

Sec/Coat/309

Dated: 11.07.2020

The Secretary

BSE Limited

New Trading Wing,
Rotunda Building,
P J Tower, Dalal Street,
Mumbai – 400 001
Scrip Code: 539046

The Manager

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block "G"
5th Floor, Bandra Kurla Complex,
Bandra East,
Mumbai – 400 051
Symbol: MANAKCOAT

Madam/Sir,

Sub: Disclosure of material impact of COVID-19 pandemic under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further to our letter dated 15th June, 2020 and 23rd June, 2020 and pursuant to Regulation 30 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020, the disclosure of material impact of COVID-19 pandemic on the Company is enclosed as Annexure – I.

Kindly take the same in your record.

Thanking You

Yours Faithfully

For Manaksia Coated Metals & Industries Limited



Sailja Gupta

(Company Secretary & Compliance Officer)

Encl: a/a

Annexure – I

1. Impact of the COVID-19 pandemic on the business / Ability to maintain operations including the factories / units / office spaces functioning and close down / Schedule, if any, for restarting the Operations.

Due to the countrywide lockdown imposed to contain the spread of Covid-19 the Company suspended operations at all manufacturing facilities and offices throughout the country. Work from home (WFH) policy was successfully implemented in April 2020 for all administrative staff.

Manufacturing facilities were partially reopened in May 2020 after obtaining necessary approvals from the respective District Magistrates (DMs). Manufacturing operations and Sales have been severely hampered due to the lockdown and have resumed at full capacity since 1st June 2020.

Strict Social distancing norms and precautionary measures have been implemented at all manufacturing facilities and offices.

2. Steps taken to ensure smooth functioning of operations;

Post restart of operations at all manufacturing units and offices, the Company has taken necessary steps for prevention of Covid-19 and implemented protocols as per guidelines issued by relevant administrative / government authorities. Few of them are as follows:

- Thermal screening of all employees and visitors;
- Sanitization of premises and vehicles on regular basis;
- Maintenance of social distancing at all work places;
- Ensuring No Mask No Entry policy
- Educating employees to wash their hands regularly;
- Avoiding large groups or gatherings at work places
- Asking all employees to install Aarogya Setu App;
- Restricting employees having any symptoms of cold or fever to attend office;
- Avoiding all the non-essential visitors at work place;
- Conducting regular awareness programs for the employees.



3. Estimation of future impact of Covid-19 on its operations:

Covid-19 pandemic has brought an unprecedented amount of challenges with both local and global economies coming to a standstill.

We foresee that the impact of the pandemic on demand of value added steel products will be severe and shall gradually climb back to its original levels by Q4 2020-21.

We are in constant discussion with all customers to understand changes in the market and are taking necessary steps to maximum sales by balancing exports and domestic sales.

4. Details of impact of Covid-19 on the listed entities – capital and financial resources, profitability, liquidity position, ability to service debt and other financing arrangements, assets, internal financial reporting and control, supply chain, demand for its products / services.

The Company has adequate financial resources to meet its capital requirements. The Company has applied for Covid-19 related funding facility as offered by its respective bankers.

The Company has implemented cost control measures to reduce fixed cost and conserve cash to the best possible extent.

Profitability for the first quarter of FY 2020-21 will be adversely impacted and we shall strive to return to profitable level from Q2 onwards.

The Company is servicing its debts regularly and meeting financial commitments when due. There is no significant change in the value of current and non-current assets of the Company due to Covid-19.

All the internal financing reporting mechanisms and controls are in place and functioning without any disruption.

The supply chain of the Company was impacted severely during the initial 2 months of the lockdown, but has since recovered and we expect 100% restoration of supply chain with in the next 2 months.

Demand for value added steel products has significantly dropped due to the Nationwide lockdown and slowdown of the economy. We expect demand to rise in the next 6 months as the Government

increases its spend on infrastructure and as focuses on MAKE IN INDIA.



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

The Company is well positioned to fulfill its obligations and existing contracts / agreements. At present, we do not foresee any contracts/agreements which will have significant impact on the business in case of non-fulfillment of obligations by any party.