



August 7, 2020

BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400001

Scrip Code: 500456

Dear Sir/Madam,

Sub: Disclosure of Material Impact on business and operations due to COVID-19

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI advisory issued vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020, please find enclosed the disclosure on the material impact on the business and operations of the Company due to outbreak of COVID-19.

This is for your kind information.

Thanking you,

Yours truly,
For **PASUPATI ACRYLON LIMITED**

BHARAT KAPOOR
COMPANY SECRETARY & COMPLIANCE OFFICER

PASUPATI ACRYLON LTD.

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REPORT ON THE IMPACT OF COVID19

1. Impact of the CoVID-19 pandemic on the business;

Due to the Covid-19 pandemic and resultant lockdown announced by the Central Government on all India basis, the operations/business activities at our plant and corporate office were stopped from 24th March, 2020. Stoppage of the operations/business activities at our plant and corporate office has affected the operations of the Company and accordingly the revenue of the Company has been impacted. However, this was not materially significant for the financial year 2019-2020, as the lockdown was announced in the later part of March 2020.

2. Ability to maintain operations including the factories/units/office spaces functioning and closed down;

During the lockdown period, the Company implemented "Work from Home" policy for the administrative staffs. Further, the Company had resumed partial operational activities at its manufacturing plant from 5th May, 2020 till 23rd May, 2020, after obtaining permissions from the appropriate government authorities. But due to sluggish demand for Acrylic Fibre on account of outbreak of Covid-19, the Company had to temporarily close manufacturing facility for Acrylic Fibre. However, the manufacturing facility for CPP Film is running with full capacity because of rise in demand for CPP film.

3. Schedule for restarting the operations:

The Company has partially started its operations/corporate office from 1st June, 2020 with all safety norms and reduced manpower, however work from home continues, wherever possible. The Company expects demand in Acrylic Fibre to grow at a slower pace due to shortage of labour with customers and lower sales at retail outlets. Once the demand pick up, the company will resume its normal manufacturing facilities.

4. Steps taken to ensure smooth functioning of operations

Keeping in mind the safety and health of the employees and other stakeholders of the Company, the Company is taking all necessary steps to adhere to the guidelines and other safety measures like sanitisation of plant and office, mandatory mask wearing, thermal screening of employees and visitors, social distancing, maintaining proper hygiene, avoiding non-essential visitors at work place, restricting employees having any symptom of cold or fever to attend office, downloading Aarogya Setu Application and checking health status, Washing hands regularly etc.

5. Estimation of the future impact of Covid-19 on its operations

Due to low demand for Acrylic Fibre, the revenue and profitability of the Company are likely to be adversely affected. The Company expects the demand for Acrylic Fibre to get back to its normal levels in the course of time. However, the estimation of the future impact of COVID-19 on its operations and financial health could not be predicted and quantified at this stage.

For Pasupati Acrylon Ltd.


Company Secretary

6. Details of impact of Covid-19 on the Company

- a. **Capital and financial resources:** The Company's capital and financial resources are well protected though there is an impact on its sale of Acrylic Fibre.
- b. **Profitability:** In view of the disrupted economic activities, the profitability during the year 2020-21 may be affected, however at this point of time, the same cannot be ascertained accurately.
- c. **Liquidity position:** The Company may face short term liquidity crunch due to disturbed operating cycle of the Company. However, the Company is confident to manage the liquidity position in coming quarters.
- d. **Ability to service debt and other financial arrangements:** As the Company is debt free, therefore there is no impact to service debt and other financial arrangements. However company is able to fulfil its other financial obligations.
- e. **Assets:** The Company has secured all the assets and the same are in good conditions. No significant effect caused to the assets of the Company. Necessary insurance cover has also been initiated so that the company will not face any loss due to any unforeseen circumstances.
- f. **Internal Financial reporting and control:** The Company's internal control System fully equipped with adequate checks and balances ensures that the entire transactions are adequately authorized and reported correctly.
- g. **Supply Chain:** As the Company has sufficient stock of its raw material, there was no scarcity of raw material. However, supply of products to customers was impacted due to disruption in the supply chain.
- h. **Demand for the Products:** There is temporary reduction in demand for Acrylic Fibre which the Company expect to improve in the coming quarters. But the demand of CPP (Film) remains intact.

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

The Existing contracts/agreements are being fulfilled and there are no such contracts/agreements which would lead to non-fulfilment of the obligations by any party or shall have significant impact on the business.

8. Other relevant material updates about the Company's business:

The Company is providing all necessary information and updates regularly to the Stock Exchange so that the stakeholders are aware of the same and the same is also be uploaded on the website of the Company

For PASUPATI ACRYLON LIMITED

For Pasupati Acrylon Ltd.



Company Secretary

BHARAT KAPOOR

COMPANY SECRETARY & COMPLIANCE OFFICER