



MOLD-TEK
Packaging Limited
(Formerly known as Moldtek Plastics Ltd.)

Date: 5th June, 2020

To, The Manager, Department of Corporate Services, BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001. Scrip Code : 533080	To, The Manager, National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400051. Ref: MOLDTKPAC - EQ
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Sub: Disclosure of material impact of CoVID-19 pandemic, pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Dear Sir,

This is to inform you, on the subject and in reference to the Circular bearing Ref. No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 issued by the Securities and Exchange Board of India on May 20, 2020.

Update on COVID-19 situation of Mold-Tek Packaging Limited:

1	Impact of the CoVID-19 pandemic on the business	<p>The Company's manufacturing operations the business and registered office were temporarily closed from 25th March, 2020 as per the directives issued by Government authorities. The Company resumed its partial manufacturing operations with effect from April 17, 2020 in accordance with approval granted by the concerned government administration authority. Pursuant to the guidelines and directives issued by the Ministry of Home Affairs, Government of India and the State Government Authorities, the registered office and normal manufacturing operations of the Company were resumed with effect from May 04, 2020.</p> <p>This has impacted sales of the Company for Q4 2019-20 with an estimated impact (based on best judgment) of approx. Rs. 15 Crores. Further the Company had to close Rs 3 Crores worth of FG & Rs 6 crores worth of SFG which was held up. The Sales for Ice Cream packs were badly impacted and the prime season for this industry is badly affected. The negative impact on sales is expected to continue in FY 20-21 and we expect sales for 20-21 to be around 80% of 19-20 sales. The Company is trying to reduce the fixed overheads to the best possible extent to protect the bottom line.</p>
2	Ability to maintain operations including the factories/units /office spaces functioning and closed down	<p>During the lock down period The Company's manufacturing operations and office was partially re-opened in phased manner in accordance with applicable guidelines issued by the Government authorities. Even now all plants are running partially.</p>



Corporate Office :

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3	Schedule, if any, for restarting the operation	The Company has restarted its operations partially as per the guidelines issued by Govt. w.e.f 04 th May, 2020. However, the employees of the Company have been encouraged to work from home wherever possible.
4	Steps taken to ensure smooth functioning of operations	<p>The Company is taking utmost care of its staff deployed at its Registered office, plants and warehouses and various precautions and safety systems have been implemented with appropriate training to staff including following of strict social distancing norms.</p> <ol style="list-style-type: none"> 1. Screening of all its employees and visitors at the entry gate and Cafeteria 2. Sanitizing the premises on regular basis 3. Entry of vehicles is restricted inside the Company premises and whichever vehicle necessarily needs to enter the premises is sanitized before entry. 4. All outstation incoming goods transport vehicles and driver details are noted down and recorded. 5. Maintaining social distancing and Enforcing wearing of masks 6. Asking all employees to have 'Aarogya Setu' App installed on their mobiles 7. Encouraging support staff to work from home 8. Virtual meetings are conducted to discuss operations of the company. <p>All employees of the Company have been trained and advised from time to time about the measures taken by the Company.</p>
5	Estimation of the future impact of CoVID-19 on its operations	Impact of Covid-19 up to Q4FY20 has been provided in Point no. 1. Although It is difficult to estimate the impact of COVID-19 on our future operations at this point of time, we certainly believe the sales for discretionary products like paints would be impacted in short term. Overall we feel the performance of the Company will be adversely affected as 1 st Quarter itself is down more than 40%.
6	Details of impact of CoVID-19 on the Company:	
	capital and financial resources	There is no impact on capital and financial resources of the Company. The Sales have been affected during the lock down.
	• Profitability	In view of lock down, the profitability during 1st quarter (Apr-Jun) may be impacted very adversely. However, the next three Quarter Company may turnaround if demand starts increasing.
	• liquidity position	The Company had Net Cash as on 31st March 2020 to meet requirements in case of any emergency and we do not foresee any liquidity crunch.



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	ability to service debt and other financing arrangement	Due to Covid-19 there is no impact on Company's ability to service debt. In fact, during this period the Company has discharged its liability towards lenders well within time and as mentioned above, the Company has sufficient cash reserves and unutilised banking lines to draw down in case of any emergency, if the need so arise
	Asset	There is no significant impact on debtors and inventory and all assets are at fair value.
	• internal financial reporting and control	All the internal financial reporting and controls have been maintained adequately.
	• supply chain	Transport and Dispatches continue to be challenge. The supply chain has been disrupted due to lockdown since March 2020 and unless the full supply chain resumes back to normal the availability of raw materials, packing material, etc. is an issue in view of the countrywide lockdown. However since Company has enough stocks at this stage it will not have any adverse impact.
	• demand for its products/ services	The Company is witnessing a gradual growth in its orders. As a packaging Company our products are essential for all our customers and hence we do not see any long term affect on demand. However, there will be a definite impact in the short term until consumer confidence and spending is restored.
7	Existing contracts /agreements where non-fulfilment of the obligations by any party will have significant impact on the Company's business	The Company does not foresee significant impact in respect of its existing contracts and agreements where the non-fulfilment of obligations by any party would lead to any material financial claim by or against the Company. The Company ensures that all the commitment shall be honoured in agreed and amicable time frame and as per agreed terms and conditions of the contracts/ agreement.

This is for your kind information and records.

Thanking you,

For MOLD-TEK PACKAGING LIMITED


J.LAKSHMANA RAO
 (Managing Director)
 DIN: 00649702

