Member
K. Raman, Member
U. R. Acharya, Member
B. Ananda Kumar, Member
Vatsala Watsa, Member

AUDIT COMMITTEE

R. Subramanian, Chairman
V. Balasubramanian, Member
B. Ananda Kumar, Member
S. S. Rao, Member
Vatsala Watsa, Member

NOMINATION & REMUNERATION COMMITTEE

(Re-constituted w.e.f 8 November 2014)

P. Vishwanatha Shetty, Chairman
R. Subramanian, Member
V. Balasubramanian, Member
S. S. Rao, Member
Vatsala Watsa, Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

(Re-constituted w.e.f 8 November 2014)

P. Vishwanatha Shetty, Chairman
S. Y. Ghorpade, Member
Nazim Sheikh, Member
B. Ananda Kumar, Member

ENVIRONMENT COMMITTEE

(Re-constituted w.e.f 8 November 2014)

S. Y. Ghorpade, Chairman
Nazim Sheikh, Member
S. R. Sridhar, Member
V. Balasubramanian, Member
U. R. Acharya, Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

(Re-constituted w.e.f 8 November 2014)

Nazim Sheikh, Chairman
S. H. Mohan, Member
S. R. Sridhar, Member
V. Balasubramanian, Member
K. Raman, Member
S. S. Rao, Member

REGISTERED OFFICE:

LAKSHMIPUR, SANDUR - 583 119. BELLARY DIST., KARNATAKA



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The Sandur Manganese & Iron Ores Limited

Registered Office: Lakshmipur, Sandur - 583 119, Bellary Dist., Karnataka
CIN:L85110KA1954PLC000759 Website: www.sandurgroup.com
Telephone: +91 8395 260301 Fax: +91 8395 260473

NOTICE

Notice is hereby given that the Sixty-first Annual General Meeting of the Members of the Company will be held on Saturday, 19th day of September 2015 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, approve and adopt:
 - a. Audited Financial Statements of the Company for the financial year ended 31 March 2015 together with the reports of the Auditors and the Directors' thereon.
 - b. Audited Consolidated Financial Statements for the financial year ended 31 March 2015.
2. To declare dividend on equity shares.
3. To consider and if thought fit to pass the following resolution as an **ORDINARY RESOLUTION**:
"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as may be amended from time to time, the Company hereby ratifies the appointment of Deloitte Haskins & Sells, Chartered Accountants, Bangalore (ICAI Registration No. 008072S), as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting at such remuneration as may be mutually agreed between the Board of Directors and the Auditors."

SPECIAL BUSINESS

4. To consider and if thought fit to pass the following resolution as an **ORDINARY RESOLUTION**:
"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, the vacancy caused by the retirement of K. Raman (DIN 00706726), Director, who retires by rotation at this Annual General Meeting and who has not offered himself for reappointment, in view of the retirement policy of the Company, be not filled up."
5. 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 of the Cost Accounting Records for the financial year 2015-16, as recommended by the Audit Committee and approved by the Board of Directors, be and is hereby ratified."
6. To take on record ordinary resolutions passed, for appointment of Independent Directors and ratification of remuneration paid to Cost Auditors for financial year 2014-15 by the shareholders of the Company, through postal ballot in accordance with the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement with the Stock Exchange:
 - A. *Appointment of V. Balasubramanian as an Independent Director :*
"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder, and Schedule IV to the Act, as may be amended from time to time, V. Balasubramanian (DIN 00026561) who was appointed as an Independent Director of the Company, liable to retire by rotation (under the erstwhile Companies Act, 1956), and in respect of whom, the Company has received a notice in writing along with the



deposit of ₹1,00,000/- under Section 160 of the said Act from a member proposing the candidature of V. Balasubramanian for the office of Director, be and is hereby appointed as an Independent Director of the Company for a term of four consecutive years (close to one year having already lapsed since the commencement of Companies Act, 2013 w. e. f., 1 April 2014) expiring on 31 March 2019, not liable to retire by rotation.”

B. Appointment of P. Vishwanatha Shetty as an Independent Director :

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder, and Schedule IV to the Act, as may be amended from time to time, P. Vishwanatha Shetty (DIN 03347580) who was appointed as an Independent Director of the Company, liable to retire by rotation (under the erstwhile Companies Act, 1956), and in respect of whom, the Company has received a notice in writing along with the deposit of ₹1,00,000/- under Section 160 of the said Act from a member proposing the candidature of P. Vishwanatha Shetty for the office of Director, be and is hereby appointed as an Independent Director of the Company for a term of four consecutive years (close to one year having already lapsed since the commencement of Companies Act, 2013 w. e. f., 1 April 2014) expiring on 31 March 2019, not liable to retire by rotation.”

C. Appointment of B. Ananda Kumar as an Independent Director:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder, and Schedule IV to the Act, as may be amended from time to time, B. Ananda Kumar (DIN 01711145) who was appointed as an Independent Director of the Company, liable to retire by rotation (under the erstwhile Companies Act, 1956), and in respect of whom, the Company has received a notice in writing along with the deposit of ₹1,00,000/- under Section 160 of the said Act from a member proposing the candidature of B. Ananda Kumar for the office of Director, be and is hereby appointed as an Independent Director of the Company for a term of four consecutive years (close to one year having already lapsed since the commencement of Companies Act, 2013 w. e. f., 1 April 2014) expiring on 31 March 2019, not liable to retire by rotation.”

D. Appointment of S. S. Rao as an Independent Director:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder, and Schedule IV to the Act, as may be amended from time to time, S. S. Rao (DIN 00150816) who was appointed as an Independent Director of the Company, liable to retire by rotation (under the erstwhile Companies Act, 1956), and in respect of whom, the Company has received a notice in writing along with the deposit of ₹1,00,000/- under Section 160 of the said Act from a member proposing the candidature of S. S. Rao for the office of Director, be and is hereby appointed as an Independent Director of the Company for a term of four consecutive years (close to one year having already lapsed since the commencement of Companies Act, 2013 w. e. f., 1 April 2014) expiring on 31 March 2019, not liable to retire by rotation.”

E. Appointment of Vatsala Watsa as an Independent Director:

“RESOLVED THAT pursuant to the provisions of Sections 149, 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, Vatsala Watsa (DIN 02626457) who was appointed as an Independent Director of the Company, liable to retire by rotation (under the erstwhile Companies Act, 1956), and in respect of whom, the Company has received a notice in writing along with the deposit of ₹1,00,000/- under Section 160 of the said Act from a member proposing the candidature of S. S. Rao for the office of Director, be and is hereby appointed as an Independent Director of the Company for a term of four consecutive years (close to one year having already lapsed since the commencement of Companies Act, 2013 w. e. f., 1 April 2014) expiring on 31 March 2019, not liable to retire by rotation.”

F. To ratify remuneration of Cost Auditors for the Financial Year 2014-15 as approved by the Board of Directors:

“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), as recommended by the Audit Committee and approved by the Board of Directors for conducting Cost Audit of the Cost Accounting Records for the financial year 2014-15, 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 THE 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 AN 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 Clause 16 of the Listing Agreement with Bombay Stock Exchange Limited, the Register of Members and shares Transfer Books of the Company will be closed from **Monday, 14th September 2015 to Saturday, 19th September 2015 (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 Sections 205A and 205C of the Companies Act, 1956, 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 27 May 2015 (in ₹)	Date of declaration	Due date for transfer to IEPF
2008-09 (Interim dividend)	1,33,330.50	29 January 2009	28 February 2016
2008-09 (Final dividend)	1,41,955.50	25 September 2009	24 October 2016
2009-10 (Final dividend)	1,41,030.00	29 September 2010	28 October 2017
2010-11 (Final dividend)	2,91,125.00	10 September 2011	09 October 2018
2013-14 (Final dividend)	2,10,918.00	27 September 2014	27 October 2021

Further, 51,413 16% 'B' series Redeemable Preference Shares of ₹100/- each were redeemed at par with accrued dividend on 28 April 2008. As on 31 March 2015, the balance in the No Lien Account opened for the purpose of the said redemption was ₹1,74,970.63/-. The due date for transfer of the said amount to IEPF is 3 September 2015.



7. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement with the Stock Exchange, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered at the 61st Annual General Meeting (AGM) through e-Voting Services provided by National Securities Depository Limited (NSDL).

The voting period begins on 16 September 2015 at 10:00 AM and ends on 18 September 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 12 September 2015, 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. 12 September 2015 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 16 September 2015 at 10:00 a.m. and ends on 18 September 2015 at 5:00 p.m.
- k. The results shall be declared on or before 22 September 2015. The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website and on the website of NSDL within three days of passing of the resolutions at the AGM of the Company and communicated to the stock exchange.



8. 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 Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
9. 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 voting at the general meeting/ e-voting shall be final.

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

Place : Bangalore
Date : 11 July 2015

Md. Abdul Saleem
CS & CGM (Mines)

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.

ITEM No. 4

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association, K. Raman, Director, is liable to retire by rotation at this Annual General Meeting. He has expressed his desire not to offer himself for reappointment, as per the retirement policy for the Whole time Directors, approved by the Board of Directors of the Company at their Meeting on 11 July 2015. The Company does not propose to fill the vacancy at this Meeting.

Accordingly, the Board recommends the Ordinary Resolution at Item No.4 for approval of the Members.

Interest of Directors, Key Managerial Personnel and their relatives

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

ITEM No. 5

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 to appoint M/s. Kamalakara & Co. as Cost Auditor for the financial year 2015-16, the Board of Directors has approved their appointment as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company 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 two years.

The Ordinary Resolution at Item 6 for ratification of their remuneration is proposed and accordingly commended for approval.

Interest of Directors, Key Managerial Personnel and their relatives

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



ITEM No. 6

Pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement with the Stock Exchange approval of the Members was sought by way of Postal Ballot for appointment of V. Balasubramanian, P. Vishwanatha Shetty, B. Ananda Kumar, S. S. Rao and Vatsala Watsa, as Independent Directors for a term of four consecutive years and for ratification of the remuneration paid to Cost Auditors, M/s. Kamalakara & Co. Cost Accountants, for the Financial Year 2014-15.

The Company provided its Members an option to vote through any of the two modes i.e. through Postal Ballot or the e-voting facility through National Securities Depository Limited (NSDL). The notice of postal ballot along with Postal Ballot Forms were sent to the Members, whose names appeared in the register of members or list of Beneficial Owners as received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on 21 February 2015. Members opting to vote physically or through electronic mode were required to complete their voting on or before 30 March 2015. The Company had appointed Parmeswar G. Hegde, Practising Company Secretary as the Scrutinizer for conducting the Postal Ballot.

The Scrutinizer, P. G. Hegde submitted his report dated 31 March 2015. The said report was placed on the website of the Company on 31 March 2015 and filed with the Stock Exchanges in compliance with Clause 35A of the Listing Agreement. The Voting result is given below:

(i) Appoint V. Balasubramaian as an Independent Director:	
Votes cast in 'FAVOUR' of the resolution	6486694
Votes cast 'AGAINST' the Resolution	43
Percentage of votes cast in 'FAVOUR'	99.99%
(ii) Appoint P. Viswanatha Shetty as an Independent Director:	
Votes cast in 'FAVOUR' of the resolution	6486694
Votes cast 'AGAINST' the Resolution	43
Percentage of votes cast in 'FAVOUR'	99.99%
(iii) Appoint B. Ananda Kumar as an Independent Director:	
Votes cast in 'FAVOUR' of the resolution	6486784
Votes cast 'AGAINST' the Resolution	43
Percentage of votes cast in 'FAVOUR'	99.99%
(iv) Appoint S.S. Rao as an Independent Director:	
Votes cast in 'FAVOUR' of the resolution	6486794
Votes cast 'AGAINST' the Resolution	43
Percentage of votes cast in 'FAVOUR'	99.99%
(v) Appoint Vatsala Watsa as Independent Director:	
Votes cast in 'FAVOUR' of the resolution	6486794
Votes cast 'AGAINST' the Resolution	43
Percentage of votes cast in 'FAVOUR'	99.99%
(vi) Ratify remuneration to M/s. Kamalakara & Co., Cost Accountants, the Cost Auditor for the FY 2014-15 as approved by the Board of Directors:	
Votes cast in 'FAVOUR' of the resolution	6486775
Votes cast 'AGAINST' the Resolution	52
Percentage of votes cast in 'FAVOUR'	99.99%

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

Place : Bangalore
Date : 11 July 2015

Md. Abdul Saleem
CS & CGM (Mines)



REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2015

Dear Shareholders,

The Directors are pleased to present their Report and Audited Statement of Accounts for the year ended 31 March 2015:

FINANCIAL RESULTS

Sl.	Particulars	Current Year ₹ lakh	Previous Year ₹ lakh
a)	Net Sales / Income	29,469.93	29,970.89
b)	Other Income	402.37	1,582.45
	Total	29,872.30	31,553.34
c)	Expenditure		
	(i) Variable	18,200.27	17,904.55
	(ii) Fixed	8,830.27	6,929.39
	(iii) Depreciation / Amortization	489.41	920.58
	(iv) Interest	235.24	1.57
	Total	27,755.19	25,756.09
d)	Profit before taxes	2,117.11	5,797.25
e)	Less:		
	(i) Current Tax	1,000.00	1,590.00
	(ii) Deferred Tax	(318.52)	370.00
f)	Net Profit	1,435.63	3,837.25
g)	Add: Balance brought forward from the previous year	3,1927.13*	28,803.84
h)	Profit before appropriation	33,362.76	32,614.09
i)	Less: Appropriations		
	(i) Proposed dividend on Equity Shares	262.50	262.50
	(ii) Tax on Dividend	53.44	44.61
	(iii) Transfer to General Reserve	-	383.73
	Total	315.94	690.84
j)	Profit carried to Balance Sheet	33,046.82	31,950.25

*After adjusting depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed asset with NIL remaining useful life (net of deferred tax)

The Company earned profit before tax of ₹2,117.11 lakh after charging ₹489.41 lakh towards depreciation on fixed assets and ₹235.24 lakh towards interest.

After taking into account charging off income tax of ₹1,000 lakh for current year and deferred tax credit of ₹318.52 lakh, the profit for the current year of ₹1,435.63 lakh along with brought forward profits of ₹31,927.13 lakh aggregating to ₹33,362.76 lakh is carried to the Balance Sheet.



OPERATIONS

	Current Year (Tonnes)	Previous Year (Tonnes)
Manganese Ore:		
Production	1,60,909	1,02,372
Internal Consumption	30,344	30,292
Sales	99,113	62,029
Iron Ore:		
Production*	5,16,285	7,12,362
Sales*	5,62,186	5,04,100

*Excludes 87,990 (Previous year 4,05,856) tonnes salvaged from dumps and sold

The production of manganese ore and iron ore during the financial year 2014-15 was 1,60,909 and 5,16,285 tonnes respectively as against 1,02,372 and 7,12,362 tonnes produced during the previous year. Excluding the ores salvaged from dumps, the Company sold 99,113 tonnes of manganese ore and 5,62,186 tonnes of iron ore during the year under review.

MINING OPERATIONS

The Government of Karnataka has vide notifications No.CI 214 MMM 2014 and No.CI 213 MMM 2014 both dated 23 September 2014 accorded sanction for third renewal of Company's Mining Leases No.2580 and 2581 for extraction of manganese and iron ores over an extent of 2,837 ha and 378 ha in Swamimalai and Ramanamalai Blocks, Sandur Taluk, Bellary district for a further period of 20 years effective from 1 January 2014 and valid till 31 December 2033 under the provisions of Section 8 of the Mines & Minerals (Development & Regulation) Act, 1957.

In furtherance of the same, keeping about 1,210 hectares for future use by the Company after obtaining Forest Clearance under Section 2 of the Forest (Conservation) Act, 1980, Mining Lease Deeds No.2678 and No.2679 for 1,860.10 hectares and 139.20 hectares respectively, were executed on 20 March 2015 by the Director, Department of Mines & Geology, Government of Karnataka in favour of the Company and the same have been duly registered on 25 March 2015 with the jurisdictional Sub-Registrar at Sandur as Documents No.2787 and No.2788.

In the meanwhile, the Government of India promulgated the Mines and Minerals (Development and Regulation) (Amendment) Ordinance, 2015 on 12 January 2015 under Article 123(1) of the Constitution amending certain provisions of the MMDR Act, 1957. The Ordinance seeks to bring in transparency and weed out discretion and accordingly, the grant of mineral concessions under the Ordinance shall only be through auctions. Unlike in the 1957 Act, henceforth, no renewal of any mining concessions shall be granted. Further, the tenure of the mineral concessions has been extended from the existing 30 years to 50 years; thereafter, the Mining Lease would be put up for auction (and not for renewal as in the earlier system).

The Government has provided for transition period in sub-section 5 and 6 of Section 8A of the Ordinance in accordance with which Mining Leases would be deemed to be extended from the date of their last renewal to 31 March 2030 (for the captive miners) and till 31 March 2020 (for the merchant miners) or till the completion of the renewal already granted, if any, whichever is later.

Accordingly, the Company's Mining Leases No.2678 and 2679 having been renewed with effect from 1 January 2014 are valid upto 31 December 2033.

The Ministry of Environment, Forest and Climate Change (MoEFCC) has issued a Circular dated 1 April 2015 amending Para 4.16 of the Guidelines issued by it under the Forest (Conservation) Act, 1980 and extended the already granted Forest Clearance for a period co-terminus with the period of Mining Leases in accordance with the provisions of Section 8A(1) of the Mines & Minerals (Development & Regulation) Amendment Act, 2015.



Further, by another Circular dated 1 May 2015 the MoEFCC clarified that no further renewals or approvals would be required if Forest Clearance under Section 2 of the Forest (Conservation) Act, 1980 has been granted by MoEFCC either during the original lease period or previous renewal(s) of the mining lease.

Forest Clearance which was granted to the Company's Mining Leases No.2678 (Old No.2580) and No.2679 (Old No.2581) for a period of 20 years expiring in December 2026 stands extended to 31 December 2033 in light of the above circulars dated 1 April 2015 and 1 May 2015. However, the question of validity of this Forest Clearance is pending before the Hon'ble Supreme Court for confirmation.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

No significant and material orders were passed by any Regulator(s) or Court(s) or Tribunal(s) which would impact the going concern status of the Company.

MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitment affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this report.

DIVIDEND

Directors are pleased to recommend a dividend of ₹3 per share for the current financial year. The dividend if approved and declared in the forthcoming Annual General meeting would result in a cash outflow of ₹ 315.94 lakh (including tax).

SUBSIDIARY

Star Metallics and Power Private Limited (SMPPL), a subsidiary of the Company commenced its commercial operations on 9 January 2011. It has two ferroalloy furnaces and also a 32 MW thermal power plant which is used as a captive unit for its ferroalloy operations.

Further, a statement containing the salient features of the financial statement of SMPPL in the prescribed format is appended as **Annexure- 'A'** to this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

The details of the loans and guarantees given and investments made by the Company are in Note Nos.9 and 25 of the audited financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

In terms of clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the Company is required to furnish particulars of the contract entered into by the Company with its related parties in the Report of the Board.

The Company has entered into a Conversion Contract with its subsidiary, SMPPL for conversion of the Company's manganese ore ('Mn ore') into Silicomanganese ('SiMn') / ferro manganese at SMPPL's ferroalloys plant. In terms of the Contract, requisite quantity and quality of Mn ores, reductants and electrode paste, are made available to SMPPL without any cost, for conversion of the same into SiMn (or any other ferro alloy). The balance materials and consumables are procured by SMPPL, the cost of which is included in the conversion cost. The entire SiMn (or any other ferro alloys) so produced by SMPPL is supplied to SMIORE. Silicomanganese is being sold to SMPPL to enable it to export the same to fulfill the export obligation commitment, as per the requirements of Export Promotion Capital Goods (EPCG) Scheme. SMPPL, being a subsidiary company, is a related party in accordance with the provisions of Section 2(76)(viii)(A) of the Companies Act, 2013.




During the year under review, the Company purchased 2.2 acres of land at Sandur, from Skand Private Limited. The Company proposes to construct quarters, to accommodate its senior executives, on the said land. Skand Private Limited, is a related party of the Company by virtue of Section (76)(iv) of the Companies Act 2013, since the Boards of both the Companies have three common directors.

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. All Related Party Transactions are placed before the Audit Committee and also the Board for approval. The policy on Related Party Transactions can be accessed on the Company's website at www.sandurgroup.com.

Details of the contracts or arrangements made with related parties are given in the prescribed format as **Annexure – 'B'**.

DEPOSITS

The Company has not accepted fixed deposits from the public during the financial year under review. s, provisions of Section 73 of the Companies Act 2013 are not applicable to the Company.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements and in terms of provisions of Section 129(3) of the Companies Act, 2013, consolidated financial statements of the Company and its subsidiary are forming part of the Annual Report.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements including consolidated financial statements along with the Auditors Report and Directors' Report thereon are available on the Company's website, www.sandurgroup.com. Further, separate audited accounts in respect of the subsidiary are also placed on the website.

These documents will also be available for inspection during business hours at the registered office of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board is constituted of two managing directors, four whole-time directors and six independent directors including a woman director. Chairman of the Board is an executive director. There has been no change in the composition of the Board in the year 2014-15.

The Company has a Company Secretary and a Chief Financial Officer who along with the managing directors and whole time directors constitute the Key Managerial Personnel.

APPOINTMENT/RE-APPOINTMENTS

The Listing Agreement with Bombay Stock Exchange Limited was amended on 17 April 2014, fixing a maximum tenure for independent directors for the first time. Clause 49(II)(B)(3)(a) allowed an independent director to hold office for a term up to five consecutive years on the Board of a company and provided for reappointment for another term of up to five consecutive years on passing of a special resolution by the company. Further, an independent director who had already served for more than five years in a company as on October 1, 2014, on completion of his present term, could be appointed for one more term of up to five years only.

Accordingly, shareholders approval was sought at the 60th Annual General Meeting held on 27 September 2014 for re-appointment of R. Subramanian (who was appointed on 28 May 2009 and completing more than five years as on 1 October 2014) for a term of four consecutive years expiring at the Annual General Meeting for the financial year 2017-18 i.e., before the end of September 2018.

Subsequently, the aforesaid Clause was amended on 15 September 2014 to bring it in line with the Companies Act, 2013. In terms of amended Clause 49 and Section 149(10) of the Companies Act, 2013 an independent director can hold office for a term up to 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. Further, no independent director shall be eligible to hold office for more than two consecutive terms. Further, in accordance with explanation to Section 149(11) of the said Act, tenure of an independent director on the date of commencement of the Act shall not be counted as a term.

In view of the aforementioned provisions, other five Independent Directors - V. Balasubramaian, P. Vishwanatha Shetty, B. Ananda Kumar, S. S. Rao and Vatsala Watsa have been appointed for a term of four consecutive years expiring on 31 March 2019, by the shareholders vide resolution dated 31 March 2015 passed by postal ballot.

It may be noted that in accordance with the provisions of sub-section (13) of Section 149 of the Companies Act, 2013, none of the Independent Directors shall be liable to determination to retirement by rotation henceforth.

K. Raman- Director (Finance) & Chief Financial Officer is liable to retire by rotation at the ensuing meeting and being eligible is offering himself for re-appointment. He is not disqualified from being appointed as a director as specified under Section 164 of the Companies Act, 2013.

NUMBER OF MEETINGS OF THE BOARD

The Board met five times during the financial year, the details of which are given in the Corporate Governance Report forming part of this report.

The intervening gap between any two consecutive meetings of the Board did not exceed one hundred and twenty days as prescribed under the Companies Act, 2013 and the Listing Agreement.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board is committed to maintain its independence and accordingly, half of the Board is constituted by Independent Directors; thereby, ensuring separation of governance and management.

The policy of the Company on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 of the Companies Act, 2013, adopted by the Board is appended as **Annexure- 'C'** to the Report.

DECLARATION BY INDEPENDENT DIRECTORS

All six independent directors of the Company meet the criteria of independence as provided under sub-section (6) of Section 149 of the Companies Act, 2013. Declarations to this effect have also been received from them.

BOARD EVALUATION

The Companies Act, 2013 vide Section 134(3)(p) read with Rule 8 of Companies (Accounts) Rules 2014, requires the Board to carry out formal annual evaluation of its own performance, of Committees and of individual directors.

Further, all the listed companies and public companies with paid-up share capital of ₹25 crore or more are required to indicate the manner & criteria of formal Board evaluation in Board's Report.

Also, Schedule IV of the Companies Act, 2013 read with clause 49(II)(B)(5) of the Listing Agreement requires performance evaluation of independent directors to be done by the entire Board of Directors, excluding the director being evaluated (based on the criteria laid down by the Nomination and Remuneration Committee). On the basis of the report of performance evaluation, it is required to be determined whether to extend or continue the term of appointment of the independent director.

As mandated by the aforementioned provisions, a mechanism for formal annual evaluation has been devised by the Company. Evaluation of the Board, its Committees and the directors for the year 2014-15 has been done based on this mechanism. The mechanism provides for annual evaluation at the end of each year. The performance of the Board, Committees and individual directors are evaluated based on reviews/ feedback of the directors themselves. The feedback forms have been prepared based on the broad parameters as set out in the 'Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and other employees'. A Report, prepared based on completed feedback form, is then placed before the Board for its review.



TRAINING OF INDEPENDENT DIRECTORS

On induction, the new independent directors on Board are familiarized with the nature of Industry and the Company's business operations. They are updated on a frequent basis with regard to operations of the Company. Any material development is intimated promptly. The Management encourages participation by the independent directors and accordingly, any clarification sought by the independent directors with regard to the Company's operations is duly addressed.

Presently, no formal training programme exists. Until now, learning for the independent directors has been a pervasive ongoing phenomenon via participation.

Further, at the time of appointment of a director, the company issues a formal letter of appointment entailing his/her role, function, duties and responsibilities as a director. The terms and conditions of appointment of independent directors is available on the Company's website .

COMMITTEES OF THE BOARD

Currently, the Board has six committees – namely, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Environment Committee, Corporate Social Responsibility Committee and Risk Management Committee.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The Audit Committee is constituted of five Independent Directors namely, R. Subramanian as its Chairman and V. Balasubramanian, B. Ananda Kumar, S. S. Rao and Vatsala Watsa as its members.

The Company believes in conduct of its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. The Company has established a vigil mechanism towards this end.

In accordance with sub-section (9) of Section 177 read with Section Rule 7(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company's Audit Committee is required to oversee the vigil mechanism.

The Committee oversees the vigil mechanism which has been established to address genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics expressed by the employees and other Directors.

The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the Chairman of the Audit Committee in matters concerning financial/accounting and concerns relating to personnel belonging to levels above Senior General Manager.

The Whistleblower Policy along with other Policies of the Company is available on the Company's website.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) of the Companies Act, 2013, your directors state that:

- (a) in the preparation of the accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2015 and of the profit and loss of the Company for the year ended 31 March 2015;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts for the financial year ended 31 March 2015 on a 'going concern' basis;



- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

Auditors have not reported any frauds during the year under review.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Company's internal financial controls are deployed through an internally evolved framework that address material risks in the Company's operations and financial reporting objectives, through a combination of entity level controls (including Enterprise Risk Management, Legal Compliance Framework and Anti-fraud Mechanism such as Ethics Framework, Code of Conduct, Whistle Blower Policy, etc.), process controls (both manual and automated), information technology based controls, period end financial reporting and closing controls and through internal audit.

It is an irrefutable presumption that internal financial controls, no matter how well conceived and operated, cannot provide absolute assurance of achieving financial, operational and compliance reporting objectives because of its inherent limitations. Also, projections of any evaluation of the internal financial controls to future periods are subject to the risk that the internal financial control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Further, the Company has appointed a practicing chartered accountancy firm M/s. P. Chandrashekar as internal auditors to look into various process in areas pertaining to purchases, sales, creditors, receivables, contracts, sub-contracts, inventory, cash management, payroll, labour contracts, expenses, Reclamation & Rehabilitation (R&R), core drilling and taxation.

The Company is also undertaking the implementation of a structured framework on Internal Controls to further strengthen the internal control environment in the Company. This will provide a benchmark approach for evaluating the adequacy of controls and monitoring the operating effectiveness of those controls on an ongoing basis. During the implementation of the structured framework on internal controls, there is a possibility of identifying weaknesses or improvements in the design and / or operation of the existing controls and the underlying processes. Those will be dealt with as they are identified.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return pursuant to the provisions of Section 92(3) read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished as **Annexure – 'D'** attached to this Report.

AUDITORS

M/s. Deloitte Haskins & Sells, Chartered Accountants, Bangalore (ICAI Registration No.008072S) are the Statutory Auditors of the Company.

M/s. Deloitte Haskins & Sells have already completed the maximum tenure of two terms of five consecutive years as stipulated in Section 139 of the Companies Act, 2013. However, in terms of proviso to sub-section (2) of Section 139 of the Companies Act, 2013, three years time has been granted from the commencement of the Act i.e. 1 April 2014, for complying with the aforesaid requirement.

Accordingly, M/s. Deloitte Haskins & Sells were appointed as statutory auditors at the 60th Annual General Meeting held on 27 September 2014 in terms of the said proviso, to hold office until the conclusion of 63rd Annual General Meeting, subject to ratification at each Annual General Meeting. As per provisions of Section 139(1) of the Act, their appointment as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting is subject to ratification by Members.



