



KUDREMUKH
 ಐಎಸ್ಒ 9001, 14001 ಮತ್ತು
 ಓಪಿಎಸ್ಎಸ್ 18001 ಸಂಸ್ಥೆ
 ಆರ್ ಎಸ್ ಓ 9001, 14001 ಸಹಾ
 ಅಂಗೀಕರಿಸಿರುವ 18001 ಕಂಪನಿ
 ISO 9001, 14001 &
 OHSAS 18001 COMPANY

ಕೆಐಒಸಿಎಲ್ ಅಮಿಟೆಡ್

(ಭಾರತ ಸರ್ಕಾರದ ಉದ್ಯಮ)

ನೋಂದಾಯಿತ ಕಾರ್ಯಾಲಯ :
 ೨ನೇ ವಿಭಾಗ, ಕೋರಮಂಗಲ
 ಬೆಂಗಳೂರು - ೫೬೦ ೦೩೪.

ದೂರವಾಣಿ : ೦೮೦-೨೫೫೩೧೪೬೧ ರಿಂದ ೬೬
 ಫ್ಯಾಕ್ಸ್ : ೦೮೦-೨೫೫೩೨೧೫೩-೫೯೪೧
 ವೆಬ್ ಸೈಟ್ : www.kiocltd.in

के आई ओ सी एल लिमिटेड

(भारत सरकार का उद्यम)

पंजीकृत कार्यालय :
 II ब्लॉक, कोरमंगला,
 बेंगलूर - 560 034.

कार्यालय : 080-25531461 - 66
 फेक्स : 080-25532153-5941
 वेबसाईट : www.kiocltd.in

KIOCL LIMITED

(A Government of India Enterprise)

Registered Office :
 II Block, Koramangala,
 Bengaluru - 560 034.

Telephone : 080-25531461 - 66
 Fax : 080-25532153-5941
 Website : www.kiocltd.in
 CIN : L13100KA1976GOI002974

No. S/BC/1 (18-5)/2020/333

June 19, 2020

National Stock Exchange of India Limited Scrip Code: KIOCL Through: NEAPS
BSE Limited Scrip Code: 540680, Scrip Name: KIOCL Through: BSE Listing Centre
Metropolitan Stock Exchange of India Limited Scrip Code: KIOCL Through: mylisting

Dear Sir/Madam,

Sub: Disclosure of material impact of COVID-19 pandemic on Listed entities under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, read with SEBI Circular No. SEBI/HO/CFD/CMDI/CIR/P/2020/84 dated 20th May 2020, brief description, in relation to the impact of the COVID-19 pandemic and the resultant lock down, on the operations of the Company is enclosed herewith at **Annexure-A**.

This is for information and record.

Thanking you,

Yours faithfully,
 For KIOCL Limited,

(Handwritten signature)

(P.K. Mishra)

Company Secretary & Compliance Officer

ಪರಿಸರ-ನಮ್ಮ ಧೈಯ ನಮ್ಮ ಧ್ಯಾನ ಪಾರಿಸ್ಥಿತಿಕಿ-ಹಮಾರಾ ಲಕ್ಷ್ಯ ಹಮಾರಿ ನಿಷ್ಠಾ ECOLOGY-OUR MISSION OUR OBSESSION

<https://www.facebook.com/kiocltd> <https://www.twitter.com/cmdkiocl>

ಪರಿಸರ-ನಮ್ಮ ಧೈಯ ನಮ್ಮ ಧ್ಯಾನ ಪಾರಿಸ್ಥಿತಿಕಿ-ಹಮಾರಾ ಲಕ್ಷ್ಯ ಹಮಾರಿ ನಿಷ್ಠಾ ECOLOGY-OUR MISSION OUR OBSESSION

**DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC
ON LISTED ENTITIES UNDER SEBI (LODR) REGULATIONS, 2015**

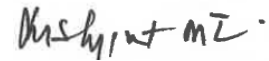
Sl. No.	Particulars	Disclosures
1.	Impact of the COVID-19 Pandemic on the Company's Business	<p>Procurements:</p> <p>KIOCL being a CPSE, procurement actions are undertaken through tendering process. Restriction imposed due to COVID-19 has affected procurement actions. This constraint was also for the prospective bidders to submit their bids. The tenders due after 24th March 2020 was extended till 11th May 2020 for all the tenders. Further, due to the prevalent situation, repeated attempt is made for getting quotes which is a loss of time and due to limited sources, adverse impact on the price front is also envisaged coupled with delay in supply of the items.</p> <p>Sales:</p> <p>Since the outbreak of Pandemic, International market for iron ore Pellet was under severe pressure as manufacturing and economic activities across the globe is affected.</p> <p>A. Pellet sales by KIOCL during the quarter Jan – March 2020 stood at 5.96 lakh tons against 7.66 lakh tons in the corresponding period financial year 2018-19 down by about 22%. The sales target for the quarter Jan – March 2020 was at 7.00 lakh tons.</p> <p>B. Pellet sales by KIOCL during April – May 2020 is at 2.65 lakh tons as against 3.87 lakh tons during the previous year, down by about 31.5%. However, sales target of 2.5 lakh tons is achieved for the period of April & May 2020.</p> <p>C. Due to lockdown imposed across the country, resulting in difficulties in timely collection and negotiation of shipping / sales documents through banks for realisation of sales proceeds.</p> <p>D. KIOCL being a shore-based pellet plant, the Company could continue its sales activities without much hindrance and service the contracts.</p>

