

# The Sandur Manganese & Iron Ores Limited

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

## CORPORATE OFFICE:

No.1A & 2C, 'Redifice Signature'  
No.6, Hospital Road, Shivajinagar  
Bangalore - 560 001  
Karnataka, India  
Tel: 080 - 4152 0176 - 180  
Fax: 080 - 4152 0182



## MINES OFFICE:

Deogiri - 583112  
Sandur Taluq  
Bellary District  
Karnataka, India  
Tel:08395-271025/28/29/40  
Fax: 08395-271066

SMIORE / SEC / 180214/ 01

14 February 2018

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

Dear Sir / Madam,

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

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

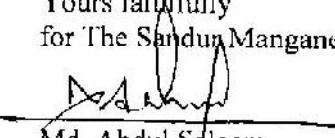
1. Approved the Draft Scheme of Amalgamation of its subsidiary, Star Metallies and Power Private Limited, with the Company. Approval of the Scheme is subject to necessary statutory and regulatory approvals including the approvals of the Stock Exchange(s), National Company Law Tribunal and respective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

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

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

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

Yours faithfully  
for The Sandur Manganese & Iron Ores Limited

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

ANNEXURE 'A'

DISCLOSURE OF INFORMATION

Pursuant to Regulation 30 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No CIR/CFD/CMD/4/2015

| DETAILS OF AMALGAMATION / MERGER |  |  |  |
|----------------------------------|--|--|--|
| S. No                            | PARTICULARS  | Transferor Company   | Transferee Company   |
| 1.                               | Name of the entity(ies) forming part of the amalgamation/merger,   | Star Metallics and Power Private Limited (Transferor)  | The Sandur Manganese & Iron Ores Limited (Transferee Company)  |
| 2.                               | Details in brief such as, size, turnover etc. (As on 31 Dec 2017)  |  |  |
|                                  | Turnover   | ₹839.17 lakh   | ₹42,495.29 lakh  |
|                                  | Net worth  | ₹16,382.79 lakh  | ₹49,006.33 lakh  |
| 3.                               | Whether the transaction would fall within related party transactions? if yes, whether the same is done at "arms length": | <p>In terms of General Circular No.30/2014 dated 17 July 2014, transactions arising out of Compromises, Arrangements and Amalgamations will not attract the requirements of section 188 of the Companies Act, 2013.</p> <p>Also, none of the shareholders of SMPPI. (Transferor Company) is a related party of the Company.</p> <p>Further, consideration to shareholders of SMPPI. for transfer of Undertaking of the Transferor Company, is being arrived based on Share Exchange Ratio calculated in Valuation Report of P. Chandrasekar I.I.P, an Independent Chartered Account.</p> |  |
| 4.                               | Area of business of the entity(ies);   | The Transferor Company, incorporated in 2007, has two ferroalloy furnaces and a 32 MW thermal power plant which is used as a captive unit for its ferroalloy operations and is operating at Hosapete Taluk of Ballari District.  | The Transferee Company is a well-established company, incorporated in 1954, engaged in the business of mining manganese ore, iron ore and manufacture of ferroalloys. It is currently operating in Ballari District of Karnataka |
| 5.                               | Rationale for amalgamation/merger;   | The Transferee Company, is having Mining Leases No.2678 and No.2679 over an area of about 2,000 hectares for mining manganese and iron ores, which leases are due to expire on 31 December 2033. The Transferee Company seeks to have captive use of manganese ore in the existing ferroalloy plant of the Transferor Company and set up a 1 MTPY Integrated Steel Plant in the vicinity of the  |  |

|    |   |   |                    |               |                    |               |
|----|---|---|--------------------|---------------|--------------------|---------------|
|    |   | ferroalloy plant which will enable captive consumption of its iron ore also.<br>The amalgamation will result in administrative and operational rationalization, synergizing the existing expertise, greater efficiency and economical operations and promote organizational efficiencies. |                    |               |                    |               |
| 6. | Share Exchange Ratio:                           | The Transferee Company shall issue and allot to the shareholders of the Transferor Company, 1 (One) fully paid up equity share of Rs.10 each for every 72 (Seventy-Two) fully paid-up equity share of Rs.10 each held by the shareholders of the Transferor Company.                      |                    |               |                    |               |
| 7. | Brief details of change in shareholding pattern |   | <b>Pre- Merger</b> |               | <b>Post-Merger</b> |               |
|    |   |   | <b>Number</b>      | <b>%age</b>   | <b>Number</b>      | <b>%age</b>   |
|    |   | Promoter  | 63,37,564          | 72.43         | 65,89,088          | 73.20         |
|    |   | Public  | 24,12,436          | 27.57         | 24,12,853          | 26.80         |
|    |   | <b>Total</b>  | <b>87,50,000</b>   | <b>100.00</b> | <b>87,50,000</b>   | <b>100.00</b> |

