

MRO-TEK REALTY LIMITED

Registered & Corporate Office:

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MROTEK®

Integrating Next Generation Networks

MRO: FS: 20-21:058

28th May, 2020

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra – Kurla Complex, Bandra (E),
Mumbai – 400 051

Fax No. 022-2659 8237/38

The Manager
Listing Department
BSE Limited
PJ Towers, Dalal Street, Fort
Mumbai – 400 001

Fax No. 022- 2272 3121

Dear Sirs,

Sub: Disclosure of material impact of COVID-19 pandemic under Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('LODR Regulations'/'LODR')

This is to inform you that the Management of the Company is continuously monitoring the evolving COVID-19 pandemic situation in India and guidelines issued by the Central/State Governments, Reserve Bank of India and other regulatory/competent Authorities and responding accordingly. In this regard pursuant to advisory issued by the Securities and Exchange Board of India (SEBI) vide its circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 and Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to disclose as follows:

Sno.	Heading	Disclosure
1.	Impact of the COVID-19 pandemic on the business operation.	<p>COVID-19 has already had a significant impact on the global financial markets, including India and it may have accounting and reporting implications for the Company.</p> <p>Due to lockdown our product/contract manufacturing services will have major impact.</p> <p>Major orders having significant value could not be executed due to the Covid-19 impact. Our factory was on complete lockdown from the past few Months. Now we have opened the plant and office with extremely limited manpower.</p>



2.	Ability to maintain operations including the factories /units /office spaces functioning and closed down	In compliance of Government lockdown direction to prevent and contain the spread of Novel Corona virus (COVID-19) and to ensure the health and safety of employees, associates and other stakeholders all the Office of the Company including Head Office, Corporate, Factory, Registered Office and all the Branch are opened with restrictions of state Government. Furthermore, the factory full-fledged operation still not commenced.
3.	Steps taken to ensure smooth functioning of operations.	<p>In the current scenario of COVID-19, it is not easy to do operation in smooth manner. However, we are trying our best level to ensure smooth functioning of operation through various step which inter alia includes:</p> <ol style="list-style-type: none"> 1. Allow Work from Home to employees, who are out of state. 2. Continues follow up with the customers for outstanding amount are going on. 3. Regular meetings of personnel with middle and senior management are being conducted on routine basis through video conferencing. 4. Company had borrowed Rs. 1,00,00,000/- (Rupee one crore only) from the Bank of Baroda to meet the temporary liquidity crunch and cash flow mismatch on account of outbreak of Covid -19 pandemic at the rate of interest or MSE Loan applicable BRLLR is 7.25% W.E.F 28.03.2020 (current RBI REPO Rate 4.40% + mark up -2.85% with moratorium period of 6 months.
4.	Estimation of the future impact of COVID-19 on its operations	We hope at this point of time there is no major impact of COVID-19 on our operations in the long run. However probability of higher defaults in payment from customers or lower market demand of products cannot be ruled out. We hope that current diversification into EMS is expected to fetch good revenue from Medical, Aero space and defence which may mitigate the future negative impact of COVID-19.
5.	Details of impact of COVID- 19 on listed entity's -	
a)	Capital and financial resources	The capital raising / borrowings from public by way of equity or debt seems tough. The borrowings from various Banks and Financial Institutions will depend upon government policies.
b)	Profitability	The Company is already under loss due to expenditure on expansion in solution and EMS segment and other factors. It is not possible to estimate the financial outcome for the year 2020-21 without having the complete details and analysis of post lock down impact.



c)	Liquidity position	There is liquidity crunch under current situation , the Company hopes to improve its liquidity position by the end of the financial year.
d)	Ability to service debt and other financing arrangements	The Company is in the position to honor its commitment and to service its debt.
e)	Assets	No major impact on fixed assets and current assets of the company.
f)	Internal financial reporting and control.	The Company has no issues with regard to internal financial reporting and control.
g)	Supply chain	As Company is dependent for sourcing the raw materials and components to major extent from outside India and supply chain adversely impacted due to wide spread of COVID-19 pandemic across globe. After some relaxation from government on Covid-19 lock down, the Company is able to get its raw material and customs clearance.
h)	Demand for its products/services	Demand of networking products : Demand for networking products affected adversely due to liquidity issue in the market and uncertainty situation prevailing across Industry. Demand of Electronic Manufacturing Services (EMS): The Company's major customers under EMS belongs to Aerospace, Defence, Medical and other electronic Industry. The demand from medical Industry customers expected to increase. The demand from other Industries cannot be anticipated. We are in receipt of EMS order from one of the medical industrial customer for worth of approximate value of Rs 4 Crores (Rupees four crore only) and expected to have favorable demand from medical Industry.
i)	Existing contracts/agreements where non-fulfillment of the obligations by any party will have significant impact on the listed entity's business.	No significant impact is expected as on date arising out of non-fulfillment of obligations under the existing contract/agreement.

The Same is being hosted on the Company's Website www.mro-tek.com, as per the terms of Regulations of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Kindly treat this as compliance under SEBI(LODR) Regulations, 2015.

Thanking you,
Yours faithfully

FOR MRO-TEK REALTY LIMITED



BARUN PANDEY
COMPANY SECRETARY AND COMPLIANCE OFFICER

Scrip Code:	
NSE	: MRO-TEK
BSE	: 532376
Demat ISIN	: INE398B01018