AUDITORS' REPORT

Auditors' Report on the financial statements of the Company is forming part of this Annual Report and there are no qualifications in the said report. No qualifications, reservations or adverse remarks have been made by the Statutory Auditors in the said Report.

SECRETARIAL AUDIT

Pursuant to provisions of sub-section (1) of Section 204 of the Companies Act 2013, the Company is required to annex with its Board's Report a secretarial audit report, given by a company secretary in practice.

Sathya Prasad Yadav, Practicing Company Secretary (ICSI Membership No.18755 and Certificate of Practice No.6775) has been appointed as Secretarial Auditor of the Company for the financial year 2014-15. The Secretarial Audit Report is forming part of this Annual Report as **Annexure- 'E'**.

The Secretarial Auditor has in his Report observed that there has been a delay in filing of returns with the Registrar of Companies on a few occasions. In this regard, the Board hereby states that the said delays were inadvertent due to the circumstances prevailing during the period. There are no further qualifications or adverse remarks in the Report which require reply from the Board of Directors.

COST AUDITORS

In terms of Section 148(2) of the Companies Act, 2013 read with Rule 4 of the Companies (Cost Records and Audit) Rules, 2014 issued by the Ministry of Corporate Affairs (MCA), the Company is required to get its cost accounting records audited by a cost auditor.

M/s. K. S. Kamalakara & Co. was appointed as Cost Auditors for the Financial Year 2014-15 by the Board at its meeting held on 9 August 2014.

In accordance with Rule 6(5) of the Companies (Cost Records and Audit) Rules, 2014, the cost auditor is required to submit his report within 180 days from the date of closure of the financial year. Further, the due date for filing the Cost Audit Report for the FY 2014-15 is thirty days from the date of receipt of a copy of the cost audit report. Accordingly, the same shall be filed with the Ministry of Corporate Affairs (MCA) on or before 30 October 2015. The Cost Audit Report for the FY 2013-14 was filed with the MCA on 28 October 2014.

CORPORATE GOVERNANCE

The Directors' Report on Corporate Governance is annexed to this Report. The certificate of the Auditors, M/s. Deloitte Haskins & Sells, Chartered Accountants, regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges is also annexed.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The management discussion and analysis report forms part of the Annual Report in Compliance with Clause 49 of the Listing Agreement.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

Company has adopted a risk management framework to ensure early identification and management of various critical risks, which accrue to its business model and the risk management framework adopted by the Company ensures continuous focus on identifying, assessment & evaluation, and adequate mitigation of various risks affecting the Company.

The Audit committee reviews the Company's critical risks, overall risk exposure and timely changes to overall exposure, and status of various risk mitigation plans on a periodic basis.

The Board at its 256th meeting held on 28 October 2005 prescribed the Risk Management and Minimisation procedures. The same is reviewed on a regular basis by the Board. Risk management includes identifying types of risks and its assessment, risk handling and monitoring and reporting.



DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has been, for close to six decades, consciously contributing towards Corporate, Social and Environmental improvement.

Being socially, environmentally and ethically responsible in governance of operations and also to add value to the operations while contributing towards the long term sustainability of business, the Board of Directors has further strengthened its resolve to do more for the development of the area improvement of living conditions of the surrounding rural population.

The Annual Report on Company's CSR activities of the Company undertaken during the year under review are furnished in **Annexure-'F'** attached to this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is not applicable since the Company does not have any manufacturing activities.

No foreign exchange was earned during the year and particulars of the foreign exchange outgo during the year in terms of actual outflows appear as Note No.31 in the Notes forming part of Financial Statements.

EMPLOYEES

Pursuant to the provisions of sub-section (12) of Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars are set out in **Annexure - 'G'** to the Directors' Report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Government of India has enacted the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for prevention of sexual harassment of women at workplace and also for providing a redressal mechanism. In furtherance of the same, the Government has also notified the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013. The Act and the Rules came into force from 9 December 2013.

The Company has constituted an Internal Complaints Committee (ICC) for the prevention and redressal of complaints related to sexual harassment at workplace.

No complaints pertaining to sexual harassment were received during the year ended 31 March 2015.

ACKNOWLEDGEMENTS

The directors wish to thank members of judiciary, its associates and legal fraternity for their strong commitment to justice, fairness and equity. The directors also extend its gratitude to the Central and State Governments for the confidence bestowed on the Company.

The directors wish to place on record their appreciation for all its employees for their commendable team work and professionalism. And ultimately, we wish to thank all the Government agencies, the promoters, business associates, banks and investors and look forward to their continued support and contribution.

for and on behalf of the Board

Place : Bangalore
Date : 27 May 2015

S. Y. Ghorpade
Chairman & Managing Director

**Form AOC-I**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiary –
Star Metallics and Power Private Limited****Part "A": Subsidiary**

1.	Name of the subsidiary	Star Metallics and Power Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not applicable
4.	Share capital	₹ 9,261.50 lakh
5.	Reserves and surplus	₹ 6,378.41 lakh
6.	Total Assets	₹ 20,473.48 lakh
7.	Total Liabilities (excluding reserves and surplus)	₹ 4,833.56 lakh
8.	Investments	Nil
9.	Turnover	₹ 14,792.82 (excluding other income)
10.	Profit before taxation	₹ 1,317.32 lakh
11.	Provision for taxation	Nil
12.	Profit after taxation	₹ 1,317.32 lakh
13.	Proposed Dividend	Nil
14.	Percentage of shareholding	81.24%

Part "B": Associates and Joint Ventures**Statement pursuant to Section 129 (3) of the Companies Act, 2013
related to Associate Companies and Joint Ventures**

	Name of Associates / Joint Ventures	Name 1	Name 2	Name 3
1.	Latest audited Balance Sheet Date	<i>Not applicable</i>		
2.	Shares of Associate/Joint Ventures held by the company on the year end			
	i) Number			
	ii) Amount of Investment in Associates/Joint Venture			
	iii) Extent of Holding (Percentage)			
3.	Description of how there is significant influence			
4.	Reason why the associate/ joint venture is not consolidated			
5.	Networth attributable to Shareholding as per latest audited Balance Sheet			
6.	Profit / Loss for the year			
	i) Considered in Consolidation			
	ii) Not considered in Consolidation			

For and on behalf of the Board of Directors

S.Y.GHORPADE
Chairman & Managing Director**NAZIM SHEIKH**
Joint Managing Director**MD. ABDUL SALEEM**
CS & CGM (Mines)**K. RAMAN**
Director (Finance) & CFOPlace: Bangalore
Date : 27 May, 2015



Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

2. Details of material contracts or arrangement or transactions at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts /arrangements /transactions	Duration of the contracts / arrangements /transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Star Metalics and Power Private Limited (SMPPL)	Conversion Contract with its subsidiary, SMPPL for conversion of the Company's manganese ore ('Mn ore') into Silicomanganese ('SiMn') / ferro manganese at SMPPL's ferroalloys plant	Three year agreement entered on 29 September 2010, which was further renewed/ amended on 24 April 2013, 30 October 2013, 24 April 2014 and 5 May 2015.	SMIORE to supply Mn ore & other raw materials to SMPPL for Conversion of Mn ore into SiMn / ferro manganese at SMPPL's ferroalloys plant for a conversion fee. SMPPL to produce and make available the finished goods to SMIORE.	14-Feb-2015	₹891.75 lakh
	Sale of silicomanganese by SMIORE to SMPPL to enable it to fulfil the export obligations.	Not applicable	Sale of silicomanganese by SMIORE to SMPPL during 2014-15 for ₹14.80 Crore.		-
Skand Private Limited	Purchase of fixed assets	Sale deed for purchase of Purchase of 2.2 acres of land with 7,199.5 Sq. ft AC sheets building and 6,591 Sq. Ft. RCC Building	Purchase of 2.2 acres of land with 7,199.5 Sq. ft. AC sheets building and 6,591 Sq. ft. RCC Building for ₹5.97 Crore (including registration charges).	09-Aug-2014	₹0.50 lakh
	Purchase of fixed assets		Purchase of fixed assets relating to hospitality business for ₹273.12 lakh.	30-May-2013	-

for and on behalf of the Board

Place : Bangalore
Date : 27 May 2015

S. Y. Ghorpade
Chairman & Managing Director



**Policy on nomination and remuneration
of
Directors, Key Managerial Personnel (KMPs) and other employees**

PREAMBLE

The Company considers human resources as its invaluable asset. This policy on nomination and remuneration of Directors, Key Managerial Personnel (KMPs) and senior management personnel has been formulated in terms of the provisions of the Companies Act, 2013 and the listing agreement in order to pay equitable remuneration to the Directors, KMPs and employees of the Company and to harmonise the aspirations of human resources consistent with the goals of the Company.

DEFINITIONS

'Board' means Board of Directors of the Company.

'Directors' means Directors of the Company.

'Committee' means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and applicable listing agreements and/or regulations.

'Company' means The Sandur Manganese and Iron Ores Limited.

'Independent Director' means a Director referred to in Section 149(6) of the Companies Act, 2013.

'Key Managerial Personnel (KMP)' means-

- i) the Chief Executive Officer or the Managing Director or the Manager
- ii) the Company Secretary;
- iii) the Whole Time Director
- iv) the Chief Financial Officer
- v) the Chief Operating Officer

Senior Management means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors, including the functional heads. For the purpose, as defined in the Code of Conduct for Senior Management Personnel, officers in the cadre of Additional General Manager and above shall be considered to be the Senior Management.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and Listing Agreement as may be amended from time to time shall have the meaning respectively assigned to them therein.

'Remuneration' means-

Any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

Constitution of the Nomination and Remuneration Committee

The Board constituted the 'Remuneration Committee' at its 241st Board Meeting held on 22 April 2002. The Committee was renamed as 'Nomination and Remuneration Committee' by the Board at its 298th meeting held on 28 May 2014.

The constitution shall be in line with the requirements under the Companies Act, 2013 and provisions of Clause 49(IV) of the listing agreement. The Board has authority to reconstitute this Committee from time to time.

Role of the Nomination and Remuneration Committee

Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

Formulation of criteria for evaluation of Independent Directors and the Board;



Devising a policy on Board diversity; and

Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Scope of Policy

This Policy is divided in three parts: -

Part – A covers the matters to be dealt with and recommended by the Committee to the Board;

Part – B covers the appointment and nomination; and

Part – C covers performance evaluation and remuneration.

Object of Policy

This Policy has been formulated with a view to;

1. Devise a transparent system of determining appropriate level of remuneration throughout all levels of directors, KMPs, core management team and the senior management personnel in the Company;
2. Encourage personnel to perform to their highest level;
3. Provide consistency in remuneration throughout the Company; and
4. Aligning the performance of the business with the performance of key personnel and teams within the Company.

‘Part – A’

MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE

The following matters shall be dealt by the Committee:-

Size and composition of the Board:

Periodically review the size and composition of the Board to ensure that it is structured to make appropriate decisions, with the diversity of thought, experience, knowledge, perspective and gender in the Board, in the best interest of the Company as a whole.

Appointments/Re-appointments:

Identify when circumstances warrant the appointment of a new Director, having regard to the range of skills, experience and expertise, on the Board and who will best complement the Board;

Identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment;

Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommending candidates to the Board; and

Establishing and reviewing Board and senior executive succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management.

Performance Evaluation:

Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company.

Identify ongoing training and education programs for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.

Remuneration framework and policies:

The Committee is responsible for reviewing and making recommendations to the Board on:

1. the remuneration of the Managing Director, Whole-time Directors and KMPs;
2. the total level of remuneration of Non-Executive Directors and for individual remuneration for Non-Executive Directors; and
3. the remuneration policies for KMPs, senior management personnel and other employees.



'PART – B'

APPOINTMENT AND NOMINATION

Appointment criteria and qualifications

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or senior management level and recommend to the Board his / her appointment.
2. A person to be appointed as Director, KMP or senior management level should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
3. A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth, complementary skills in relation to the other Board members.
4. Appointment process of independent directors shall be independent of the company management.
5. While selecting the independent directors the Committee shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
6. The Company shall not appoint or continue the employment of any person as Executive Director who has attained the age of seventy years and shall not appoint Independent Director who has attained the age of seventy five years. Provided that the term of the person holding this position may be extended at the discretion of the committee beyond the age of seventy years/seventy five years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years/seventy five years as the case may be.
7. A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.

Letter of Appointment or Contract of Employment

Executive Directors shall enter into a contract with the Company clearly setting out the terms and conditions of the remuneration package for such person. The Contract of employment shall set out the expectations for the performance, the key performance indicators, measures and criteria for assessment or evaluation of performance.

The appointment of independent directors shall be formalised through a letter of Appointment, which shall set forth the terms and conditions of appointment, the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks, the list of actions that a director should not do while functioning as such in the company; and the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.

Term / Tenure

1. *Managing Director / Whole-time Director*

The Company shall appoint or re-appoint any person as its Managing Director and CEO or Whole-time Director for a term not exceeding three years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. *Independent Director*

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.



No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. Further such appointment or reappointment shall not be made beyond the age of 75 years.

At the time of appointment of Independent Director, it shall be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time (Executive) Director of a listed company.

Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the said Act, rules and regulations.

Retirement

The Whole-time Directors, KMP and senior management personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company.

'PART – C'

PERFORMANCE EVALUATION AND REMUNERATION

Performance Evaluation of the Board/Executive-Directors/Independent Directors

The Committee shall identify and lay down the criteria based on which the Board shall evaluate the performance of Independent Directors (excluding the Directors being evaluated).

In addition, the Committee shall also establish evaluation criterion for the Executive Directors.

The evaluation criterion for Directors shall be broadly based on:

- Knowledge to perform the role;
- Time and level of participation;
- Performance of duties and level of oversight; and
- Professional conduct and independence.

The appointment / re-appointment / continuation of Directors on the Board shall be subject to the outcome of the yearly evaluation process.

The Board is committed to assessing its own performance as a Board in order to identify its strengths and areas in which it may improve its functioning. Once a year, the Board shall conduct a self-evaluation. The Board shall also evaluate the performance of the various Committees of the Board.

It is the responsibility of the Chairman of the Board, supported by the Company Secretary of the Company, to organise the evaluation process and act on its outcome;

The Board / Independent Directors shall be asked to complete the evaluation forms and submit the same to the Chairman.

Simultaneously, the Independent Directors shall review the performance of the Executive Directors and the Board as whole.

The Independent Directors shall also review the performance of the Chairman of the Company, taking into account the views of the Executive Directors and Non-executive Directors.

The Independent Directors shall also assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.



The Directors' Report shall include a statement indicating a manner in which the Board has done formal annual evaluation of its own performance, performance of Committees and individual Directors of the Company.

Remuneration to Directors

The total managerial remuneration payable to its directors, including managing director and whole-time director, and its manager in respect of any financial year shall not exceed eleven per cent of the net profits of that company for that financial year computed in the manner laid down in section 198 except that the remuneration of the directors shall not be deducted from the gross profits.

The Directors may be paid in excess of eleven per cent of the net profits with the approval of the Central Government subject to the provisions of Schedule V.

The remuneration / compensation / commission etc. to Directors will be determined by the Committee shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder and recommended to the Board for approval.

Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders.

Remuneration to Executive Directors

Remuneration payable to all Whole-time Directors/Executive Directors taken together shall not exceed ten per cent of the net profits.

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive Directors in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

Remuneration to Non-Executive / Independent Directors

Non-executive and independent directors shall receive sitting fees and may receive reimbursement for expenditure incurred wholly in connection with attending meetings of the Board and other meetings and profit related commission as may be approved by the Shareholders. Non-Executive and Independent Directors shall not be entitled to any stock options.

The remuneration to the Non-executive Directors (including Independent Directors) may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

Remuneration Structure for Independent Directors	
Particulars	Amount
Sitting fee for Board Meeting	₹25,000/- per meeting, per director, including the Independent Directors meetings
Sitting fee for Committee Meeting	₹25,000/- for Audit Committee and Rs.10,000 for each of the other committees
Travel fee	Reimbursement of Air, Car, Rail, Bus fare etc.,

The remuneration payable to each Non-Executive Director and Independent Directors is based on the remuneration structure as determined by the Board in line with the provisions of the Companies Act, 2013 and the rules made thereunder, and may be revised from time to time, depending on individual contribution and the Company's performance.

Remuneration to KMPs and other employees

The Board in consultation with the Committee shall approve and finalise the remuneration to be offered to the Key Managerial Personnel and senior management personnel having regard to the need to:

- attract and motivate talent to pursue the Company's long term growth;
- demonstrate a clear relationship between executive compensation and performance;



- to follow best governance practices and legal requirements; and
- be reasonable and fair.

The remuneration package shall be composed of amounts that are fixed and variable. The endeavor of the Board and the Committee shall be to strike a balance between the fixed and variable components and thereby sustainable value for the Company and its shareholders over time. The Company while deciding the remuneration package of the senior management shall take into consideration the employment scenario and remuneration package of the industry.

The fixed remuneration shall be determined according to complexities of the position and role of the employee, the relevant laws and regulations, conditions prevalent in the labour market. The fixed remuneration shall reflect the core performance requirement and expectations of the Company.

The performance-based or incentive based payments shall form part of the variable component of the salary payable to the employee. In addition to the fixed remuneration, the Company shall implement a system of bonuses and incentives reflecting performance objectives appropriate to the working of the Company and designed to lay emphasis on direct relationship between performance and remuneration. Performance based remuneration shall be proportionate to and contingent upon attainment of specific performance targets by employees in the Company. Incentive based payments take into account factors such as performance of the employee, his conduct, responsibilities, position and role and shall be calculated as a percentage of the fixed remuneration.

Policy review

This policy is framed based on the provisions of the Companies Act, 2013 and rules thereunder and the requirements of the clause 49 of the Equity Listing Agreement with the Stock Exchanges.

In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.

This policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modification on the policy as recommended by the Committee would be given for approval of the Board of Directors.

for and on behalf of the Board

Place : Bangalore
Date : 27 May 2015

S. Y. Ghorpade
Chairman & Managing Director



Form MGT 9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31 March 2015

*Pursuant to section 92(3) of the Companies Act, 2013 &
rule 12(1) of the Companies (Management and Administration) Rules, 2014*

I REGISTRATION AND OTHER DETAILS:

(i)	CIN	L85110KA1954PLC000759
(ii)	Registration date	18 January 1954
(iii)	Name of the Company	The Sandur Manganese and Iron Ores Limited
(iv)	Category/Sub-category of the Company	Company Limited by Shares / Indian Non-Government Company
(v)	Address of the Registered Office and contact details	Lakshmpur, Sandur, Bellary District, 583 119. Tel; 08153-260222 Email: investors@sandurgroup.com Website: www.sandurgroup.com
(vi)	Whether Listed Company	Yes
	Name address and contact details of the Registrar and Transfer Agent, if any	Venture Capital and Corporate Investments Private Limited 12-10-167, Bharat Nagar Hyderabad - 500018 Phone: 040-23818475/23818476/23868023 Fax : +9140-23868024

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl. No.	Name & Description of Main Products/ Services	NIC code of the Product/ Service	% to total turnover of the Company
1.	Mining of Manganese Ore	13201	13.74%
2.	Mining of Iron Ore	13100	47.60%
3.	Manufacture of Ferro Alloys	27110	37.63%

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name and address if the Company	CIN/GLN	Holding / Subsidiary/ Associate Company	% of Shares held	Applicable section
1	Star Metallics and Power Private Limited	U40102KA2007PTC043446	Subsidiary	81.24	2(87)(ii) of the Companies Act, 2013



IV SHAREHOLDING PATTERN (Equity Share Capital Breakup as Percentage of Total Equity)

(i) Category-wise Share Holding										
	Category of Shareholder	Number of shares held at the beginning of the year				Number of shares held at the end of the year				%change during the year
		Number of shares held in dematerialized form	Number of shares held in physical form	Total	% of total shares	Number of shares held in dematerialized form	Number of shares held in physical form	Total	% of total shares	
A	Promoters									
1	Indian									
(a)	Individuals / Hindu Undivided Family	304055	40880	344935	3.94	334750	7050	341800	3.91	-0.04
(b)	Central Government	0	0	0	0	0	0	0	0.00	0.00
(c)	State Government(s)	0	0	0	0	0	0	0	0.00	0.00
(d)	Bodies Corporate	4315819	1683121	5998940	68.56	6005540	0	6005540	68.63	0.08
(e)	Financial Institutions / Banks	0	0	0	0	0	0	0	0.00	0.00
(f)	Any Others (Specify)	0	0	0	0	0	0	0	0.00	0.00
	Sub-total (A) (1)	4619874	1724001	6343875	72.5	6340290	7050	6347340	72.54	0.04
2	Foreign									
(a)	NRIs - Individuals	0	0	0	0	0	0	0	0.00	0.00
(b)	others - Individuals	0	0	0	0	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0	0	0	0	0.00	0.00
(d)	Banks / Financials Institutions	0	0	0	0	0	0	0	0.00	0.00
(e)	Any Others (Specify)	0	0	0	0	0	0	0	0.00	0.00
	Sub-total (A) (2)	0	0	0	0	0	0	0	0	0
(A)	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	4619874	1724001	6343875	72.5	6340290	7050	6347340	72.54	0.04
B	Public Shareholding									
1	Institutions									
(a)	Mutual Funds / UTI	0	1250	1250	0.01	0	1250	1250	0.01	0.00
(b)	Financial Institutions / Banks	48150	2550	50700	0.58	48150	2500	50650	0.58	0.00
(c)	Central Government	0	0	0	0	0	0	0	0.00	0.00
(d)	State Government(s)	0	0	0	0	0	0	0	0.00	0.00
(e)	Venture Capital Funds	0	0	0	0	0	0	0	0.00	0.00
(f)	Insurance Companies	100000	0	100000	1.14	100000	0	100000	1.14	0.00
(g)	Foreign Institutional Investors	250	0	250	0	0	0	0	0.00	0.00
(h)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0.00	0.00
(i)	Any Other (specify)	0	0	0	0	0	0	0	0.00	0.00
	Sub-total (B) (1)	148400	3800	152200	1.74	148150	3750	151900	1.74	0.00
2	Non-institutions									
(a)	Bodies Corporate	579713	3000	582713	6.66	515611	3000	518611	5.93	-0.73
(b)	Individuals	0	0	0	0	0	0	0	0.00	0.00
	i. Individual shareholders holding nominal share capital up to Rs 1 lakh	889764	156065	1045829	11.95	982870	148265	1131135	12.93	0.97
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	509192	62900	572092	6.54	479808	62900	542708	6.2	-0.34
(c)	Any Other (specify)									
	i. Clearing members	43026	0	43026	0.49	48381	0	48381	0.55	0.06
	ii. Non Resident Individuals	9515	250	9765	0.11	8925	250	9175	0.1	-0.01
	iii. Trust	500	0	500	0.01	500	0	500	0.01	0.00
	iv. Foreign Portfolio Investor - Corporate	0	0	0	0	250	0	250	0.00	0.00
	Sub-total (B) (2)	2031710	222215	2253925	25.76	2036345	214415	2250760	25.72	-0.04
(B)	Total Public Shareholding (B) = (B)(1)+(B)(2)	2180110	226015	2406125	27.5	2184495	218165	2402660	27.46	-0.04
	TOTAL (A)+(B)	6799984	1950016	8750000	100	8524785	225215	8750000	100	0.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued	NA	NA	NA	NA	NA	NA	NA	NA	NA
	GRAND TOTAL (A)+(B)+(C)	6799984	1950016	8750000	100	8524785	225215	8750000	100	0.00


(ii) Shareholding of Promoters

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of shares	% of shares of the Company	% of pledged / encumbered shares	No. Of shares	% of shares of the Company	% of pledged / encumbered shares	% change in shareholding during the year
1	Ghorpade M Y	100	0.00	0.00	100	0.00	0.00	0.00
2	Ajai M. Ghorpade	26830	0.31	0.00	11830	0.14	0.00	-55.91
3	Suryaprabha	500	0.01	0.00	500	0.01	0.00	0.00
4	Ghorpade S Y	22130	0.25	0.00	24930	0.28	0.00	12.65
5	Yashodharadevi S.Ghorpade	3925	0.04	0.00	3925	0.04	0.00	0.00
6	Aditya S Ghorpade	500	0.01	0.00	500	0.01	0.00	0.00
7	Dhananjai S Ghorpade	0	0.00	0.00	785	0.01	0.00	NA
8	Ekambar A Ghorpade (Minor)	4200	0.05	0.00	4200	0.05	0.00	0.00
9	Bahirji A Ghorpade	4200	0.05	0.00	4200	0.05	0.00	0.00
10	Nazim Sheikh & S.Y.Ghorpade	273300	3.12	0.00	273300	3.12	0.00	0.00
11	Nazim Sheikh	3100	0.04	0.00	5900	0.07	0.00	90.32
12	Mohan S.H	1250	0.01	0.00	4050	0.05	0.00	224.00
13	N S Lakshmanan	1100	0.01	0.00	1100	0.01	0.00	0.00
14	U R Acharya	0	0.00	0.00	2000	0.02	0.00	NA
15	Sridhar S.R.	0	0.00	0.00	2100	0.02	0.00	NA
16	K Raman	0	0.00	0.00	950	0.01	0.00	NA
17	MD Abdul Saleem	0	0.00	0.00	1430	0.02	0.00	NA
18	Skand Private Limited	2032719	23.23	0.00	1960719	22.41	0.00	-3.54
19	Sandur Udyog Private Ltd.	364529	4.17	0.00	364529	4.17	0.00	0.00
20	Sandur Sales & Services Pvt Ltd	279126	3.19	0.00	279126	3.19	0.00	0.00
21	Lohagiri Industrials Pvt Ltd.	265540	3.03	0.00	295540	3.38	0.00	11.30
22	Sattari Engg Enterprises Pvt Ltd	1683121	19.24	0.00	1552721	17.75	0.00	-7.75
23	Sunshine Real Estates & Constructions Private Limited	998100	11.41	0.00	1130100	12.92	0.00	13.23
24	Euro Industrial Enterprises Private Limited	375805	4.29	0.00	422805	4.83	0.00	12.51
	TOTAL	6340075	72.46	0.00	6347340	72.54	0.00	0.115

(iii) Change in Promoter's Shareholding

Name of the shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of shares of the Company	No. of shares	% of shares of the Company
Ajai M. Ghorpade				
At the beginning of the year	26830	0.31	26830	0.31
Purchase during the year	0	0.00	26830	0.31
Sale during the year	15000	0.17	11830	0.14
At the end of the year			11830	0.14
S. Y. Ghorpade				
At the beginning of the year	22130	0.25	22130	0.25
Purchase during the year	2800	0.03	24930	0.28
Sale during the year	0	0.00	24930	0.28
At the end of the year			24930	0.28
Nazim Sheikh				
At the beginning of the year	3100	0.04	3100	0.04
Purchase during the year	2800	0.03	5900	0.07
Sale during the year	0	0.00	5900	0.07
At the end of the year			5900	0.07
Mohan S.H.				
At the beginning of the year	1250	0.01	1250	0.01
Purchase during the year	2800	0.03	4050	0.05
Sale during the year	0	0.00	4050	0.05
At the end of the year			4050	0.05
U. R. Acharya				
At the beginning of the year	1100	0.01	1100	0.01
Purchase during the year	900	0.01	2000	0.02
Sale during the year	0	0.00	2000	0.02
At the end of the year			2000	0.02
Skand Private Limited				
At the beginning of the year	2032719	23.23	2032719	23.23
Purchase during the year	0	0.00	2032719	23.23
Sale during the year	72000	0.82	1960719	22.41
At the end of the year			1960719	22.41



Sattari Engineering Enterprises Private Limited				
At the beginning of the year	1683121	19.24	1683121	19.24
Purchase during the year	0	0.00	0	0.00
Sale during the year	130400	1.49	1552721	17.75
At the end of the year			1552721	17.75
Sunshine Real Estates & Constructions Private Limited				
At the beginning of the year	998100	11.41	998100	11.41
Purchase during the year	132000	1.51	1130100	12.92
Sale during the year	0	0.00	1130100	12.92
At the end of the year			1130100	12.92
Euro Industrial Enterprises Private Limited				
At the beginning of the year	375805	4.29	375805	4.29
Purchase during the year	47000	0.54	422805	4.83
Sale during the year	0	0.00	422805	4.83
At the end of the year			422805	4.83

(iv) Shareholding Pattern of Top Ten Shareholders other than Promoters and Directors

Name of the shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of shares of the Company	No. of shares	% of shares of the Company
SAGAR MAL MALL				
At the beginning of the year	132984	1.52	132984	1.52
Purchase during the year	0	0	132984	1.52
Sale during the year	0	0	132984	1.52
At the end of the year			132984	1.52
MADHURI OMPRAKASH DAMANI				
At the beginning of the year	102650	1.17	102650	1.17
Purchase during the year	0	0	102650	1.17
Sale during the year	0	0	102650	1.17
At the end of the year			102650	1.17
THE NEW INDIA ASSURANCE COMPANY LIMITED				
At the beginning of the year	100000	1.14	100000	1.14
Purchase during the year	0	0	100000	1.14
Sale during the year	0	0	100000	1.14
At the end of the year			100000	1.14
ANAND SHANKAR MALL				
At the beginning of the year	89579	1.02	89579	1.02
Purchase during the year	0	0	89579	1.02
Sale during the year	0	0	89579	1.02
At the end of the year			89579	1.02
PARAM CAPITAL RESEARCH PVT LTD				
At the beginning of the year	85001	0.97	85001	0.97
Purchase during the year	0	0	85001	0.97
Sale during the year	10001	0.11	75000	0.86
At the end of the year			75000	0.86
MINI DEVI MALL				
At the beginning of the year	56785	0.65	56785	0.65
Purchase during the year	0	0	56785	0.65
Sale during the year	0	0	56785	0.65
At the end of the year			56785	0.65
SCINDIA INVESTMENTS PVT LTD				
At the beginning of the year	50000	0.57	50000	0.57
Purchase during the year	0	0	50000	0.57
Sale during the year	0	0	50000	0.57
At the end of the year			50000	0.57
SAM FINANCIAL SERVICES PVT LTD				
At the beginning of the year	48976	0.56	48976	0.56
Purchase during the year	0	0	48976	0.56
Sale during the year	48976	0.56	0	0
At the end of the year			0	0
STANDARD CHARTERED BANK				
At the beginning of the year	48150	0.55	48150	0.55
Purchase during the year	0	0	48150	0.55
Sale during the year	0	0	48150	0.55
At the end of the year			48150	0.55



RAGHUNATH V DESHPANDE RADHA R DESHPANDE		0		0
At the beginning of the year	30150	0.34	30150	0.34
Purchase during the year	0	0	30150	0.34
Sale during the year	0	0	30150	0.34
At the end of the year			30150	0.34

(v) Shareholding of Directors & Key Managerial Personnel

Name of the shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of Total shares of the Company	No. of shares	% of Total shares of the Company
S Y Ghorpade: Chairman and Managing Director				
At the beginning of the year	22130	0.25	22130	0.25
Purchase during the year	2800	0.03	24930	0.28
Sale during the year	0	0.00	24930	0.28
At the end of the year			24930	0.28
Nazim Sheikh: Joint Managing Director				
At the beginning of the year	3100	0.04	3100	0.04
Purchase during the year	2800	0.03	5900	0.07
Sale during the year	0	0.00	5900	0.07
At the end of the year			5900	0.07
Mohan S.H: Executive Director (Projects)				
At the beginning of the year	1250	0.01	1250	0.01
Purchase during the year	2800	0.03	4050	0.05
Sale during the year	0	0.00	4050	0.05
At the end of the year			4050	0.05
S R Sridhar: Executive Director (Mines)				
At the beginning of the year	1200	0.01	1200	0.01
Purchase during the year	900	0.01	2100	0.02
Sale during the year	0	0.00	2100	0.02
At the end of the year			2100	0.02
U R Acharya: Director (Commercial)				
At the beginning of the year	1100	0.01	1100	0.01
Purchase during the year	900	0.01	2000	0.02
Sale during the year	0	0.00	2000	0.02
At the end of the year			2000	0.02
K Raman: Director (Finance)				
At the beginning of the year	50	0.00	50	0.00
Purchase during the year	900	0.01	950	0.01
Sale during the year	0	0.00	950	0.01
At the end of the year			950	0.01
MD. Abdul Saleem: CS & CGM (Mines)				
At the beginning of the year	517	0.01	517	0.01
Purchase during the year	913	0.01	1430	0.02
Sale during the year	0	0.00	1430	0.02
At the end of the year			1430	0.02

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

The Company has not availed any loans during the year and is a debt free company.



VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: ₹ in lakhs								
Sl. no.	Particulars of Remuneration	S Y Ghorpade Managing Director	Nazim Sheikh Joint Managing Director	S H Mohan Executive Director (Projects)	S R Sridhar Exec Director (Mines)	U R Acharya Director (Commercial)	K Raman Director (Finance)	Total Amount
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	33.6	30.6	30.6	20.4	17.64	17.64	150.48
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	70.55	64.19	61.82	41.44	36.92	36.33	311.25
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0	0	0	0
2	Stock Option	0	0	0	0	0	0	0
3	Sweat Equity	0	0	0	0	0	0	0
4	Commission -as % of profit -others, specify...	0	0	0	0	0	0	0
5	Others, please specify (Contributions)	9.07	8.26	8.26	5.51	4.76	4.76	40.62
	Total (A)	113.22	103.05	100.68	67.35	59.32	58.73	502.35
	Overall ceiling of 10% of net profit calculated in accordance with Section 198 of the Companies Act, 2013 for managerial remuneration payable to all its Whole-time directors							274.28
	Limit as per Schedule V of the Companies Act, 2013 in case of inadequate profits or no profits	120	120	120	120	120	120	720

B. Remuneration to other directors							
Particulars of remuneration ₹ in Lakhs	R. Subramanian	V. Balasubramanian	P Vishwanatha Shetty	B. Ananda Kumar	S. S. Rao	Vatsala Watsa	Total Amount
3. Independent Directors							
Fee for attending board/committee meeting	1.55	2.6	0.7	2.4	2.15	1.95	11.35
commission	0	0	0	0	0	0	0
Others, please specify	0	0	0	0	0	0	0
Total (1)	1.55	2.6	0.7	2.4	2.15	1.95	11.35
4. Other Non-Executive directors							
Fee for attending board/committee meeting	-	-	-	-	-	-	0
commission	-	-	-	-	-	-	0
Others, please specify	-	-	-	-	-	-	0
Total (2)	-	-	-	-	-	-	0
Total(B) = (1)+(2)	1.55	2.6	0.7	2.4	2.15	1.95	11.35
Total Managerial Remuneration	1.55	2.6	0.7	2.4	2.15	1.95	11.35
Overall ceiling as per the Companies Act, 2013 (1% of net profit calculated in accordance with Section 198, exclusive of sitting fees payable to directors)							27.43*

* Overall ceiling not applicable since no commission paid in the FY 2014-15

C. Remuneration to Key Managerial Personnel other than Managing Director / Manager / WTD		
Sl. no.	Particulars of Remuneration	Md. Abdul Saleem, Company Secretary & CGM (Mines) ₹ in lakhs
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4.95
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	11.53
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0
2	Stock Option	0
3	Sweat Equity	0
4	Commission - as % of profit - others, specify...	0
5	Others, please specify (Contributions)	1.33
	Total (C)	17.81

VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

The Company has not paid any amount by way of penalty/compounding charges.

for and on behalf of the Board

Place : Bangalore
Date : 27 May 2015

S. Y. Ghorpade
Chairman & Managing Director



Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
THE SANDUR MANGANESE & IRON ORES LIMITED
Lakshmipur, Sandur,
Bellary District,
Karnataka

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **THE SANDUR MANGANESE & IRON ORES LIMITED** (hereinafter called the company) bearing CIN L85110KA1954PLC000759. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March, 2015**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2015** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
(Not applicable during the audit period)
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
(Not applicable during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
(Not applicable during the audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
(Not applicable during the audit period) and



- (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998
(Not applicable during the audit period).

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
Not applicable to the Company during the audit period.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited (BSE) and Bangalore Stock Exchange Limited (BgSE).

During the period under review based on the explanations and representations made by the management, the Company has generally complied with the provisions of the Companies Act, Rules, Regulations, Guidelines etc. as mentioned above except in few circumstances that there has been delays in filing of returns with the Registrar of Companies.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following Laws and the Rules thereunder applicable specifically to the Company:

- (i) Mines and Minerals (Development and Regulation) Act 1957
(ii) Mines Act 1952
(iii) The Environment (Protection) Act 1986
(iv) Air (Prevention and Control of Pollution) Act 1981
(v) Water (Prevention and Control of Pollution) Act 1981
(vi) Indian Forest Act, 1927
(vii) Karnataka Forest Act 1963
(viii) Forest (Conservation Act), 1980
(ix) Karnataka Mineral Policy 2008
(x) National Mineral Policy 2008
(xi) Explosives Act, 1884

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors Non-Executive Directors and Independent Directors. Company also has a Woman Director on the board. There was no change in the composition of the Board of Directors that took place during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and wherever not sent a consent was obtained for shorter notice from directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meeting, as represented by Management, were taken unanimously.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place : Bangalore
Date : 27/05/2015

Name and Signature : Sathya Prasad T
Designation : Practicing Company Secretary
Stamp : ACS No. 18755; CP No.6775

Note: This report is to be read with my letter of even date which is annexed as **Annexure- 'E'- I** and forms an integral part of this report.



To
The Members
THE SANDUR MANGANESE & IRON ORES LIMITED
Lakshmipur, Sandur,
Bellary District,
Karnataka

My report of even date is to be read along with this letter.

- (1) Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
- (2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
- (3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- (4) Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- (5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- (6) The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management as conducted the affairs of the company.

Place : Bangalore
Date : 27/05/2015

Name and Signature : Sathya Prasad T
Designation : Practicing Company Secretary
Stamp : ACS No. 18755; CP No.6775



ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

As part of its Corporate Social Responsibility (CSR), the Company plans to contribute towards developmental activities in the “buffer zone” around its mines, which comprises of 22 villages, and also the town of Sandur. An extensive social survey has been done in these villages around the Mines where such projects are likely to improve the quality of life of its inhabitants. It is proposed to utilise the facilities of Sandur Laminates Limited (SLL) and Sandur Micro Circuits Limited (SMCL), to provide Street Lighting, Home lighting, Community Centre Lighting, Students Hostel Lighting and Solar Power Pump Sets. These, ‘Green Energy Projects’ are expected to benefit the inhabitants of the village by way of free and uninterrupted power supply to remote villages; much needed street lighting; power during day time to pump drinking and irrigation water and also, reduce the load on the public utility system and State Electricity Boards.

The Company has plans to contribute generally in construction of roads, adopt the Sandur Town and improve internal roads, drains and public toilets (with water) facilities.

The Company has under as part of its SMIOR CSR Education Programme, based on the recommendation of the Corporate Social Responsibility Committee, sponsored scholarships to children under the Sandur Vidya Protsaha Scholarship 2014-15 programme implemented by Karnataka Seva Sangha, a social service organization set up by late M. Y. Ghorpade.

In addition, the Committee has identified Kumaraswamy Temple, Kammathuru and Sandur Town for the pilot project of constructing community toilets.

Various other initiatives taken by the company towards CSR are enumerated below:

- The Company directly and indirectly supports three schools at the mines, four schools at Vyasankere (where it proposes to set up the new projects) and six schools and colleges in and around Sandur. The institutions have been catering to the educational needs of employees’ children as well as the children of Sandur and surrounding villages.
- Under Akshaya Patra programme, Company provides free mid-day meals to children studying in some of the aforesaid schools and two government schools at Sandur.
- The Company’s Community Health Centre namely “Arogya” at Sandur, meets the medical requirements of employees free of cost and at very affordable and actual cost to the general public of Sandur and other adjacent villages. In association with Vittala of Bangalore, Arogya provides specialized eye care facility. Further, in association with Bhagwan Mahaveer Jain Hospital, camps were organized for cancer detection, diabetes, orthopedic and women & child care.
- The Company’s welfare organisation called Sandur Kushala Kala Kendra was established for nurturing and development of traditional handicrafts, upliftment and gainful employment of rural artisans.
- The Company continues to provide a package of essential food grains, to suffice needs of a family of about five per month, at 1972 prices, to all its employees and workmen, including temporary workmen.
- The company has constructed 762 houses at a total cost of ₹12.53 crore for the victims in flood affected regions of the State. Further, the Company has undertaken construction / development of roads in Sandur region by spending about ₹20 crore.
- The Company has already planted millions of trees and continues to do so.

Composition of the CSR Committee:

In terms of the newly notified Section 135 of the Companies Act, 2013 every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year is required to constitute a Corporate Social Responsibility (CSR) Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

In pursuance of the aforesaid provisions of the Act, the Board of Directors of the Company constituted the CSR Committee at its meeting held on 29 March 2014. Presently, the Committee comprises of the following Directors:



S. Y. Ghorpade, Chairman & Managing Director	Chairman
Nazim Sheikh, Joint Managing Director	Member
S. H. Mohan, Executive Director (Projects)	Member
S. R. Sridhar, Executive Director (Mines)	Member
V. Balasubramanian, Independent Director	Member
K. Raman, Director (Finance)	Member
S. S. Rao, Independent Director	Member
P. Vishwanatha Shetty, Independent Director	Member

Average net profit of the Company for last three financial years:

The Company's average net profit for last three financial years 2011-12, 2012-13 and 2013-14 amounts to ₹40.34 crore.

Prescribed CSR Expenditure (two percent of the amount as in item 3 above):

The Company is required to spend ₹80.69 lakh during the financial year 2014-15.

Details of CSR spend for the financial year:

(a) Total amount spent for the financial year: ₹ 102.91 lakh

(b) Amount unspent, if any: ₹ Nil

(c) Manner in which the amount spent during the financial year is detailed below:

SI No	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (Location)	Amount Outlay (Budget) Project or Program wise	Amount Spent on the project or program	Cumulative Expenditure Upto reporting period	Amount spent: Direct or through implementing agency*
1	SMIORE CSR Education Programme	Promotion of Education	Sandur	₹ 80.69 lakh	₹ 102.91 lakh	₹ 102.91 lakh	₹ 35.60 Implementing agency (Karnataka Seva Sangha) Balance of ₹ 67.31 spent directly by the Company

Reasons for not spending the prescribed amount:

Not applicable

Responsibility Statement of the CSR Committee:

We, affirm that that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

for and on behalf of the Board

for and on behalf of the CSR Committee

S. Y. GHORPADE
Chairman & Managing Director
Chairman, CSR Committee

NAZIM SHEIKH
Joint Managing Director

Place : Bangalore
Date : 27 May 2015



PARTICULARS OF EMPLOYEES

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

	₹Lakh	
Median remuneration of the employees of the Company	2.61	
	₹Lakh	Ratio
S. Y. Ghorpade	113.22	43.34
Nazim Sheikh	103.05	39.44
S. H. Mohan	100.68	38.53
S. R. Sridhar	67.35	25.78
U. R. Acharya	59.32	22.70
K. Raman	58.73	22.48

2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary and Manager, if any in the financial year.

	2014-15	2013-14	%age Increase
S. Y. Ghorpade, Chairman and Managing Director	113.22	100.29	12.90
Nazim Sheikh, Joint Managing Director	103.05	92.24	11.72
S. H. Mohan, Executive Director (Projects)	100.68	90.91	10.75
S. R. Sridhar, Executive Director (Mines)	67.35	60.65	11.04
U. R. Acharya, Director (Commercial)	59.32	55.57	6.74
K. Raman, Director (Finance) & CFO	58.73	54.79	7.20
Md. Abdul Saleem, CS & CGM (Mines)	17.81	14.59	22.11
Total for all managerial personnel	520.16	469.03	10.90

- | | 2014-15 | 2013-14 | %age Increase |
|--|---------|---------|---------------|
| 3. The percentage increase in the median remuneration of employees in the financial year | 2.61 | 1.70 | 53.49 |
| 4. The number of permanent employees on the rolls of the Company (as on 31 March 2015) | 1,369 | | |

5. Explanation on the relationship between average increase in remuneration and Company's performance: In order to cater to increase in cost of living, the Company revises the salary of its employees every three years. The remuneration of all the employees have been revised with effect from 1 January 2015. The last such revision was made in January 2011.

6. Comparison of the remuneration of Key Managerial Personnel against the performance of the Company: The turnover of the Company remained flat between 2013-14 and 2014-15. Profit after tax dropped from ₹38.37 crore in 2013-14 to ₹14.36 crore in 2014-15. Drop in prices and weak demand for manganese and iron ore resulted in poor results. During the year under review, production of manganese ore was 1.60 lakh tonnes (previous year 1.02 lakh tonnes) and iron ore 5.16 lakh tonnes (previous year 7.12 lakh tonnes). Against the backdrop of illegal mining which has brought the mining industry under the scanner, the Company has been facing a host of challenges which have caused erratic variations in its performance. Hence, there is an incongruence between the remuneration and performance of the Company.



7. Variations in market capitalisation of the Company, price earning ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer.
 - a. Market capitalisation at the end of the financial year was ₹514.06 crore
 - b. Price earnings ratio as at the closing date of the current financial year 41.44:1
8. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.
 - a. The average percentile increase already made in the salaries of employees other than managerial personnel 53.49%
 - b. Percentile increase in the managerial remuneration. 10.90%
9. Comparison of each remuneration of Key Managerial Personnel against the performance of the Company. As mentioned earlier, there is no comparison between the performance and remuneration of the managerial personnel possible as the results of the Company heavily depended on market conditions, regulatory changes and such other factors.
10. The key parameters for any variable component of remuneration availed by the directors
There are no variable component constituting the remuneration of the managerial personnel.
11. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:
Not applicable
12. Affirmation that the remuneration is as per the remuneration policy of the Company:
Yes

NAME OF EVERY EMPLOYEE OF THE COMPANY, WHO-

1. If employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees:
S. Y. Ghorpade, Chairman & Managing Director
Nazim Sheikh, Joint Managing Director
S. H. Mohan, Executive Director (Projects)
S. R. Sridhar, Executive Director (Mines)
2. If employed for part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month:
NIL
3. If employed throughout the financial year / part thereof, was in receipt of remuneration in the year which, in aggregate, or as the case may be, as a rate which, in aggregate, is in excess that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company:
NIL

for and on behalf of the Board

Place : Bangalore
Date : 27 May 2015

S. Y. Ghorpade
Chairman & Managing Director



ADDENDUM TO REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2015

Appointment / Re-appointment

The shareholders are hereby informed that the Board has in its meeting held on 11 July 2015, based on the recommendation of the Nomination and Remuneration Committee, revised the retirement age fixed for the directors of the Company.

In view of the aforesaid, the Board also amended the Policy on Nomination and Remuneration of Directors, Key Managerial Personnel (KMP) and other employees. In accordance with the revised Policy, the Whole-time directors (other than promoter directors) shall retire at the age of 65 years and the Non-Executive Directors (other than promoter directors) shall retire at the age of 75 years. Further, the Independent Directors shall be allowed to hold office for two consecutive terms of upto five consecutive years each as stipulated in Sections 149(10) and 149(11) of the Companies Act, 2013

In the Report of the Directors dated 27 May 2015, the shareholders were informed that K. Raman- Director (Finance) & Chief Financial Officer is liable to retire by rotation at the ensuing meeting and being eligible is offering himself for re-appointment.

In view of the aforementioned change in the policy of retirement for the directors, K. Raman having already attained the retirement age of 65 years fixed for Whole-time Directors, is no longer offering himself for re-appointment. In terms of Section 152(6)(e), at the Annual General Meeting at which a director retires by rotation, the Company may choose to fill up the vacancy by appointing the retiring director or some other person thereto. However, it is proposed to not fill the vacancy created by the retirement of K. Raman.

The Board places on record its sincere appreciation and recognition of the valuable contribution and services rendered by K, Raman during and prior to his tenure as a director on the Board of the Company. The Board proposes that the vacancy caused by his retirement be not filled up.

Resignation of Directors

The Company has received letters dated 4 June 2015 and 8 June 2015 from S. R. Sridhar - Executive Director (Mines) and S. H. Mohan – Executive Director (Projects), respectively, tendering resignation from directorship of the Company. Both directors shall be serving a notice period of 3 months. Resignation of S. H. Mohan and S. R. Sridhar shall take effect from 7 September 2015 and 8 September 2015 respectively.

Pursuant to provisions of Section 168 of the Companies Act, 2013, the fact of resignation of directors is required to be included in the Directors' Report laid in the immediately following general meeting of the Company.

The Board hereby wishes to express its gratitude towards both the Directors for the services rendered by them during the course of their employment and contributions made by them as Directors on the Board of the Company. Further, wish them the best for all their future endeavours.

for and on behalf of the Board

Place : Bangalore
Date : 11 July 2015

S. Y. Ghorpade
Chairman & Managing Director



REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE FOR THE YEAR 2014-15

1. Company's philosophy on code of governance

The Company believes that corporate governance is directing and controlling the business with the overriding objective of optimising return for the shareholders. The Company aims to achieve this by providing long-term visibility of its business, ensuring effective relationship with stakeholders, establishing systems that help the Board in understanding risk appetite and monitoring risk at every stage of corporate evolution process.

The Company further believes in and implicitly adopts values such as efficiency with transparency and accountability and integrity with fairness and kindness in Corporate Governance.

2. Board of Directors

● **Composition and category of Directors**

As on 31 March 2015, the Board comprises of twelve members, of whom six are whole-time directors, viz., Chairman & Managing Director, Joint Managing Director, Executive Director (Projects), Executive Director (Mines), Director (Commercial) and Director (Finance) and the remaining six are independent non-executive directors. Chairman & Managing Director is one of the promoters of the Company. All the directors are highly qualified, professional and have vast experience in industry.

● **The particulars of directors, their attendance at Board meetings during the financial year and at the last Annual General Meeting are as under :**

Name of Directors	Category / Designation	Attendance	
		Board meetings	Last AGM
S. Y. Ghorpade	Chairman & Managing Director	5	Yes
Nazim Sheikh	Joint Managing Director	5	Yes
S. H. Mohan	Executive Director (Projects)	3	Yes
S. R. Sridhar	Executive Director (Mines)	5	Yes
R. Subramanian	Non-Executive & Independent	4	Yes
V. Balasubramanian	Non-Executive & Independent	5	Yes
P. Vishwanatha Shetty	Non-Executive & Independent	3	No
U. R. Acharya	Director (Commercial)	5	Yes
K. Raman	Director (Finance)	5	Yes
B. Ananda Kumar	Non-Executive & Independent	5	Yes
S. S. Rao	Non-Executive & Independent	5	Yes
Vatsala Watsa	Non-Executive & Independent	5	Yes



- **Number of directorships and committee memberships held by the directors in domestic public companies as at 31 March 2015 are as indicated below:**

Name of Directors	Directorships (Excluding this Company)	Committee Memberships (Excluding this Company)	
		As Chairman	As Member
S. Y. Ghorpade	1	-	-
Nazim Sheikh	1	-	-
S. H. Mohan	1	-	-
S. R. Sridhar	1	-	-
R. Subramanian	2	2	-
V. Balasubramanian	6	-	4
P. Vishwanatha Shetty	-	-	-
U. R. Acharya	1	-	1
K. Raman	2	1	1
B. Ananda Kumar	2	-	-
S. S. Rao	3	1	2
Vatsala Watsa	-	-	-

- **Board meetings**

Meetings of the Board of Directors are generally held at the Company's Corporate Office in Bangalore and are scheduled well in advance. The Board meetings are held at least once in a quarter to review the quarterly performance and the financial results apart from transacting other items of business requiring the Board's attention. The Company Secretary in consultation with the Chairman & Managing Director and the Joint Managing Director prepares agenda for the meetings. The Board papers are circulated to directors in advance. Senior management personnel are invited to attend the Board meetings and provide clarifications as and when required.

The Company has an Executive Chairman and half of the Board comprise of independent directors. The Company had no pecuniary relationship or transactions with any of the non-executive directors during the year under review except for payment of sitting fee for attending meetings of the Board and its Committees.

The information as required under Annexure 1A to Clause 49 of the listing agreements (or Annexure X to the amended Clause 49 of the listing agreements) is being regularly placed before the Board. The Board also reviews the declaration made by the Chairman & Managing Director and the Company Secretary regarding compliance with all laws applicable to the Company on a quarterly basis.

The Board of Directors met five times during the financial year on 28 May 2014, 9 August 2014, 27 September 2014, 8 November 2014 and 14 February 2015. The interval between any two successive meetings did not exceed four months.



3. **Audit Committee**

- ***Powers of the Audit Committee:***

- a) to investigate any activity within its terms of reference;
- b) to seek information from any employee;
- c) to obtain outside legal or other professional advice; and
- d) to secure attendance of outsiders with relevant expertise, if it considers necessary.

- ***Terms of reference of the Audit Committee:***

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- b) Recommending the appointment, remuneration and terms of appointment of auditors of the company.
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d) Reviewing with the management the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries based on the exercise of judgment by management
 - Significant adjustments made in the financial statements arising out of audit findings
 - Compliance with listing and other legal requirements relating to financial statements
 - Disclosure of any related party transactions
 - Qualifications in the draft audit report
- e) Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- f) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer documents/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- g) Review and monitor the auditor's independence and performance and effectiveness of audit process.
- h) Approval or any subsequent modification of transactions of the company with related parties.
- i) Scrutiny of inter- corporate loans and investments.
- j) Valuation of undertakings or assets of the company, wherever it is necessary.
- k) Evaluation of internal financial controls and risk management systems.
- l) Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.



- n) Discussion with internal auditors of any significant findings and follow up there on.
- o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as having post-audit discussion to ascertain any area of concern.
- q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- r) To review the functioning of the Whistle Blower mechanism.
- s) Approval of appointment of CFO (i.e., the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Composition, names of the members and their attendance at meetings during the financial year are as under:

Name	Designation	Category	No. of meetings attended
R. Subramanian	Chairman	Non-Executive & Independent	3
V. Balasubramanian	Member	Non-Executive & Independent	4
B. Ananda Kumar	Member	Non-Executive & Independent	4
S. S. Rao	Member	Non-Executive & Independent	4
Vatsala Watsa	Member	Non-Executive & Independent	4

The constitution of the Audit Committee is in compliance with the Listing Agreement at all times.

The Company Secretary acts as Secretary to the Committee.

The meetings are scheduled well in advance and the whole-time directors and senior management personnel of the Company, the statutory auditors and internal auditors are invited to attend the meetings.

The Audit Committee members are financially literate and have relevant finance and/or audit exposure. R. Subramanian, a financial expert, is the Chairman of the Committee. Pursuant to the Listing Agreement, the Chairman of the Audit Committee was present at the Annual General Meeting to answer the queries of the shareholders.

● **Meetings held during the year 2014-15:**

The Audit Committee met four times during the financial year on 28 May 2014, 9 August 2014, 8 November 2014 and 14 February 2015. The interval between any two successive meetings did not exceed four months. The quorum as required under the Listing Agreement was maintained at all the meetings.



4. Nomination and Remuneration Committee

- **Brief description of terms of reference:**

Remuneration Committee was constituted in April 2002 to consider and recommend to the Board, appointment, re-appointment and remuneration payable to whole-time directors. In accordance with the provisions of Section 178 of the newly notified Companies Act, 2013 the Committee has been renamed as 'Nomination and Remuneration Committee'.

- **Composition, names of the members and Chairman and their attendance:**

Remuneration Committee comprised of all the six non executive and independent directors as on 1 April 2014. The Committee was reconstituted by the Board at its meeting held on 8 November 2014 to comprise of five non-executive and independent directors namely, P. Vishwanatha Shetty as its Chairman, R. Subramanian, V. Balasubramanian, S. S. Rao and Vatsala Watsa as its Members.

The Company Secretary acts as Secretary to the Committee.

No meeting of the Nomination and Remuneration Committee has been held during the financial year subsequent to its last meeting held on 29 March 2014.

- **Remuneration policy:**

The remuneration policy is to pay salary / compensation and benefits adequately so as to attract, motivate and retain talent. Detailed policy on Nomination and Remuneration of Directors, Key Managerial Personnel (KMP) and other employees is annexed to the Directors' Report.

The remuneration payable to the whole-time directors were approved by the members by passing a special resolution through postal ballot, results of which were declared on 9 August 2014.

Details of remuneration paid to the whole-time directors for the year 2014-15:

₹ Lakh

Name of Director	Salary	Perquisites	Contributions*	Term
S.Y. Ghorpade Chairman & Managing Director	33.60	70.55	9.07	3 years from 1 April 2014
Nazim Sheikh Joint Managing Director	30.60	64.19	8.26	3 years from 1 April 2014
S. H. Mohan Executive Director (Projects)	30.60	61.82	8.26	3 years from 1 April 2014
S. R. Sridhar Executive Director (Mines)	20.40	41.44	5.51	3 years from 1 April 2014
U.R. Acharya Director (Commercial)	17.64	36.92	4.76	3 years from 1 April 2014
K. Raman Director (Finance) & CFO	17.64	36.33	4.76	3 years from 1 April 2014

*includes contribution to Provident and other funds but does not include contribution towards Gratuity and Leave salary, as these are determined on an actuarial basis for the Company as a whole.



The Company does not have stock option scheme, there is no variable component in the remuneration except the payment of commission as a percentage of profit and there is no severance fee. Service contracts exist with the whole-time directors which contain their terms and conditions including remuneration, notice period etc., as approved by the members. The agreements may be terminated by either party at any time by giving three months' notice to the other party.

Remuneration to non-executive directors during the financial year 2014-15:

The non-executive directors received sitting fee for attending meetings of the Board and its Committees thereon and reimbursement of expenses incurred on travelling and stay in case of outstation directors.

Details of sitting fee paid to non-executive directors during the financial year 2014-15:

Name of director	Sitting Fee* (₹)
R. Subramanian	1,55,000
V. Balasubramanian	2,60,000
P. Vishwanatha Shetty	70,000
B. Ananda Kumar	2,40,000
S. S. Rao	2,15,000
Vatsala Watsa	1,95,000

* excluding service tax

None of the independent directors hold any shares in the Company except R. Subramanian and B. Ananda Kumar who hold 200 equity shares and 2378 equity shares in the Company, respectively.

5. Stakeholders' Relationship Committee

Investors' Grievance and Share Transfer Committee was constituted on 26 July 2006 to oversee the redressal of shareholders' and investors' complaints, if any, and to consider and approve transfer and transmission of shares and issue of duplicate share certificates. In accordance with the provisions of Section 178 of the newly notified Companies Act, 2013 the Committee has been renamed as 'Stakeholders' Relationship Committee'.

