



The Sandur Manganese & Iron Ores Limited

Registered Office: 'SATYALAYA' Door No.266 (Old No.80), Ward No.1
Behind Taluk Office, Sandur - 583119, Ballari District, Karnataka
CIN: L85110KA1954PLC000759 Website: www.sandurgroup.com
Telephone: +91 8395 260301 Fax: +91 8395 260473

28 May 2020

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

Dear Sir/Madam,

Sub - Disclosure under Regulations 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Impact of COVID-19 pandemic

This has reference to 'Advisory on disclosure of material impact of COVID-19 pandemic on listed entities' issued vide SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 on 20 May 2020.

Though mining and integrated steel plant related operations come under essential services and goods, and allowed to continue its operations, around end March 2020, the Company was forced to stop its mining operations, ferroalloy plant, power plant, and reduced its Coke Oven operation to bare minimum 30% capacity in the larger interest of safety of its employees and to ensure prevention of spread of COVID-19. Decision to stop Plant operations was also influenced by shut down of operations by our main customers and lack of adequate transport facilities for incoming raw materials and supply of ores, coke and silicomanganese to our customers.

As a part of precautionary steps taken for prevention of spread of COVID-19, on 14 March 2020, the Company issued an advisory to all its employees of Bangalore Office to work from home and on 15 March 2020, issued a safety advisory to all its employees. On 28 March 2020, the Managing Director issued a detailed COVID-19 Epidemic Management Plan (CEMP) containing "Twenty Orders" to be followed by all the employees and their families to prevent spread of COVID-19, and constituted a Task Forces headed by Whole-Time Directors of the Company to monitor implementation of the Twenty Order on a daily basis, aimed at safeguarding and protecting over 4000 employees, direct and indirect, and their families. An on-line review mechanism has been put in place headed by the Managing Director to daily review implementation of CEMP across the Company. About 150 employees - Directors, Senior Executives and Officers are engaged in monitoring and implementing various preventive and control measures for safety of the employees.

Between Mar-end and Apr-end 2020, only about 17% of the manpower, were coming to work to attend to essential services like security, water and power supply, medical, running Coke Oven Plant to maintain minimum temperature and prevent damage to battery refractory. The rest of the employees were asked to stay at home or attend to work from their homes.

From beginning of this month, the Company has taken steps to resume operations at plant, mines and offices. The Company has put in place Standard Operating Protocol (SOP) which subsumes the Twenty

CORPORATE OFFICE:
'Sandur House',
No.9, Bellary Road, Sadashivanagar
Bengaluru - 560 080
Karnataka, India
Tel: 080 - 4152 0176 - 180
Fax: 080 - 4152 0182

PLANT OFFICE
Metal & Ferroalloys Plant,
Vyasankere,
Mariyammanahalli -583 222,
Hosapete Taluk, Ballari District,
Karnataka, India
Tel: +91 8394 244450, 244335

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

Orders and incorporates guidelines issued so far by Government of India's Ministry of Home Affairs (MoHA) and Government of Karnataka's Ministry of Health & Family Welfare (MoHFW).

Following nationwide lockdown imposed after the pandemic outbreak, business volumes have been adversely impacted from last week of March 2020 onwards. Revenues and earnings are expected to be adversely impacted in Q1 FY2021 on account of prevalent tepid demand conditions in the domestic steel industry owing to the COVID-19 pandemic. Domestic steel consumption and production are currently witness a sharp decline, which in turn is likely to put pressure on iron ore prices in the near term.

The Company has availed debt of ₹330 crore out of the sanctioned amount of ₹400 crore in FY2020 for funding the capex. Around ₹590 crore has been spent towards the capex till March 2020. The Company has requested the term lenders for deferment of interest that is payable for Mar - May 2020. The repayment of monthly instalments for the ₹400 crore term loan starts from 31 March 2021. For now, there would be no outgo of interest on term loan due to moratorium provided by the banks for three months (Mar-May 2020). The Company has also written letter to Finance Ministry, Steel Ministry and Reserve Bank of India seeking waiver of interest and other reliefs. The Company's liquidity position has remained adequate so far. The Company continues to pay full salaries except in cases where employees have opted for voluntary deferment.

We request you to kindly take the same on record.

Thanking you.

Yours Sincerely,
for The Sandur Manganese & Iron Ores Limited

Divya Ajith
Company Secretary &
Compliance Officer