gokaldas exports ltd

GEL/SEC/2020-21

Date: 2nd June 2020

Bombay Stock Exchange Limited
Floor 25, P.J Towers,
Dalal Street,
MUMBAI – 400 001

SCRIP CODE: 532630

The National Stock Exchange of India Limited
Exchange Plaza,
Bandra – Kurla Complex, Bandra (E),
MUMBAI-400 051

GOKEX

Dear Sir,

SUB: DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC

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

The above is for your information and record.

Kindly acknowledge the receipt.

Thanking you,

Yours truly.

For Gokaldas Exports Ltd

Gokaldas Exports Limited Bangalore-25

Sameer Sudarshan RV
Company Secretary and Compliance Officer.
Encl : As above

Regd. Office :
16/2, Residency Road, Bangalore - 560 025. (INDIA)
Telephone : 41272200, 41272220
Fax No. 91 - (080) - 33477491, E-mail : gokex@vsnl.com
CIN : L18101KA2004PLC033475

ISO 9001 CERTIFICATION Intertek
UKAS MANAGEMENT SYSTEMS 014

gokaldas exports ltd

Pursuant to Regulation 30 of Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May 2020 on disclosure of the material impact of COVID-19 pandemic. The details are as follows :

Sl. No.	Subject Area	Explanatory Remarks
1	**Impact of the COVID-19 pandemic on the business**	The Company's manufacturing facilities remained largely shut from March 23, 2020 to May 3, 2020 as per the directive of the Government. During the lockdown period, the company extended support to the Government by producing personal protective equipment (PPE) for doctors, nurses, and other hospital support staff treating COVID-19 victims. With the permission of the Government, we opened a few of our factories with reduced workforce to produce such equipment to serve the national cause. The lockdown and closure of operations adversely impacted the business during April and May 2020. The company faced some cancellation, deferment of orders as well as delayed payments from customers.
2	**Ability to maintain operations including the factories/units/office spaces functioning and closed down. Schedule, if any, for restarting the operations**	After lockdown was eased on May 4, 2020, the company reopened all its factories. The company has always prioritized health, safety and well-being of its employees, their families, and other stakeholders. The company has put in place a robust protocol for ensuring workplace safety, and social distancing norms and shall continue to strengthen it further, based on the Government of India recommendations.
3	**Steps were taken to ensure smooth functioning of operations**	The Company has taken all necessary steps to adhere to the guidelines for social distancing and various directives issued by relevant Government authorities and has put in place safety measures keeping in mind the safety, health and well-being of the employees. All the facilities available across the company have been sanitized so that our employees are safe and secure. The safety protocols of temperature sensing, wearing of masks, face shields, social distancing, sanitizing, and washing hands are being adhered to very stringently.

Gokaldas Exports Limited Bangalore-25

Regd. Office :

16/2, Residency Road, Bangalore - 560 025. (INDIA)
Telephone : 41272200, 41272220
Fax No. 91 - (080) - 33477491, E-mail : gokex@vsnl.com
CIN : L18101KA2004PLC033475

4	**Estimation of the future impact of COVID-19 on its operations**	The company lost over 50% of its production capacity in the first quarter due to the lockdown being in effect. The company saw cancellation/deferment of orders by its customers as well. The company is now in the process of ramping of its production capacity to meet the delivery requirements of its customers. The company's performance is closely dependent on the recovery of its key customers in North America and Europe. An early recovery will minimise the impact in the near future.
5	**Details of the impact of CoVID-19 on listed entity's:**	
5.1	**Capital and Financial resources**	The company's banking arrangement remains intact and is in a position to meet its short-term obligations. The company also has approached its bankers for additional emergency credit lines under RBI COVID-19 regulatory norm.
5.2	**Profitability and liquidity position**	Q1 financial performance will be affected due to the outbreak of the pandemic and the consequent lockdown. There are no liquidity concerns in the company and we have sufficient cash flows from operations as well as banking limits to meet its obligations. With additional adhoc-facilities from the banks, the company's cash position is well-positioned to manage its operations.
5.3	**Ability to service debt and other financing arrangements**	The Company has adequate unutilised working capital facilities to meet its financial requirements. With tight control over expenditure and available credit limits, the company will be able to serve its debt and other financing obligations. In line with the RBI circular, the company has applied for a moratorium on working capital payments.

Gokaldas Exports Limited Bangalore-25

Regd. Office :

16/2, Residency Road, Bangalore - 560 025. (INDIA)
Telephone : 41272200, 41272220
Fax No. 91 - (080) - 33477491, E-mail : gokex@vsnl.com
CIN : L18101KA2004PLC033475

5.4	**Internal financial reporting and control**	The Company has not experienced nor does it foresee any concerns regarding internal financial reporting and control.
5.5	**Demand for its products/services**	The company's performance in the quarters ahead is closely dependent on the recovery of its key markets of North America and Europe. Most of the customers' retail stores are still shut and are expected to open soon thereby reviving end user demand. The company is closely watching the pandemic situation and will take appropriate steps in the quarters ahead to secure its business. The company hopes that the key markets will recover in the coming quarters thereby restoring demand for its products.



Regd. Office :

16/2, Residency Road, Bangalore - 560 025. (INDIA)
Telephone : 41272200, 41272220
Fax No. 91 - (080) - 33477491, E-mail : gokex@vsnl.com
CIN : L18101KA2004PLC033475