RAJNANDINI METAL LIMITED

Date: July 14, 2020

Ref. No.: RML/NSE/20/2020-21

To,

The Manager, (Listing Department)
National Stock Exchange of India Limited (NSE)
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400051

SCRIP SYMBOL: RAJMET

ISIN: INE00KV01014

Sub: Disclosure of Material Impact of Covid – 19 Pandemic pursuant to circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020

Dear Sir/Ma'am,

Pursuant to SEBI advisory on disclosure of material impact of COVID-19 pandemic on listed Companies under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ('LODR Regulations'/'LODR') via circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, Please find enclosed the disclosure of material impact of COVID-19 pandemic on our Company.

Kindly take note of the same and oblige.

Thanking you,

Yours faithfully,

For Rajnandini Metal Limited

For Rajnandini Metal Limited

Managing Director

Het Ram
Managing Director
DIN: 02925990

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RAJNANDINI METAL LIMITED

DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC

Pursuant to SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 please find enclosed herewith disclosures on impact of Covid-19 pandemic are as follows:

Sr. No.	Particulars	Disclosures
1.	**Impact of Covid-19 Pandemic on the business**	Company's offices/units/factories have been closed temporarily from 25th March, 2020 after the Lockdown imposed by the Central Government across the country and during unlocking period Company re-opened its offices/units/factories on 4th May, 2020 according to the guidelines issued by the States/Central Government time to time. Covid-19 has a huge impact on the economy and it had negatively affected on the growth of every sector. Please note that due to lockdown there was complete shutdown everywhere and also at our plant location, due to which the production was stopped completely for 2 months. After getting permission from the Government for reopening the locations, it took many days to streamline the production work due to many challenges faced by the industries like labour shortage, material non availability etc. Due to which the Company was not able to generate the revenues.
2.	**Ability to maintain operations including the factories /units/office spaces (functioning and closed down)**	Currently; Company has re-opened its offices/units/factories and re-started its working by adhering to all the guidelines issued time to time by the respective States and Central Government.
3.	**Schedule, if any, for restarting the operations**	Currently, all the Company's offices units/factories have been restarted by adhering to the guidelines of the respective state and Central Government and we are adhering to all the Health safety norms and prescribed standards by MHA and guidelines issued time to time.
4.	**Steps taken to ensure smooth functioning of operations**	The Company has taken all necessary steps to adhere functioning of operations to the guidelines for social distancing provided by Ministry of Home affairs along with the various directives issued by relevant state government authorities and has put in place safety measures

For Rajnandini Metal Limited

Managing Director

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		which inter-alia includes: • Body temperature testing of all employees and visitors; • Sanitization of premises and vehicles on regular basis; • Maintenance of social distancing at all work place; • Ensuring No mask No Entry Policy; • Educate employees to wash their hand regularly; • Avoiding gathering or meetings at work places; • Ensure installation of AarogyaSetu App and regularly checking the status of said application in the mobile of employees and visitors; • Restriction to enter at office employees having symptoms of fever, cold or cough;
5.	**Estimation of the future impact of Covid-19 on its operation**	The Company is closely monitoring the emerging situation arising out of COVID-19 and disruption is beyond the control of the Company. It is possible neither to foresee the duration for which the pandemic will last, nor predict its course. Nevertheless, Company making its best effort to deal with it and to take the company' Business on track.
6.	**Details of impact of Covid-19 on listed entity's :**	
	Capital and Financial resources	Our Company had adequate capital for business but due to pandemic it is stuck and working capital cycle is getting stretched day by day.
	Profitability	Due to lockdown there was complete shutdown at our plant location, due to which the production was stopped completely for 2 months. After getting permission from the Government for reopening the locations, it took many days to streamline the production work due to many challenges faced by the industries like labor shortage, material non availability etc. Due to which the Company was not able to generate the revenues. Loss of production & sales due to lock down has adversely impacted us during lockdown and has

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Managing Director

		consequential impact on the profitability of the Company; However the ease of restriction the scenario is expected to improve progressively.
	Liquidity Position	Our company is facing steep liquidity crunches due to pandemic Covid 19. Due to lock down and subsequent restrictions on movement, the entire metal industry is facing a financial distress. The Government of India has taken several financial measures to boost up the economy; however, it may take a reasonable time to improve the economic environment and liquidity issues among the SMEs. Banks and Financial Institutions are quite conservative in resolving our liquidity issues resulting in short term cash crunches in our Company.
	Ability to service debt and others financial arrangements	Our Company has the ability to service its financial obligation on time. But due to production stoppage and non generation of revenues there are problems in paying off the Interests and EMI's. Although our Company has requested the bankers to waive off our EMI & Interest Amount for few months.
	Assets	No impact of lock down on any assets of the Company
	Internal Financial reporting and control	Company is having additional focus on the Financial reporting and control system to tackle the situation arises due to pandemic.
	Supply Chain	Due to COVID-19 supply chain got disturbed after lockdown imposed. However after easing of lockdown situation, the supply chain is getting improved.
	Demand for its products/Services	Due to lockdown, Demand has been impacted, however upon easing of lockdown situation; we are seeing demand recovery from the market and clients.
7.	**Existing contracts/arrangements where non fulfillment of the obligation by any party will have significant impact on the listed entity's business**	We don't expect any significant impact on contracts/ arrangement.
8.	**Others relevant material updates about listed entity's business**	The main and the foremost challenge faced by the Company were to streamlining the production activities as there were many challenges faced by the Businesses. Labor shortage was the main issue.

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Managing Director