

June 4, 2020

The General Manager,
Department of Corporate Services - CRD
BSE Limited,
1st Floor, New Trading Ring,
Rotunda Building, P.J. Towers,
Dalal Street, Fort,
MUMBAI – 400 001

Scrip Code: BSE – 523369

Disclosure of Material Impact of Covid-19 Pandemic

Dear Sir,

Pursuant to SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, and further to our last Disclosure dated 14.5.2020, please find enclosed herewith disclosure on material impact of Covid-19 pandemic on the Company.

Kindly acknowledge.

Thanking you,



Yours faithfully,



(Y.D. Gupta)
Company Secretary

Encl: As Above

DCM SHRIRAM INDUSTRIES LIMITED
(SCRIP CODE – 523369)

**Disclosure of Material Impact of Covid-19
Pandemic on the Business of the Company.**

Pursuant to SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 the impact of Covid-19 pandemic on the business of the Company are as follows:

S. No.	Particulars	Disclosures
1	Impact of the Covid-19 pandemic on the business	As informed by the Company's disclosures dated 23.3.2020, 4.4.2020 and 14.5.2020 the Company's Sugar and Chemical operations continued during the lockdown period as permitted by the competent authorities. The Rayons operations were shut down for about 5 weeks and commenced operations on 11 th of April, 2020, albeit at around 44% of its capacity. The lockdown mainly impacted the Rayon operations of the Company as it is linked to auto industry and also the liquor contract bottling.
2	Ability to maintain operations including the Factory's Unit/ office spaces functioning and closedown.	As stated above, the operations are going on. However, the Delhi offices of the Company remained shut down for over 2 months. The functions were however, carried out through WFH method.
3	Schedule, if any, for restarting the operations.	Not Applicable in view of the position explained above.
4	Steps taken to ensure smooth functioning of operations.	The Company is taking utmost care of its staff and work-force like sanitization, social distancing, compulsory mask wearing, hand washing, thermal check at the gate, maintaining proper hygiene, etc. Strict control is adhered to manage cash-flow, capital expenditure and overhead control to manage the operations efficiently.
5	Estimation of the future impact of Covid-19 on its operations	April – June, 2020, being lockdown months, some impact on revenues and profitability of the Company are expected. The extent of demand destruction is being assessed. The



		Company is closely monitoring the position and strict austerity measures are being implemented to offset the impacts as far as possible. Production will be tempered to manage stocks based on demand.
6	Details of impact of Covid-19 on the listed entity's:	
(i)	Capital and Financial Resources	The Company's capital and banking facilities remain intact. There are no liquidity concerns as adequate banking limits are available. The position has been strengthened by the reliefs extended by RBI/ Banks looking into the Covid-19 situation.
(ii)	Profitability	In view of the lockdown the profitability during the current quarter is likely to be impacted to some extent. However, it is expected that the impact will be offset in the coming quarters.
(iii)	Liquidity position	As explained above, there are no liquidity concerns as we have sufficient banking limits available and are taking adequate austerity measures.
(iv)	Ability to service debt and other financing arrangements	The Company has negotiated with the lending banks, who have been co-operative. No foreseeable problem is expected in this area. With strict control and co-operation from the lenders the Company is confident of servicing its debts and other financial requirements.
(v)	Internal financial reporting and control	Strict internal financial reporting and control measures are in place. The Audit Committee and the Board closely monitor such reporting and controls.
(vi)	Demand for its products/ services	The Company does not find any major fall in demand for its products, except Rayon based products, the demand for which depends on Automobile industry conditions mainly in European countries.

