

July 31, 2020

To
The General Manager – Dept. Corporate Services,
Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

Scrip Code: 513043

Dear Sirs,

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

Yours faithfully,
For **REMI EDELSTAHL TUBULARS LIMITED**



SHRIYA SHAH
COMPANY SECRETARY & COMPLIANCE OFFICER

Encl: a/a

DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC

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

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

Following the Government directives of lockdown, Company's manufacturing facility was shut from March 21, 2020. The Company obtained permission to gradually re-start the operations from 3rd week of May -2020. On various dates. Company also assessed the situation on the ground and re-started the operations gradually. Since re-opening of our plant, the Company has successfully been ramping up capacity.

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

The Company has restarted partial manufacturing from 20/21stMay with allowed manpower and administrative office after adhering to the safety norms prescribed by the Government of India and the State Government policies framed for dispatches, production and operations. The Company has sufficient raw material, therefore has witnessed no disruptions in the manufacturing on account of lack of availability of raw materials but the Company is facing shortage of man power .

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 employees to ensure normalcy in operations.

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

In view of prevailing CoVID-19 situation and partial closure of manufacturing facility in this period, the Company's revenue for 1st quarter of FY 2020-21 is likely to be impacted substantially. 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 any bad debts.

5.2 Profitability

In view of lock down, the profitability during 1st quarter (April to June- FY 2020-21) is likely to be impacted substantially. 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 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 stainless steel pipes. 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:

The Company has not observed any contract/agreement where non- fulfillment 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 evolves. The company will provide updates on the situation in case of any major changes.
