

R. Subramanian and Company LLP
CHARTERED ACCOUNTANTS



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INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

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

We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **The Sandur Manganese & Iron Ores Limited** ("the Company"), for the quarter ended **June 30, 2018** (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ("the Circular").

The preparation of the Statement in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and with the Circular is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.

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

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **R Subramanian and Company LLP**
Chartered Accountants
Firm Registration No: 004137S/S200041


Gokul S Dixit
Partner
Membership No: 209464
Place: Bangalore
Date: August 11, 2018





The Sandur Manganesse & Iron Ores Limited

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

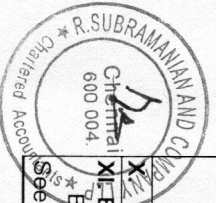
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STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30.06.2018

₹ lakh

Particulars	Standalone			
	Three months ended	Preceding three months ended	Corresponding three months ended in the previous year	Year to date figures for the previous year ended
Statement of Standalone/ Unaudited results				
1. Revenue from operations				
I. Revenue from operations	20,451	18,745	12,892	61,240
II. Other Income	210	197	319	1,110
III. Total Income (I + II)	20,661	18,942	13,211	62,350
IV. Expenses				
(a) Cost of materials consumed	3,311	2,149	2,417	11,743
(b) Excise duty on sale of goods	-	-	430	430
(c) Changes in inventories of finished goods and work-in-progress	(256)	1,326	843	1,619
(d) Employee benefits expense	2,080	2,169	1,767	8,279
(e) Finance costs	128	128	149	495
(f) Depreciation and amortisation expense	177	203	163	743
(g) Other expenses	6,945	6,812	4,739	22,589
Total expenses	12,385	12,787	10,508	45,898
V. Profit before tax (III - IV)	8,276	6,155	2,703	16,452
VI. Tax expense				
Current tax	3,289	2,030	748	5,420
Deferred tax	(240)	190	102	380
Total tax expense	3,049	2,220	850	5,800
VII. Profit for the period (V - VI)	5,227	3,935	1,853	10,652
VIII. Net profit/ (loss) for the period attributable to equity shareholders of the company				
IX. Other comprehensive income				
A. (i) Items that will not be recycled to profit or loss				
(a) Remeasurements of the defined benefit liabilities / asset (Net of Tax)				
	(16)	28	-	(124)
X. Total comprehensive income for the period (VIII + IX)	5,211	3,963	1,853	10,528
XI. Earnings per equity share (of ₹ 10 each) (not annualised)	59.74	44.98	21.18	121.74

See accompanying notes to the financial results



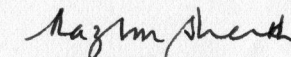
Segment wise revenue, results, assets and liabilities (Primary Segment)	Standalone				
	Particulars	Three months ended	Preceding three months ended	Corresponding three months ended in the previous year	Year to date figures for the previous year ended
		30.06.2018	31.03.2018	30.06.2017	31.03.2018
		(Unaudited) [Refer note 2]	(Unaudited)	(Unaudited) [Refer note 2]	(Audited)
1. Segment revenue					
(a) Mining	15,145	16,148	8,170	44,406	
(b) Ferroalloys and power	5,821	2,868	5,078	18,639	
(c) Unallocable	27	41	12	120	
	20,993	19,057	13,260	63,165	
Less: Inter segment revenue	542	312	368	1,925	
Total	20,451	18,745	12,892	61,240	
2. Segment results					
(a) Mining	7,995	7,651	3,127	18,995	
(b) Ferroalloys and power	842	(552)	(28)	(292)	
	8,837	7,099	3,099	18,703	
Less: (i) Finance costs	128	128	149	495	
(ii) Other unallocable expenditure/ (income) net of unallocable (income)/ expenditure	433	816	247	1,756	
Profit before tax	8,276	6,155	2,703	16,452	
3. Segment assets					
(a) Mining	8,012	9,046	8,512	9,046	
(b) Ferroalloys and power	19,745	18,457	16,458	18,457	
(c) Steel	1	1	-	1	
(d) Unallocable	45,376	38,192	33,952	38,192	
Total	73,134	65,696	58,922	65,696	
4. Segment liabilities					
(a) Mining	9,054	9,330	11,127	9,330	
(b) Ferroalloys and power	2,193	1,850	1,714	1,850	
(c) Steel	-	-	2	-	
(d) Unallocable	3,705	1,545	1,045	1,545	
Total	14,952	12,725	13,888	12,725	



Notes :

2. The figures for the three months ended on 31 March 2018 are the balancing figures between audited figures in respect of full financial year and the published year to date figures upto third quarter.
3. These financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and in terms of the Listing Regulations, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
4. Post the applicability of Goods and Service tax (GST) with effect from 1st July 2017, sales are required to be disclosed net of GST. Revenue from operations for the quarter 30 June 2018 are not comparable with the previous period presented in the results.
5. Effective April 01, 2018, the Company has adopted Ind AS 115 Revenue from Contracts with customers under the modified retrospective approach without adjustment of comparatives. The Standard is applied to contracts that remain in force as at April 01, 2018. The application of the standard did not have any significant impact on the retained earnings as at April 01, 2018 and financial results for the current quarter.
6. During the quarter ended 31st December 2017, the Company has reviewed that the point of transfer of risks and rewards for revenue recognition on sale of Manganese and Iron ore under e-auction has changed such that point of sale is shifted from that of actual despatch of minerals to the completion of e-auction sales and receipt of money from the buyer.
Had the Company used the earlier estimate of point of sale for revenue recognition, its Revenue from operations for the year ended 31st March 2018 would have been lower to the extent of Rs.2,023.57 Lakhs and for the quarter ended June 30, 2018 would have been lower to the extent of Rs.2,191.47 Lakhs . However, the effect of such change in estimate has not been considered in the comparative reported prior interim periods."
7. The Board of Directors of the Company at their meeting held on 14 February, 2018 have approved the Scheme of Amalgamation ("the draft Scheme") of Star Metallics & Power Pvt Ltd, (Subsidiary company), with the Company effective from the appointed day of 1 April, 2018. Requisite adjustment will be carried out subsequent to compliances/ approval of appropriate authorities in the books of the Company.
8. The above results of The Sandur Manganese and Iron Ores Limited ("the Company"), for the quarter ended June 30, 2018 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on August 11, 2018 . The statutory auditors have carried out limited review of the same.
9. The figures of the previous periods have been regrouped / reclassified where necessary.

for and on behalf of the Board of Directors


NAZIM SHEIKH
Managing Director

Bengaluru
11 August 2018

