



Dated 11th June,2020

To
The General Manager
Listing Department
BSE Ltd
PhirozeJeejeebhoy Tower
Dalal Street, Mumbai-400001

Sub: Disclosure on impact of CoVID-19 pandemic on the business as advised vide SEBI circular No.SEBI/HO/CFD/CMDI/CIR/P/2020/84 dated May 20, 2020

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir

Since March 2020, several economies across the globe have been severely impacted due to CoVID-19 pandemic, requiring many governing authorities across globe to implement stringent nationwide lockdowns and closure of their borders. This has caused extreme stress and uncertainty across sectors and markets and Poona Dal and Oil Industries Limited ("Company" or "PDOIL") being a part of this eco-system is no exception.

1. Impact of COVID-19 on the Business:

The Company is in to Manufacturing of Edible Oil , Pulses and pulses flour and has factories in Shikrapur, Tal.Shirur and Kurkumbh, Tal-Daund, Dist- Pune, Maharashtra.

The lockdown announced on the 25th March 2020 and the various announcement by the Government around the time resulted in shutting down of all of factories during the last week of March. However, since the company is manufacturing in to the product categories considered as "Essential Commodities" as per the notification issued by the Ministry of Home Affairs (MHA) for supply of essentials, we could operate our plants manufacturing such essential articles after taking requisite permission from various government authorities.

In April 2020, we had lower capacity utilization which were gradually ramped up in May 2020. The lower utilization of our full capacities was due to constraints of labour and logistics. Currently, all our plants are operational and we continue to improve our capacity utilization on a daily basis with ease of labour and logistic issues.

We believe that there will be impact in our revenues and profitability for Q1FY21 due to underutilization of capacities & other complimenting issues like transport etc.

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

Everyone at PDOIL should be able to work in a safe and protected environment. This is our topmost priority and we work towards it each day. In the battle against the Corona pandemic, Our factories that manufacture essential commodities that include Edible Oil, Pulses and Pulses Flour etc.

3. Schedule, if any, for restarting the operations

We continue to operate our facilities across our factories, currently our factories are running smoothly without any interruption.

4. Steps taken to ensure smooth functioning of Operations

The Company has taken conscious decision to balance uninterrupted operations and ensuring a safe working environment. To ensure this, staffs has been asked to report to work from their locations during first lockdown.

The Company has put in place strict monitoring process for Covid-19 smooth functioning of precautions ensuring the following operations:

- Sanitizing the premises and vehicles on regular basis
- Maintenance of social distancing at all workplaces
- Enforcing wearing of masks, thermal temperature checking and regular cleaning of hands with soap water
- Regular update of the health of all the employees and their families.

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

Getting material across to the factories was and continues to be a challenge. Availability of labour may become a larger challenge in the coming months. While the current customer sentiments and the reverse migration of the migrant workforce pose challenges, the Company is quite confident that the demand situation will pick up progressively. While the company is reasonably shielded from the demand vagaries, a sustained contraction of demand of FMCG products due to the reduction in GDP could lead to pressures on the company. However, given the massive stimulus announced by the government, we are confident that any demand contraction would be of a short term nature and should bounce back quickly.

6. Details of impact of COVID-19 on listed entity

Capital & Financial Resources: The Company is well capitalized and does not see the need for raising additional capital. The banking credit lines and internal accruals as available to the Company are deemed adequate. The Company has not taken recourse to any moratorium and has paid the installments in time.



POONA DAL & OIL INDUSTRIES LTD.

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Profitability: There could be some impact on the order book of the Company as consumer demand may reduce during or post lockdown. This could impact revenues and profitability of the Company on a full year basis.

Internal Financial Reporting & Control: The Company has already in place cash flow management procedures and have taken various steps to reduce overheads to manage the operations. Weekly review mechanism is adopted to control various aspects of business.

Liquidity Position: The Company has adequate internal resources to maintain its liquidity, however few debtors could get stretched due to prevailing lockdown.

Ability to service debt and other assets: The Company has adequate resources to service debt and managing other financing arrangements.

Supply Chain: The Supply Chain process was impacted during the lockdown period, however with the directives of the Central and State Government easing the supply chain process and operations; it is gradually moving towards normalcy. Currently, the Company has adequate stocks to cater to customer demands.

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

The Company is well positioned to fulfill its obligations and existing contracts/arrangements.

In case of non fulfillment of obligations and contract by any party or customer, it will have an impact on the business. However, as of now, we do not foresee any such possibility.

This is for your information and record.

For Poona Dal and Oil Industries Limited

Pradip P. Parakh
Managing Director
(DIN: 00053321)

