MOHIT INDUSTRIES LTD.

AN ISO 9001:2015 CERTIFIED COMPANY

Date: 22nd June, 2020

To

The Deptt of Corporate Services
BSE Limited
P.J. Towers,
Dalal Street,
Complex
Mumbai-400 001
Script Code: 531453

Listing Department
National stock exchange of India Limited
Exchange Plaza, Plot no. C/1, G Block,
Bandra- Kurla

Bandra (E), Mumbai - 400 051
Symbol: MOHITIND

Dear Sir/ Madam,

Sub: *Disclosure of events or information as per Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and as per SEBI Circular CIR/CFD/CMD/4/2015 Dt. 09/09/2015 and Circular* ***SEBI/HO/CFD/CMD1/CIR/P/2020/84*** *Dt. 20/05/2020*

With reference to the above subject we are hereby providing you the details of the impact of COVID-19 pandemic on the business of the company till date.

Sl. No.	Particulars	Details
1.	Impact of the COVID-19 pandemic on the business	The COVID-19 crisis is expected to have a negative impact on the business of the entity as the demand for textile products abroad and domestic sales have come down to a grinding halt due to the panic situation created by the COVID-19 outbreak, further the overall adverse impact on the operations of the Company is not immediately ascertainable. Due to the lockdown, all sorts of textile-related factories are closed and it is tough to hazard a guess when the situation or working get into normalcy. Workers have been running here and there amid all sorts of confusion. The business community is scared on account of cash crunch, supply chain disturbance and manpower-related issues.

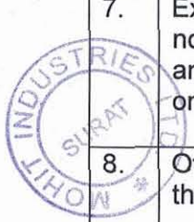
MOHIT INDUSTRIES LTD. SURAT

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2.	Ability to maintain operations including the factories /units /office spaces functioning and closed down	In continuation to our earlier communication vide letter dated 25th March 2020 intimating about the temporary closure of our manufacturing operations on account of the lockdown imposed by the Government due to outbreak of Covid-19 during the last week of March, we wish to inform you that the Company had resumed its operations in a gradual manner effective from 26th April, 2020 putting in place the mandatory protocols for all our employees as per the guidelines stipulated by the Ministry of Home Affairs of the Government of India. The policies revolve around safety, for self, Safety at Home, Safety for family, Safety in Transit, Safety of Colleagues, Safety at Workplace and Safety for Community.
3.	Schedule, if any, for restarting the operations & Steps taken to ensure smooth functioning of operations	The corporate office and the factories were restarted on 26th April, 2020. The company has taken the following steps for ensuring its smooth functioning of operations: 1. Guidelines to be followed during the COVID-19 pandemic are pasted on the notice board of the corporate office and the factories and same is been complied in letter and spirit. 2. Compulsory wearing of Masks by the employees/workers and even visitors in the office and factory premise. 3. Following the social distancing norms, the corporate office and the factories was equipped with minimum staff. 4. Sanitization of every employee /worker and any visitor is taken care of at the corporate office and at the factories. 5. Scanning through Infrared Thermometer Guns is strictly adhered for each person entering the factory premise. 6. Till date, not a single person or their family members was/is affected by COVID- 19. 7. Those in containment zones shall not be coming to work, they need to inform their work responsibilities accordingly. 8. Use of Aargya Setu Application is being encouraged for all employees. 9. Work from home facility is also given to some employees.
4.	Estimation of the future impact of COVID-19 on its operations	As the factories were closed from the last week of March 2020 during the lockdown, the production as well as other operation during those days were at complete halt which may have an impact on the production and sales of the company and directly impact the length of the recovery cycle. Gradually the operations started but

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		with the limited workers and also have reduced the working hours resulting in production slowdowns, as concerned about employee retention. Secondly time taken to align to the new GST regime and revised export incentives in past years have clearly impacted exports, and the recent slowdown in global demand has increased competition in markets. Further, the industry may take a much longer time to recover after the lockdown. We can hope that within four to six months to see businesses back to normal, as estimates of direct losses are difficult to make now and it is also tough to foresee the issues that will crop up later.
5.	Impact of COVID-19 on Capital and Financial Resources, Profitability, Liquidity Position, ability to service debt, assets and internal financial reporting and control capital and financial resources;	The resources will get stretched due to increased requirement of working capital. The profitability position of the company may have a negative impact due to the closure of factory and expected to improve once the company's operation return to normal level. Due to the COVID-19 crisis, there has been a liquidity crunch within the company. However, the company is expected to recover from it by the end of the year. However, RBI has announced moratorium of loan for the period March 2020 to August 2020 and which the company is availing, this will help in strengthening the Company's finances/liquidity position. Shutting down and restarting of the plants were done exactly as per standard operating procedures and no assets were damaged during the period. Asset utilization will improve gradually. The Company has a sound internal financial reporting and control mechanism, and wherever applicable additional controls are being added to address the current situation.
6.	Impact of COVID-19 on supply chain	There had been a temporary halt in the supply chain of the company due to the lockdown regulations. However the supply chain now is slowly coming back to its normal phase; the problem of shortage of drivers for both inbound and outbound transport is being faced by the business at this time.
7.	Existing contracts/agreements where non-fulfillment 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 existing contracts once the epidemic is controlled and total lockdown is lifted.
8.	Other relevant material updates about the listed entity's business.	The Company is being complied and timely updates the exchange in respect of any material disclosure to be made prior or post



		in regards to the respective regulation. Further any such material updates or events if any, arise in future will be intimated to the respective Exchange and the investors.

Kindly take the above intimation on record.

Thanking You,
Yours truly,
For **MOHIT INDUSTRIES LIMITED**

Nikita Pediwal
Company Secretary