



REF: HSL/SEC/2020/35

July 16, 2020

BSE Ltd.  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai - 400 001  
Script Code: 514043

National Stock Exchange of India Ltd.  
Exchange Plaza, 5th Floor, Plot No. C/1  
G Block, Bandra-Kurla Complex, Bandra (E)  
Mumbai - 400 051  
Symbol: HIMATSEIDE

Dear Sirs,

**Sub: Disclosure relating to impact of Covid-19 pandemic on the Company**

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

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 May 20, 2020, a disclosure 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 & record.

Thanking you,

Yours faithfully,  
For Himatsingka Seide Limited

Sridhar Muthukrishnan  
Company Secretary

Encl: As above

**DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC ON THE COMPANY**

The lockdowns and restrictions imposed on various activities due to COVID – 19 pandemic have posed challenges to the businesses of Himatsingka Seide Limited (the “Company”/“HSL”).

<b>Sl.</b>	<b>Particulars</b>	<b>Disclosures</b>
A.	Impact of the COVID-19 pandemic on the business of the Company	The Company’s plants at Hassan and Doddaballapur based in Karnataka, were shut from March 24, 2020 due to lockdown. The plant at Hassan resumed operations from April 27, 2020 and the Doddaballapur plant resumed from May 21, 2020. Due to the same, the Company’s operations were disrupted during this period.
B.	Ability to maintain operations including the factories/units/office spaces functioning and closed down	<p>As stated earlier, manufacturing plants were shut down entirely during the lockdown phase as the Company was not part of Government denominated essential services.</p> <p>However, as the Company is in the business of Textile products, Government of Karnataka, approached the Company for assistance in mitigating and controlling the spread of COVID-19. As part of CSR initiatives, the Company duly supplied Sheet sets, masks and allied items to Government of Karnataka and other identified essential places/agencies like Hospitals/ Police units etc. and other personnel engaged in essential duties.</p> <p>Corporate office was also closed, but the Company adopted the work from home policy during the entire duration of the lockdown.</p>
C	Schedule, if any, for restarting the operations	<p>With the lifting of the lockdown restrictions, the Company has reopened its plants at Hassan and Doddaballapur, as mentioned above, after establishing thorough and well-rehearsed safety protocols.</p> <p>The Corporate office at Bengaluru re-opened on 4<sup>th</sup> May, 2020 with 33% capacity and the same had been enhanced to 50% capacity effective 22<sup>nd</sup> May 2020. Post increase in Covid-19 cases in Bengaluru city, the Company was operating at 25% capacity. Post</p>



		announcement of lockdown in Bengaluru city with effect from 15 <sup>th</sup> July 2020, the Corporate Office is now functioning fully on work from home basis.
D	Steps taken to ensure smooth functioning of operations	The Company has taken all steps to comply with central & state government directions and guidelines to contain spread of COVID-19 viz. social distancing norms, wearing of face masks, regular sanitisation of premises, thermal screening before entering workplace, appropriate training to workmen and staff and other precautionary measures required to be taken in the prevailing situation to ensure the health, safety of workers and staff at workplace.
E	Estimation of the future impact of COVID-19 on its operations	<p>The Company has evaluated the possible impacts of known events arising from the COVID-19 pandemic including assessment of value of tangible and intangible assets of the Company as well as Group Companies as a whole.</p> <p>However, given the effect of these lockdown on overall economic activity and in particular on textile industry, the impact assessment of COVID-19 on the financial statement is subject to significant estimation of uncertainties given its nature and duration and accordingly the actual impacts in future may be different from those estimated.</p> <p>The Group will continue to monitor any material changes to future economic conditions and consequential impact on its operations.</p>
F	Impact of COVID-19 on capital and financial resources, profitability, liquidity position, ability to service debt, assets and internal financial reporting and control.	<p>The Company continues to maintain healthy cash balances and unutilised credit lines in order to mitigate any potential liquidity risks.</p> <p>The Company will continue to operate, earn profits and meet its liabilities, current and future, as they fall due.</p> <p>Measures taken by Government of India and Reserve Bank of India (RBI) allowing moratorium for loan repayments has been a positive step. The Company has proactively approached its Term Lenders seeking moratorium and banks have responded favourably.</p>



G	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
H	Other relevant material updates about the listed entity's business	Any further material developments, of any on this will be communicated from time to time

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