The four member Committee comprised of S. Y. Ghorpade, Nazim Sheikh, V. Balasubramanian and B. Ananda Kumar as at 1 April 2014. The Committee was reconstituted by the Board with effect from 8 November 2014 with P. Vishwantha Shetty, an independent non-executive director as its Chairman and S.Y. Ghorpade, Nazim Sheikh and B. Ananda Kumar as its members.

The Company Secretary acts as Secretary to the Committee.

To expedite the process of share transfers / transmissions, authority has been delegated by the Board severally to the Chairman & Managing Director, Joint Managing Director and the Company Secretary, who regularly attends to share transfers and transmissions, issue of fresh share certificates in lieu of old share certificates lost / mutilated or on transfer, sub-division, consolidation, renewal, exchange etc., subject to the related deeds / documents being in order.

Venture Capital and Corporate Investments Private Limited (VCC IPL), one of the leading SEBI registered Category - I Registrar and Transfer Agents has been appointed as Share Transfer Agent of the Company to process share transfer requests on behalf of the Company with effect from 18 January 2008. The Chairman & Managing Director or Joint Managing Director or Company Secretary approves the share transfer registers and a statement of share transfers / transmissions effected, share certificates issued in each quarter are placed before the Stakeholders' Relationship Committee for approval and are also placed before the Board of Directors for ratification at their next meeting.



The Stakeholders' Relationship Committee met four times during the financial year on 28 May 2014, 9 August 2014, 8 November 2014 and 14 February 2015. The interval between any two successive meetings did not exceed four months.

- **Name and designation of compliance officer:**

Md. Abdul Saleem, Company Secretary and Chief General Manager (Mines)

- **Composition, names of the members and their attendance at meetings are as under:**

Name	Designation	Category	No. of meetings attended
P. Vishwanatha Shetty*	Chairman	Non-Executive & Independent	-
S. Y. Ghorpade	Member	Executive Director	4
Nazim Sheikh	Member	Executive Director	4
B. Ananda Kumar	Member	Non-Executive & Independent	4
V. Balasubramanian**	Member	Non-Executive & Independent	3

*Member and Chairman of the Committee w.e.f. 8 November 2014

**Chairman upto 8 November 2014

- **Number of shareholder complaints received, number solved to the satisfaction of the shareholder and number of pending transfers:**

The Company had no complaints pending on 1 April 2014, and no further complaints were received during the year. No complaints were pending as on 31 March 2015.

There were no pending share transfer requests as on 31 March 2015.

6. **Environment Committee**

Reclamation & Rehabilitation Plans Implementation Review Committee was constituted on 10 August 2012 for ensuring effective implementation of Reclamation & Rehabilitation (R&R) plans for the Company's Mining Leases No.2580 and 2581.

The Hon'ble Supreme Court had, while dealing with Public Interest Litigation (PIL) in the form of Writ Petition (Civil) No.562 of 2009 with regard to rampant illegal mining being carried in the States of Andhra Pradesh and Karnataka, vide its order dated 13 April 2012 prescribed certain guidelines for preparation of R&R Plans for all the mining leases in Bellary, Tumkur and Chitradurga.

Accordingly, the Committee was formed for implementing and monitoring the progress of implementation of the R&R Plans that may be prescribed and approved by the Central Empowered Committee for the Company's Mining Leases. The Committee was renamed as 'Environment Committee' in order to enlarge the scope and also provide an opportunity for the Committee to consider exploring and implementing new avenues for preserving the environment and contribute towards improvement of environment in the region of our presence.

The Committee at the beginning of the year consisted of five directors with S. Y. Ghorpade, as its Chairman, Nazim Sheikh, S. R. Sridhar, V. Balasubramanian and K. Raman as its members. The Board reconstituted the Committee w.e.f. 8 November 2014 by nominating U. R. Acharya, as its member in place of K. Raman.

The Company Secretary acts as Secretary to the Committee.

The Committee has met once during the financial year on 26 September 2014.



7. Corporate Social Responsibility Committee:

In terms of the newly notified Section 135 of the Companies Act, 2013 every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year is required to constitute a Corporate Social Responsibility (CSR) Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

In order to comply with the provisions of Section 135 of the Companies, Act 2013, the Board of Directors of the Company constituted the CSR Committee at its meeting held on 29 March 2014 with S. Y. Ghorpade, as its Chairman, Nazim Sheikh, S. R. Sridhar, V. Balasubramanian, K. Raman and S. S. Rao as its members. The Board at its meeting held on 8 November 2014 reconstituted the Committee with V. Balasubramanian as its Chairman, Nazim Sheikh, S. H. Mohan, S. R. Sridhar, K. Raman and S. S. Rao as its **members.**

The Company Secretary acts as Secretary to the Committee.

The Committee has formulated and recommended to the Board, the Policy on Corporate Social Responsibility indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013. The Policy on Corporate Social Responsibility is available at the Company's website.

The Committee is required to recommend the amount of expenditure to be incurred on the said activities and monitor the Corporate Social Responsibility Policy of the Company from time to time. The Committee is further required to institute a transparent monitoring mechanism for implementation of the CSR projects / programs / activities undertaken by the Company.

The Committee met twice during the financial year on 26 September 2014 and 14 February 2015.

8. Risk Management Committee:

The Risk Management Committee was constituted by the Board in its meeting held on 28 May 2014 in terms of Clause 49(VI) of the amended Listing Agreement with the Stock Exchanges wherein, the Board has delegated the monitoring and reviewing of the risk management plan to the Committee.

The Committee was originally constituted with S. Y. Ghorpade as its Chairman, Nazim Sheikh, K. Raman, V. Balasubramanian, B. Ananda Kumar, S. S. Rao and Vatsala Watsa as its members. The Board reconstituted the Committee w.e.f. 8 November 2014 with S. Y. Ghorpade, continuing as its Chairman, S. H. Mohan, R. Subramaniam, K. Raman, U. R. Acharya, B. Ananda Kumar and Vatsala Watsa as its members.

The Company Secretary acts as Secretary to the Committee.

No meeting of the Committee has been held during the financial year.

9. General Body Meetings

- Location and time of the last three AGMs:

The Annual General Meetings for the last three years were held on 27 September 2014 at 11.00 a.m., 31 August 2013 at 11.00 a.m. and 8 September 2012 at 11.00 a.m. The meetings were held in Anuradha Hall, Shivapur, Sandur - 583 119. Three special resolutions were passed at the past three Annual General Meetings.

- Postal Ballots were conducted on two occasions for passing resolutions as set out in the Postal Ballot Notices dated 29 March 2014 and 14 February 2015. Seven special resolutions as set out in the Postal Ballot Notice dated 29 March 2014 were passed with requisite majority on 9 August 2014. Details of the voting result is given below:



Resolution No.1 To re-appoint S. Y. Ghorpade as Managing Director		
Votes in favour of the Resolution	6390471	99.99%
Votes against the Resolution	140	0.01%
Total	6390611	100.00%
Resolution No.2 To re-appoint Nazim Sheikh as Joint Managing Director		
Votes in favour of the Resolution	6390471	99.99%
Votes against the Resolution	140	0.01%
Total	6390611	100.00%
Resolution No.3 To re-appoint S. H. Mohan as Executive Director (Projects)		
Votes in favour of the Resolution	6390471	99.99%
Votes against the Resolution	140	0.01%
Total	6390611	100.00%
Resolution No.4 To re-appoint S.R Sridhar as Executive Director (Mines)		
Votes in favour of the Resolution	6390471	99.99%
Votes against the Resolution	140	0.01%
Total	6390611	100.00%
Resolution No.5 To re-appoint U.R. Acharya as Director (Commercial)		
Votes in favour of the Resolution	6390471	99.99%
Votes against the Resolution	140	0.01%
Total	6390611	100.00%
Resolution No.6 To re-appoint K. Raman as Director (Finance) & CFO		
Votes in favour of the Resolution	6390471	99.99%
Votes against the Resolution	140	0.01%
Total	6390611	100.00%
Resolution No.7 To make investments and give loans to JMPL		
Votes in favour of the Resolution	6386600	99.94%
Votes against the Resolution	4011	0.06%
Total	6390611	100%

- The Company appointed Parameswar G. Hegde, Practising Company Secretary, as Scrutiniser for conducting the Postal Ballot process.
- The Company has not proposed to pass any special resolution through postal ballot.



10. Subsidiary Company

Star Metallics and Power Private Limited (SMPPL) is a subsidiary of the Company with 81.24% of its paid up equity share capital held by the Company as on 31 March 2015.

SMIORE, being a major shareholder, has nominated four of its directors as directors on the Board of SMPPL. S. Y. Ghorpade, Chairman & Managing Director of SMIORE is the non-executive chairman of SMPPL; Nazim Sheikh - Joint Managing Director; S. H. Mohan - Executive Director (Projects) and B. Ananda Kumar, Independent director are non-executive directors of SMPPL. Further, V. Balasubramanian and S.S. Rao, Independent directors of SMIORE are the non-executive and Independent directors on the Board of SMPPL.

The operations of SMPPL are being controlled and monitored by SMIORE, inter alia, by the following means:

- Financial statements, in particular the investments made by SMPPL, are being reviewed by the Audit Committee of the Company.
- Minutes of the meetings of SMPPL's Board are being placed before the Company's Board regularly.
- Financial statements showing all significant transactions and arrangements entered into by SMPPL are placed before the Company's Board.

11. Disclosures

- **Related Party Transactions:** During the year under review, besides the transactions reported in the Financial Statements in the Annual Report, there are no other material related party transactions by the Company with its promoters, directors or the management or their relatives and associates. Transactions entered into with related parties during the year do not have any potential conflict with the interest of the Company at large. All related party transactions, material and non-material, are being placed before the Audit Committee periodically. Transactions requiring approval of the Board are also placed before it for its consent. The Board in its meeting held on 28 May 2014 adopted a Policy on Related Party Transactions incorporating the relevant provisions prescribed by the amended Listing Agreement dated 17 April 2014. The Board amended the said Policy in its meeting held on 14 February 2015 to incorporate the amendments dated 15 September 2014 to the Listing Agreement. The Policy also, incorporates the provisions of the newly notified Companies Act, 2013 dealing with Related Party Transactions.
- **Disclosure of Accounting Treatment:** The Company follows Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013/ the Companies Act, 1956 and has not adopted a treatment different from that prescribed in any Accounting Standard.
- **Disclosure by Senior Management:** Senior management has made disclosures to the Board confirming that they have not entered into material financial and commercial transactions with the Company wherein they have personal interest that could result in a conflict with the interest of the Company at large.
- **Details of Non-Compliance:** There have been no instances of non-compliance by the Company and no penalties, strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
- **Risk Management:** The Company is committed to strengthen its risk management capability in order to protect and enhance shareholder value. Accordingly, the Company has laid down procedures to prevent the risk from occurring and if it cannot be prevented, to minimize the adverse impact of such risk. The Board responds to the Executive Management's need for enhanced risk information and improved governance and has an effective internal control and management reporting system.



The Audit Committee of the Board reviews Internal Audit findings, if any, and provides strategic guidance on internal controls. The Company follows the framework to attain a balanced approach that considers risk and return. The Risk Management Committee has been constituted by the Board to monitor and review the Risk Management Plan.

- **Whistle Blower Policy:** The Company has put in place a mechanism of reporting illegal or unethical behaviour. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified persons. The reports received from any employee will be reviewed by the audit committee. It is affirmed that no personnel has been denied access to the audit committee in this respect. The Directors and senior management are to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practice.

12. Means of Communication

- Quarterly financial results are being regularly sent to Bombay Stock Exchange Limited. No returns/ documents have been filed with Bangalore Stock Exchange (BgSE) since 16 January 2015, after the BgSE informed us of their voluntary surrender of recognition under the Exit Scheme of Securities and Exchange Board of India (SEBI). The SEBI has passed the Exit Order on 26 December 2014, thereby our listing agreement with BgSE stands terminated.
- Quarterly financial results are generally published in The Financial Express and Sanjevani newspapers and also placed on the website of the Company.
- No presentation has been made to institutional investors or to the analysts.
- Management Discussion and Analysis is forming part of this Annual Report.

13. General Shareholder Information

i) **Date, Time and Venue of the Annual General Meeting:**

19 September 2015 at 11.00 a.m. at Anuradha Hall, Shivapur, Sandur - 583 119.

ii) **Financial Year: 1 April 2014 to 31 March 2015**

iii) **Financial Calendar: (tentative and subject to change)**

Financial Reporting for the quarter ending 30 June 2015	Before 14 August 2015
Financial Reporting for the quarter ending 30 September 2015	Before 14 November 2015
Financial Reporting for the quarter ending 31 December 2015	Before 14 February 2016
Financial Reporting for the quarter ending 31 March 2016	By end of April/May 2016

iv) **Dates of Book Closure: 14 September 2015 to 19 September 2015 (Both days inclusive)**

v) **Dividend Payment Date: On or after 19 September 2015**

vi) **Listing on Stock Exchanges:** The Company's shares are listed on Bombay Stock Exchange Limited, P. J. Towers, Dalal Street, MUMBAI - 400 001.

Listing Fee: The Company has paid annual listing fee for the year 2015-16 to Bombay Stock Exchange Limited where the securities of the Company are listed.

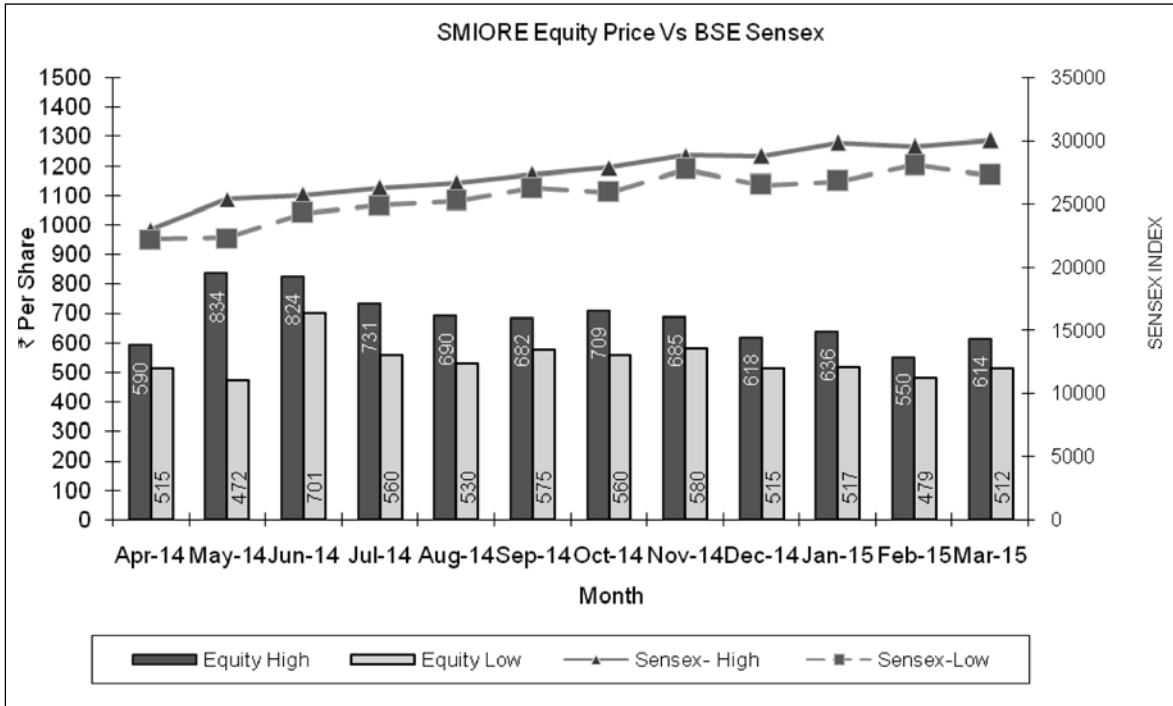
vii) **Stock Code: Bombay Stock Exchange Limited (BSE) - 504918**



viii) Monthly High and Low Quotation of Company's shares traded on BSE:

Month	Open ₹	High ₹	Low ₹	Close ₹	No. of Shares	No. of Trades	BSE Sensex (Average)
April 2014	550	590	515	523	135155	8197	22568
May 2014	525	834	472	731	528395	24016	23826
Jun 2014	730	824	701	712	401724	18251	24998
Jul 2014	719	731	560	608	207308	12018	25596
Aug 2014	595	690	530	618	259362	15006	25954
Sep 2014	603	682	575	613	218709	11609	26788
Oct 2014	615	709	560	669	189409	8857	26903
Nov 2014	679	685	580	606	154642	9197	28281
Dec 2014	600	618	515	561	116266	6491	27640
Jan 2015	562	636	517	528	159946	8810	28310
Feb 2015	528	550	479	524	200663	8380	28802
Mar 2015	513	614	512	588	536420	10973	28637

ix) Comparison of Company's share price movement with BSE Sensex:





x) Distribution of Equity Shareholding as on 31 March 2015:

Shareholding of Nominal value of ₹		No. of Shareholders	No. of Shares	% to total Capital
Upto	5000	6903	1193560	13.64
5001	10000	33	226400	2.59
10001	20000	18	237491	2.72
20001	30000	4	91117	1.04
30001	40000	2	67444	0.77
40001	50000	2	98150	1.12
50001	100000	4	321364	3.67
100001	Above	10	6514474	74.45
Total		6976	8750000	100

xi) Shareholding pattern as on 31 March 2015:

Categories	No. of Shares	% to Total
Promoters, Directors and their relatives and associates	6347340	72.54
Banks and Financial Institutions	50650	0.58
Mutual Funds	1250	0.01
Insurance Companies	100000	1.14
Other bodies corporate	518611	5.93
Public	1732149	19.80
TOTAL	87,50,000	100.00

xii) Registrar and Share Transfer Agents: Venture Capital and Corporate Investments Private Limited, 12-10-167, Bharatnagar, Hyderabad - 500 018

xiii) Share Transfer System: Venture Capital and Corporate Investments Private Limited (VCCIPL), one of the leading SEBI registered Category - I Registrar and Transfer Agents had been appointed as Share Transfer Agent of the Company to process share transfer requests on behalf of the Company with effect from 18 January 2008. The Chairman & Managing Director or Joint Managing Director or Company Secretary approves the share transfer registers and a statement of share transfers / transmissions effected, share certificates issued in each quarter are placed before the Stakeholders' Relationship Committee for approval and are also placed before the Board of Directors for ratification at their next meeting.

xiv) Dematerialization of Shares and Liquidity: As on 31 March 2015, 85,24,785 equity shares have been dematerialized.

xv) There are no outstanding GDRs / ADRs / Warrants or any Convertible Instruments due for conversion

xvi) Directors seeking appointment / re-appointment: As required under Clause 49(VIII)(E)(1) of the amended Listing Agreement, particulars of Directors seeking appointment / re-appointment, if any, are given in the Explanatory Statement forming part of the Notice of the Annual General Meeting.

xvii) There is no stock option scheme.

xviii) Plant location: Mines at Deogiri and Metal & Ferroalloy plant at Vyasankere.



xix) Address for correspondence:

Registered Office: Lakshmipur, Sandur, Bellary District, Karnataka - 583 119

Corporate Office: First & Second Floors, Redifice Signature, No.6, Hospital Road, Shivajinagar, Bangalore – 560 001.

14. CEO / CFO Certification

The Chairman & Managing Director and the Chief Finance Officer (CFO) have certified to the Board in accordance with clause 49 (IX) of the Listing Agreement pertaining to CEO/CFO certification for the financial year 2014-15, which is annexed thereto.

15. Affirmation of compliance with code of conduct

The Chairman & Managing Director of the Company has given a certificate confirming that the Company has obtained from all the members of the Board and senior management, affirmation of their compliance with the Code of Conduct for directors and senior management in respect of the financial year 2014-15 and the same were placed before the Board at its meeting held on 27 May 2015. A copy of the said certificate is annexed hereto.

16. Status of compliance with the non-mandatory requirements of clause 49 of the listing agreement is given below:

- (i) **Non-Executive Chairman's Office:** The Chairman of the Company is an Executive Chairman and hence this provision is not applicable.
- (ii) **Shareholder Rights:** The quarterly and annual financial results of the Company are published in leading newspapers, placed on website of the Company and are provided to stock exchanges in compliance with the provisions of listing agreements. A copy of complete Annual Report is sent to each and every shareholder of the Company.
- (iii) **Audit qualifications:** During the year under review, there was no audit qualification in the Company's financial statements.
- (iv) **Separate posts of Chairman and CEO:** The Company does not have a Chief Executive Officer. Hence, this provision is not applicable.
- (v) **Reporting of Internal Auditor:** The Company has appointed M/s. P. Chandrasekar, Chartered Accountants, as its internal auditor and they report on a quarterly basis to the Audit Committee.

17. Auditor's certificate on compliance with clause 49 of the listing agreement: Auditor's Certificate is annexed.

for and on behalf of the Board

Place : Bangalore
Date : 27 May 2015

S. Y. Ghorpade
Chairman & Managing Director



CERTIFICATE

We, S. Y. Ghorpade, Chairman & Managing Director (being the CEO) and K. Raman, Director (Finance), appointed as CFO and responsible for the finance function, certify that in respect of the financial year ended on 31 March 2015:

- a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:-
- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
 - these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company, pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d) (i) There has not been any significant change in internal control over financial reporting during the year under reference;
- (ii) There has not been any significant change in accounting policies during the year requiring disclosures in the notes to the financial statements; and
- (iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting

for The Sandur Manganese & Iron Ores Limited

Place : Bangalore
Date : 27 May 2015

S. Y. Ghorpade
Chairman & Managing Director

K. Raman
Director (Finance) & CFO

CERTIFICATE

I, S. Y. Ghorpade, Chairman & Managing Director do hereby certify and confirm that the Company has obtained from all the members of the Board and senior management, affirmation of their compliance with the Code of Conduct for directors and senior management in respect of the financial year 2014-15 and the same are being placed before the Board at its meeting held on 27 May 2015.

for The Sandur Manganese & Iron Ores Limited

Place : Bangalore
Date : 27 May 2015

S. Y. Ghorpade
Chairman & Managing Director

CERTIFICATE

TO THE MEMBERS OF THE SANDUR MANGANESE & IRON ORES LIMITED

We have examined the compliance of conditions of Corporate Governance by The Sandur Manganese & Iron Ores Limited ("the Company"), for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No.008072S)

Monisha Parikh
Partner
(Membership No.47840)

Place : Bangalore
Date : 27 May 2015



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. BACKGROUND

The Management Discussion and Analysis Report sets out the developments in the business, the Company's performance since the publication of the last report and the Company's future outlook. This report is part of the Directors' Report and the Audited Financial Statements, forming part of the Annual Report. However, certain statements made in this report relating to the projections, outlook, expectations, estimates, among others, may constitute 'forward looking statements' within the meaning of applicable laws and regulations, and may differ from actual results. Several factors could make a significant difference to the Company's operations, including climatic conditions, economic conditions affecting demand and supply, judicial pronouncements, government regulations, revision in government policies, taxation and natural calamities, over which the Company does not have any control.

2. INDUSTRIAL OVERVIEW, MARKET SCENARIO, OPPORTUNITIES AND THREATS

Iron Ore: Post Mining Ordinance and amendment to MMDR Act mining lease of several iron ore mines have been extended. Production from these mines will commence during the current year. Although production of steel has gone up, due to lack of demand for steel product, stock of finished steel has gone up with steel producers straining their cash flow. Similarly Pig iron industry is also facing hard times due to slackness in the export demand coupled with declining prices. These factors will moderate the growth of steel industry and may reduce the demand for iron ore. Iron ore prices in the international market dropped from a high of \$150 to less than \$50 per ton during second half of the financial year 2014-15. This made imported iron ore attractive for domestic steel producers. Iron ore imports into the country have gone up. To compete with up imported iron ore major producer of Iron ore – NMDC, SESA have reduced the iron ore prices substantially during the beginning of the current year setting the trend for depressed prices in the current year. Although many mining leases have been cleared commencement of production is likely to be delayed and additional levies and statutory costs that will result in lower profitability & production growth is expected to be moderate. Slackness in demand for Steel product will impact iron ore industry and will result in lower demand for iron ore at reduced prices.

Manganese ore: Manganese ore production in India has declined during financial year 2014-15 due to closure of several mines in the country pending renewal of leases. Although some of the mining leases are cleared in the current year production is expected to rise slowly due to lack of demand from Mn alloy industry. Financial year 2014-15 saw substantial increase in manganese ore imports. Import of manganese ore into India is estimated to have reached a level of 3 Mt during 2014-15. In the international market demand has declined due to slow down of steel production leading to softening of prices. Import prices for manganese ore have also declined substantially making it economical for alloy producers to use the same.

Manganese alloys: Mn alloy production is estimated to have reached a level of 2.3 million tonnes during financial year 2014-15. Manganese alloy production in India is higher than domestic consumption and is dependent on export demand. Export of Mn alloy saw a declining trend due to uncompetitive prices. Higher power tariff has made India less competitive in the International market. Lower power tariff in emerging production centers like Malaysia will further erode India's competitive edge. Ongoing anti-dumping case being instituted by European Commission will slow down exports to Europe. Production of Mn alloys in India during 2015-16 is expected to decline as many unviable plants are shutting down/ reducing production. At present due to oversupply, prices are also under pressure and are likely to remain subdued.

3. SEGMENT-WISE PERFORMANCE

a) Mining

As of 31 March 2015, the Mines under the aegis of the Sandur Group produced 1,60,909 tonnes of manganese ore and sold 99,113 tonnes in the domestic market.

The iron ore mines produced 5,16,285 tonnes and sold 5,62,186 tonnes, excluding 87,990 tonnes salvaged from dumps.



b) Conversion of manganese ore to Silico manganese

During the year under review, 23,050 tonnes of Silico manganese was manufactured and 20,774 tonnes were sold resulting in a negative contribution of ₹901.42 lakh.

4. OUTLOOK, RISKS AND CONCERNS

Mineral sector

The Outlook for mineral sector is sluggish with declining prices and lack of demand. Slump in the international market for iron ore and Mn ore will have its impact on Smiore's products. As all the products namely Iron ore, Mn ore and Silico Manganese are dependent on steel market which is under strain and will impact Smiore's operations.

Statutory clearances are causing considerable delays in stepping up production of iron ore. Declining of availability of high grade Mn ore in the area of operation is a matter of concern. Efforts are on to revive the operations in areas which results in higher grade of Mn production. The Group is confident that it will be able to produce higher grades of Mn ore and increased quantity of iron ore.

The prospects for manganese alloys remain stagnant. The Group runs the risk of incurring higher energy costs with the need for procuring imported coal becoming stronger. Although the prices of imported coal have remained stable during last couple of years, Prices of Indian coal is rising. Exchange rate risks for imported ore and higher inland freight, landed costs of coal may go up, leading to a spike in power generation costs.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has well-developed internal control systems and has clearly allocated responsibilities among its executives. The Company had an internal audit department, which was independently monitoring the compliance with the approved internal control procedures and exercise of powers as per the approved delegation of powers.

To substantially expand the scope of internal audit, the Company has, in line with the standards of internal audit issued by the Institute of Chartered Accountants of India, appointed M/s. P. Chandrasekar, Chartered Accountants, as its internal auditor which is submitting its report on a quarterly basis to the Audit Committee.

6. FINANCIAL PERFORMANCE

Information provided in the Directors' Report.

7. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS

As on 1 April 2014, the Company had employee strength of 1,840. During the year, 81 employees were recruited and 112 employees were separated from the Company. Including the 431 temporary employees and 9 employees on consolidated remuneration, employee strength at the end of the financial year 2014-15 was 1,809.

The Company has a record of cordial relations with its employees ever since its inception.

for and on behalf of the Board

Place : Bangalore
Date : 27 May 2015

S. Y. Ghorpade
Chairman & Managing Director



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE SANDUR MANGANESE & IRON ORES LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **THE SANDUR MANGANESE & IRON ORES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2) As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 6 and 25 (i) a) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 008072S)

Monisha Parikh
Partner
(Membership No.47840)

Bangalore, May 27, 2015



ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- ii. In respect of its inventories:
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- v. According to the information and explanations given to us, the Company has not accepted any deposits during the year. In respect of the unclaimed deposits existing as on the date of the commencement of the Act, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Act other than filing the Statement of deposits with the Registrar.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Act, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us, in respect of statutory dues :
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.



- (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on 31st March, 2015 on account of disputes are given below:

Name of statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (₹ lakh)
The Income - tax Act, 1961	Income tax including interest	The Commissioner of Income tax (Appeals)	AY 2011-12 and 2012-13	509.78
The Customs Act, 1962	Customs duty including interest	High Court of Andhra Pradesh	1986-2015	316.08
The Central Excise Act, 1944	Service tax	Supreme Court	2004-2010	293.34

- (d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.

