

# RATHI BARS LIMITED

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CIN No: L74899DL1993PLC054781

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August 5, 2020

The Secretary  
Bombay Stock Exchange Limited (BSE)  
Floor 25, P J Towers, Dalal Street,  
Mumbai - 400 001  
Script Code: 532918

**Sub: Regulation 30- Clause 6 of Para B of Part A of Schedule III of the SEBI LODR- Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020**

Dear Sir,

With reference to the above, we hereby submit a report on impact of Covid-19 pandemic on the Company's business and performance for the year 2019-20.

Kindly take this into record.

Thanking you,

Yours truly,  
For Rathi Bars Limited



Kamlesh Kumar Rathi  
Managing Director  
DIN: 00112321

## **DISCLOSURE ON COVID-19 IMPACT**

### **1. Impact of Covid on business**

The ongoing Covid-19 Pandemic has resulted into business disruption in labour supply, raw material unavailability, working capital constraints and restricted demand due to limited movement of people and purchasing ability. Further due to closure of office and factory premises, the Company faced a slowdown in production which is likely to continue for a couple of months.

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

Due to the nationwide lockdown beginning from 24<sup>th</sup> March, 2020, the Company was not in operation as the factory and office premises remained closed which resulted into operations of office and manufacturing unit of the Company came to a halt, which is impacting the sales performance of the Company

### **3. Schedule, if any, for restarting the operations**

The operations have already started with partial/reduced capacity and according to guidelines issued by the Government and local authorities where the plant is located.

### **4. Steps to ensure smooth functioning operations**

the Company has taken all the precautionary and safety measures relating to hygiene and maintenance of social distancing norms, routine cleaning and disinfection/sanitization, thermal screening, mandatory usage of masks and hand gloves and frequent use of sanitizers, use of Aarogya Setu App, creation of awareness among employees, fumigation at intervals, restraint on travel, extensive use of video facility in conduction of meetings, etc.

### **5. Estimation of future impact of Covid-19 on operations**

Due to Covid-19 pandemic, the production ability, revenue from operations and profitability of the Company are likely to be impacted and the Company is closely monitoring it and making every possible effort to mitigate this. However, it is difficult to estimate the definitive impact of COVID- 19 on the operations of the Company beyond 01 of the Financial Year 2020-2021 at this point of time.

### **6. Impact of Covid-19 on**

#### **a) Capital and Financial Resources**

COVID-19 pandemic has had a negative impact on capital and financial resources of the Company.

#### **b) Profitability**

The profitability of the company for the year 2019-20 has been finalized and disseminated in public domain on 31<sup>st</sup> July, 2020. The profitability for the year 2020-21 will also be at a lower level because of the reduction in sales due COVID-19 lockdown.

**c) Liquidity/ability to service debt**

The Company has no liquidity issue. HDFC Bank of the company however, released RS. 5 crore to meet liquidity requirement of the company on account of COVID-19.

**d) Supply Chain**

With the relaxation in lock down conditions, and taking into consideration the Government's policy of progressive resumption of economic activities, it is expected that the strain on the supply chain imposed by Covid- 19 shall ease in a gradual manner going forward.

**e) Demand for the Company's products and services**

Taking into consideration the Company's product profile and its nature of end use (steel bars and billets) its demand shall continue to remain robust in the post Covid-19 situation.

**f) Internal Financial reporting and control**

All internal financial reporting and controls have been adequately maintained which shall continue

**7. Existing contracts/agreements where non-fulfilment of obligations by any party will have significant impact on the Company's Business**

None

**8. Other relevant material updates**

None

For Rathi Bars Limited



**Kamlesh Kumar Rathi**  
**Managing Director**  
**DIN: 00112321**