

30th May, 2020

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| BSE Limited Corporate Relationship Department Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Fort, Mumbai - 400 001 Scrip Code: 526217 | The National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, Block G, Bandra - Kurla Complex, Bandra (East), Mumbai - 400 051 Symbol: HITEHCORP |
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Sir(s),

Sub: Disclosure on impact of CoVID-19 Pandemic on the Business as advised vide SEBI circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020.

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”)

The outbreak of Coronavirus disease (Covid-19) pandemic in India is causing significant disturbance and slowdown of economic activity. The nationwide lockdown declared by the Government has resulted in significant reduction in economic activities including the business operations of the Company.

Pursuant to Regulation 30 of Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020 and with reference to the Company’s earlier disclosures on the subject, following are the brief details relating to the impact of the COVID-19 pandemic and the resultant lockdown, on operations of the Company:

1. Impact of the CoVID-19 pandemic on the Business during close down and Schedule for restarting:

As already intimated earlier vide our letter dated 23rd March, 2020 regarding disruption of operations of the Company during the lockdown, the operations in most of the manufacturing facilities of the Company were disrupted, except the ones servicing the customers engaged in essential commodity services, which continued to operate. As intimated vide our letter dated 12th May, 2020, the Company saw partial resumption in early May, 2020 at some of its manufacturing facilities, where the

lockdown restrictions were eased by the respective State Governments/Local Authorities. Since the last few days all the manufacturing units of the Company have started functioning after obtaining the requisite permissions from the Local/State Government Authorities.

All the plants of the Company, which are operating have been sanitized in order to provide all persons operating in the Company's premises a safe and secure atmosphere. All safety protocols of temperature sensing, wearing of masks, social distancing, sanitizing and washing hands etc. are being adhered to very stringently in accordance with the guidelines issued by the Ministry of Home Affairs and the Central, respective State and Local Government Authorities. All employees have been instructed to download the Aarogya setu app launched by the Government of India.

The Registered Office of the Company in Mumbai is closed in accordance with the Government of Maharashtra directives.

At all the plants, the Company has curtailed the number of employees working simultaneously at a time. All the office staff at the corporate office, however, continue to work from home.

2. Financial Resources, Profitability and Liquidity Position:

The Company has availed of facility of the moratorium for repayment of principal and interest in respect of a few Term Loans availed by it as declared by the Reserve Bank of India for managing its cashflows in the initial months of disruption of business.

The Company has also implemented stringent cost control measures across the organization to conserve cash in order to address any evolving situation resulting from the pandemic. The Managing Director has decided to forgo his salary for the current Financial Year. The Company has resorted to pay cuts for higher grade employees.

The Company expects to recover the carrying amounts of its assets such as receivables and inventories, based on the current indicators. The Company is also in constant touch with its key customers and vendors for ensuring collection of receivables and sale of existing inventories against unfulfilled orders which could not be completed due to the lockdown, without any adjustment in pricing. The Company is also in touch with its customers in seeking price increase of its products and for change in credit terms, wherever possible.

3. Internal Financial Reporting and Controls:

The Company operates in a cloud-based operating system with a proper Document management system, which enables its workforce to work from home with all controls in place.

4. Estimation of the Future impact of COVID-19 on the Company's operations:

While the migration of some of the workforce poses challenges, the Company is quite confident of meeting the current demand from customers with its local workforce.

Considering the fact that the situation is changing dynamically, the Company is not in a position to gauge with certainty, the future impact on its operations. However, the Company is confident about adapting to the changing business need through innovative process modifications while endeavoring to fulfil the requirements of its customers.

The Company is in a position to honor all agreements with its vendors and customers. The vendors from whom the Company avails product or services, are not in any way impacted by the pandemic.

Overall adverse impact of the COVID-19 situation on the business operations of the company and its financial implications are yet to be ascertained and the same will be intimated to the stock exchange in due course.

This is for your information and record.

Thanking you,

Yours faithfully,

For Hitech Corporation Ltd.

Namita Tiwari
Company Secretary & Compliance Officer