



# GTN INDUSTRIES LIMITED

(A Government recognised 'TWO STAR EXPORT HOUSE')  
CIN : L18101TG1962PLC054323, GSTNo:36AAACG8605N1ZB  
Corp. Off : Plot No.29, Nagarjuna Hills, Punjagutta,  
Hyderabad - 82, Telangana, INDIA. Phone:+91-40-43407777  
Email:sharedept@gtnindustries.com , Website: www.gtnindustries.com



REF : GTN:SE/Reg.30[Covid-19]/:2020  
Date: 26-06-2020

To,

The Manager  
Department of Corporate Services  
**BSE LIMITED**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
**MUMBAI - 400 001**

To,

The Manager  
**THE NATIONAL STOCK EXCHANGE  
INDIA LTD.**  
Exchange Plaza, 5<sup>th</sup> Floor, Plot No.C/1,  
G-Block, Bandra Kurla complex,  
Bandra (E), **MUMBAI - 400 051**

Dear Sir(s),

**Sub: Discloser of Material Impact of Covid-19 Pandemic under Regulation 30 of  
SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015**  
**Ref: Company Scrip Code: 500170/GTN IND.**

\*\*\*\*\*

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20<sup>th</sup> May, 2020, we are herewith submitting the disclosures of material impact of COVID-19 Pandemic on the operations and performance of the Company.

This is for your information and records.

Thanking you,

Yours faithfully,

For GTN Industries Limited

(M.K.Patodia)  
Chairman & Managing Director  
DIN NO. 0000 4752  
Encl: a/a

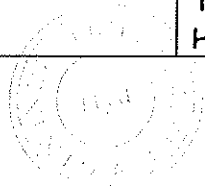


**GTN INDUSTRIES LIMITED**

**DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC**

Pursuant to the SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20<sup>th</sup> May, 2020, on disclosure of material impact of COVID-19 pandemic are as follows:-

| S.No. | Particulars  | Disclosures   |
|-------|--|---|
| 1     | Impact of the COVID-19 Pandemic on the business  | The Company's manufacturing facilities remained shut from 22 <sup>th</sup> March 2020 due to lockdown and re-opened w.e.f. 2nd May, 2020 at Medak unit and 26 <sup>th</sup> April, 2020 at Nagpur unit., which has impacted its operations during the periods. Some of the Company's domestic and export order are pending and on hold as per requirements of buyers. However, Company is expected to get orders and clear the pending orders.  |
| 2.    | Ability to maintain operations including the factories / units / office spaces functioning and closed down | The Company has restarted its operations in both the factories considering order book and available workforce adhering to the safety norms prescribed by Government of India.   |
| 3.    | Steps taken to ensure smooth functioning of operations   | The Company has taking utmost care of its staff and work force like sanitization, social distancing, mandatory mask wearing, and thermal check at the gate, maintaining proper hygiene. Supply chain is being monitored to ensure availability of material. During 3 <sup>rd</sup> lockdown imposition by Government, Contract Workers have gone to their native places and Government has permitted 1/3 <sup>rd</sup> workforce in offices/industries thereby the production is affected. We have taken cash flow, capital expenditure and overhead control measures to smoothly manage our operation. |
| 4.    | Estimation of the future impact of CoVID-19 on operations  | April 2020 being lockdown month, the revenues and profitability of the Company are likely to be adversely impacted. As the Company is fully dependent on yarn and the business situation is very dynamic, the same is being monitored closely. Though we do hope the business situation should normalize during 3rd quarter onwards.  |
| 5.    | <b>Details of impact of COVID-19 on our entity:-</b>   |   |
| 5.1   | Capital and Financial Resources  | The Company's capital and Banking facilities remain intact. The Company' has availed moratorium for the period from March 2020 to August 2020 as facilitated by the RBI Guidelines to overcome liquidity stress. Further, the company has been sanctioned fresh term loan under Cent Covid Sahayata of Rs. 5.21 which is repayable in Two years period with a moratorium of 6 months.<br>The Company does not foresee any liquidity concerns. However, the company is witnessing delay in receivable  |



Cyber

|     |  |   |
|-----|--|---|
|     |  | collection from buyers as buyers are extending payment terms.   |
| 5.2 | Profitability  | In view of lock down, the profitability during 1 <sup>st</sup> Quarter (April to June) is likely to be adversely impacted. As the business situation is very dynamic and depends on domestic and export orders, the same is being monitored closely.<br>Though we do hope the business situation should normalize during 3rd quarter onwards.                                     |
| 5.3 | Liquidity Position                                       | As explained above, there are no liquidity concerns. However, due to our receivable getting delayed, the cash position will be under stress. The company does hope cash position to be normal by 3rd quarter onwards.   |
| 5.4 | Ability to service debt and other financing arrangements | The Company has availed moratorium for the period from March 2020 to August 2020 as facilitated by the RBI Guidelines to overcome liquidity stress. The Company does not foresee any liquidity concerns. Though the cash position is challenging, with our limits and tight control over expenditure, the company will be able to serve its debt and other financing arrangement. |
| 5.5 | Internal financial reporting and control                 | The company has taken cash flow control and overhead control measure to manage the operations, weekly review mechanism adopted to review the account receivables and measure taken to control the capital expenditure.  |
| 5.6 | Demand for products                                      | There is temporary reduction in demand due to lock down, which we expect to improve from 3rd quarter onwards.   |

For GTN Industries Limited

*M.K. Patodia*

M.K Patodia

DIN: 00004752

Chairman and Managing Director

