

Disclosure of material impact of CoVID–19 pandemic, pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”) read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 and with reference to our earlier relevant disclosures on the subject, we wish to provide information as per the above Circular:

1. Impact of the Covid-19 pandemic on the business:

The increasing widespread of Covid-19 has put the world into varying degrees of uncertainty and disturbed the economic order completely. Risk of global recession in 2020-21 is extremely high as Nations shut down economic and social activities to limit the spread of Covid-19. As production is curtailed around the world, many industries like us would face challenges. A severe demand shock is underway across the discretionary spend category. The virus outbreak has disrupted the manufacturing supply chain and sharply curtailed energy demand. Collection delay and defaults are likely by consumers (lower slab domestic category due to wage disruption, and commercial & industrial defaults due to business discontinuity) which will put more pressure on financially ailing Discoms. Government budgets may also be challenged due to diversion on Covid-19 resulting in lower subsidy and stretching working capital cycle. Fall in industrial & commercial demand will impact cross-subsidies available to other consumers. Reform measures are likely to be delayed if Covid-19 sustains over a period of time.

Due to the Covid-19 pandemic and the resultant lockdown, the Company’s operations were suspended from March 22, 2020. The production and supply of goods were commenced from the last week of April 2020 in a phased manner on various dates at all the manufacturing locations of the Company after obtaining permissions from the appropriate government authorities. Consequently, it caused unanticipated delay and increased costs to production. The revenues and profitability of the Company have also been adversely affected. As instructed through the notification of Government, the Company has now been able to open all manufacturing plants and offices.

2. Ability to maintain operations including the factories/units/office spaces functioning and closed down:

The Company has implemented stringent cost control measures across the organization to preserve liquidity to survive tough time and respond to any unexpected events in the future due to the pandemic. The Company is in a comfortable liquidity position to meet its commitments to service debt and other financial obligations. The Company does not foresee any challenge in maintaining operations at its factories/units/offices. The Company also does not foresee any challenge in realizing/recovering its assets. The Company is also in constant discussion with its customers, vendors and other stakeholders to propel the business forward.

The Company is taking utmost care to adhere to the government's guidelines for social distancing and other safety measure.

3. Schedule, if any, for restarting the operations:

The Company has already started all manufacturing plants and offices.

4. Steps taken to ensure smooth functioning of operations:

The Company has taken all the possible steps to ensure smooth functioning of operations. All the establishments and offices have been sanitized to ensure safety and security of our staff members and other stakeholders. All safety protocols of temperature sensing, wearing of safety gears (masks, goggles, face shields), social distancing, sanitizing and washing hands are being adhered to very stringently.

The Company has taken all necessary steps to adhere to the guidelines for social distancing and other safety measures provided by Ministry of Home Affairs along with the various directives issued by relevant Government authorities, keeping in mind safety, health and well-being of the employees and other stakeholders at all our locations.

The Company is also in constant discussion with its customers, vendors and other stakeholders to propel the business forward.

5. Estimation of the future impact of CoVID-19 on its operations:

Currently, the future impact of Covid-19 on the operations, results and financial health of the Company cannot be ascertained. We understand that the extent of adverse impact on revenues, earnings and resultant cash flows will depend on containment of impact of Covid-19 and damage done by the pandemic.

6. Existing contracts/agreements where non-fulfillment of the obligations by any party will have significant impact on the listed entity's business:

There are no such contracts/agreements which would lead to non-fulfillment of the obligations by any party or shall have any significant impact on the business.