- viii. The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- ix. In our opinion and according to the information and explanations given to us, the Company has not taken any loans from banks or financial institutions or has not issued any debentures.
- x. According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions.
- xi. In our opinion and according to the information and explanations given to us, the Company did not avail any term loans during the year.
- xii. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 008072S)

Monisha Parikh
Partner
(Membership No.47840)

Bangalore, May 27, 2015



THE SANDUR MANGANESE & IRON ORES LIMITED
BALANCE SHEET AS AT 31 MARCH 2015

	Note No.	As at 31.03.2015 ₹ lakh	As at 31.03.2014 ₹ lakh
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	875.00	875.00
(b) Reserves and surplus	3	37,902.81	36,806.24
		<u>38,777.81</u>	<u>37,681.24</u>
2 Non-current liabilities			
(a) Other long-term liabilities	4	28.00	28.00
(b) Long-term provisions	5	1,604.40	946.56
		<u>1,632.40</u>	<u>974.56</u>
3 Current liabilities			
(a) Trade payables		1,675.51	1,846.69
(b) Other current liabilities	6	7,563.72	7,523.37
(c) Short-term provisions	7	609.53	597.80
		<u>9,848.76</u>	<u>9,967.86</u>
	TOTAL	<u>50,258.97</u>	<u>48,623.66</u>
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8(a)	7,416.54	6,721.00
(ii) Capital work-in-progress		374.86	354.16
		<u>7,791.40</u>	<u>7,075.16</u>
(b) Non-current investments	9	15,048.05	15,048.06
(c) Deferred tax assets (net)	38	2,700.43	2,370.00
(d) Long-term loans and advances	10	7,392.46	6,839.85
(e) Other non-current assets	11	1,323.60	328.10
		<u>34,255.94</u>	<u>31,661.17</u>
2 Current assets			
(a) Current investments	12	5,845.25	4,541.91
(b) Inventories	13	6,489.79	3,447.85
(c) Trade receivables	14	296.78	5,663.63
(d) Cash and cash equivalents	15	1,344.30	800.19
(e) Short-term loans and advances	16	2,024.28	2,309.58
(f) Other current assets	17	2.63	199.33
		<u>16,003.03</u>	<u>16,962.49</u>
	TOTAL	<u>50,258.97</u>	<u>48,623.66</u>

See accompanying notes forming part of the financial statements

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants

For and on behalf of the Board of Directors

MONISHA PARIKH
Partner

S.Y.GHORPADE
Chairman & Managing Director

NAZIM SHEIKH
Joint Managing Director

MD. ABDUL SALEEM
CS & CGM (Mines)

K. RAMAN
Director (Finance) & CFO

Place: Bangalore
Date : 27 May 2015



THE SANDUR MANGANESE & IRON ORES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2015

	Note No.	For the year ended 31 March, 2015 ₹ lakh	For the year ended 31 March, 2014 ₹ lakh
I. Revenue from operations (gross)	18	30,507.29	30,673.44
Less: Excise duty		1,037.36	702.55
Revenue from operations (net)		<u>29,469.93</u>	<u>29,970.89</u>
II. Other income	19	402.37	1,582.45
III. Total revenue (I+II)		<u>29,872.30</u>	<u>31,553.34</u>
IV. Expenses:			
(a) Cost of materials consumed	20	3,301.13	1,893.52
(b) Changes in inventories of finished goods and work-in-progress	21	(1,978.99)	(284.94)
(c) Employee benefits expense	22	5,529.31	3,882.92
(d) Finance costs	23	235.24	1.57
(e) Depreciation and amortisation expenses	8(c)	489.41	920.58
(f) Other expenses	24	20,179.09	19,342.44
Total expenses		<u>27,755.19</u>	<u>25,756.09</u>
V. Profit before tax (III-IV)		2,117.11	5,797.25
VI. Tax expense/ (benefit) :			
(a) Current tax expense		1,000.00	1,590.00
(b) Deferred tax		(318.52)	370.00
		<u>681.48</u>	<u>1,960.00</u>
VII. Profit for the year (V-VI)		<u>1,435.63</u>	<u>3,837.25</u>
VIII. Earnings per equity share of ₹ 10 each :			
Basic and diluted (₹)	37	16.41	43.85

See accompanying notes forming part of the financial statements

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants

For and on behalf of the Board of Directors

MONISHA PARIKH
Partner

S.Y.GHORPADE
Chairman & Managing Director

NAZIM SHEIKH
Joint Managing Director

MD. ABDUL SALEEM
CS & CGM (Mines)

K. RAMAN
Director (Finance) & CFO

Place: Bangalore
Date : 27 May 2015



THE SANDUR MANGANESE & IRON ORES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

	2014-15 ₹ lakh	2013-14 ₹ lakh
A. Cash flow from operating activities		
Profit before tax	2,117.11	5,797.25
Adjustments for :		
- Depreciation and amortisation expenses	489.41	920.58
- Assets discarded	19.07	5.55
- Bad trade receivables written off	17.42	36.11
- Loss on sale of fixed assets (net)	89.37	-
- Finance costs	235.24	1.57
- Interest income	(66.20)	(45.52)
- Gain on sale of current investments (net)	-	(2.80)
- Dividend income	(268.40)	(299.28)
- Provisions/ liabilities no longer required written back	(1.32)	(1,200.78)
Operating profit before working capital changes	2,631.70	5,212.68
Adjustments for (increase)/ decrease in operating assets:		
- Inventories	(3,041.94)	(48.42)
- Trade receivables	5,349.43	(2,965.73)
- Short-term loans and advances	285.30	1,685.07
- Long-term loans and advances	926.40	(257.37)
- Other non-current assets	(990.05)	-
Adjustments for increase/(decrease) in operating liabilities:		
- Trade payables	(404.18)	501.63
- Other current liabilities	46.62	(505.52)
- Other long-term liabilities	-	28.00
- Short-term provisions	2.90	(33.90)
- Long-term provisions	657.84	(22.62)
Cash generated from operations	5,464.02	3,593.82
- Income tax paid	(2,473.69)	(3,042.94)
Net cash flow from operating activities (A)	2,990.33	550.88
B. Cash flow from investing activities		
Capital expenditure on fixed assets (including capital work-in-progress and advances on capital account)	(1,505.82)	(400.16)
Proceeds from sale of fixed assets	309.11	0.49
Bank balances not considered as cash and cash equivalents	85.81	(62.44)
(Purchase) / sale of current investments (net)	(1,303.34)	(524.13)
Proceeds from sale of non-current investments	0.01	-
Interest received	98.90	41.24
Dividend received from current investments	268.40	299.28
Net cash used in investing activities (B)	(2,046.93)	(645.72)



THE SANDUR MANGANESE & IRON ORES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

	2014-15 ₹ lakh	2013-14 ₹ lakh
C. Cash flow from financing activities		
Dividends paid	(262.50)	-
Tax on dividend paid	(44.61)	-
Finance costs	(0.92)	(1.57)
Net cash flow used in financing activities (C)	<u>(308.03)</u>	<u>(1.57)</u>
Net cash flow during the year (A+B+C)	<u>635.37</u>	<u>(96.41)</u>
Cash and cash equivalents (opening balance)	708.93	805.34
Cash and cash equivalents (closing balance)	<u>1,344.30</u>	<u>708.93</u>
Increase/ (decrease) in cash and cash equivalents	<u>635.37</u>	<u>(96.41)</u>
Note:		
Cash and cash equivalents as per balance sheet (refer note 15)	1,344.30	800.19
Less: Deposits against guarantee	-	91.26
Cash and cash equivalents as reported above	<u>1,344.30</u>	<u>708.93</u>

See accompanying notes forming part of the financial statements

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants

For and on behalf of the Board of Directors

MONISHA PARIKH
Partner

S.Y.GHORPADE
Chairman & Managing Director

NAZIM SHEIKH
Joint Managing Director

MD. ABDUL SALEEM
CS & CGM (Mines)

K. RAMAN
Director (Finance) & CFO

Place: Bangalore
Date : 27 May 2015



THE SANDUR MANGANESE & IRON ORES LIMITED NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 1 - Significant accounting policies

1.1. Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

1.2. Use of estimates

The Company uses prudent and reasonable assumptions and estimates in the preparation of its financial statements, and these are reflected in the reported amounts of income and expenses during the year, and the reported balances of assets and liabilities, and disclosures relating to contingent liabilities, as at the date of the financial statements.

1.3. Fixed assets

Fixed assets are capitalised at acquisition cost including directly attributable cost of bringing the asset to its working condition for the intended use. Certain assets have been revalued as on 31 March, 1985 and the resultant surplus has been added to the cost of the assets.

1.4. Depreciation/Amortisation

Depreciation amount for assets is the cost of an asset, or the amount substituted for cost, less its estimated residual value.

The Company's assets at head office and mines (including assets transferred to plant from these locations) are depreciated on the written down value method and at plant (including assets transferred to other locations from plant) are depreciated on the straight line method over the useful life and in manner prescribed in Schedule II to the 2013 Act.

Mining lease rights are amortised over the useful life of the mine or lease period, whichever is shorter.

1.5. Impairment of fixed assets

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, an impairment loss is recognised when the carrying amount exceeds greater of net selling price and value in use.

1.6. Foreign currency transactions

Foreign exchange transactions are recorded at the exchange rates prevailing on the date of transaction. Foreign exchange rate fluctuations relating to monetary assets and liabilities are restated at the year-end rates. The net loss or gain arising on restatement/settlement, if any, is adjusted to the statement of profit and loss.

In respect of forward exchange contracts, the premium or discount arising at the inception of such a forward exchange contract is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss of the reporting period in which the exchange rates change.



1.7. Investments

All long term investments are valued at cost. However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of investments.

Current investments are carried individually, at lower of cost and fair value.

1.8. Inventories

Inventories are valued at lower of cost and net realisable value.

The method of determination of cost of various categories of inventories is as follows:

- (a) Stores and spare parts: Monthly weighted average rates;
- (b) Raw materials: Monthly weighted average rates; and
- (c) Work-in-progress and finished goods: Full absorption costing method based on annual cost of production.

1.9. Revenue recognition

Revenue from sale of goods is recognised on dispatch of goods to customers from plant or stock points as applicable when significant risks and rewards of ownership are considered to be transferred and realisation is reasonably assured. In case of service income, revenue is recognised when the service is rendered to the customer.

1.10. Cash flow statement

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

1.11. Employee benefits

Short-term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related services are rendered by the employees.

Post employment benefits are recognised as an expense in the statement of profit and loss of the year in which the employee has rendered services. The expense is recognised at the present value of the amount payable towards contributions. The present value is determined using the market yields of government bonds, at the balance sheet date, at the discounting rate.

Other long-term employee benefits are recognised as an expense in the statement of profit and loss of the period in which the employee has rendered services. Estimated liability on account of long-term benefits is discounted to the present value, using the market yields on government bonds, as on the date of the balance sheet, at the discounting rate.

Actuarial gains and losses in respect of past employment and other long term benefits are charged to the statement of profit and loss on accrual basis.

1.12. Segment accounting

Segments are identified based on the types of products and the internal organisation and management structure. The Company has identified business segment as its primary segment with secondary information reported geographically.

The Company's primary segments consist of Mining, Ferroalloys & Power and Steel.

Unallocable represents other income and expenses which relate to the Company as a whole and are not allocated to segments.



1.13. Earnings per share

The basic earnings/ (loss) per share is computed by dividing the net profit/ (loss) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

1.14. Taxation

Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961.

Minimum Alternate Tax (MAT)

MAT paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in the future years. Accordingly, MAT is recognised as an asset in the Balance Sheet where it is highly probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

Deferred tax

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the statement of profit and loss.

1.15. Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but are disclosed in the notes.

Contingent assets are neither recognised nor disclosed in the financial statements.

1.16. Operating cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the 2013 Act. Normal operating cycle is based on the time between the acquisition of assets for processing and their realisation into cash and cash equivalents.



THE SANDUR MANGANESE & IRON ORES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 2 - Share capital	As at 31.03.2015 ₹ lakh	As at 31.03.2014 ₹ lakh
i) Authorised		
14,000,000 (As at 31.03.2014 : 14,000,000) equity shares of ₹10 each with voting rights	1,400.00	1,400.00
100,000 (As at 31.03.2014 : 100,000) 'B' 16 % (subject to tax) redeemable preference shares of ₹100 each	100.00	100.00
ii) Issued, subscribed and fully paid up		
Equity shares of ₹10 each with voting rights	875.00	875.00
	<u>875.00</u>	<u>875.00</u>

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Opening balance	Fresh issue / Other changes	Closing balance
Equity shares with voting rights (Issued, subscribed and fully paid up)			
Year ended 31.03.2015			
- Number of shares	8,750,000	-	8,750,000
- Amount (₹ lakh)	875.00	-	875.00
Year ended 31.03.2014			
- Number of shares	8,750,000	-	8,750,000
- Amount (₹ lakh)	875.00	-	875.00

(ii) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by Board of Directors is subject to approval by the shareholders at the ensuing Annual General Meeting. In the event of liquidation of the Company, the equity shareholders are entitled to receive only residual assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholder.

(iii) Shareholders holding more than 5% shares in the Company

Name of shareholders	As at 31.03.2015		As at 31.03.2014	
	No. of shares held	% holding in that class of shares	No. of shares held	% holding in that class of shares
Equity shares with voting rights				
Skand Private Limited	1,960,719	22.41	2,032,719	23.23
Sattari Engineering Enterprises Private Limited	1,552,721	17.75	1,683,121	19.24
Sunshine Real Estate & Constructions Private Limited	1,130,100	12.92	998,100	11.41



THE SANDUR MANGANESE & IRON ORES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2015	As at 31.03.2014
	₹ lakh	₹ lakh
Note 3 - Reserves and surplus		
Capital redemption reserve	100.65	100.65
Securities premium account	967.23	967.23
General reserve		
Opening balance	3,788.11	3,404.38
Add :Transferred from surplus in statement of profit and loss	-	383.73
Closing balance	3,788.11	3,788.11
Surplus in statement of profit and loss		
Opening balance	31,950.25	28,803.84
Less:Depreciation on transition to Schedule II of the 2013 Act, on tangible fixed assets with nil remaining useful life (Net of deferred tax ₹ 11.91 lakh) (refer note 41)	23.12	-
Add: Profit for the year	1,435.63	3,837.25
	<u>33,362.76</u>	<u>32,641.09</u>
Less:		
Transferred to general reserves	-	383.73
Dividends proposed to be distributed to equity shareholders ₹ 3 per share (previous year ₹ 3 per share)	262.50	262.50
Tax on dividend	53.44	44.61
Closing balance	<u>33,046.82</u>	<u>31,950.25</u>
Total	<u>37,902.81</u>	<u>36,806.24</u>
Note 4 - Other long-term liabilities		
Security deposits	28.00	28.00
Total	<u>28.00</u>	<u>28.00</u>
Note 5 - Long-term provisions		
Provision for employee benefits:		
Provision for pension	1,322.59	787.13
Provision for compensated absences	281.81	159.43
Total	<u>1,604.40</u>	<u>946.56</u>
Note 6 - Other current liabilities		
Payables on purchases of fixed assets	6.19	12.46
Statutory remittances (including disputed dues ₹5,695.20 lakh (As at 31.03 2014: ₹5,662.44 lakh))	5,882.81	6,110.23
Security deposits	2.60	-
Gratuity payable (net) (refer note 33)	480.92	16.01
Advances from customers	1,184.12	1,013.20
Other creditors	7.08	371.47
Total	<u>7,563.72</u>	<u>7,523.37</u>



THE SANDUR MANGANESE & IRON ORES LIMITED NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2015 ₹ lakh	As at 31.03.2014 ₹ lakh
Note 7 - Short-term provisions		
Provision for employee benefits:		
Provision for pension	127.38	114.32
Provision for compensated absences	164.01	174.11
	291.39	288.43
Provision - Others:		
Provision for wealth tax	2.20	2.26
Provision for proposed equity dividend	262.50	262.50
Provision for tax on proposed dividend	53.44	44.61
	318.14	309.37
Total	609.53	597.80

Note 8 - Fixed assets

₹ lakh

Description*	Gross block				Accumulated depreciation/ Amortisation				Net block		
	Balance as at 01.04.2014	Additions	Disposals / Adjustments	Balance as at 31.03.2015	Balance as at 01.04.2014	Depreciation/ Amortisation expense for the year	On disposals / Adjustments	***Transition adjustment recorded against balance in Statement of Profit and Loss	Balance as at 31.03.2015	Balance as at 31.03.2015	Balance as at 31.03.2014
(a) Tangible assets											
Freehold land	4,222.26	529.87	234.48	4,517.65	-	-	-	-	-	4,517.65	4,222.26
	(4,222.26)	(-)	(-)	(4,222.26)	(-)	(-)	(-)	(-)	(-)	(4,222.26)	(4,222.26)
Buildings**	1,785.57	275.56	25.50	2,035.63	343.38	121.37	6.43	14.13	472.45	1,563.18	1,442.19
	(1,784.52)	(5.71)	(4.66)	(1,785.57)	(272.37)	(74.33)	(3.32)	(-)	(343.38)	(1,442.19)	(1,512.15)
Railway sidings	14.28	-	-	14.28	13.32	-	-	0.96	14.28	-	0.96
	(14.28)	(-)	(-)	(14.28)	(13.17)	(0.15)	(-)	(-)	(13.32)	(0.96)	(1.11)
Plant and equipment	1,797.88	304.32	-	2,102.20	1,024.10	175.13	-	6.93	1,206.16	896.04	773.78
	(1,836.58)	(63.57)	(102.27)	(1,797.88)	(1,056.50)	(66.82)	(99.22)	(-)	(1,024.10)	(773.78)	(780.08)
Furniture and fixtures	70.98	152.71	-	223.69	48.16	36.74	-	0.11	85.01	138.68	22.82
	(68.77)	(5.47)	(3.26)	(70.98)	(42.49)	(8.91)	(3.24)	(-)	(48.16)	(22.82)	(26.28)
Vehicles	452.85	76.70	0.02	529.53	311.70	63.05	0.02	0.01	374.74	154.79	141.15
	(441.30)	(30.78)	(19.23)	(452.85)	(285.54)	(45.12)	(18.96)	(-)	(311.70)	(141.15)	(155.76)
Office equipment	254.74	134.37	0.85	388.26	136.90	93.12	0.85	12.89	242.06	146.20	117.84
	(200.08)	(69.75)	(15.09)	(254.74)	(128.14)	(22.49)	(13.73)	(-)	(136.90)	(117.84)	(71.94)
	8,598.56	1,473.53	260.85	9,811.24	1,877.56	489.41	7.30	35.03	2,394.70	7,416.54	6,721.00
	(8,567.79)	(175.28)	(144.51)	(8,598.56)	(1,798.21)	(217.82)	(138.47)	(-)	(1,877.56)	(6,721.00)	(6,769.58)
(b) Intangible assets											
Mining rights (Purchased)	10,718.31	-	10,718.31	-	10,718.31	-	10,718.31	-	-	-	-
	(10,718.31)	(-)	(-)	(10,718.31)	(10,015.55)	(702.76)	(-)	(-)	(10,718.31)	(-)	(702.76)
	10,718.31	-	10,718.31	-	10,718.31	-	10,718.31	(-)	(-)	-	-
	(10,718.31)	(-)	(-)	(10,718.31)	(10,015.55)	(702.76)	(-)	(-)	(10,718.31)	(-)	(702.76)

(Previous year figures are in brackets)

* Owned, unless otherwise stated

** includes building given on operating lease amounting to ₹ 288.30 lakh (As at 31.03.2014 : ₹ Nil), depreciation recognised in the statement of profit and loss for that asset ₹13.69 lakh (previous year : ₹ Nil) and accumulated depreciation ₹28.11 lakh (As at 31.03.2014 : ₹ Nil).

*** Refer note 41

₹ lakh

(c) Depreciation and amortisation expenses	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Depreciation as per note 8(a)	489.41	217.82
Amortisation as per note 8(b)	-	702.76
	489.41	920.58



THE SANDUR MANGANESE & IRON ORES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2015 ₹ lakh	As at 31.03.2014 ₹ lakh
Note 9 - Non-current investments		
A. Trade Investment (At cost)		
Investments in equity instruments of subsidiary company (unquoted)		
75,240,000 (As at 31.03.2014 : 75,240,000) equity shares of ₹10 each fully paid up at a premium of ₹10 per share in Star Metallica and Power Private Limited	15,048.00	15,048.00
B. Other investments		
Investments in equity instruments in others		
Sandur Micro Circuits Limited (unquoted) 900,000 (As at 31.03.2014 : 900,000) equity shares of ₹10 each fully paid up (refer note 28)	90.00	90.00
Sandur Laminates Limited (quoted) 4,725,191 (As at 31.03.2014 : 4,725,191) equity shares of ₹10 each fully paid up (refer note 28) (Market value not ascertained as there was no trading)	879.67	879.67
HDFC Bank Limited (quoted) 2,500 (As at 31.03.2014 : 2,500) equity shares of ₹ 2 each fully paid up (Market value ₹25.57 lakh (As at 31.03.2014 : ₹18.70 lakh))	0.05	0.05
Investments in government or trust securities (unquoted)	-	0.01
	969.72	969.73
Total (A+B)	16,017.72	16,017.73
Less : Provision for diminution in the value of Investments	969.67	969.67
Total	15,048.05	15,048.06
Aggregate amount of quoted investments	0.05	0.05
Aggregate market value of listed and quoted investments	25.57	18.70
Aggregate amount of unquoted investments	15,048.00	15,048.01
Note 10 - Long-term loans and advances		
Capital advances (Unsecured, considered good)	254.35	249.03
Security deposits (Unsecured, considered good)	79.45	93.39
Advance to subsidiary company (Secured, considered good)	-	1,218.07
Tax payments, net of provisions (Unsecured, considered good) of ₹23,693.51 lakh (As at 31.03.2104 : ₹22,693.51 lakh)	3,876.45	2,402.76
MAT credit entitlement (Unsecured, considered good)	60.00	60.00
Advances for strategic alliance		
- Secured, considered good	600.00	600.00
- Unsecured, considered good	2,522.21	2,216.60
	3,122.21	2,816.60
Total	7,392.46	6,839.85



THE SANDUR MANGANESE & IRON ORES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2015 ₹ lakh	As at 31.03.2014 ₹ lakh
Note 11 - Other non-current assets		
Trade receivables from a subsidiary company	990.05	-
Deposits against guarantees with maturity of more than 12 months from the Balance Sheet date (refer note 15)	333.55	328.10
Total	1,323.60	328.10

	As at 31.03.2015 ₹ lakh			As at 31.03.2014 ₹ lakh		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Note 12 - Current investment						
Investments in Mutual Funds (At lower of cost and fair value unless otherwise stated)						
Sundaram Capital Protection Oriented Fund Series 3-3 Growth Nil units (As at 31.03.2014 : 1,000,000) of ₹10 each	-	-	-	100.00	-	100.00
ICICI Prudential Multiple Yield Fund Plan A Cumulative Nil units (As at 31.03.2014 : 1,000,000) of ₹10 each	-	-	-	100.00	-	100.00
Sundaram Capital Protection Oriented Fund 3 YRS SR4 Growth Nil units (As at 31.03.2014 : 1,000,000) of ₹10 each	-	-	-	100.00	-	100.00
Tata Capital Protection Oriented Fund - Series I - Growth 1,500,000 units (As at 31.03.2014 : 1,500,000 units) of ₹10 each	150.00	-	150.00	150.00	-	150.00
DSP BlackRock Income Opportunities Fund - Regular Plan - Growth Nil units (As at 31.03.2014 : 1,159,529 units) of ₹18.46 each	-	-	-	200.00	-	200.00
Pramerica Credit Opportunities Fund Growth Option 39,387 units (As at 31.03.2014 : 61,181 units) of ₹1,269.45 each (As at 31.03.2014 : ₹1,144.15 each)	500.00	-	500.00	700.00	-	700.00
DSP BlackRock Dual Advantage Fund -S11-36 Month Regular Plan - Growth 3,000,000 units (As at 31.03.2014 : 3,000,000 units) of ₹10 each	300.00	-	300.00	300.00	-	300.00
ICICI Prudential Regular Savings Fund Plan 4,030,665 units (As at 31.03.2014 : 4,030,665 units) of ₹12.40 each	500.00	-	500.00	500.00	-	500.00
Arthaveda Star Fund 19,775 units (As at 31.03.2014 : 19,775) of ₹1,000 each	-	197.75	197.75	-	197.75	197.75
Deutsche DWS Hybrid Fixed Term Fund-Series 14- Regular Plan Growth 1,000,000 units (As at 31.03.2014 : 1,000,000 units) of ₹10 each	100.00	-	100.00	100.00	-	100.00
Templeton India corporate Bond Opportunities Fund - Growth 4,206,807 units (As at 31.03.2014 : 4,206,807 units) of ₹11.89 each	500.00	-	500.00	500.00	-	500.00
Edelweiss Stressed & Troubled assets revival Fund 275 units (As at 31.03.2014 : 150 units) of ₹10,000 each	-	27.50	27.50	-	15.00	15.00



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	As at 31.03.2015			As at 31.03.2014		
	₹ lakh			₹ lakh		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
ICICI Pru Corporate Bond PlanA (G) 2,784,259 units (As at 31.03.2014 : 2,784,259 units) of ₹17.96 each	500.00	-	500.00	500.00	-	500.00
ICICI Pru MultiYield-Sr.5-PIA-RegG 1,000,000 units (As at 31.03.2014 : 1,000,000 units) of ₹10 each	100.00	-	100.00	100.00	-	100.00
Birla Sun Life Cash Manager - Daily Dividend - Regular plan Nil units (As at 31.03.2014 : 707,088 units) of ₹100.43 each	-	-	-	709.16	-	709.16
HSBC FTS -Series 106 (G) 1,000,000 units (As at 31.03.2014 : 1,000,000 units) of ₹10 each	100.00	-	100.00	100.00	-	100.00
ICICI Pru CPO V-B Reg (G) 1,700,000 units (As at 31.03.2014 : 1,700,000 units) of ₹10 each	170.00	-	170.00	170.00	-	170.00
DSP BlackRock Dual Advantage Fund - Series 29 - 40M - Reg - Gr 2,000,000 units (As at 31.03.2014 : Nil units) of ₹10 each	200.00	-	200.00	-	-	-
HDFC Corporate Debt Opportunities Fund - Regular - Growth 4,846,511 units (As at 31.03.2014 : Nil units) of ₹10.32 each	500.00	-	500.00	-	-	-
ICICI Prudential Capital Protection Oriented Fund VI Pan B-1100 Days Regular 1,000,000 units (As at 31.03.2014 : Nil units) of ₹10 each	100.00	-	100.00	-	-	-
Kotak Medium Team Fund - Growth (Regular Plan) 3,918,419 units (As at 31.03.2014 : Nil units) of ₹10.21 each	400.00	-	400.00	-	-	-
Sundaram Hybrid Fund SR H 5 YRS Regular Growth 1,000,000 units (As at 31.03.2014 : Nil units) of ₹10 each	100.00	-	100.00	-	-	-
DWS Hybrid Fixed Term Fund -Series.23 - Regular Plan - Growth 1,000,000 units (As at 31.03.2014 : Nil units) of ₹10 each	100.00	-	100.00	-	-	-
DSP BlackRock Income Opportunities Fund - Regular Plan - Growth 2,396,585 units (As at 31.03.2014 : Nil units) of ₹20.86 each	500.00	-	500.00	-	-	-
Reliance Corporation Bond Fund - Growth - Plan - CBGP 2,950,636 units (As at 31.03.2014 : Nil units) of ₹10.17 each	300.00	-	300.00	-	-	-
Axis Hybrid Fund -Series 14 (1274 days) - Growth - A4GP 2,000,000 units (As at 31.03.2014 : Nil units) of ₹10 each	200.00	-	200.00	-	-	-
DWS Hybrid Fixed Term Fund Series 32 - Regular Plan - Growth 2,000,000 units (As at 31.03.2014 : Nil units) of ₹10 each	200.00	-	200.00	-	-	-
UTI-Dual Advantage Fixed Term Fund - Series I - II Regular Plan- Growth 1,000,000 units (As at 31.03.2014 : Nil units) of ₹10 each	100.00	-	100.00	-	-	-
Total	5,620.00	225.25	5,845.25	4,329.16	212.75	4,541.91
Aggregate amount of quoted investments			5,620.00			4,329.16
Aggregate market value of listed and quoted investments			6,441.92			4,689.87
Aggregate amount of unquoted investments			225.25			212.75



THE SANDUR MANGANESE & IRON ORES LIMITED
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	As at 31.03.2015 ₹ lakh	As at 31.03.2014 ₹ lakh
Note 13 - Inventories		
(At lower of cost and net realisable value)		
Raw materials and components	1,200.58	75.05
Work-in-progress (Silico-manganese)	10.23	-
Finished goods	5,167.16	3,198.40
Stores and spares	111.82	174.40
Total	6,489.79	3,447.85
Note 14 - Trade receivables		
(Unsecured, considered good)*		
Trade receivables outstanding for a period exceeding six months from the due date	127.51	1,471.51
Other trade receivable	169.27	4,192.12
* includes ₹Nil (As at 31.03.2014 ₹1,578.67 lakh) due from a subsidiary company		
Total	296.78	5,663.63
Note 15 - Cash and cash equivalents		
Cash and cash equivalents		
Cash on hand	4.54	5.11
Balances with banks		
In current accounts	1,339.76	703.82
	1,344.30	708.93
Other bank balances		
Deposits against guarantees with maturity of more than 12 months from the balance sheet date	333.55	419.36
Less: Amount disclosed under non-current assets (note 11)	(333.55)	(328.10)
	-	91.26
Total	1,344.30	800.19
Note 16 - Short-term loans and advances		
Security deposits (Unsecured, considered good)	9.66	14.39
Loans and advances to employees (Unsecured, considered good)	29.32	25.21
Balances with government authorities (Unsecured, considered good)	584.43	169.01
Advance to vendors		
To a subsidiary company (Secured, Considered good)	891.75	-
To others (Unsecured, considered good)	509.12	2,100.97
Total	2,024.28	2,309.58
Note 17 - Other current assets		
Receivables on sale of fixed assets from subsidiary company	-	164.00
Interest accrued on deposits	2.63	35.33
Total	2.63	199.33



