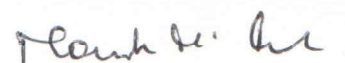


INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF THE SANDUR MANGANESE & IRON ORES LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **THE SANDUR MANGANESE & IRON ORES LIMITED** ("the Company") for the Quarter ended 30.06.2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

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



Monisha Parikh
Partner
(Membership No. 47840)



The Sandur Manganese & Iron Ores Limited

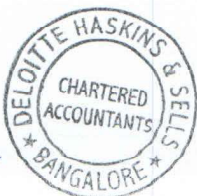
Registered Office : Lakshmipur, Sandur 583 119 Bellary Dist., Karnataka

CIN:L85110KA1954PLC000759

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30.06.2016

₹ lakh

Particulars	Three months ended	Preceding three months ended	Corresponding three months ended in the previous year	Previous year ended
	30.06.2016	31.03.2016	30.06.2015	31.03.2016
	(Unaudited)	(Unaudited) [Refer note 1]	(Unaudited)	(Audited)
PART I				
Statement of Standalone Unaudited/ Audited results				
1. Income from operations				
(a) Net sales/ income from operations (net of excise duty)	8,606	5,973	5,578	21,745
(b) Other operating income	178	150	119	497
Total income from operations (net)	8,784	6,123	5,697	22,242
2. Expenses				
(a) Cost of materials consumed	2,791	1,246	6	2,467
(b) Changes in inventories of finished goods and work-in-progress	(396)	414	1,014	746
(c) Raw material conversion cost	-	176	122	2,490
(d) Employee benefits expense	1,460	1,447	1,383	5,499
(e) Mine running expenses	1,870	1,042	1,083	4,842
(f) Freight, loading and siding charges	382	367	278	1,173
(g) Rates and taxes	807	576	586	2,138
(h) Depreciation and amortisation expense	114	117	105	438
(i) Other expenses	1,178	1,156	520	2,852
Total expenses	8,206	6,541	5,097	22,645
3. Profit/ (loss) from operations before other income/ finance costs and exceptional items	578	(418)	600	(403)
4. Other Income	193	64	94	488
5. Profit/ (loss) from ordinary activities before finance costs and exceptional items	771	(354)	694	85
6. Finance costs	-	-	1	1
7. Profit/ (loss) from ordinary activities after finance cost but before exceptional items	771	(354)	693	84
8. Exceptional Items- [expenses/ (income) (net)] (Refer note 3)	-	577	-	577
9. Profit/ (loss) from ordinary activities before Tax	771	(931)	693	(493)
10. Tax expense	300	770	250	930
11. Net profit/ (loss) from ordinary activities after tax	471	(1,701)	443	(1,423)
12. Paid up equity share capital (face value : ₹10 per share)	875	875	875	875
13. Reserves excluding revaluation reserves	-	-	-	36,170
14. Basic and diluted earnings per share (of ₹ 10 each) (not annualised)	5.38	(19.44)	5.06	(16.26)
See accompanying notes to the financial results				



K/S

Segment wise revenue, results, assets and liabilities (Primary Segment) Particulars	Three months ended	Preceding three months ended	Corresponding three months ended in the previous year	Previous year ended
	30.06.2016	31.03.2016	30.06.2015	31.03.2016
	(Unaudited)	(Unaudited) [Refer note 1]	(Unaudited)	(Audited)
1. Segment revenue				
(a) Mining	6,791	3,962	4,407	16,605
(b) Ferroalloys and Power	2,207	2,126	1,285	5,914
(c) Unallocable	5	17	5	43
	9,003	6,105	5,697	22,562
Less: Inter segment revenue	219	(18)	-	320
Total	8,784	6,123	5,697	22,242
2. Segment result				
(a) Mining	1,528	216	987	2,210
(b) Ferroalloys and Power	(338)	(143)	(119)	(1,193)
	1,190	73	868	1,017
Less: (i) Finance costs	-	-	1	1
(ii) Other unallocable expenditure/ (income) net of unallocable (income)/ expenditure	419	427	174	932
Net profit/(loss) before tax and exceptional items	771	(354)	693	84
Exceptional items (Refer note 3)				
(a) Mining	-	(1,723)	-	(1,723)
(b) Ferroalloys and Power	-	2,300	-	2,300
Exceptional items - [expenses/ (income) (net)]	-	577	-	577
Profit/ (loss) before tax	771	(931)	693	(493)
3. Segment Assets				
(a) Mining	5,560	6,250	7,379	6,250
(b) Ferroalloys and Power	18,019	17,338	18,940	17,338
(c) Steel	3,175	3,170	3,169	3,170
(d) Unallocable	21,335	20,852	21,407	20,852
Total	48,089	47,610	50,895	47,610
4. Segment Liabilities				
(a) Mining	8,791	8,163	10,516	8,163
(b) Ferroalloys and Power	980	676	560	676
(c) Steel	2	2	-	2
(d) Unallocable	800	1,724	598	1,724
Total	10,573	10,565	11,674	10,565

Notes :

1.The figures for the three months ended on 31 March 2016 are the balancing figures between audited figures in respect of full financial year and the published year to date figures upto third quarter of that financial year.

2.The above statement of financial results was reviewed by the Board Audit Committee and approved by the Board of Directors in their meeting held on 06 Aug 2016.

3.Exceptional items comprise:

Particulars	Expenses / (Income)			
	Three months ended	Preceding three months ended	Corresponding three months ended in the previous year	Previous year ended
	30.06.2016	31.03.2016	30.06.2015	31.03.2016
	(Unaudited)	(Unaudited) [Refer note 1]	(Unaudited)	(Audited)
Provision for other than temporary diminution in value of investment in Star Metalics and Power Private Limited (SMPPL), a subsidiary company	-	2,300	-	2,300
Provision towards Forest Development Tax for the years 2008 - 09 to 2011 - 12 written back in view of the Order of The Hon'ble High Court of Karnataka (net of estimated expenses)	-	(1,723)	-	(1,723)
Net	-	577	-	577

4.The Karnataka State Government promulgated the Karnataka Forest (Amendment) Act, 2016, through notification dated 26 July 2016, inserting certain amendments with retrospective effect from 16 August 2008 to the provisions of the Karnataka Forest Act, 1963, re-designating Forest Development Tax ("FDT") as "Forest Development Fee" ("FDF"), including inter-alia lease holders of mines under "body notified by the Government" and increasing the rate of FDF from 8% to 12%.

The Company had already filed a Special Leave Petition ("SLP") before the Hon'ble Supreme Court challenging the competence of the State to legislate in the field of forests and mines/minerals. The Company intends to contest the above amendments together with the SLP. Pending the outcome of the SLP, no provision is considered necessary at this stage towards estimated FDF of ₹ 3,558 lakh for the period August 2008 to September 2011, after which e-auction was started by the Monitoring Committee. Subsequent to the commencement of e-auction by the Monitoring Committee, FDT/FDF is recoverable from the customers directly by the Monitoring Committee for remittance to the authorities.

5.The previous period/ year figures have been regrouped/ recasted wherever necessary to conform to the classification of the current period.

for and on behalf of the Board of Directors

S.Y. GHORPADE

Chairman & Managing Director

Bengaluru
06 Aug 2016

