



Technocraft Industries (India) Limited

Registered Office: Plot No. 47 “Opus Centre”, Second floor, Central Road, Opposite Tunga Paradise Hotel, MIDC, Andheri (East) Mumbai – 400 093, Maharashtra, India
Tel: 4098 2222/2340; Fax No. 2835 6559; **CIN:** L28120MH1992PLC069252
E-mail: investor@technocraftgroup.com ; **website:** www.technocraftgroup.com

July 22, 2020

To,
National Stock Exchange of India Ltd.
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East),
Mumbai – 400 051

BSE Limited
Listing Department,
P.J. Tower 1st Floor,
Dalal Street, Fort,
Mumbai – 400 001

Script Name: TIIL

Script Code: 532804

Dear Sir/Madam,

Sub: DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC

Pursuant to SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, please find enclosed herewith disclosure on material impact of COVID-19 pandemic on the Company.

This is for information and record.

Thanking You,

Yours faithfully,

For Technocraft Industries (India) Limited

Sharad Kumar Saraf
Chairman & Managing Director

Encl: As above



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DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC

(Pursuant to the SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84)

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

Following Government directives of lockdown, Company's manufacturing facilities for various divisions were shut from March 22, 2020. Company obtained permissions to gradually re-start the operations on various dates. Company also assessed the situation on the ground and re-started the operations gradually. Since re-opening of our plants, Company has successfully been ramping up capacity across various plants.

2. Ability to maintain operations including the factories/units/office spaces functioning and closed down & schedule, if any, for restarting the operations:

The Company has already restarted operations among various units and administrative office after adhering to the safety norms prescribed by Government of India and State Government policies framed for dispatches, production and operations. Company did not re-start one of the Units of Grey Yarn manufacturing however other Units of Yarn had re-started. Similarly Company also did not re-start the Captive power Plant which supplied power so generated to its various manufacturing units, in view of lower requirement of power and power is now being taken by these manufacturing units from State Grid. The Company has sufficient raw materials and therefore has witnessed no disruption in manufacturing on account of lack of availability of raw materials.

3. Steps taken to ensure smooth functioning of operations:

The Company is taking utmost care of its staff and work force like sanitization of premises, social distancing, mandatory mask wearing, thermal check at the entrance, maintaining proper hygiene etc. Supply chain including logistics is being monitored to ensure availability and dispatch of stocks. Company has taken cash flow, capital expenditure and overhead control measures to smoothly manage its operations. Company has also initiated Work from Home for many operations to ensure normalcy in operations.



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4. Estimation of the future impact of CoVID-19 on its operations

In view of prevailing CoVID-19 situation and partial closure of manufacturing facilities in this period, the Company's revenue for 1st quarter of FY 2020-21 is likely to be impacted. As the business environment and nature of CoVID-19 problem is very dynamic, at this juncture it is difficult to predict impact of CoVID-19 on full year operations of the Company. The Company is closely monitoring the situation and hopes that the same could normalize from 3rd quarter.

5. Impact of CoVID-19

5.1 Capital and financial resources

The Company's capital and Banking facilities remain intact. The company has sufficient Banking limits, cash and cash equivalents. There are no liquidity concerns. However, the Company is witnessing delay in receivable collection from customers due to exceptional situation. Company is regularly following up with customers for recovery of receivables and does not feel that there would be bad debts.

5.2 Profitability

In view of lock down, the profitability during 1st quarter (April to June) is likely to be impacted. The Company hopes that overall business situation could normalize from 3rd quarter.

5.3 Liquidity position

There are no liquidity concerns and Company has sufficient funds, Banking limits and cash and cash equivalents.

5.4 Ability to service debt and other financing arrangements

The Company has sufficient funds to meet its financial requirements and it has been able to and is confident that it will be able to serve its debt and other financing arrangement without any delay.

5.5 Internal financial reporting and control

The Company has in place, financial and overhead control measures to manage the operations. Regular review mechanism



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is adopted to review the account receivables and measures are taken to control and monitor capital and overhead expenditure.

5.6 Demand for its products/services

The company is engaged in manufacturing and supplying drum closures, scaffoldings, yarn and garments. The Company has not seen any substantial reduction in demand of these products so far.

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

Company has not observed any contract/agreement where non-fulfilment of the obligations by any party will have significant impact on the Company’s business.

This update is dynamic and may change as the situation changes. The company will provide updates on the situation in case of any major changes.