THE SANDUR MANGANESE & IRON ORES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	For the year ended 31 March, 2015 ₹ lakh	For the year ended 31 March, 2014 ₹ lakh
Note 18 - Revenue from operations		
Sale of products (refer note (i) below)	30,191.16	30,293.57
Other operating revenues (refer note (ii) below)	316.13	379.87
Revenue from operations (gross)	<u>30,507.29</u>	<u>30,673.44</u>
Less : Excise duty	<u>1,037.36</u>	<u>702.55</u>
Revenue from operations (net)	Total <u>29,469.93</u>	<u>29,970.89</u>
Notes :		
(i) Sale of products comprises:		
(a) Manganese ore	4,190.58	3,489.65
(b) Iron ore (Includes ₹ 731.20 lakh (previous year ₹ 4,289.20 lakhs) from sale of waste dumps))	14,520.27	17,193.51
(c) Silico-manganese	11,480.31	9,610.41
	<u>30,191.16</u>	<u>30,293.57</u>
(ii) Other operating revenues comprises:		
(a) Sale of scrap/ waste	0.88	0.19
(b) Other miscellaneous receipts	315.25	379.68
	<u>316.13</u>	<u>379.87</u>
Note 19 - Other income		
Interest income		
- On fixed-deposits with banks	63.17	41.33
- On long-term deposits	3.03	4.19
	<u>66.20</u>	<u>45.52</u>
Dividend income on current investments	268.40	299.28
Gain on sale of current investments (net)	-	2.80
Other non operating income		
- Rental income from operating leases	58.85	-
- Provisions/ liabilities no longer required written back	1.32	1,200.78
- Sale of petroleum products (Net of consumption of ₹ 1,494.02 lakh (previous year : ₹ 1,798.64 lakh))	7.60	34.07
	<u>67.77</u>	<u>1,234.85</u>
Total	402.37	1,582.45
Note 20 - Cost of materials consumed		
Material consumed comprises:		
- Manganese ore	1,310.31	435.18
- Coke	1,595.92	1,122.85
- Charcoal	191.91	203.79
- Other materials	202.99	131.70
Total	3,301.13	1,893.52





THE SANDUR MANGANESE & IRON ORES LIMITED
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	For the year ended 31 March, 2015 ₹ lakh	For the year ended 31 March, 2014 ₹ lakh
Note 21 - Changes in inventories of finished goods and work-in-progress		
Inventories at the beginning of the year		
Finished goods	3,198.40	2,898.35
Work-in-progress	-	15.11
	<u>3,198.40</u>	<u>2,913.46</u>
Inventories at the end of the year		
Finished goods	5,167.16	3,198.40
Work-in-progress	10.23	-
	<u>5,177.39</u>	<u>3,198.40</u>
Net (increase) / decrease	<u>(1,978.99)</u>	<u>(284.94)</u>
Note 22 - Employee benefits expense		
Salaries, wages and bonus	3,295.45	2,199.17
Contribution to provident and other funds (refer note 33)	650.20	166.55
Employee welfare expenses	1,152.02	1,076.42
Subsidy on food grains	431.64	440.78
Total	<u>5,529.31</u>	<u>3,882.92</u>
Note 23 - Finance costs		
Interest expense on delayed payment of taxes / statutory dues	235.24	1.57
Total	<u>235.24</u>	<u>1.57</u>
Note 24 - Other expenses		
Consumption of stores and spare parts	100.74	36.44
Subcontracting	7,912.18	5,414.14
Power and fuel	30.96	14.25
Rent (refer note 36)	17.62	21.79
Repairs and maintenance to:		
Plant and machinery	26.13	33.82
Buildings	296.14	232.88
Others	141.58	201.15
	<u>463.85</u>	<u>467.85</u>
Mine running expenses	5,473.43	7,866.04
Insurance	22.61	17.75
Rates and taxes	2,682.73	2,227.40
Travelling and conveyance	652.08	552.67
Freight loading and siding charges	774.32	521.17
Donations and contributions	206.50	7.00
Legal and professional (refer note 39)	374.05	453.87
Assets discarded	19.07	5.55
Bad trade receivables written off	17.42	36.11
Foreign exchange fluctuation (net)	59.86	0.87
Loss on fixed assets	89.37	-
Security charges	234.97	232.20
Expenditure on Corporate social responsibility (refer note 42)	597.16	926.48
Miscellaneous expenses	450.17	540.86
Total	<u>20,179.09</u>	<u>19,342.44</u>



THE SANDUR MANGANESE & IRON ORES LIMITED NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 25 - Contingent Liabilities and commitments (to the extent not provided for)

(i) Contingent Liabilities

a) Claims against the Company not acknowledged as debts:

₹ lakh

Particulars	As at 31.03.2015	As at 31.03.2014
Income tax (relating to disallowance of deduction)	1,322.71	924.10
Service tax (relating to applicability of tax)	293.35	293.35
Customs duty (relating to applicability of tax)	-	232.06
Others (relating to provident fund and other matters)	22.85	4.29

The above amounts have been arrived at based on the notice of demand or the Assessment Orders, as the case may be, and the Company is contesting these claims with the respective authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decisions of the appellate authorities and the Company's rights for future appeals before the judiciary. No reimbursements are expected.

b) Guarantees given by the Company:

₹ lakh

Particulars	As at 31.03.2015	As at 31.03.2014
Corporate guarantee issued to Customs authorities on behalf of subsidiary company	1,050.00	1,050.00

The Company has given the said guarantee in respect of fulfilment of the export obligations by the subsidiary company. There are no defaults as at the year end and no liability is expected.

(ii) Commitments:

₹ lakh

Particulars	As at 31.03.2015	As at 31.03.2014
Estimated amount of contracts remaining to be executed on capital account and not provided for	678.65	424.26

Note 26 - Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

There are no micro and small enterprises to whom the Company owes dues which are outstanding as at the balance sheet date. The information regarding Micro Enterprises and Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Note 27 - Disclosures as per Clause 32 of the Listing Agreements with the Stock Exchanges

Loans and advances in the nature of loans given to subsidiary :

₹ lakh

Particulars	Relationship	Amount Outstanding as at 31 March, 2015	Maximum amount outstanding during the year 2014-15
Star Metallics and Power Private Limited	Subsidiary	-	1,218.07
		(1,218.07)	(1,218.07)

Note: Figures in brackets relate to previous year.

Note 28 - As per the draft rehabilitation scheme of Sandur Laminates Limited and Sandur Micro Circuits Limited, the Company has given an undertaking not to dispose of its share holdings in Sandur Laminates Limited and Sandur Micro Circuits Limited without prior approval of Board for Industrial and Financial reconstruction (BIFR).

Note 29 - Trade payables do not include any amount to be credited to the Investor Education and Protection Fund.



THE SANDUR MANGANESE & IRON ORES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 30 - Value of Imports calculated on C.I.F. basis:

₹ lakh

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Raw materials	1,618.94	-
Total	1,618.94	-

Note 31 - Expenditure in foreign currency:

₹ lakh

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Travel	5.47	0.58

Note 32 - Details of consumption of imported and indigenous items:

Particulars	For the year ended 31 March, 2015	
	₹ lakh	%
Imported		
Raw Materials	890.70	27%
	(-)	(-)
Indigenous		
Raw Materials	2,410.43	73%
	(1,893.52)	(100%)
Total	3,301.13	100%
	(1,893.52)	(100%)

Note: Figures in brackets relates to previous year

Note 33 - Employee benefit plans:

a) Defined contribution plan

The Company makes Provident Fund, Superannuation Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹134.39 lakh (year ended 31 March 2014 - ₹120.40 lakh) for provident fund contributions to SMIORE Provident Fund Trust and ₹34.89 lakh (year ended 31 March 2014 ₹30.14 lakh) for superannuation fund contributions in the statement of profit and loss as part of contribution to provident and other funds in note 22 and ₹0.74 lakh (year ended 31 March 2014 - ₹0.68 lakh) for employee state insurance scheme contribution included as part of Employee welfare expenses in note 22. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

In case of SMIORE Provident Fund Trust interest rate payable by the Trust to its beneficiaries is as notified by the Government. The Company has an obligation to make good the short fall, between the return from the investments of the trust and the notified interest rate and recognise such shortfall as an expense. Based on management assessment, there is no shortfall in the interest payable by the trust to the beneficiaries as on the balance sheet date.



THE SANDUR MANGANESE & IRON ORES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

b) Defined benefit plan - Funded

The Company makes annual contributions to an Insurance Managed fund to fund its gratuity liability. The scheme provides for lump sum payment to vested employees on retirement, death while in employment or on termination of employment as per the Company's Gratuity Scheme, vesting occurs upon completion of three years of service.

The following table sets out the funded status and amount recognised in the Company's financial statements for Gratuity.

₹ lakh

	Particulars	For the Year ended 31 March, 2015	For the Year ended 31 March, 2014
I	Net asset/(liability) recognised in the balance sheet		
1	Present value of funded obligations - A	1,891.53	1,370.96
2	Fair value of plan Asset - B	1,410.61	1,354.95
3	(Deficit)/ surplus (B-A)	(480.92)	(16.01)
4	Net (asset)/ liability		
	- Asset	-	-
	- Liability	480.92	16.01
II	Expenses recognised to the statement of profit and loss under contribution to provident and other funds in note 22		
1	Current service cost	42.42	46.63
2	Interest on defined benefit obligation	100.14	87.80
3	Expected return on plan assets	(83.47)	(84.13)
4	Net actuarial losses / (gains) recognised during the year	421.83	(34.29)
5	Past service cost	-	-
6	Losses / (gains) on curtailments & settlements	-	-
	Total	480.92	16.01
III	Actual return on plan assets	134.79	58.67
IV	Change in defined benefit obligation (DBO) during the year		
1	Present value of DBO at the beginning of the year	1,370.96	1,369.17
2	Service cost	42.42	46.63
3	Interest cost	100.14	87.80
4	Actuarial losses/ (gains)	473.15	(59.75)
5	Actuarial losses/ (gains) due to curtailment	-	-
6	Benefits paid	(95.14)	(72.89)
7	Present value of DBO at the end of the year	1,891.53	1,370.96
V	Change in fair value of plan assets		
1	Opening fair value of plan assets	1,354.95	1,313.12
2	Expected return	83.47	84.13
3	Actuarial gains/ (losses)	51.32	(25.46)
4	Assets distributed on settlements	-	-



THE SANDUR MANGANESE & IRON ORES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

5	Contributions by employer	16.01	56.05
6	Benefits paid	(95.14)	(72.89)
7	Closing fair value of plan assets	1,410.61	1,354.95
VI The major categories of plan assets as a percentage of total plan assets:			
1	Government of India Securities	38.00%	48.95%
2	Corporate bonds	54.56%	44.63%
3	Others	7.44%	6.42%
VII Principal actuarial assumptions:			
1	Discount rate	7.95% pa	9.30% pa
2	Expected rate of return on plan assets	8.00% pa	8.00% pa
3	Salary escalation	6.00% pa	6.00% pa
4	Attrition rate	2.00% pa	2.00% pa
VIII Estimate of amount of contribution in the immediate next year			
		480.92	16.01
IX The employees are assumed to retire normally at the age of 60 years.			
X The mortality rates considered are as per the published rates under the Indian Assured Life Mortality (2006-08) UIT tables.			

₹ lakh

XI	Particulars	Summary of defined benefit obligation / plan assets and experience adjustments				
		31.03.15	31.03.14	31.03.13	31.03.12	31.03.11
1	Defined benefit obligation	1,891.53	1,370.96	1,369.17	1,260.59	1,130.22
2	Plan assets	1,410.61	1,354.95	1,313.12	1,149.67	830.41
3	Surplus / (deficit)	(480.92)	(16.01)	(56.05)	(110.92)	(299.81)
4	Experience adjustments on plan liabilities	363.25	22.51	2.82	35.89	334.39
5	Experience adjustments on plan assets	51.32	(25.46)	48.52	46.21	(5.39)

Expected rate of return on plan assets is based on average yield on investments.



THE SANDUR MANGANESE & IRON ORES LIMITED
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c) Other long term benefits - Unfunded

The defined benefit obligations which are provided for but not funded are as under:

	₹ lakh	
	Liability as at 31.03.2015	Liability as at 31.03.2014
Compensated absences		
- Current	164.01	174.11
- Non-current	281.81	159.43
Total	445.82	333.54
Pension		
- Current	127.38	114.32
- Non-current	1,322.59	787.13
Total	1,449.97	901.45

The actuarial valuation has been carried out using projected unit credit method in respect of compensated absences based on assumptions given in respect of gratuity valuation.

Note : The discount rate for defined benefit plan and other long term benefits is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations. The estimate of future salary increases considered for defined benefits plan and other long term benefits takes into account the inflation, seniority, promotion, increments and other relevant factors.

Note 34 - Related party disclosures

Name of related parties and description of relationship

1	Holding Company	None
2	Subsidiary	Star Metallics and Power Private Limited
3	Enterprise having significant influence over the Company	Skand Private Limited
4	Key Management Personnel (KMP)	i) S.Y. Ghorpade, Chairman & Managing Director
		ii) Nazim Sheikh, Joint Managing Director
		iii) S.H. Mohan, Executive Director (Project)
		iv) S.R. Sridhar, Executive Director (Mines)
		v) U.R. Acharya, Director (Commercial)
		vi) K. Raman, Director (Finance)
5	Relative of KMP	Aditya Shivrao Ghorpade
		Dhananjai Shivrao Ghorpade
		Mubeen A Sheriff



THE SANDUR MANGANESE & IRON ORES LIMITED
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Details of related party transactions during the year ended 31 March 2015 and balance outstanding as at 31 March 2015

a) Subsidiary

₹ lakh

Particulars	2014-15	2013-14
Transactions during the year		
- Sale of Silicomanganese	1,479.66	2,359.40
- Subcontracting	7,912.18	5,414.14
- Purchase of raw material	53.89	64.26
- Recovery of expenses	16.25	6.63
Closing balance at the year end		
Trade receivable	990.05	1,742.67
Loans and advances	891.75	1,218.07
Guarantee given on behalf of subsidiary company	1,050.00	1,050.00

b) Enterprise having significant influence over the company

₹ lakh

Particulars	2014-15	2013-14
Transactions during the year		
- Purchase of fixed assets	870.08	-
- Reimburesment of expenses	25.00	-
Closing balance at the year end		
Loans and advances	0.50	25.00

c) Key Management Personnel

₹ lakh

Sl No.	Name of KMP	Remuneration		Commission		Total Remuneration	
		31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14
1	S. Y. Ghorpade	113.22	94.99	-	5.30	113.22	100.29
2	Nazim Sheikh	103.05	86.94	-	5.30	103.05	92.24
3	S. H. Mohan	100.68	85.61	-	5.30	100.68	90.91
4	S. R. Sridhar	67.35	55.35	-	5.30	67.35	60.65
5	U.R. Acharya	59.32	50.27	-	5.30	59.32	55.57
6	K. Raman	58.73	49.49	-	5.30	58.73	54.79
	Total	502.35	422.65	-	31.80	502.35	454.45



THE SANDUR MANGANESE & IRON ORES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Key Management Personnel (KMP) (continued)

₹ lakh

SI No.	Name of KMP	Amounts payable at the year end	
		31.03.15	31.03.14
1	S. Y. Ghorpade	5.17	8.78
2	Nazim Sheikh	5.91	7.85
3	S. H. Mohan	4.00	8.66
4	S. R. Sridhar	3.96	6.38
5	U.R. Acharya	4.29	4.81
6	K. Raman	3.84	4.73
	Total	27.17	41.21

d) Relative of KMP

₹ lakh

SI No.	Name of KMP	Remuneration		Amounts payable at the year end	
		31.03.15	31.03.14	31.03.15	31.03.14
1	Aditya Shivrao Ghorpade	20.26	14.08	0.73	2.72
2	Dhananjai Shivrao Ghorpade	13.22	10.62	0.90	0.88
3	Mubeen A. Sherriff	14.11	7.80	1.50	0.74

Note 35 - Segment reporting

a) Primary segments (business segments)

₹ lakh

Particulars	Mining		Ferroalloy & Power		Steel		Unallocable		Elimination		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
REVENUE												
External sales	18,997.26	21,036.70	10,446.72	8,909.11	-	0.19	25.95	24.89	-	-	29,469.93	29,970.89
Inter Segment Revenue	1,080.60	1,007.54	-	-	-	-	-	-	(1,080.60)	(1,007.54)	-	-
Total revenue	20,077.86	22,044.24	10,446.72	8,909.11	-	0.19	25.95	24.89	(1,080.60)	(1,007.54)	29,469.93	29,970.89
RESULT												
Segment	4,440.25	4,566.05	(1,027.06)	1,575.93	-	(11.44)	-	-	-	-	3,413.19	6,130.54
Unallocable corporate (expense) / income (net)	-	-	-	-	-	-	(1,060.84)	(331.72)	-	-	(1,060.84)	(331.72)
Operating profit/ (loss)	4,440.25	4,566.05	(1,027.06)	1,575.93	-	(11.44)	(1,060.84)	(331.72)	-	-	2,352.35	5,798.82
Finance costs	-	-	-	-	-	-	(235.24)	(1.57)	-	-	(235.24)	(1.57)
Profit/ (loss) before taxes	4,440.25	4,566.05	(1,027.06)	1,575.93	-	(11.44)	(1,296.08)	(333.29)	-	-	2,117.11	5,797.25
Tax expense	-	-	-	-	-	-	(681.48)	(1,960.00)	-	-	(681.48)	(1,960.00)
Profit/ (loss) for the year	4,440.25	4,566.05	(1,027.06)	1,575.93	-	(11.44)	(1,977.56)	(2,293.29)	-	-	1,435.63	3,837.25
OTHER INFORMATION												
Segment assets	7,121.79	12,203.28	19,851.68	18,312.08	3,168.81	2,865.19	20,116.69	15,243.11	-	-	50,258.97	48,623.66
Segment liabilities	10,416.43	9,598.91	468.22	796.72	0.04	0.31	596.47	546.48	-	-	11,481.16	10,942.42
Capital expenditure including capital work-in-progress	340.64	175.41	7.74	15.22	-	-	1,145.85	116.60	-	-	1,494.23	307.23
Depreciation and amortisation expenses	182.72	801.15	39.46	26.95	-	-	267.23	92.48	-	-	489.41	920.58
Other significant non-cash expenses	17.42	41.66	-	-	-	-	108.44	-	-	-	125.86	41.66

Note 1 : Primary business segments have been identified on the basis of distinguishable businesses in which the Company is engaged.

Note 2 : Inter segment transfer from the mining segment is measured at cost.

b) The Company operates in a single geographical segment and accordingly, secondary segments for geographical segment, as envisaged in Accounting Standard - 17 on Segment Reporting are not applicable.



THE SANDUR MANGANESE & IRON ORES LIMITED NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 36 - Details of leasing arrangements:

As Lessor

The Company has entered into operating lease arrangements for certain surplus facilities. The lease is non-cancellable for a period of 3 years and is renewable by mutual consent.

Particulars	₹ lakh	
	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Not later than one year	59.58	-
Later than one year and not later than five years	46.34	-
Later than five years	-	-

As Lessee

The Company has entered into operating leases in respect of office premises and residential premise. The leasing arrangements are cancellable and are renewable by mutual consent. The lease rentals charged to the statement of profit and loss in respect of these leases amounts to ₹ 17.62 lakh (2013-14 : ₹ 21.79 lakh)

Note 37 - Earnings per share

Particulars	2014-15	2013-14
Net profit after tax - ₹lakh	1,435.63	3,837.25
Weighted average number of equity shares	8,750,000	8,750,000
Nominal value of share - ₹	10.00	10.00
Basic and diluted earnings per share - ₹	16.41	43.85

Note 38 - Accounting for taxes on Income

Details of deferred tax assets / (liabilities) are as below:

	₹ lakh			
	Opening balance	Transition adjustment (refer note 41)	Tax effect for the year	As at 31.03.2015
Deferred tax (liability)				
Fixed assets	(84.29)	11.91	(120.31)	47.93
Sub total	(84.29)	11.91	(120.31)	47.93
Deferred tax asset				
Provision for employee benefit	419.77	-	(236.36)	656.13
Others	2,034.52	-	38.15	1,996.37
Sub total	2,454.29	-	(198.21)	2,652.50
Net deferred tax asset / (liability)	2,370.00	11.91	(318.52)	2,700.43



THE SANDUR MANGANESE & IRON ORES LIMITED
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Note 39 - Payment to Auditor's : (included under legal and professional note 24)

₹ lakh

To Statutory Auditor's	2014-15	2013-14
For Audit	19.00	19.00
For Taxation matters	4.50	4.50
For other services	23.00	23.15
For Reimbursement of		
- out of pocket expenses	0.65	0.58
- levies	6.32	5.76
	53.47	52.99

Note 40 - Production / purchase, sales, opening and closing stock of finished goods

Quantity tonnes

Particulars	Opening stock	Production/ purchase	Internal Consumption	Sales	Closing stock	[Excess] / Shortage
Manganese Ore	69,444	160,909	30,344	99,113	100,896	-
	(60,777)	(102,372)	(30,292)	(62,029)	(69,444)	(1,384)
Iron Ore	404,419	516,285	-	562,186	358,518	-
	(200,091)	(712,362)	(-)	(504,100)	(404,419)	(3,934)
Silico-Manganese	1,035	23,050	-	20,774	3,311	-
	(1,396)	(18,241)	(-)	(18,603)	(1,035)	([1])

Notes:

- a) Iron ore production and sales excludes 87,990 tonnes (previous year: 405,856 tonnes) salvaged from waste dumps.
b) Previous year figures are in brackets.

Note 41 - During the year, pursuant to the notification of Schedule II to the 2013 Act with effect from April 1, 2014, the Company has revised the estimated useful life of its assets to align the useful life with those specified in Schedule II. The details of previously applied depreciation rates / useful lives and revised useful lives are as follows:

Asset	Previous depreciation rate / useful life	Revised useful life
Buildings	1.63%*, 5%** / 60 years	3 / 30 / 60 years
Railway sidings	13.91%** / 20 years	15 years
Plant and equipment	4.75%*, 13.91%** / 20 years	10 / 15 years
Furniture and fixtures	13.91%***, 18.10%***, 25.89%** / 10, 15, 20 years	10 years
Vehicles	20%***, 25.89%***, 30%** / 9, 10, 14 years	8 / 10 years
Office equipment	13.91%***, 16.21%*, 25.89%***, 40%** / 6, 10, 20 years	3 / 5 / 6 / 10 years

* Straight line basis

** Written down value basis

Pursuant to the transition provisions prescribed in Schedule II to the 2013 Act, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and has adjusted at an amount of ₹ 23.12 lakh (net of deferred tax of ₹ 11.91 lakh) against the opening surplus balance in the statement of profit and loss.

The depreciation expense in the statement of profit and loss for the year is higher by ₹ 207.41 lakh consequent to the above change in the useful life of assets.




THE SANDUR MANGANESE & IRON ORES LIMITED NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 42 - Expenditure on corporate social responsibility (as per section 135 of the 2013 Act).

- (a) Gross amount required to be spent by the company during the year ₹ 80.69 lakh.
(b) Amount spent during the year on : (included under expenditure on corporate social responsibility note 24)

	₹ lakh		
	In Cash	Yet to be paid in cash	Total
1. Construction / acquisition of any asset	-	-	-
2. On purposes other than (1) above	102.91	-	102.91

Note 43 - Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

In terms of our report attached 
For DELOITTE HASKINS & SELLS
Chartered Accountants

Signatures to notes 1 to 43
For and on behalf of the Board of Directors

MONISHA PARIKH
Partner

S.Y.GHORPADE
Chairman & Managing Director

NAZIM SHEIKH
Joint Managing Director

MD. ABDUL SALEEM
CS & CGM (Mines)

K. RAMAN
Director (Finance) & CFO

Place: Bangalore
Date : 27 May 2015



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE SANDUR MANGANESE & IRON ORES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **THE SANDUR MANGANESE & IRON ORES LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used by the Directors of the Holding Company for the purpose of preparation of the consolidated financial statement, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditor's report of the Holding company and subsidiary company incorporated in India, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2) As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note 7 and 26 (i) a) to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 008072S)

Monisha Parikh
Partner
(Membership No.47840)

Bangalore, May 27, 2015
MP/UB/CSK/2015



ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of its fixed assets of the Holding Company and its subsidiary company incorporated in India:
 - (a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) Some of the fixed assets of the Holding Company and all the fixed assets of the subsidiary company incorporated in India were physically verified during the year by the Management of the respective entities in accordance with a regular programme of physical verification which, in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (ii) In respect of its inventories of the Holding Company and subsidiary Company incorporated in India:
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management of the respective entities were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the respective entities have maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) The Holding Company and its subsidiary company incorporated in India have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Act by the respective entities.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased by the Holding Company and most of the items purchased by its subsidiary company incorporated in India, are of a special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system in the Holding Company and its subsidiary company incorporated in India commensurate with the size of their respective entities and the nature of their business with regard to purchases of inventory, fixed assets and for the sale of goods and services. During the course of our audit, no major weakness in such internal control system has been observed.
- (v) According to the information and explanations given to us, the Holding Company and its subsidiary company incorporated in India have not accepted any deposits during the year. In respect of unclaimed deposits, existing as on the date of commencement of Act, the Holding Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Act other than filing the Statements of deposits with the Registrar. There were no unclaimed deposits in respect of the subsidiary company incorporated in India.
- (vi) According to the information and explanations given to us and the other auditor, in our opinion and the opinion of the other auditor, the Holding Company and its subsidiary Company incorporated in India have, *prima facie*, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Act. Neither we nor the other auditor have, however, made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues of the Holding Company and its subsidiary company incorporated in India;



- (a) The respective entities have generally been regular in depositing undisputed dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to the respective entities with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on 31st March, 2015 on account of disputes are given below:

Nature of Dues	Forum where Dispute is Pending	Amount Involved (₹ lakh)
Income tax including interest	The Commissioner of Income tax (Appeals)	509.78
Customs duty including interest	High Court of Andhra Pradesh	316.08
Service tax	Supreme Court	293.34

- (d) There were no amounts which was required to be transferred by its aforesaid entities to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.
- (viii) The Group does not have consolidated accumulated losses as at the end of the financial year. The Group has not incurred cash losses on a consolidated basis during the current financial year covered by our audit and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Holding Company and its subsidiary company incorporated in India have not taken any loans from banks or financial institutions or have not issued any debentures.
- (x) According to the information and explanations given to us, the Holding Company and its subsidiary company incorporated in India have not given any guarantees during the year for loans taken by others from banks or financial institutions.
- (xi) In our opinion and according to the information and explanations given to us, the Holding Company and its subsidiary company incorporated in India did not avail any term loans during the year.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Holding Company and its subsidiary company incorporated in India and no material fraud on the Holding Company and its subsidiary company incorporated in India have been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 008072S)

Monisha Parikh
Partner
(Membership No.47840)

Bangalore, May 27, 2015
MP/UB/CSK/2015



THE SANDUR MANGANESE & IRON ORES LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2015

	Note No.	As at 31.03.2015 ₹ lakh	As at 31.03.2014 ₹ lakh
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	875.00	875.00
(b) Reserves and surplus	4	35,058.70	32,855.24
		<u>35,933.70</u>	<u>33,730.24</u>
2 Minority Interest		2,932.97	2,688.03
3 Non-current liabilities			
(a) Other long-term liabilities	5	196.78	196.78
(b) Long-term provisions	6	1,641.45	960.01
		<u>1,838.23</u>	<u>1,156.79</u>
4 Current liabilities			
(a) Trade payables		4,168.93	5,266.57
(b) Other current liabilities	7	7,800.12	7,936.11
(c) Short-term provisions	8	625.48	617.95
		<u>12,594.53</u>	<u>13,820.63</u>
	TOTAL	<u>53,299.43</u>	<u>51,395.69</u>
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9(a)	22,381.80	22,054.50
(ii) Capital work-in-progress		439.86	456.02
		<u>22,821.66</u>	<u>22,510.52</u>
(b) Goodwill on consolidation		149.99	149.99
(c) Non-current investments	10	0.05	0.06
(d) Deferred tax assets (net)	33	2,700.43	2,370.00
(e) Long-term loans and advances	11	7,899.13	6,143.35
(f) Other non-current assets	12	497.62	536.86
		<u>34,068.88</u>	<u>31,710.78</u>
2 Current assets			
(a) Current investments	13	5,845.25	4,541.91
(b) Inventories	14	8,346.38	5,913.57
(c) Trade receivables	15	572.13	4,092.10
(d) Cash and cash equivalents	16	2,914.08	2,088.52
(e) Short-term loans and advances	17	1,534.83	2,808.42
(f) Other current assets	18	17.88	240.39
		<u>19,230.55</u>	<u>19,684.91</u>
	TOTAL	<u>53,299.43</u>	<u>51,395.69</u>

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants

For and on behalf of the Board of Directors

MONISHA PARIKH
Partner

S.Y.GHORPADE
Chairman & Managing Director

NAZIM SHEIKH
Joint Managing Director

MD. ABDUL SALEEM
CS & CGM (Mines)

