



Reclamation, Fusion  
Surfacing, Spraying &  
Environmental Solutions

August 6, 2020

Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai – 400001

Sir/Madam,

Scrip Code – 530431

**Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Disclosure relating to impact of COVID-19 pandemic on the Company**

Please find attached, an update relating to the impact of COVID-19 pandemic on the operations of the Company, pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020.

Request to kindly take the same on record and oblige.

Thanking you,

Yours faithfully,

For ADOR FONTECH LIMITED



Geetha D                    Sanath Kumar D Rao  
Company Secretary   Asst. Company Secretary



## **COVID-19 PANDEMIC SITUATION- UPDATE ON OPERATIONS**

### **Impact of Covid 19 pandemic on the business:**

In the month of March 2020 due to promulgation of lockdown, the Company could not record sales during the last week of the month and production facilities were also brought to a standstill. The Company re-commenced operations in the second week of May 2020 in a limited manner based on Governmental guidelines and later enhanced its production capacities in tranches which still remains, on a cautious approach, short of full normalcy.

### **Ability to maintain operations including factories/units/office spaces functioning and close down**

Immediately on announcement of nation-wide lockdown, the Company provided WFH (Work from home) policy to its employees. The lockdown period was also used to enhance training programmes through net platforms and all possible work continued at the backend. Customers, Suppliers and Dealers were also engaged through webinars.

During the last four months, with lockdown at different places and at different points in time, the various units of the Company had to be kept closed and in the process, the Company consolidated as a cost effective measure, its marketing offices situated at Gurugram, Jamshedpur, Mumbai, Hyderabad & Chennai and relocated the same to its Corporate office and factories, of which accommodation was feasible. This consolidation of marketing units is not expected to have an impact on the business, as operations have become effective through integrated online systems.

Further, with approval of appropriate authorities and due sanitisation of work places and in compliance with National directives for COVID-19 management, the Company's Corporate office and factories in Bengaluru and Nagpur started their operations from the month of May 2020.



### **Steps taken to ensure smooth functioning of operations**

The Company has set 'Standard operating procedure (SOP)' derived from MHA guidelines and best practices of other organisations, to set in the most hygiene environment for safety and security of its employees coming to the work place. Placards at vantage points were duly posted, messages were disseminated through intranet platform, emails, mobiles etc. requiring adherence to the new safety standards particularly of wearing masks, social distancing, hand wash etc., and the same are being constantly monitored.

### **Estimation of the future impact of COVID-19 on its operations**

It is opined that the financial year 2020-21 may be a tough year for all business units including our Company. Focus will be on sustenance against the general congruence of growth which would be enunciated during normal times.

### **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:** As per the current assessment, there is no significant impact on the capital and financial resources of the Company.

The Company does not plan to raise any capital in the near future and hence there is no impact.

**Profitability:** The profitability for the financial year 2020-21 will be at a lower level because of reduction in sales, due to the impact of Covid-19 pandemic and its associated lockdowns, intermittent business operations etc. However, the extent on FY 2020-21 cannot be quantified on date.

**Liquidity:** Debtors collection is coming through but at a slower pace. The Company will remain exceedingly vigilant and monitor the working capital on an ongoing basis.

**Ability to service debt and other financial arrangement:** The Company remains debt free.





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**Assets:** None of the assets have been impacted or impaired due to the Covid-19 pandemic, as on date.

**Internal financial reporting and control:** All the internal financial controls and reporting systems are working without any disruption. Even during lockdown, with staff working from home, all reporting systems functioned without any problem.

**Supply chain:** While there have been bottlenecks in supply chain distribution, the Company quickly adapted to alternate mechanisms to ensure best of seamless working.

**Demand for products and services:** While demand for essentials will remain, it is predicted that for all others, it will remain subdued up to December 2020.

**Impact on contracts/agreements:** There are no such contracts and agreements which would lead to non-fulfillment of the obligations by any party or shall have significant impact on the business or lead to any material financial claim.

**Other relevant material updates:** None.

With the Government's recent announcement to shift focus on local goods/self-reliance, it is foreseen that a good opportunity exists to contribute to the nation's economy. The Company expects gradual come back to its original level of operations during the course of the financial year. The immediate objective will remain focused on financial stability and to protect the interest of all stakeholders and thereafter on expansion and growth. The Company along with its dedicated employees is determined to come through the tough time and work towards a bright and sustainable future.

**Request to take the same on record and oblige.**

**For ADOR FONTECH LIMITED**

Geetha D  
Company Secretary

Sanath Kumar D Rao  
Asst. Company Secretary

