MOHOTA INDUSTRIES LIMITED
(Formerly Known as 'The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd.')
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ISO 9001 CERTIFIED
CIN: L99999MH1946PLC005261

Dtd: 30/05/2020

To ***The Manager (Listing),*** ***BSE Ltd.,*** ***Rotunda Building, 1st Floor,*** ***Dalal Street, Fort,*** ***Mumbai – 440 001*** ***Code: 530047***	***To*** ***The Manager (Listing),*** ***National Stock Exchange of India Ltd.,*** ***Exchange Plaza, 5th Floor*** ***Plot No. C/1, G Block*** ***Bandra Kurla Complex, Bandra (East)*** ***Mumbai 400 051*** ***Code: MOHOTAIND***

Sub: Disclosure of Material Impact of COVID–19 pandemic on operation of Company.
Ref: Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Dear Sir / Madam,

With reference to above SEBI advisory, company's disclosure on material impact of CoVID–19 pandemic on Financial condition, Future operation, Liquidity, demand of production etc.

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

    a. The Indian economy has been under lockdown for more than two months during the COVID-19 pandemic. This has cause tremendous production shortages and supply chain issues leading to revenue losses to the business.

    b. Pending orders are stuck as textiles markets across the country are not operating properly as of now. Dispatches in cases where the material is sold have been put on hold by the customers till further notice.

    c. Movement of raw material needed for production is being impacted due to nationwide lockdown. Employees of our company are facing difficulties in reaching the Factories and offices. During the lockdown, dispatches by railways and roads are also affected. Local administration is not allowing trucks carrying goods to ply on the roads.

2. Ability to maintain operations including the factories/units/office spaces functioning and closed down:

    Even though it is not possible for the company to operate the factories, "Work from Home" has been implemented in its Registered Office and Corporate Office. Company has allowed essential employees to attend offices only to the extent of work essential to carry on business activities and also to clear backlog of work.

3. Schedule, if any, for restarting the operations:

    It is difficult to resume the operation of the company during lockdown. Once the restrictions are lifted and markets start opening up, the scale of production will be largely dictated by the orders we receive for supply of our products, realization of the accounts receivables and availability of labour.

4. Steps taken to ensure smooth functioning of operations;

The company has taken a variety of steps such as thermal screening of all employees, sanitizing the premises and vehicles on regular basis, maintenance of social distancing at all work places, enforcing wearing of masks and regular washing/sanitizing of hands, regular updates of health of all employees and their families, encouraging employees to download the "Aarogya Setu" app and to continuously follow guidelines as prescribed by the government. However it is not possible to operate its factories at the moment.

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

The overall adverse impact of the CoVID-19 situation on the business operations of the company and its financial implications are yet to be ascertained as the situation is highly dynamic. The same will be intimated to the Stock Exchanges in due course.

6. Details of impact of CoVID-19 on listed entity's –
   a. Capital and financial resources;

      Financial results for the year ended on March 31,2020 are in the stage of preparation. Quantum of effect of CoVID-19 on the capital and financial resources of the Company will be disclosed in the Financial Results.

      As there has been no production at all so far in Qtr-1 of Financial Year 2020-21, the outlook is bleak.

   b. Liquidity position;

      We were already facing a severe liquidity crunch even before the lockdown was imposed due to CoVID-19. Multiple extensions of the lockdown and the economic uncertainties in the future have made it even worse.

   c. Ability to service debt and other financing arrangements;

      As our operations have been at a standstill, our realizations have been negligible. There is a severe shortfall in meeting our running expenses and vendor payments.

   d. Assets;

      None of our assets got impaired due to the effects of CoVID-19 lockdown till date. We expect higher maintenance and breakdown costs once manufacturing starts as textile machinery is designed to run as a continuous process.

   e. Internal financial reporting and control;

      With limited manpower, the senior management is actively trying to manage the implementation of our internal control policies.

   f. Supply chain;

      Due to imposition of restrictions at various levels, we see some impact on Raw Material availability, stores, spares and other items of the supply chain till at least August 2020. If the current scenario continues for a longer period, it will adversely affect our operations.

g. Demand for its products/services;

Demand for our products is severely impacted as there is almost no economic activity during the lockdown. We expect decent demand of our products post lifting of lockdown.

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

There are no such contracts/agreements which will lead to non-fulfillment of obligations by any party or shall have significant impact on the business.

8. Other relevant material updates about the listed entity's business.

We are trying our best to comply with all the regulatory requirements. The Company is facing challenges in completing the closure and audit of books of accounts due to lockdown and implied restrictions.

This is for your Information and record

For Mohota Industries Limited
(Formerly known as the Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd.)

Vinod Kumar Mohota
Chairman & Managing Director