



BARAK VALLEY CEMENTS LTD.

281, Deepali, Pitam Pura, Delhi-34 Tel. : +91-11-27033828 / 829 Fax : +91-11-27033830
E-mail : delhi@barakcement.com • Website : www.barakcement.com
CIN : L01403AS1999PLC005741



Ref: 1407/BVCL/2020-21

July 14, 2020

To
The General Manager
Department of Corporate Services,
BSE Limited
Phiroze Jee Jee Bhoy Tower
Dalal Street, Fort
Mumbai-400001
Fax: 022-22722061/41/39
Phone No. 91-22-22721233/4

To
The General Manager
Department of Corporate Services,
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East), Mumbai-400051
Fax: 022-26598237/38/47
Phone No. 022-2659-8235/36

Scrip Code- 532916

Scrip Code- BVCL

Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosures Requirements) 2015- Impact of COVID-19

Ref: SEBI circular no. SEBI/HO/CFD/CMDI/CIR/P/2020/84 dated May 20, 2020,

Dear Sir,

With reference to the above captioned subject matter and our earlier intimation dated May 28, 2020, please find enclosed herewith disclosure of impact of COVID-19 pandemic on "**Barak Valley Cements Limited**".

You are requested to please consider this as a valid submission under Regulation 30 of SEBI (LODR) Regulations, 2015 and take the same in your records.

Thanking You,

Yours faithfully,
For **BARAK VALLEY CEMENTS LIMITED**


(Rajesh Aggarwal)
Chief Financial Officer



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Impact of COVID-19 on the operations of the Company:

Barak Valley Cements Limited ("**Company**") along with its Seven Subsidiary Companies is primarily engaged in Cement Industry mainly focusing on the north eastern part of India. The operations of the entity were hampered because of complete nationwide lockdown due to amid spread of Novel Corona virus ("**COVID-19**"), announced by the Ministry of Health Affairs ("**MHA**"), Government of India on March 24, 2020.

Furthermore, the total volumes supplied in the fourth quarter of the year has reduced to 1/4th of the normal peak supplies in the 4th quarter every year. The business activities of the entity comes to stand still before imposition of lockdown from March 24, 2020.

Even after the adverse impact of COVID-19 on the economy as a whole, the entity is able to cope with the adverse impact of COVID-19 because of ability, competence and sincere efforts of senior and other employees of the entity.

Ability to maintain operations including the factories/units/office spaces functioning and close down:

Due to the complete nationwide lockdown announced by the Ministry of Health Affairs ("**MHA**"), Government of India on March 24, 2020, the working operations of the company were partially affected during the period from March, 2020 to June, 2020. Further, Company carried its business operations with 1/3rd of its total strength of staff and during that period only critical or managerial staff was called upon. Rest of the staff members were asked to work from home.

All the staff members of the Company supported well and completed assignment(s) which can be done from home and would not let any of the assignment hampered.

Schedule, if any, for restarting the operations:

Company had already resumed its operations. Therefore, this Clause is not applicable on the Company.

Steps taken to ensure smooth function of operations:

The Company has taken all necessary steps to ensure smooth functioning of operations and put in place strict monitoring process for COVID-19 ensuring the following:



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- Temperature checking for employees/ workmen on daily basis.
- Thermal Screening of all employees and visitors;
- Sanitization of the premises and vehicles on regular basis;
- Maintenance of social distancing at all work places;
- Enforcing wearing of masks and regular cleaning of hands;
- Regular update of the health of all the employees and their families;
- Asking all employees to have Aarogya Setu App;
- The entity has been regularly conducting awareness programs for all its employees.

Estimation of the future impact of COVID-19 on its operations:

The operations of the Company as a whole (plants as well as administrative offices) were disturbed and faced adverse impact on revenue but as soon as the lockdown was lifted up and Company has resumed operations, with passage of little time Company started reshaping its business like before COVID-19.

The management of the Company also estimates that with the rolling back of economy in its track, business of the Company will be in motion.

Details of impact of COVID-19 on Listed Company:

(i) Capital and Financial Resources:

The Company's capital and financial resources remain unaffected except delay in collection of receivables. There was minimum level of liquidity crisis reported in spite of adverse impact on sales.

(ii) Profitability:

In view of lock down announced across the country, the profitability of the Company during 1st quarter of current financial year is likely to be impacted. It is expected with the rise in economic condition of the Country, areas where Government spending be good will see rise in demand.

(iii) Liquidity Position:

There are liquidity concerns due to the complete nationwide lockdown. The Company has applied to its lending Banks/Financial Institution which has advanced loan or working capital facilities to the Company for availing the moratorium during the period from April, 2020 to August, 2020 in respect of principal loan repayment and interest on such borrowings. Further, wages/salaries of the workers/employees were paid with some

REGD. OFFICE & WORKS : Debendra Nagar, Jhoom Basti, P.O. Badarpur Ghat, Distt. : Karimgahj-788803 (Assam)

Ph. : 03843-269258, 269881 • Fax : 91-3843-268965

KOLKATA OFFICE : CF - 361, Salt Lake City, Sector-I, Kolkata-700064 • Ph. : 033-40046161 /62 / 63 • Fax : 91-33-40046164



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delay but without any deductions. We have undertaken impact analysis on our cash flows both under pessimistic and optimistic scenario.

(iv) **Ability to service debt and other financing arrangements:**

With reference to the RBI Circular No. RBI/2019-20/186 dated March 27, 2020 and Press Release No. 2019-2020/2392 dated May 22, 2020, the Company has applied to its lending Banks/Financial Institution which has advanced loan or working capital facilities to the Company for availing the moratorium period of loan from April, 2020 to August, 2020. As the Company foresees strong liquidity position in coming business season, there will be no impact on meeting future financial obligations.

(v) **Assets:**

None of the Assets of the Company have been impacted or impaired by the Covid-19.

(vi) **Internal Financial Reporting and Control:**

The Company has robust Internal Financial Reporting and Control system. All reporting systems worked seamlessly without any disruption.

(vii) **Supply Chain:**

Due to imposition of restrictions on movement across the country, there is some impact on supply chain. It will take a little time to normalize but with the rise in economic activities within the country, the same will be restored within a very short span.

(viii) **Demand for products/ services:**

There has been impact on demand of products. The Company has been maintaining sufficient inventories across the plants to meet with the production requirements.

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

Since there is no such non-fulfillment by any party in any contract and/or arrangement that will have significant impact on the listed entity's business, Therefore this clause is not applicable.

Other relevant material updates about the listed entity's business:

Nil.