



KISAN MOULDINGS LIMITED

Regd. Off.: "Tex Center", K-wing, 3rd Floor, 26 'A' Chandivli Road, Off Saki Vihar Road,
Andheri (East), Mumbai - 400 072 • Tel : 022 - 4200 9100, 4200 9200 • Fax : 28478508
E-mail : customercare@kisangroup.com • Website : www.kisangroup.com



May 27, 2020

BSE Limited,
Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001

Scrip Code: 530145

Dear Sir/Madam,

Sub: Disclosure pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May 2020 on material impact of COVID-19 pandemic under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulation")

We are herewith enclosing disclosure pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May 2020 on material impact of COVID-19 pandemic under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulation") in "**Annexure-A**".

Kindly take the above on your record.

Thanking you,
Yours truly,

FOR KISAN MOULDINGS LIMITED

.....
DHARAK MEHTA
COMPANY SECRETARY & COMPLIANCE OFFICER
ICSI MEMBERSHIP NO.: ACS40502

Encl.: As above





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ANNEXURE – 1

• Impact of the COVID-19 pandemic on the business:

Due to worldwide outbreak of novel coronavirus (COVID-19) pandemic including in India, the Ministry of Home Affairs, Government of India, vide its notifications announced Lockdowns in the Country, from time to time, and hence the Company has temporarily suspended its operations at all plants and offices of the Company with immediate effect.

As the Pandemic impacted China based manufacturing from January, 2020, several imported material essential for production were in short supply to India, leading to some production disruptions to the Company from the end of February 2020 itself.

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

The operations at the plant of the Company are being carried out now in complete compliance with the precautionary measures, conditions and directions as mentioned in the guidelines/ orders from the Central/ concerned State Government and Local Body Authorities regarding social distancing, mandatory to wear face mask, face cover and have proper sanitization on regular interval at plants and workplace.

As of today, partial operations have resumed at all our manufacturing plants sites. We are operating at around 30% to 50% of our operational capacity at different plants location and hope to improve this in the coming days. Migrant labourers comprise 30% of our workforce and the supply of the same is strained. Migrant labourers also comprise a large portion of supply chain workforce that is affected as well.

• Schedule, if any, for restarting the operations:

The Company has resumed manufacturing operations of all its plant in a phased manner based on conditional permissions received from the administrative office of the Central/ State/ Local Government Authorities which has also been informed to the exchange by the Company through its letter dated May 04, 2020.

The Registered Office of the Company is located in Mumbai, Maharashtra, which has been demarcated as a Red Zone, where the State Government has extended complete lockdown till 31st May, 2020. Hence, this office will remain closed till the Central/ State/ Local Government authorities issues further notice about reopening.





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• Steps taken to ensure smooth functioning of operations:

In this regard various actions have been taken considering Employee's Health at plant locations to ensure smooth functioning of operations of the Company. The Company has also adopted "Work from Home policy", to the extent possible, for employees for smooth functioning of administrative and supporting functions of the Company.

• Estimation of the future impact of COVID-19 on its operations:

The Company is assessing the future impact of COVID-19 on operations, profitability, liquidity position, demand for its products/services and it will update on these issues in the quarterly and/or Annual Financial Results.

• Details of impact of COVID-19 on listed entity's

➤ **Capital and financial resources;**

The Company has taken several cost cutting measures to sustain the operations and to optimize the use of its financial resources.

➤ **Turnover and Profitability;**

Since the normal operating activities of the Company were affected from the month of March, 2020 and the entire operations of the Company were temporarily suspended due to lockdown and nationwide restriction on account of containment spread of COVID -19 pandemic, this affected both the turnover and profitability targeted for the month of March, 2020.

Further due to limited workforce and restrictions on deployment of employees in our manufacturing units and offices, the capacity utilization will not be at the desired level. This will affect performance, turnover/profitability and consequent liquidity position of the Company in the short run.

No insurance available with the Company for the loss of profit impacted due to COVID -19 Pandemic during the lockdown.

➤ **Liquidity position; supply chain and ability to service debt and other financing arrangements;**

There is certain disruption to supply chain in respect of mobilizing the workforce, availability of raw materials and dispatch of orders to our Customers. Keeping in mind the view to maintain long term relationship, the Company has accepted request from various customers for a deferred payment schedule and consequently payment receivable from debtors of the Company delayed. Therefore, collection from the debtors and continues fund flow from





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operation has been impacted. As a result the Company is continues to facing cash constraints in making timely payment to supply creditors, meeting certain regular operational expenses and serving debts and other financing arrangements.

According to the RBI guidelines relating to COVID-19 Regulatory Package dated 27" March 2020, the Company has initially opted for 3 months EMI moratorium period for payment of principal and interest payments to the Banks. This period was further extended for another 3 months as relaxation was announced by RBI Governor in its press conference dated May 22, 2020 i.e. till August 31, 2020. This has given immediate and temporary relief for the liquidity position of the Company.

The negative effect of COVID-19 will surely be reflected in the turnover and profitability of the Company for the financial year 2019-20 and 2020-21, but the level of same cannot be ascertained now.

➤ **Product /service demand**

The Company is planning to restrict the production based on the market demand and also reduce the overhead cost proportionately.

➤ **Internal Financial Reporting and Control**

The Company has robust ERP System in place and all its locations are well networked. With the limited staff available, adequate steps are being taken to ensure adequate Internal Financial Reporting and Control. Even during lockdown reporting systems worked seamlessly without any disruption hence there has been no significant impact on Internal Financial Reporting and Control. None of the assets of the Company have been impacted or impaired by the COVID-19 pandemic.

➤ **Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business;**

The Company is in the process of evaluating the same and will intimate the exchange in due course, if found material.

➤ **Other relevant material updates about the listed entity's business.**

The Company is in the process of evaluating the same and will intimate the exchange in due course, if found material.

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