K. RAMAN
Director (Finance) & CFO

Place: Bangalore
Date : 27 May 2015



THE SANDUR MANGANESE & IRON ORES LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2015

	Note No.	For the year ended 31 March, 2015 ₹ lakh	For the year ended 31 March, 2014 ₹ lakh
I. Revenue from operations (gross)	19	36,099.25	35,397.11
Less: Excise duty		1,037.36	702.55
Revenue from operations (net)		35,061.89	34,694.56
II. Other income	20	542.35	1,758.82
III. Total revenue (I + II)		35,604.24	36,453.38
IV. Expenses:			
(a) Cost of materials consumed	21	3,366.95	1,925.32
(b) Cost of coal consumed for power generation		9,355.08	6,898.11
(c) Changes in inventories of finished goods and work-in-progress	22	(1,978.99)	(284.94)
(d) Employee benefits expense	23	5,909.96	4,229.63
(e) Finance costs	24	236.26	1.72
(f) Depreciation and amortisation expense	9(c)	958.57	1,779.04
(g) Other expenses	25	14,281.88	16,308.28
Total expenses		32,129.71	30,857.16
V. Profit before tax (III-IV)		3,474.53	5,596.22
VI. Tax expense/ (benefit) :			
(a) Current tax		1,000.00	1,590.00
(b) Deferred tax	33	(318.52)	370.00
		681.48	1,960.00
VII. Profit after tax before minority interest (V-VI)		2,793.05	3,636.22
VIII. Share of profit/ (loss) to minority interest		244.94	(45.24)
IX. Profit for the year attributable to equity shareholders of the Company (VII-VIII)		2,548.11	3,681.46
X. Earnings per equity share of ₹ 10 each :			
Basic and diluted (₹)	32	29.12	42.07

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants

For and on behalf of the Board of Directors

MONISHA PARIKH
Partner

S.Y.GHORPADE
Chairman & Managing Director

NAZIM SHEIKH
Joint Managing Director

MD. ABDUL SALEEM
CS & CGM (Mines)

K. RAMAN
Director (Finance) & CFO

Place: Bangalore
Date : 27 May 2015



THE SANDUR MANGANESE & IRON ORES LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2015

	2014-15 ₹ lakh	2013-14 ₹ lakh
A. Cash flow from operating activities		
Profit before tax and share of loss of minority interest	3,474.53	5,596.22
Adjustments for :		
- Depreciation and amortisation expense	958.57	1,779.04
- Assets discarded	19.07	5.55
- Bad trade receivables and advances written off	19.67	36.11
- Provision for doubtful trade receivables and loans and advances	14.47	0.71
- Loss on sale of fixed assets (net)	89.74	-
- Finance costs	236.26	1.72
- Interest income	(116.88)	(85.05)
- Gain on sale of current investments (net)	-	(2.80)
- Dividend income from investments	(268.40)	(299.28)
- Provisions/ liabilities no longer required written back	(1.32)	(1,200.78)
Operating profit before working capital changes	<u>4,425.71</u>	<u>5,831.44</u>
Adjustments for (increase)/ decrease in operating assets:		
- Inventories	(2,432.81)	(1,928.49)
- Trade receivables	3,490.41	(2,287.57)
- Short-term loans and advances	1,269.01	1,259.52
- Other current assets	191.46	(191.46)
- Long-term loans and advances	(290.44)	(256.94)
Adjustments for increase/(decrease) in operating liabilities:		
- Trade payables	(1,330.64)	2,896.71
- Other current liabilities	38.33	(529.04)
- Short-term provisions	(1.30)	(20.06)
- Long-term provisions	681.44	(21.12)
Cash generated from operations	<u>6,041.17</u>	<u>4,752.99</u>
- Income tax paid	(2,463.25)	(3,122.99)
Net cash flow from operating activities (A)	<u>3,577.92</u>	<u>1,630.00</u>
B. Cash flow from investing activities		
Capital expenditure on fixed assets (including capital work-in-progress and advances on capital account)	(1,740.64)	(590.64)
Proceeds from sale of fixed assets	145.09	0.49
Bank balances not considered as Cash and cash equivalents	(94.64)	(128.80)
(Purchase) / sale of current investments (net)	(1,303.34)	(524.13)
Proceeds from sale of non-current investment	0.01	-
Interest received	147.93	76.17
Dividend received from current investments	268.40	299.28
Net cash flow used in investing activities (B)	<u>(2,387.91)</u>	<u>(867.63)</u>



THE SANDUR MANGANESE & IRON ORES LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2015

	2014-15 ₹ lakh	2013-14 ₹ lakh
C. Cash flow from financing activities		
Dividends paid	(262.50)	-
Tax on dividend	(44.61)	-
Finance costs	(1.94)	(1.72)
Net cash flow used in financing activities (C)	<u>(309.05)</u>	<u>(1.72)</u>
Net cash flow during the year (A+B+C)	<u>880.96</u>	<u>760.65</u>
Cash and cash equivalents (opening balance)	1,846.26	1,085.61
Cash and cash equivalents (closing balance)	<u>2,727.22</u>	<u>1,846.26</u>
Increase/ (decrease) in cash and cash equivalents	<u>880.96</u>	<u>760.65</u>
Note:		
Cash and cash equivalents as per balance sheet (refer note 16)	2,914.08	2,088.52
Less: Deposits against guarantee	186.86	242.26
Cash and cash equivalents as reported above	<u>2,727.22</u>	<u>1,846.26</u>

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
for DELOITTE HASKINS & SELLS
Chartered Accountants

for and on behalf of the Board of Directors

MONISHA PARIKH
Partner

S.Y.GHORPADE
Chairman & Managing Director

NAZIM SHEIKH
Joint Managing Director

MD. ABDUL SALEEM
CS & CGM (Mines)

K. RAMAN
Director (Finance) & CFO

Place : Bangalore
Date : 27 May 2015



THE SANDUR MANGANESE & IRON ORES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. The Consolidated Financial Statements comprise the financial statements of The Sandur Manganese & Iron Ores Limited ("the Company") and its subsidiary named Star Metallics and Power Private Limited ("SMPPL").

SMPPL is incorporated in India and the Company's ownership interest and voting power is 81.24% (As at 31.03.2014 : 81.24%) as at the balance sheet date.

The financial statements of SMPPL are drawn up to the same reporting date as that of the Company i.e. 31 March, 2015 and are audited.

The difference between the costs of investment in SMPPL over the Company's portion of equity of SMPPL is recognised as Goodwill.

Minority interest in the net assets of consolidated subsidiary is identified and presented in the consolidated balance sheet separately from liabilities and the equity of the Company's shareholders.

Minority interest in the net assets of consolidated subsidiary consists of:

- The amount of equity attributable to minorities at the date on which investment in subsidiary is made; and
- The minorities' share of movements in equity since the date parent subsidiary relationship came into existence.

Minority interest in the net profit/(loss) for the year of consolidated subsidiary is identified and adjusted against the profit/(loss) after tax of the group.

2. Significant accounting policies

2.1 Basis of accounting and preparation of consolidated financial statements

The consolidated financial statements of the Company and its subsidiary (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

2.2. Use of estimates

The Group uses prudent and reasonable assumptions and estimates in the preparation of its consolidated financial statements, and these are reflected in the reported amounts of income and expenses during the year, and the reported balances of assets and liabilities, and disclosures relating to contingent liabilities, as at the date of the consolidated financial statements.

2.3. Fixed assets

Fixed assets are capitalised at acquisition cost including directly attributable cost of bringing the asset to its working condition for the intended use. Certain assets have been revalued as on 31 March, 1985 and the resultant surplus has been added to the cost of the assets.

2.4. Depreciation/Amortisation

Depreciation amount for assets is the cost of an asset or the amount substituted for costs, less its estimated residual value. The Group's assets at head office and mines (including assets transferred to plant from these locations) are depreciated on the written down value method and at plant (including assets transferred to other locations from plant) are depreciated on the straight line method over the useful life and in the manner prescribed in Schedule II to the 2013 Act.

Mining lease rights are amortised over the useful life of the mine or lease period, whichever is shorter.

2.5. Impairment of fixed assets

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Group's fixed assets. If any indication exists, an impairment loss is recognised when the carrying amount exceeds greater of net selling price and value in use.



THE SANDUR MANGANESE & IRON ORES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.6. Foreign currency transaction

Foreign exchange transactions are recorded at the exchange rates prevailing on the date of transaction. Foreign exchange rate fluctuations relating to monetary assets and liabilities are restated at the year-end rates. The net loss or gain arising on restatement/ settlement, if any, is adjusted to the consolidated statement of profit and loss.

In respect of forward exchange contracts, the premium or discount arising at the inception of such a forward exchange contract is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the consolidated statement of profit and loss of the reporting period in which the exchange rates change.

2.7. Investments

All long term investments are valued at cost. However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of investments.

Current investments are carried individually, at lower of cost and fair value.

2.8. Inventories

Inventories are valued at lower of cost and net realisable value.

The method of determination of cost of various categories of inventories is as follows:

- (a) Stores and spare parts: Monthly weighted average rates;
- (b) Raw materials: Monthly weighted average rates; and
- (c) Work-in-progress and finished goods: Full absorption costing method based on annual cost of production.

2.9. Revenue recognition

Revenue from sale of goods is recognised on despatch of goods to customers from plant or stock points as applicable when significant risks and rewards of ownership are considered to be transferred and realisation can be reasonably assumed. In case of service income, revenue is recognised when the service is rendered to the customer.

Revenue from sale of power is recognised based on the power generated and supplied per applicable rates from time to time.

2.10. Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

2.11. Employee benefits

Short-term employee benefits are recognised as an expense at the undiscounted amount in the consolidated statement of profit and loss of the year in which the related services are rendered by the employees.

Post employment benefits are recognised as an expense in the consolidated statement of profit and loss of the year in which the employee has rendered services. The expense is recognised at the present value of the amount payable towards contributions. The present value is determined using the market yields of government bonds, at the balance sheet date, at the discounting rate.

Other long-term employee benefits are recognised as an expense in the consolidated statement of profit and loss of the period in which the employee has rendered services. Estimated liability on account of long-term benefits is discounted to the present value, using the market yields on government bonds, as on the date of the balance sheet, at the discounting rate.

Actuarial gains and losses in respect of past employment and other long term benefits are charged to the consolidated statement of profit and loss on an accrual basis.



THE SANDUR MANGANESE & IRON ORES LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.12. Segment accounting

Segments are identified based on the types of products and the internal organisation and management structure. The Group has identified business segment as its primary segment with secondary information reported geographically.

The Group's primary segments consist of Mining, Ferroalloys & Power and Steel.

Unallocable represents other income and expenses which relate to the Group as a whole and are not allocated to segments.

2.13. Cash flow statement

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

2.14. Taxation

Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961.

Deferred tax

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Minimum alternate tax (MAT)

Minimum alternate tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax in the future years. Accordingly, MAT is recognised as an asset in the balance sheet where it is highly probable that the future economic benefit associated with it will flow to the Group and the asset can be measured reliably.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the consolidated statement of profit and loss.

2.15. Provisions and contingencies

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but are disclosed in the notes.

Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

2.16. Operating cycle

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III of the 2013 Act. Normal operating cycle is based on the time between the acquisition of assets for processing and their realisation into cash and cash equivalents.



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Note 3 - Share capital	As at 31.03.2015 ₹ lakh	As at 31.03.2014 ₹ lakh
i) Authorised		
14,000,000 (As at 31.03.2014 : 14,000,000) equity shares of ₹ 10 each with voting rights	1,400.00	1,400.00
100,000 (As at 31.03.2014 : 100,000) 'B' 16 % (subject to tax) redeemable cumulative preference shares of ₹ 100 each	100.00	100.00
ii) Issued, subscribed and fully paid up		
Equity shares of ₹ 10 each with voting rights	875.00	875.00
	875.00	875.00

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Opening balance	Fresh issue/ Other changes	Closing balance
Equity share with voting rights (Issued, subscribed and fully paid up)			
Year ended 31.03.2015			
- Number of shares	8,750,000	-	8,750,000
- Amount (₹ lakh)	875.00	-	875.00
Year ended 31.03.2014			
- Number of shares	8,750,000	-	8,750,000
- Amount (₹ lakh)	875.00	-	875.00

(ii) Rights, preferences and restrictions attached to equity shares :

The Company has only one class of equity share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by Board of Directors is subject to approval by the shareholders at the ensuing Annual General Meeting. In the event of liquidation of the Company, the equity shareholders are entitled to receive only residual assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholder.

(iii) Shareholders holding more than 5% shares in the Company

Name of shareholders Equity shares with voting rights	As at 31.03.2015		As at 31.03.2014	
	No. of shares held	% holding in that class of shares	No. of shares held	% holding in that class of shares
Skand Private Limited	1,960,719	22.41	2,032,719	23.23
Sattari Engineering Enterprises Private Limited	1,552,721	17.75	1,683,121	19.24
Sunshine Real Estate & Constructions Private Limited	1,130,100	12.92	998,100	11.41



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	As at 31.03.2015	As at 31.03.2014
	₹ lakh	₹ lakh
Note 4 - Reserves and surplus		
Capital redemption reserve	100.65	100.65
Securities premium account	967.23	967.23
General reserve		
Opening balance	3,788.11	3,404.38
Add : Transferred from surplus in consolidated statement of profit and loss	-	383.73
Closing balance	3,788.11	3,788.11
Surplus in consolidated statement of profit and loss		
Opening balance	27,999.25	25,008.63
Less: Depreciation on transition to Schedule II of the 2013 Act, on tangible fixed assets with nil remaining useful life (Net of deferred tax ₹ 11.91 lakh) (refer note 35)	28.71	-
	27,970.54	25,008.63
Add: Profit for the year	2,548.11	3,681.46
	30,518.65	28,690.09
Less:		
Transferred to general reserves	-	383.73
Dividends proposed to be distributed to equity shareholders ₹ 3 per share (previous year ₹ 3 per share)	262.50	262.50
Tax on dividend	53.44	44.61
Closing balance	30,202.71	27,999.25
Total	35,058.70	32,855.24
Note 5 - Other long-term liabilities		
Interest accrued but not due on borrowings	168.78	168.78
Security deposits	28.00	28.00
Total	196.78	196.78
Note 6 - Long-term provisions		
Provision for employee benefits:		
- Provision for pension	1,322.59	787.13
- Provision for compensated absences	296.85	167.09
- Provision for gratuity (net) (Refer note 28 b)	22.01	5.79
Total	1,641.45	960.01
Note 7 - Other current liabilities		
Payables on purchases of fixed assets	156.52	330.84
Statutory remittances (including disputed dues ₹ 5,695.20 lakh (As at 31.03.2014 : ₹ 5,662.44 lakh))	5,892.42	6,125.86
Gratuity payable (net) (Refer note 28 b)	480.92	16.01
Advances from customers	1,184.13	1,016.48
Trade/ security/ other deposits received	4.60	1.00
Retention money payable	74.45	74.45
Other creditors	7.08	371.47
Total	7,800.12	7,936.11



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Note 8 - Short-term provisions	As at 31.03.2015	As at 31.03.2014
	₹ lakh	₹ lakh
Provision for employee benefits:		
- Provision for pension	127.38	114.32
- Provision for gratuity (net) (Refer note 28 b)	1.28	9.82
- Provision for compensated absences	178.68	184.44
	307.34	308.58
Provision - others:		
- Provision for wealth tax	2.20	2.26
- Provision for proposed equity dividend	262.50	262.50
- Provision for tax on proposed equity dividend	53.44	44.61
	318.14	309.37
Total	625.48	617.95

Note 9 - Fixed assets

₹ lakh

Description*	Gross block				Accumulated depreciation/ Amortisation				Net block		
	Balance as at 01.04.2014	Additions	Disposals / Adjustment	Balance as at 31.03.2015	Balance as at 01.04.2014	Depreciation/ Amortisation expense for the year	On disposals / Adjustment	***Transition adjustment recorded against balance in consolidated statement of profit and loss	Balance as at 31.03.2015	Balance as at 31.03.2015	Balance as at 31.03.2014
(a) Tangible assets											
Freehold land	5,577.61	529.87	234.48	5,873.00	-	-	-	-	5,873.00	5,577.61	5,577.61
	(5,577.61)	(-)	(-)	(5,577.61)	(-)	(-)	(-)	(-)	(5,577.61)	(5,577.61)	(5,577.61)
Buildings and roads**	3,579.88	275.85	25.50	3,830.23	557.60	185.93	6.43	14.13	751.23	3,079.00	3,022.28
	(3,574.39)	(10.15)	(4.66)	(3,579.88)	(417.72)	(143.20)	(3.32)	(-)	(557.60)	(3,022.28)	(3,156.67)
Railway sidings	14.28	-	-	14.28	13.33	-	-	0.95	14.28	-	0.95
	(14.28)	(-)	(-)	(14.28)	(13.18)	(0.15)	(-)	(-)	(13.33)	(0.95)	(1.10)
Plant and equipment	16,698.51	386.08	-	17,084.59	3,622.97	554.83	-	6.93	4,184.73	12,899.86	13,075.54
	(15,853.41)	(947.37)	(102.27)	(16,698.51)	(2,877.00)	(845.19)	(99.22)	(-)	(3,622.97)	(13,075.54)	(12,976.41)
Vehicles	473.46	93.10	0.02	566.54	320.91	67.60	0.02	0.01	388.50	178.04	152.55
	(461.91)	(30.78)	(19.23)	(473.46)	(292.79)	(47.08)	(18.96)	(-)	(320.91)	(152.55)	(169.12)
Furniture and fixtures	147.47	155.60	1.47	301.60	68.06	48.00	1.11	0.83	115.78	185.82	79.41
	(121.98)	(28.75)	(3.26)	(147.47)	(54.60)	(16.70)	(3.24)	(-)	(68.06)	(79.41)	(67.38)
Office equipment	287.67	139.89	0.85	426.71	141.51	102.21	0.86	17.77	260.63	166.08	146.16
	(226.59)	(76.17)	(15.09)	(287.67)	(131.28)	(23.96)	(13.73)	(-)	(141.51)	(146.16)	(95.31)
	26,778.88	1,580.39	262.32	28,096.95	4,724.38	958.57	8.42	40.62	5,715.15	22,381.80	22,054.50
	(25,830.17)	(1,093.22)	(144.51)	(26,778.88)	(3,786.57)	(1,076.28)	(138.47)	(-)	(4,724.38)	(22,054.50)	(22,043.60)
(b) Intangible assets											
Mining rights (Purchased)	10,718.31	-	10,718.31	-	10,718.31	-	10,718.31	-	-	-	-
	(10,718.31)	(-)	(-)	(10,718.31)	(10,015.55)	(702.76)	(-)	(-)	(10,718.31)	(-)	(702.76)
	10,718.31	-	10,718.31	-	10,718.31	-	10,718.31	-	-	-	-
	(10,718.31)	(-)	(-)	(10,718.31)	(10,015.55)	(702.76)	(-)	(-)	(10,718.31)	(-)	(702.76)

(Previous year figures are in brackets)

* Owned, unless otherwise stated

** includes building given on operating lease amounting to ₹ 288.30 lakh (As at 31.03.2014 ₹ Nil lakh), depreciation recognised in the consolidated statement of profit and loss for that asset ₹ 13.69 lakh (previous year - ₹ Nil) and accumulated depreciation ₹ 28.11 lakh (As at 31.03.2014 ₹ Nil).

***Refer note 35

₹ lakh

(c) Depreciation and amortisation expenses	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Depreciation as per 9(a)	958.57	1,076.28
Amortisation as per 9(b)	-	702.76
	958.57	1,779.04



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	As at 31.03.2015 ₹ lakh	As at 31.03.2014 ₹ lakh
Note 10 - Non-current investments		
Investments in equity instruments		
Sandur Micro circuits Limited (unquoted) 900,000 (As at 31.03.2014 : 900,000) equity shares of ₹10 each fully paid up (Refer note 27)	90.00	90.00
Sandur Laminates Limited (quoted) 4,725,191 (As at 31.03.2014 : 4,725,191) equity shares of ₹10 each fully paid up (Refer note 27) (Market value not ascertained as there was no trading)	879.67	879.67
HDFC Bank Limited (quoted) 2,500 (As at 31.03.2014 : 2,500) equity shares of ₹ 2 each fully paid up (Market value of ₹ 25.57 lakh (As at 31.03.2014 : ₹ 18.70 lakh))	0.05	0.05
	<u>969.72</u>	<u>969.72</u>
Investments in Government or Trust securities (unquoted)	-	0.01
	<u>969.72</u>	<u>969.73</u>
Less : Provision for diminution in the value of Investments	969.67	969.67
Total	<u>0.05</u>	<u>0.06</u>
Aggregate amount of quoted investments	0.05	0.05
Aggregate market value of quoted investments	25.57	18.70
Aggregate amount of unquoted investments	-	0.01
Note 11 - Long-term loans and advances		
Capital advances (Unsecured, considered good)	312.42	310.33
Security deposits (Unsecured, considered good)	320.67	334.51
Tax payments, net of provisions (Unsecured, considered good) of ₹23,693.51 lakh (as at 31.03.2014 : ₹ 22,693.51 lakh)	4,083.83	2,620.58
MAT credit entitlement (Unsecured, considered good)	60.00	60.00
Prepaid expenses (Unsecured, considered good)	-	1.33
Advances for strategic alliance		
- Secured, considered good	600.00	600.00
- Unsecured, considered good	2,522.21	2,216.60
	<u>3,122.21</u>	<u>2,816.60</u>
Total	<u>7,899.13</u>	<u>6,143.35</u>
Note 12 - Other non-current assets		
Deposits against guarantee with maturity of more than 12 months from the balance sheet date (Refer note 16)	497.62	536.86
Total	<u>497.62</u>	<u>536.86</u>



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	As at 31.03.2015			As at 31.03.2014		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
			₹ lakh			₹ lakh
Note 13 - Current investments						
Investments in Mutual Funds						
(At lower of cost and fair value unless otherwise stated)						
Sundaram Capital Protection Oriented Fund Series 3-3 Growth Nil units (As at 31.03.2014 : 1,000,000 units) of ₹10 each	-	-	-	100.00	-	100.00
ICICI Prudential Multiple Yield Fund Plan A Cumulative Nil units (As at 31.03.2014 : 1,000,000 units) of ₹10 each	-	-	-	100.00	-	100.00
Sundaram Capital Protection Oriented Fund 3 YRS SR4 Growth Nil units (As at 31.03.2014 : 1,000,000 units) of ₹10 each	-	-	-	100.00	-	100.00
Tata Capital Protection Oriented Fund - Series I - Growth 1,500,000 units (As at 31.03.2014 : 1,500,000 units) of ₹10 each	150.00	-	150.00	150.00	-	150.00
DSP BlackRock Income Opportunities Fund - Regular Plan - Growth Nil units (As at 31.03.2014 : 1,159,529 units) of ₹18.46 each	-	-	-	200.00	-	200.00
Pramerica Credit Opportunities Fund Growth Option 39,387 units (As at 31.03.2014 : 61,181 units) of ₹1,269.45 each (As at 31.03.2014 : ₹1,144.15 each)	500.00	-	500.00	700.00	-	700.00
DSP Black Rock Dual Advantage Fund -S11-36 Month Regular Plan - Growth 3,000,000 units (As at 31.03.2014 : 3,000,000 units) of ₹10 each	300.00	-	300.00	300.00	-	300.00
ICICI Prudential Regular Savings Fund Plan 4,030,665 units (As at 31.03.2014 : 4,030,665 units) of ₹12.40 each	500.00	-	500.00	500.00	-	500.00
Arthaveda Star Fund 19,775 units (As at 31.03.2014 : 19,775 units) of ₹1,000 each	-	197.75	197.75	-	197.75	197.75
Deutsche DWS Hybrid Fixed Term Fund-Series 14- Regular Plan Growth 1,000,000 units (As at 31.03.2014 : 1,000,000 units) of ₹10 each	100.00	-	100.00	100.00	-	100.00
Templeton India corporate Bond Opportunities Fund - Growth 4,206,807 units (As at 31.03.2014 : 4,206,807 units) of ₹11.89 each	500.00	-	500.00	500.00	-	500.00
Edelweiss Stressed & Troubled assets revival Fund 275 units (As at 31.03.2014 : 150 units) of ₹10,000 each	-	27.50	27.50	-	15.00	15.00
ICICI Pru Corporate Bond PlanA (G) 2,784,259 units (As at 31.03.2014 : 2,784,259 units) of ₹17.96 each	500.00	-	500.00	500.00	-	500.00
ICICI Pru MultiYield-Sr.5-PIA-RegG 1,000,000 units (As at 31.03.2014 : 1,000,000 units) of ₹10 each	100.00	-	100.00	100.00	-	100.00
Birla Sun Life Cash Manager - Daily Dividend - Regular plan Nil units (As at 31.03.2014 : 707,088 units) of ₹100.43 each	-	-	-	709.16	-	709.16
HSBC FTS -Series 106 (G) 1,000,000 units (As at 31.03.2014 : 1,000,000 units) of ₹10 each	100.00	-	100.00	100.00	-	100.00



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	As at 31.03.2015			As at 31.03.2014		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
ICICI Pru CPO V-B Reg (G) 1,700,000 units (As at 31.03.2014 : 1,700,000 units) of ₹10 each	170.00	-	170.00	170.00	-	170.00
DSP BlackRock Dual Advantage Fund - Series 29 - 40M - Reg - Gr 2,000,000 units (As at 31.03.2014 : Nil units) of ₹10 each	200.00	-	200.00	-	-	-
HDFC Corporate Debt Opportunities Fund - Regular - Growth 4,846,511 units (As at 31.03.2014 : Nil units) of ₹10.32 each	500.00	-	500.00	-	-	-
ICICI Prudential Capital Protection Oriented Fund VI Pan B-1100 Days Regular 1,000,000 units (As at 31.03.2014 : Nil units) of ₹10 each	100.00	-	100.00	-	-	-
Kotak Medium Term Fund - Growth (Regular Plan) 3,918,419 units (As at 31.03.2014 : Nil units) of ₹10.21 each	400.00	-	400.00	-	-	-
Sundaram Hybrid Fund SR H 5 YRS Regular Growth 1,000,000 units (As at 31.03.2014 : Nil units) of ₹10 each	100.00	-	100.00	-	-	-
DWS Hybrid Fixed Term Fund -Series.23 - Regular Plan - Growth 1,000,000 units (As at 31.03.2014 : Nil units) of ₹10 each	100.00	-	100.00	-	-	-
DSP BlackRock Income Opportunities Fund - Regular Plan - Growth 2,396,585 units (As at 31.03.2014 : Nil units) of ₹20.86 each	500.00	-	500.00	-	-	-
Reliance Corporation Bond Fund - Growth - Plan - CBGP 2,950,636 units (As at 31.03.2014 : Nil units) of ₹10.17 each	300.00	-	300.00	-	-	-
Axis Hybrid Fund -Series 14 (1274 days) - Growth - A4GP 2,000,000 units (As at 31.03.2014 : Nil units) of ₹10 each	200.00	-	200.00	-	-	-
DWS Hybrid Fixed Term Fund Series 32 - Regular Plan - Growth 2,000,000 units (As at 31.03.2014 : Nil units) of ₹10 each	200.00	-	200.00	-	-	-
UTI-Dual Advantage Fixed Term Fund - Series I - II Regular Plan- Growth 1,000,000 units (As at 31.03.2014 : Nil units) of ₹10 each	100.00	-	100.00	-	-	-
Total	5,620.00	225.25	5,845.25	4,329.16	212.75	4,541.91
Aggregate amount of quoted investments			5,620.00			4,329.16
Aggregate market value of listed and quoted investments			6,441.92			4,689.87
Aggregate amount of unquoted investments			225.25			212.75

Note 14 - Inventories

(At lower of cost and net realisable value)

Raw Materials and components (includes ₹ 769.65 lakh (As at 31.03.2014 ₹ 2,183 lakh) of material in transit)	2,677.74	2,285.87
Work-in-progress (Silico-manganese)	10.23	-
Finished goods	5,167.16	3,198.40
Stores and spares	491.25	429.30
Total	8,346.38	5,913.57



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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at 31.03.2015 ₹ lakh	As at 31.03.2014 ₹ lakh
Note 15 - Trade receivables		
(Unsecured)		
Trade receivables outstanding for a period exceeding more than six months from the due date		
Considered good	127.51	428.42
Considered doubtful	49.57	37.43
	<u>177.08</u>	<u>465.85</u>
Less: Provision for doubtful trade receivables	49.57	37.43
	<u>127.51</u>	<u>428.42</u>
Other trade receivable (considered good)	444.62	3,663.68
Total	<u>572.13</u>	<u>4,092.10</u>
Note 16 - Cash and cash equivalents		
Cash and cash equivalents		
Cash on hand	5.03	5.64
Balances with banks		
- In current accounts	2,338.19	1,780.62
- In deposit accounts	384.00	60.00
	<u>2,727.22</u>	<u>1,846.26</u>
Other bank balances		
Deposits against guarantees	684.48	779.12
Less: Amount disclosed under non-current assets (Note 12)	(497.62)	(536.86)
	<u>186.86</u>	<u>242.26</u>
Total	<u>2,914.08</u>	<u>2,088.52</u>
Note 17 - Short-term loans and advances		
Security deposits (unsecured, considered good)	9.66	14.39
Loans and advances with employees (unsecured, considered good)	29.66	25.67
Prepaid expenses (unsecured, considered good)	17.41	15.92
Balance with government authorities (unsecured, considered good)	763.48	383.60
Advance to suppliers (unsecured)		
- Considered good	714.62	2,368.84
- Considered doubtful	2.96	0.63
	<u>717.58</u>	<u>2,369.47</u>
Less: Provision for doubtful advances	2.96	0.63
	<u>714.62</u>	<u>2,368.84</u>
Total	<u>1,534.83</u>	<u>2,808.42</u>
Note 18 - Other current assets		
Interest accrued on deposits	17.88	48.93
Unbilled revenue	-	169.18
Others	-	22.28
Total	<u>17.88</u>	<u>240.39</u>