		<p>Plant Operations: Plant Production were affected due to the restrictions imposed on operations and deployment of manpower. However, the Company could overcome the hindrances by reorganizing the requirements to cope with the situation and effectively encountered the temporary setback.</p> <p>Clearances from Statutory Authorities: In addition to aforesaid, COVID-19 Pandemic indirectly resulted in delay in obtaining clearances for Green field mining project of KIOCL and obtaining environmental clearances and forest clearances from statutory authorities.</p>
2.	Ability to maintain operations including the factories/units/office spaces functioning and closed down	<p>Plant stopped production w.e.f 28.03.2020 on account of Raw Material requirement and thereafter lock down imposed by Govt. Thereafter, the Plant was shut down for maintenance for first 15 days in the month of April 2020. However, operations were restarted w.e.f. 15-04-2020 on receipt of raw material and by rescheduling / reorganizing the manpower requirements.</p> <p>The manpower reporting system has been staggered and re-deployed to meet with the guidelines issued by the Ministry of Home Affairs (MHA) and District authorities and following the SOPs issued to contain COVID-19 Pandemic.</p>
3.	Schedule, if any, for restarting the operations	Plant has resumed operation w.e.f. 15-04-2020 after obtaining approval from concerned authorities and adhering to all precautionary measures.
4.	Steps taken to ensure smooth functioning of operations	<p>Following steps were taken to ensure smooth operation of the Plant: -</p> <ul style="list-style-type: none"> (i) Company provided local transport and accommodation to the contract workers wherever needed, so that they can attend duties to keep the plant operations, following social distancing. (ii) The standard precautions to prevent COVID-19 Pandemic have been adhered to, such as thermal screening of all the employees and labour work force at the plant entry point has been ensured. (iii) Ensured compulsory wearing of face cover/mask for all the employees. (iv) Sanitizers and soap solutions have been provided in all the work places and work places are being sanitized. (v) Ensured social distancing at all places by redeployment of manpower in different shifts, staggering the lunch breaks of staff etc. to avoid congestion at work places.

		<p>(vi) Quarantine procedures are ensured wherever necessary as per the directives of the concerned authorities.</p> <p>(vii) Functions/seminars/meetings have been deferred and in case of urgency, it is held through video conferencing.</p> <p>(viii) Employees have been advised to follow good hygiene practices and to download and use the <i>Arogya Setu app</i> and remain updated with COVID -19 issues.</p>
5.	Estimation of the future impact of CoVID-19 on its operations	<p>The Company aims to meet the targets set for the Financial Year. However, the economy has been affected all over world due to COVID-19 Pandemic.</p> <p>Fluctuations in the supply and demand for steel in turn for our Pellets and market prices for the same are likely to affect our operations and profitability.</p> <p>Due to relaxation on various fronts by the Government in the recent past, operations are expected to be normalized in the coming months. However, impact of COVID-19 will affect the profit margin and percentage of such margin will depend on the period required for restoration of normalcy in all the relevant areas and blooming of the economy in the coming days, particularly in the field of steel related industries with increased demand for Pellets.</p> <p>Effects of COVID-19 being unclear, it will be extremely difficult to predict market behavior. Europe is yet to start its full-scale operations, Japan and South Korea are also going through scaled down production activities. Though presently Chinese market is depicting slightly positive trend, its sustainability needs to be observed. Volatile Geo Political situation is also a matter of concern and its effects are tough to envisage.</p>
Details of impact of COVID-19 on listed entity's –		
6.	Capital and financial resources	KIOCL is a debt free Company. The Company is able to manage its working capital requirements from its internal accruals.
7.	Profitability	<p>The Pellet sales by KIOCL during the quarter Jan – March 2020 stood at 5.96 lakh tons against 7.66 lakh tons in the corresponding period financial year 2018-19 down by about 22%. The sales target for the quarter Jan – March 2020 was at 7.00 lakh tons. Further, the Pellet sales by KIOCL during April – May 2020 is at 2.65 lakh tons as against 3.87 lakh tons during the previous year, down by about 31.5%. However, sales target of 2.5 lakh tons is achieved for the period of April & May 2020.</p> <p>Accordingly, the profitability of the Company during the 4th quarter of Financial Year 2019-20 and 1st quarter of</p>

		Financial Year 2020-21 is likely to be impacted compared to the corresponding period of previous year due to COVID-19 Pandemic.
8.	Liquidity position	There are no significant liquidity concerns and the liquidity of the Company is manageable.
9.	Ability to service debt and other financing arrangements	Presently, the Company does not have any debt.
10	Assets	The Company expects that the carrying amount of the assets will be recovered.
11	Internal financial reporting and control	The Company has an effective internal financial reporting and control mechanism in place and there has been no change in it due to COVID-19 Pandemic.

For KIOCL Limited,



(P.K. Mishra)

Company Secretary & Compliance Officer