

# SHANKAR LAL RAMPAL DYE-CHEM LTD.

Regd. Office: - S.G. 2730, SUWANA, BHILWARA-311001 (RAJ)

CIN: - L24114RJ2005PLC021340

(PREVIOUS NAME-SHANKAR LAL RAMPAL DYE-CHEM PVT. LTD. (U24114RJ2005PTC021340))

Phone: +91-1482-220062

email: info@srdyechem.com

website-www.srdyechem.com

**Dated: 09/06/2020**

**To,**

**Bombay Stock Exchange Limited**

Pheroze Jeejeebhoy Tower, Dalal Street,  
Mumbai-400001.

**Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Disclosure relating to impact of CoVID–19 pandemic on the Company**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May 2020 an update relating to the impact of the COVID-19 pandemic and the resultant lockdown, on the operations of the Company and the current status is attached.

This is for your information and record.

Thanking You

Yours Faithfully

Signature of Authorized Signatory

For SHANKAR LAL RAMPAL DYE-CHEM

LIMITED



Aditi Babel

Company Secretary and Compliance Officer

Place: Bhilwara

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## COVID-19 Pandemic Situation- Update on Operations

### **A. Impact on the business**

The lockdowns and restrictions imposed on various business operations due to COVID 19 pandemic have created several obstacles in day to day activities of Shankar Lal Rampal Dye-chem Limited(herein thereafter "SRDL" or "the company").

The Company's operations were stopped substantially from 17<sup>th</sup> March 2020 till the 1 week of May 2020 due to nationwide lockdown. Corporate offices, regional offices, retail Operations, imports and exports, etc.; were substantially reduced during the period and the company was able to get only very marginal sales through executing some advance sales orders.

### **B. Ability to maintain operations including the factories/units/office spaces functioning and closed down**

As stated earlier, retail facilities were shut down entirely during the lockdown phase as the company was not part of Government denominated essential services.

Corporate and regional offices were also shut, but the Company adopted the work from home policy during the entire duration of the lockdown. And In the very initial stage of this pandemic outbreak; the top level management suo-motu decided to make arrangements for sanitization, thermal screening, use of masks, staggered working and lunch schedules for whole staff members and customers.

### **C. Schedule, if any, for restarting the operations and steps taken to ensure smooth functioning of operations**

With the lifting of the lockdown restrictions, the Company has started working in the non-containment zones, after establishing thorough and well-rehearsed safety protocols.

These protocols include encouraging customers to sanitize first and maintain proper social distance while doing any trade transaction.

The company already have a well established Cash less payment facility and use of same is being promoted by the staff. Company is also doing timely sanitization of products.

The closing inventory has gradually increased due to less sale orders and the company is facing increased logistics cost nowadays. Based on permission from local administration at registered office location; the company has started.

### **D. Estimation of the future impact of CoVID-19 on its operations**

The Company is predominantly dependent on trading operations and company also deals with Export orders.

There is subsequent impact seen on sale with a reduction in almost 7% of monthly sale of the products and exports. The sale which was executed during the Lock down period were mostly execution of advance sale orders.

The drop in sales is also expected to impact the profitability in the near term.

The exact impact of this pandemic can't be estimated at this point of time but the company expect a substantiate increase in purchase price, material handling, transportation and the same will significantly increase the inventory cost.

For Shankar Lal Rampal Dye-Chem Ltd.

Sushant Prami

Director

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## **F. Impact of COVID-19 on capital and financial resources, profitability, liquidity position, ability to service debt, assets and internal financial reporting and control**

The company has recently issued shares to equity shareholders on preferential basis in March, 2020 just prior to pandemic outbreak; so company is in a comfortable position in view of capital adequacy. Also, Bankers and lenders of the company have provided adequate Bank and O/d limit that will help to meet out working capital requirements.

In view of financial year 2019-20; the company expect a strong position in regards of solvency, liquidity and overall financial outlook of the company.

Several Sanitization chemical in which company and its group firms deal in; will surly provides an opportunity in near quarter and the products will definitely help society and industry to mitigate the risk of virus outburst.

Before the COVID-19 pandemic outbreak, the Company embarked upon a proper online payment facility at all its regional offices. This initiative will help company to reduce customer visit to the business place. Company has also adopted online brochure based promotion; which help customers to choose the ideal product from their home itself.

Company has planned several measures to mitigate risk of increase in inventory cost, material handling charges and for reducing risk of bad debts.

The company is having good solvency position and a viable outlook to pay its long term and short term debts and other finance cost. The company continues a good financial discipline by timely payment of interest and its liabilities.

There is also no impact on internal financial controls due to the COVID-19 situation.

## **G. Impact of COVID-19 on supply chain**

As the economy is gradually opening the supply chain is also becoming fluent and running again. All most vendors have re-started their production and are ready to provide required supplies. Supplies from international vendors for dyes and chemical products have commenced.

The company and its vendors are facing a little problem regarding transportation and they hope that the same will be resolved as soon as possible.

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

The Company is well positioned to fulfil its obligations and also does not foresee any significant impact on the business due to non-fulfilment of the obligations by any party.

## **I. Annual Audited Accounts – FY 2019-2020**

Generally, the Company publishes its annual audited accounts by second week of May of each year. However, due to the current situation, it is expected that the Board meeting to adopt the accounts is planned to be held in mid-June.

For Shankar Lal Rampal Dye-chem Limited  
For Shankar Lal Rampal Dye-Chem Ltd.

*Susheel Inani*

Susheel Kumar Inani  
Chief Financial Officer

Director