

MUNJAL SHOWA LIMITED

Registered Office & Works : 9-11, Maruti Industrial Area, Sector - 18, Gurugram - 122 015 (Haryana) INDIA
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June 30, 2020

The Asst. General Manager
Listing and Compliance
BSE Ltd.
25th Floor, P.J. Towers,
Dalal Street,
Mumbai-400 001
Security Code: 520043

Asst. Vice President
Listing and Compliance
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block-G
Bandra-Kurla Complex
Bandra (E), Mumbai – 400 051
Security Code: MUNJALSHOW

Sub: Intimation of Material Impact of COVID-19 pandemic under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Ref: SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020

Dear Sir(s)

With reference to the subject and SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 [Advisory on disclosure of material impact of COVID-19 pandemic on listed entities under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015] and in our endeavor to ensure that all material information about the impact of COVID-19 and the resultant lockdown on the Company and its operations is communicated in a timely and cogent manner to its investors and stakeholders, we are attaching herewith disclosures in Annexure 'A' regarding the impact of the pandemic, including that on financial condition and results of operations, future operations, capital and financial resources, liquidity, assets, Internal financial control over financial reporting and disclosure controls and procedures, demand for products/services etc.

The disclosures made in Annexure 'A' are estimations based on initial impacts of the pandemic on the business, performance and financials, both qualitatively and quantitatively. Further we would also endeavor to specify/include the impacts of the pandemic on the Financial Statements as required to be submitted to Stock Exchange under Regulation 33 of SEBI (LODR) Regulations, 2015 to the extent possible as advised in the Circular which will be submitted in due course.

Yours sincerely,

For MUNJAL SHOWA LIMITED

(Geetanjali Sharma)

Company Secretary & Compliance Officer



Encl: as above

Annexure A

DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC

S.No.	Particulars	Impact
1.	Impact of the CoVID-19 on business	<p>The Company's manufacturing facilities remained shut from March 23, 2020 due to lockdown and partially reopened w.e.f. May 8, 2020, which has impacted its 'operations during the period.</p> <p>Upon restarting of the operations, we are adhering to the State Government Guidelines.</p> <p>The lockdown and restrictions imposed on various activities due to Covid-19 pandemic, while being a necessary measure to contain its spread, have also posed unprecedented challenges to all businesses and the business operations of the Company have been no exception to this.</p> <p>However, since the markets have already opened across the segments and a clear upward trend is visible in daily sales numbers of our customers, the management of the Company is quite confident that the business operations will pick up progressively.</p> <p>However, since this situation is exceptional and is changing dynamically, the management of the Company is not in a position to gauge with certainty, the future impact on its operations. The management of the Company expects the operations to remain sub-normal in the immediate future, with a possibility of intermittent disruptions based on the evolving situation and varying Government guidelines and permissions. The Company continues to closely monitor the situation and shall take appropriate action as per regulatory guidelines.</p>
2.	Ability to maintain operations including the factories/ units/ office spaces functioning and closed down	The Company has re-started its operations considering permissible workforce since May 8, 2020, adhering to the safety norms prescribed by the government.
3.	Schedule if any for restarting the operations	Operations have already been started partially with permitted workforce and shall be further scaled up keeping in view the Government guidelines to be issued from time to time.
4.	Steps taken to ensure smooth functioning of operations	The Company is taking utmost care of its staff and work force like sanitization, social distancing, mandatory mask wearing, thermal check of temperature at the gate, maintaining proper hygiene. Supply chain is being monitored to ensure availability of material. The workforces which can work from home without affecting the normal operations of the Company have been advised to do so. The Company has enough resources to meet its liabilities towards suppliers, employees and other service providers.
5.	Estimation of future Impact of	The temporary suspension of manufacturing and the continuing



	the CoVID-19 on its operations	reduced levels of operation are likely to have some financial impact. The Company would be able to absorb this.
6.	Details of impact of CQVID-19 based on certain performance parameters:	
a.	Capital and financial resources and profitability	The Company's capital and Banking facilities remain the same. There are no liquidity concerns as enough resources are available in-house to settle all the liabilities and resume operations normally.
b.	Liquidity Position	There are no liquidity concerns as we have sufficient internal resources. The receivables are being collected although with some delays. We are sure to manage the situation well.
c.	Ability to service debt and other financing arrangements	The Company does not have any debts nor intend to borrow.
d.	Assets	No impact
e.	Internal Financial reporting and Control	All the internal financial controls are in place as they were in the normal periods. All the controls are being adhered to and are being monitored on daily basis. The reporting requirements are being fulfilled as stipulated and are being complied.
f.	Supply Chain	Since the re-start of the operations of the Company are aligned with that of the suppliers, transporters and other service providers, we do not expect any significant issues with respect to supply chain.
g.	Demand for products/services	With the re-opening of almost all the States, where the Company has major business, situation is becoming normal except for the month of April 2020 when it was total lock down across India.
7.	Existing contracts/agreements where non-fulfillment of the obligations by any party will have significant impact on the listed entity's business	The Company does not foresee significant impact in respect of its existing contracts and agreements where the non-fulfillment of obligations by any party would lead to any material financial claim by or against the Company.
8	Other relevant material updates about the listed entity's business.	No other material matter can be identified at present. We will continue to follow the recommendations/advisories as may be issued from time to time by the relevant authorities.

Cautionary Statement

Statements given herein describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed herein. Important factors that could influence the Company's operations include actions to contain or treat the Covid-19 disease and mitigate its impact on the economies of the affected countries, demand and supply conditions affecting selling prices of finished goods, input availability and rates, changes in the government regulations, tax laws, economic developments within the country and litigation and industrial relations, among others.

