



SOUTHERN MAGNESIUM AND CHEMICALS LIMITED

Deccan Chambers, 5th Floor, 6-3-666/B, Somajiguda, Hyderabad-500 082
Phones: 23311789, 23312341, Fax: 040-23319871 E-Mail: southernmagnesium@gmail.com
CIN : L27109TG1985PLC005303

Date: 23.06.2020

To
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400 001

Sub: Disclosure of Material impact of Covid-19 pandemic on the operations and performance of the company

Dear Sir,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/84 dated 20th May, 2020; we are herewith submitting the disclosure of material impact of CoVID-19 pandemic on the operations and performance of the Company.

This is for your information and record.

Thanking You,
Yours faithfully

For Southern Magnesium and Chemicals Limited

N. Rajender Prasad.
Jt. Managing Director and CFO



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Material impact of CoVID-19 pandemic on operations and performance of the Company

The Company is engaged in production of magnesium powder, turnings. The unpredicted outbreak of Novel Corona Virus (COVID-19) which had a pandemic impact resulted into a sudden announcement of the nationwide lockdown effective from 23rd March 2020.

The region where the factory is situated had minimal impact of COVID -19. So the operations of the company w.r.t production and sales are not affected materially. We have taken all necessary action to safeguard the health of workers by following the guidelines as issued from time to time by the Government of India and the State Government.

We were operating on order basis and most of our orders are majorly received from Government Companies and its undertakings. As such there is no major impact on receivables and overall business operations of the company. Company has been paying salaries to all employees and no deductions were made.

Even during lockdown period the company was able to execute/fulfill orders and was supplying its products as and when orders were placed with the company.

So, the impact of COVID-19 is minimal over the Company's performance, Financials, internal control system and demand for our products continues to be same as in past.

Meanwhile, since the situation is continuously evolving, the impact assessed may be different from the current situation today and the Management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation.

Thanking You,

Yours faithfully,

For Southern Magnesium and Chemicals Limited.

N. Rajender Prasad.

Jt. Managing Director and CFO