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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	For the year ended 31 March, 2015 ₹ lakh	For the year ended 31 March, 2014 ₹ lakh
Note 19 - Revenue from operations		
Sale of products (Refer note (i) below)	35,729.01	34,986.46
Other operating revenues (Refer note (ii) below)	370.24	410.65
Revenue from operations (gross)	<u>36,099.25</u>	<u>35,397.11</u>
Less : Excise duty	1,037.36	702.55
Revenue from operations (net) Total	<u>35,061.89</u>	<u>34,694.56</u>
Notes :		
(i) Sale of products comprises:		
(a) Manganese ore	4,190.58	3,489.65
(b) Iron ore (includes ₹ 731.20 lakh (previous year ₹ 4,289.20 lakh from sale of waste dumps))	14,520.27	17,193.51
(c) Silico-manganese	11,561.20	9,711.29
(d) Power	5,456.96	4,592.01
	<u>35,729.01</u>	<u>34,986.46</u>
(ii) Other operating revenues comprises:		
(a) Sale of scrap/ waste	54.99	30.97
(b) Other miscellaneous receipts	315.25	379.68
	<u>370.24</u>	<u>410.65</u>
Note 20 - Other income		
Interest income		
- On fixed deposits with banks	102.89	76.33
- On deposits	2.26	2.13
- On long-term deposits	3.03	4.19
- On income-tax refunds	8.70	2.40
	<u>116.88</u>	<u>85.05</u>
Dividend income on current investments		
	268.40	299.28
Gain on sale of current investments (net)		
	-	2.80
Other non operating income		
- Rental income from operating lease	58.85	-
- Duty drawback/ other schemes	83.48	135.14
- Provisions/ liabilities no longer required written back	1.32	1,200.78
- Sale of petroleum products (Net of consumption of ₹ 1,494.02 lakh (previous year : ₹ 1,798.64 lakh))	7.60	34.07
- Miscellaneous income	5.82	1.70
	<u>157.07</u>	<u>1,371.69</u>
Total	<u>542.35</u>	<u>1,758.82</u>
Note 21 - Cost of materials consumed		
Material consumed comprises:		
- Manganese ore	1,310.31	373.98
- Coke	1,595.92	1,122.85
- Charcoal	137.79	203.79
- Other materials	322.93	224.70
Total	<u>3,366.95</u>	<u>1,925.32</u>



THE SANDUR MANGANESE & IRON ORES LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	For the year ended 31 March, 2015 ₹ lakh	For the year ended 31 March, 2014 ₹ lakh
Note 22 - Changes in inventories of finished goods and work-in-progress		
Inventories at the beginning of the year		
Finished goods	3,198.40	2,898.35
Work-in-progress	-	15.11
	<u>3,198.40</u>	<u>2,913.46</u>
Inventories at the end of the year		
Finished goods	5,167.16	3,198.40
Work-in-progress	10.23	-
	<u>5,177.39</u>	<u>3,198.40</u>
Net (increase) / decrease	<u>(1,978.99)</u>	<u>(284.94)</u>
Note 23 - Employee benefits expense		
Salaries, wages and bonus	3,633.26	2,512.68
Contribution to provident and other funds (refer note 28)	662.76	177.25
Gratuity (unfunded) (refer note 28)	9.32	8.14
Employee welfare expenses	1,172.98	1,090.78
Subsidy on food grains	431.64	440.78
Total	<u>5,909.96</u>	<u>4,229.63</u>
Note 24 - Finance costs		
Interest expense on delayed payment of taxes/ statutory dues	235.29	1.72
Interest expense on trade payables	0.97	-
Total	<u>236.26</u>	<u>1.72</u>
Note 25 - Other expenses		
Stores and spares consumed (including water and consumables)	430.24	378.31
Subcontracting	433.34	329.71
Operation and maintenance charges	342.14	337.08
Power and fuel	42.43	588.49
Rent (refer note 31)	32.59	38.10
Repairs and maintenance to:		
Plant and machinery	60.14	148.28
Building	307.26	234.39
Others	168.87	263.85
	<u>536.27</u>	<u>646.52</u>
Mine running expenses	5,473.43	7,866.04
Insurance	49.43	42.75
Rates and taxes	2,944.22	2,245.66
Travelling and conveyance	694.96	598.82
Freight loading and siding charges	774.32	521.17
Advertisement and selling expenses	191.91	273.34
Donations and contributions	206.50	7.00
Legal and professional (Refer note 34)	395.06	493.66
Loss on sale of fixed assets (net)	89.74	-



THE SANDUR MANGANESE & IRON ORES LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	For the year ended 31 March, 2015 ₹ lakh	For the year ended 31 March, 2014 ₹ lakh
Assets discarded	19.07	5.55
Bad trade receivables and advances written off	19.67	36.11
Foreign exchange fluctuation (net)	112.41	108.25
Security charges	293.77	279.55
Provision for doubtful trade receivables and loans and advances	14.47	0.71
Expenditure on corporate social responsibility (refer note 36)	597.16	926.48
Prior-period expenses (repairs and maintenance)	91.27	-
Miscellaneous expenses	497.48	584.98
Total	14,281.88	16,308.28

Note 26 - Contingent liabilities and commitments (to the extent not provided for)

(i) Contingent liabilities

₹ lakh

a) Claims against the Group not acknowledged as debts	As at 31.03.2015	As at 31.03.2014
Income tax (relating to disallowance of deduction)	1,322.71	924.10
Service tax (relating to applicability of tax)	293.35	293.35
Customs duty (relating to applicability of tax)	-	232.06
Electricity tax (relating to applicability of tax)	-	169.98
Others (relating to provident fund and other matters)	22.85	4.29

The above amounts have been arrived at based on the notice of demand or the Assessment Orders, as the case may be, and the Group is contesting these claims with the respective authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decisions of the appellate authorities and the Group's rights for future appeals before the judiciary. No reimbursements are expected.

₹ lakh

Particulars	As at 31.03.2015	As at 31.03.2014
b) Corporate guarantee issued to Customs authorities on behalf of subsidiary company	1,050.00	1,050.00

The Company has given the said guarantee in respect of fulfilment of the export obligations by the subsidiary company. There are no defaults as at the year end and no liability is expected.

(ii) Capital commitments:

₹ lakh

Particulars	As at 31.03.2015	As at 31.03.2014
Estimated amount of contracts remaining to be executed on capital account and not provided for	692.88	466.48



THE SANDUR MANGANESE & IRON ORES LIMITED NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 27 -

As per the draft rehabilitation scheme of Sandur Laminates Limited and Sandur Micro Circuits Limited, the Company has given an undertaking not to dispose of its share holdings in Sandur Laminates Limited and Sandur Micro Circuits Limited without prior approval of Board for Industrial and Financial reconstruction (BIFR).

28. Employee Benefits :

a) Defined Contribution Plan

The Group makes Provident Fund, Superannuation Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised ₹ 146.95 lakh (2013-14 - ₹ 131.10 lakh) for provident fund contributions, ₹ 34.89 lakh (2013-14 ₹ 30.14 lakh) for superannuation fund contributions in the consolidated statement of profit and loss as part contribution to provident and other funds in note 23 and ₹ 0.74 lakh (2013-14 ₹ 0.68 lakh) for employee state insurance scheme contributions included as part of employee welfare expenses in note 23. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

The Group makes contributions at predetermined rates to SMIORE Provident Fund Trust and to the regional Provident Fund commissioner in respect of Employee Provident Fund and to the Life Insurance Corporation of India in respect of Superannuation Fund.

In case of SMIORE Provident Fund Trust interest rate payable by the Trust to the beneficiaries is as notified by the Government. The Group has an obligation to make good the short fall, between the return from the investments of trust and the notified interest rate and recognise such shortfall as an expense. Based on management assessment, there is no shortfall in the interest payable by the trust to the beneficiaries as on the balance sheet date.

b) Defined Benefit Plan

The Company makes annual contributions to an Insurance managed Fund. The scheme provides for lump sum payment to vested employees on retirement, death while in employment or on termination of employment as per the Company's Gratuity Scheme, vesting occurs upon completion of three years of service.

The gratuity benefit of the subsidiary is not funded.

The following table sets out the funded status and amount recognised in the Group's consolidated financial statements for Gratuity.

₹ lakh

	Particulars	2014-15		2013-14	
		Funded	Unfunded	Funded	Unfunded
I	Net asset/(liability) recognised in the consolidated balance sheet				
1	Present value of obligations - A	1,891.53	23.29	1,370.95	15.61
2	Fair value of plan Asset - B	1,410.61	-	1,354.95	-
3	(Deficit)/surplus (B-A)	(480.92)	(23.29)	(16.01)	(15.61)
4	Net asset/(liability)				
	- Asset	-	-	-	-
	- Liability				
	Current	480.92	1.28	16.01	9.82
	Non-current	-	22.01	-	5.79
		480.92	23.29	16.01	15.61
II	Expenses recognised in the consolidated statement of profit and loss as part of contribution to provident and other funds in Note - 23				
1	Current service cost	42.42	3.98	46.63	2.01
2	Interest on defined benefit obligation	100.14	1.15	87.80	0.72
3	Expected return on plan assets	(83.47)	-	(84.13)	-



THE SANDUR MANGANESE & IRON ORES LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ lakh

	Particulars	2014-15		2013-14		
		Funded	Unfunded	Funded	Unfunded	
4	Net actuarial losses/(gains) recognised during the year	421.83	4.19	(34.29)	5.41	
5	Past service cost	-	-	-	-	
6	Losses/(gains) on "curtailments & settlements"	-	-	-	-	
	Total	480.92	9.32	16.01	8.14	
III	Actual return on plan Assets	134.79	-	58.67	-	
IV	Change in present value of obligation					
1	Opening defined benefit obligation	1,370.96	15.61	1,369.17	8.32	
2	Service cost	42.42	3.98	46.63	2.01	
3	Interest cost	100.14	1.15	87.80	0.72	
4	Actuarial losses/ (gains)	473.15	4.19	(59.75)	5.41	
5	Actuarial losses/ (gains) due to curtailment	-	-	-	-	
6	Benefits paid	(95.14)	(1.64)	(72.89)	(0.85)	
7	Closing defined benefit obligation	1,891.53	23.29	1,370.96	15.61	
V	Change in fair value of plan assets					
1	Opening fair value of plan assets	1,354.95	-	1,313.12	-	
2	Expected return	83.47	-	84.13	-	
3	Actuarial gains /(losses)	51.32	-	(25.46)	-	
4	Assets distributed on settlements	-	-	-	-	
5	Contributions by employer	16.01	-	56.05	-	
6	Benefits paid	(95.14)	-	(72.89)	-	
7	Closing fair value of plan assets	1,410.61	-	1,354.95	-	
VI	The major categories of plan assets as a percentage of total plan assets:					
1	Government of India Securities	38.00%	NA	48.95%	NA	
2	Corporate Bonds	54.56%	NA	44.63%	NA	
3	Others	7.44%	NA	6.42%	NA	
VII	Principal actuarial assumptions:					
1	Discount Rate	7.95% pa	7.80%	9.30% pa	9.10%	
2	Expected Rate of Return on Plan Assets	8.00% pa	NA	8.00% pa	NA	
3	Salary escalation	6.00% pa	5.00%	6.00% pa	5.00%	
4	Attrition rate	2.00% pa	5.00%	2.00% pa	5.00%	
VIII	Estimate of amount of contribution in the immediate next year	480.92	NA	16.01	NA	
IX	The employees are assumed to retire normally at the age of 60 years					
X	The mortality rates considered are as per the published rates under the Indian Assured Life Mortality (2006-08) UIT Tables.					
XI	Particulars	Summary of defined benefit obligation/plan assets and experience adjustments				
		31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
1	Defined Benefit Obligation	1,914.82	1,386.57	1,377.49	1,263.67	1,132.05
2	Plan Assets	1,410.61	1,354.95	1,313.12	1,149.67	830.41
3	Surplus / (Deficit)	(504.21)	(31.62)	(64.37)	(114.00)	(301.64)
4	Experience adjustments on Plan Liabilities	360.62	19.27	(0.71)	35.69	334.69
5	Experience adjustments on Plan Assets	51.32	(25.46)	48.52	46.21	(5.39)

Expected rate of return on plan assets is based on average yield on investments.



THE SANDUR MANGANESE & IRON ORES LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

c) Other long term benefits - Unfunded

The defined benefit obligations which are provided for but not funded are as under:

	Liability as at 31.03.2015	Liability as at 31.03.2014
Compensated absences		
-Current	178.68	184.44
-Non Current	296.85	167.09
Total	475.53	351.53
Pension		
-Current	127.38	114.32
-Non Current	1,322.59	787.13
Total	1,449.97	901.45

The actuarial valuation has been carried out using projected unit credit method in respect of compensated absences based on assumptions given in respect of gratuity valuation.

Note: The discount rate for defined benefit plan and other long term benefits is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations. The estimate of future salary increases considered for defined benefits plan and other long term benefits takes into account the inflation, seniority, promotion, increments and other relevant factors.

Note 29 - Related party disclosures:

Names of related parties and description relationship:

1	Holding Company	None
2	Enterprise having significant influence	Skand Private Limited
3	Key Management Personnel (KMP)	i) S. Y. Ghorpade, Chairman & Managing Director
		ii) Nazim Sheikh, Joint Managing Director
		iii) S.H. Mohan, Executive Director (Projects)
		iv) S.R.Sridhar, Executive Director (Mines)
		v) U. R. Acharya, Director (Commercial)
		vi) K. Raman, Director (Finance)
4	Relative of KMP	Aditya Shivrao Ghorpade
		Dhananjai Shivrao Ghorpade
		Mubeen A. Sheriff

Details of related party transactions during the year ended 31 March, 2015 and balance outstanding as at 31 March, 2015

a) Enterprise having significant influence over the Group

	2014-15	2013-14
Transactions during the year		
- Purchase of fixed assets	870.08	-
- Reimburesment of expenses	25.00	-
Closing balance at the year end		
- Loans and advances	0.50	25.00



THE SANDUR MANGANESE & IRON ORES LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

b) Key Management Personnel (KMP)

₹ lakh

SI No.	Name of KMP	Remuneration		Commission		Total Remuneration	
		31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014
1	S. Y. Ghorpade	113.22	94.99	-	5.30	113.22	100.29
2	Nazim Sheikh	103.05	86.94	-	5.30	103.05	92.24
3	S. H. Mohan	100.68	85.61	-	5.30	100.68	90.91
4	S. R. Sridhar	67.35	55.35	-	5.30	67.35	60.65
5	U.R. Acharya	59.32	50.27	-	5.30	59.32	55.57
6	K. Raman	58.73	49.49	-	5.30	58.73	54.79
	Total	502.35	422.65	-	31.80	502.35	454.45

b) Key Management Personnel (KMP) (continued)

₹ lakh

SI No.	Name of KMP	Amount payable at the year end	
		31.03.2015	31.03.2014
1	S. Y. Ghorpade	5.17	8.78
2	Nazim Sheikh	5.91	7.85
3	S. H. Mohan	4.00	8.66
4	S. R. Sridhar	3.96	6.38
5	U.R. Acharya	4.29	4.81
6	K. Raman	3.84	4.73
	Total	27.17	41.21

c) Relative of KMP

₹ lakh

SI No.	Name of KMP	Remuneration		Amounts payable at the year end	
		31.03.2015	31.03.2014	31.03.2015	31.03.2014
1	Aditya Shivrao Ghorpade	20.26	14.08	0.73	2.72
2	Dhananjai Shivrao Ghorpade	13.22	10.62	0.90	0.88
3	Mubeen A. Sheriff	14.11	9.68	1.50	0.74



THE SANDUR MANGANESE & IRON ORES LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 30 - Segment reporting

a) Primary segments (business segments)

₹ lakh

Particulars	Mining		Ferroalloy & Power		Steel		Unallocable		Elimination		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
REVENUE												
External sales	18,997.26	21,036.70	16,038.68	13,631.53	-	0.19	25.95	26.14	-	-	35,061.89	34,694.56
Inter segment revenue	1,080.60	1,007.54	-	-	-	-	-	-	(1,080.60)	(1,007.54)	-	-
Total revenue	20,077.86	22,044.24	16,038.68	13,631.53	-	0.19	25.95	26.14	(1,080.60)	(1,007.54)	35,061.89	34,694.56
RESULT												
Segment	4,440.25	4,566.04	373.37	1,417.04	-	(11.44)	-	-	-	-	4,813.62	5,971.64
Unallocated corporate (expense) / income (net)	-	-	-	-	-	-	(1,102.83)	(373.70)	-	-	(1,102.83)	(373.70)
Operating profit	4,440.25	4,566.04	373.37	1,417.04	-	(11.44)	(1,102.83)	(373.70)	-	-	3,710.79	5,597.94
Finance costs	-	-	-	-	-	-	(236.26)	(1.72)	-	-	(236.26)	(1.72)
Profit/ (loss) before tax	4,440.25	4,566.04	373.37	1,417.04	-	(11.44)	(1,339.09)	(375.42)	-	-	3,474.53	5,596.22
Tax expenses	-	-	-	-	-	-	(681.48)	(1,960.00)	-	-	(681.48)	(1,960.00)
Net profit/ (loss)	4,440.25	4,566.04	373.37	1,417.04	-	(11.44)	(2,020.57)	(2,335.42)	-	-	2,793.05	3,636.22
OTHER INFORMATION												
Segment assets	6,131.74	12,203.28	22,363.59	19,625.52	3,168.81	2,865.19	21,635.29	16,701.70	-	-	53,299.43	51,395.69
Segment liabilities	10,416.43	9,598.91	6,279.03	7,460.36	0.04	0.31	670.23	605.87	-	-	17,365.73	17,665.45
Capital expenditure including capital work-in-progress	340.64	175.42	77.73	116.17	-	-	1,145.86	116.59	-	-	1,564.23	408.18
Depreciation/amortisation	182.72	801.15	508.62	882.74	-	-	267.23	95.15	-	-	958.57	1,779.04
Non-cash expense other than depreciation / amortisation	17.42	41.66	16.72	0.71	-	-	108.81	-	-	-	142.95	42.37

Note 1 : Primary business segments have been identified on the basis of distinguishable businesses in which the Company is engaged.

Note 2 : Inter segment transfer from the mining segment is measured at cost.

b) The Group majorly operates in a single geographical segment and accordingly, secondary segments for geographical segment, as envisaged in Accounting Standard- 17 on Segment Reporting are not applicable.

Note 31 - Details of leasing arrangements:

As Lessor

The Group has entered into operating lease arrangements for certain surplus facilities. The lease is non-cancellable for a period of 3 years and is renewable by mutual consents.

Future minimum lease payments

₹ lakh

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Not later than one year	59.58	-
Later than one year and not later than five years	46.34	-
Later than five years	-	-

As Lessee

The Group has entered into operating leases in respect of office premises and residential premise. The leasing arrangements are cancellable and are renewable by mutual consent. The lease rentals charged to the consolidated statement of profit and loss in respect of these leases amounts to ₹ 32.59 lakh (2013-14 ₹ 38.10 lakh)

Note 32 - Earnings per share

Particulars	2014-15	2013-14
Net profit/(loss) after tax - ₹ Lakh	2,548.11	3,681.46
Weighted average number of equity shares	8,750,000	8,750,000
Nominal value of share - ₹	10.00	10.00
Basic and diluted earnings per share - ₹	29.12	42.07



THE SANDUR MANGANESE & IRON ORES LIMITED
SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 33 - Accounting for taxes on income

Details of deferred tax assets/ (liabilities) are as below:

₹ lakh

	Opening Balance	Transition adjustment (refer note 35)	Tax effect for the year	As at 31.03.2015
Deferred tax (liability)				
Fixed assets	(1,612.50)	(11.91)	(1,648.52)	47.93
Sub total	(1,612.50)	(11.91)	(1,648.52)	47.93
Deferred tax asset				
Provision for employee benefits	419.77	-	(236.36)	656.13
Unabsorbed depreciation, allowance and business loss	1,528.21	-	1,528.21	-
Others	2,034.52	-	38.15	1,996.37
Sub total	3,982.50	-	1,330.00	2,652.50
Net deferred tax asset / (liability)	2,370.00	(11.91)	(318.52)	2,700.43

Note 34 - Payment to Auditors : (included under legal and professional note 25)

₹ lakh

Auditor's remuneration	2014-15	2013-14
For Audit	30.50	30.50
For taxation matters	6.50	6.50
For other services	23.00	23.15
Reimbursement of		
- out of pocket expenses	0.65	0.58
- levies	8.12	7.67
	68.77	68.40

Note 35 - During the year, pursuant to the notification of Schedule II to the 2013 Act with effect from April 1, 2014, the Group has revised the estimated useful life of its assets to align the useful life with those specified in Schedule II. The details of previously applied depreciation rates / useful lives and revised useful lives are as follows:

Asset	Previous depreciation rate / useful life	Revised useful life
Buildings	1.63%*, 3.34%*, 5%***, 10%* / 10, 30, 60 years	3 / 10 / 30 / 60 years
Railway sidings	13.91%** / 20 years	15 years
Plant and equipment	4.75 - 5.28%*, 13.91%** / 18-20 years	10 / 15 / 20 / 25 / 40 years
Vehicles	9.5%*, 20%***, 25.89%***, 30%** / 9, 10, 14 years	8 / 10 years
Furniture and fixtures	6.3%*, 13.91%***, 18.10%***, 25.89%** / 10, 15, 20 years	10 years
Office equipment	4.75%*, 13.91%***, 16.21%*, 25.89%***, 40%** / 6, 10, 20 years	3 / 5 / 6 / 10 years

*Straight line basis

** Written down value basis

Pursuant to the transition provisions prescribed in Schedule II to the 2013 Act, the Group has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and has adjusted an amount of ₹ 28.71 lakh (net of deferred tax of ₹ 11.91 lakh) against the opening surplus balance in the consolidated statement of profit and loss.

The depreciation expense in the consolidated statement of profit and loss for the year is lower by ₹ 192.45 lakh consequent to the above change in the useful life of assets.



THE SANDUR MANGANESE & IRON ORES LIMITED
SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 36 - Expenditure on corporate social responsibility (as per section 135 of the 2013 Act).

- (a) Gross amount required to be spent by the company during the year ₹ 80.69 lakh.
 (b) Amount spent during the year on; (included under expenditure on corporate social responsibility note 25)

₹ lakh

	In Cash	Yet to be paid in cash	Total
1. Construction / acquisition of any asset	-	-	-
2. On purposes other than (1) above	102.91	-	102.91

Note 37 - Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

For the year ended March 31, 2015

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit	
	As % of consolidated net assets	Amount ₹ lakh	As % of consolidated profit	Amount ₹ lakh
Parent :The Sandur Manganese & Iron Ores Limited	61.22	21,997.95	56.34	1,435.63
Subsidiary :Indian - Star Metallics And Power Private Limited	46.94	16,868.52	53.27	1,357.42
Minority interest	(8.16)	(2,932.97)	(9.61)	(244.94)
Total	100.00	35,933.50	100.00	2,548.11

For the year ended March 31, 2014

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit	
	As % of consolidated net assets	Amount ₹ lakh	As % of consolidated profit	Amount ₹ lakh
Parent :The Sandur Manganese & Iron Ores Limited	58.77	19,822.56	104.23	3,837.25
Subsidiary :Indian - Star Metallics And Power Private Limited	49.20	16,595.71	(5.46)	(201.03)
Minority interest	(7.97)	(2,688.03)	1.23	45.24
Total	100.00	33,730.24	100.00	3,681.46

Note 38 - (a) Figures pertaining to SMPPL have been reclassified, where necessary, to bring them in line with the consolidated financial statements.

(b) The figures of the previous year have been regrouped / recast, where necessary, to conform to the current year's classification.

In terms of our report attached for DELOITTE HASKINS & SELLS

MONISHA PARIKH
Partner

Place : Bangalore
Date : 27 May 2015

Signature to notes 1 to 38
for and on behalf of the Board of Directors

S. Y. GHORPADE
Chairman & Managing Director

MD. ABDUL SALEEM
CS & CGM (Mines)

NAZIM SHEIKH
Joint Managing Director

K. RAMAN
Director (Finance) & CFO



Nomination Form

Form No. SH-13

[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies
(Share Capital and Debentures) Rules, 2014]

To
The Sandur Manganese & Iron Ores Limited
Lakshmipur, Sandur – 583 119
Bellary District, Karnataka

I/We the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of Securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.

(2) PARTICULARS OF NOMINEE/S —

- (a) Name:
- (b) Date of Birth:
- (c) Father's/Mother's/Spouse's name:
- (d) Occupation:
- (e) Nationality:
- (f) Address:
- (g) E-mail id:
- (h) Relationship with the security holder:

(3) IN CASE NOMINEE IS A MINOR

- (a) Date of birth:
- (b) Date of attaining majority
- (c) Name of guardian:
- (d) Address of guardian:

Name of the Security
Holder (s) _____
Signature _____

Witness Name:
and signature: _____
Witness Address: _____



Cancellation or Variation of Nomination

Form No. SH-14

[Pursuant to sub-section (3) section 72 of the Companies Act, 2013 and rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014]

To
The Sandur Manganese & Iron Ores Limited
Lakshmipur, Sandur – 583 119
Bellary District, Karnataka

I/We hereby cancel the nomination(s) made by me/us in favor of _____

_____ (name and address of the nominee) in respect of the below mentioned securities.

Or

I/We hereby nominate the following person in place of _____ as nominee in respect of below mentioned securities in whom shall vest all rights in respect of such securities in the event of my/our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of Securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.

(2) (a) PARTICULARS OF THE NEW NOMINEE/S:

- i. Name:
- ii. Date of Birth:
- iii. Father's/Mother's/Spouse's name:
- iv. Nationality:
- v. Address:
- vi. E-mail id:
- vii. Relationship with the security holder:

(b) IN CASE NOMINEE IS A MINOR

- i. Date of birth:
- ii. Date of attaining majority
- iii. Name of guardian:
- iv. Address of guardian:

Name of the Security
Holder (s) _____
Signature _____

Witness Name:
and signature: _____
Witness Address: _____



The Sandur Manganese & Iron Ores Limited

Regd. Office: Lakshmipur, Sandur - 583 119, Bellary District, Karnataka

ELECTRONIC CLEARING SERVICE (CREDIT CLEARING) ECS Mandate for payment of dividend on Equity Shares

1. First Shareholder's Name
(IN BLOCK LETTERS) :

2. Shareholders Folio No. :

3. Particulars of Bank Account
 - A Bank Name :
 - B Branch Name, Address & Phone Number :
 - C Account No.
(as appearing on the cheque book) :
 - D Account Type
(SB Account / Credit A/c or Cash Credit).
Please tick the correct box : S.B A/c Current A/c CC or Other A/c
 - E Ledger Folio No. of the Bank A/c.
(as if appearing on the Cheque Book) :
 - F 9 Digit Code No. of the Bank &
Branch appearing on the MICR
Cheque issued by the bank. :

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete information, I would not hold the Company responsible.

Date:

Signature of the First Shareholder

Note: Please attach photocopy of a cheque or a blank cancelled cheque relating to your above account for verifying the accuracy of the MICR.



The Sandur Manganese & Iron Ores Limited

CIN: L85110KA1954PLC00075

Registered office: Lakshmipur, Sandur – 583119, Bellary District, Karnataka

PROXY FORM

Form MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s) :

Registered Address :

E-mail Id :

Folio No / Client Id :

DP ID. :

I / We, being the member(s) of _____ shares of the above named Company, hereby appoint

1. Mr./Ms. _____, _____ (name of the proxy) _____ (signature of proxy)

Address _____
Email: _____
or failing him/her

2. Mr./Ms. _____, _____ (name of the proxy) _____ (signature of proxy)

Address _____
Email: _____
or failing him/her

3. Mr./Ms. _____, _____ (name of the proxy) _____ (signature of proxy)

Address _____
Email: _____

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 61st Annual General Meeting of the Company, to be held on Saturday, 19 September 2015, at 11.00 a.m.IST, and at any adjournment thereof in respect of such resolution as are indicated below:

RESOLUTIONS	FOR	AGAINST
Item No.1		
Item No.2		
Item No.3		

RESOLUTIONS	FOR	AGAINST
Item No.4		
Item No.5		

Signed this _____ day of _____ 2015

Signature of Shareholder _____

Signature of Proxy Holder(s) _____

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Registered Parcel

If undelivered please return to:

The Sandur Manganese & Iron Ores Limited

1A & 2C, 'Rediffco Signature'

No. 6, Hospital Road, Shivaji Nagar, Bangalore - 560 001, Karnataka, INDIA.

Ph: +91-80-41520176-80, Fax: +91-80-41520182