

UCWL/SE/2020

24<sup>th</sup> July 2020

**BSE Limited**

Department of Corporate Services  
25<sup>th</sup> Floor, P.J. Towers  
Dalaal Street,  
Mumbai – 400 001

**Through BSE Listing**  
**Security Code: 530131**

Dear Sir,

Re: **SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20<sup>th</sup> May, 2020 -  
Disclosure of material impact of COVID -19 Pandemic on Listed Entities under SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015.**

We had vide our Letter dated 23<sup>rd</sup> March 2020 informed the Stock Exchange about the Temporary suspension of our operations on account of the lock-down announced by the State Government / Central Government after the out-break of COVID-19 Pandemic. Thereafter, we have vide our Letter dated 20<sup>th</sup> April 2020 informed the Stock Exchange about the restart of our operations in a phased manner while conforming to the guidelines issued by the State / District Administration.

We would now like to make following additional disclosures with reference to the aforesaid SEBI Circular:

**1. Impact on Business.**

Due to the out-break of COVID-19 Pandemic across the globe and the subsequent lock-down announced by the State Governments / Central Government, the Company's Plant had to be temporarily suspended in line with the Government's directives. The Manufacturing activities were subsequently restarted towards the end of April, 2020 in a phased manner by adopting series of precautionary & safety measures including compliance of the Standard Operating Procedures (SOPs) for Social distancing & other measures advised by Central/State Government & the Local Administration. However, the shut-down had a severe impact on the Revenues of the Company.

**2. Ability to maintain operations including the factories/units/office, Schedule for Restarting of Operations and Steps taken to ensure smooth functioning.**

The continuity of business was considered of utmost priority with safety & security of Plant & manpower during the lock-down so as to ensure smooth restart of operations at short notice. "The Company on its part took pro-active steps from the last week of March, 2020 itself in creating awareness, maintaining hygiene, social distancing and followed other advisories issued by the government during the lock-down period". SOPs were prepared to create awareness among employees about social distancing, thermal screening & sanitization & wearing of masks. To ensure the well-being of its employees, the Company had enabled work-from-home for its employees & took necessary steps to ensure seamless transition to the new ways of working for employees while at the same time ensuring continuity of business operations. The Company has been in continuous dialogues with External & Internal Stakeholders through various digital platforms. Quick Response Teams were formulated for the smooth transition of the Business post restart of the operations after the relaxations in the guidelines of the lockdown.



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The Company has also taken-up various CSR initiatives by way of distribution of sanitizers, masks & rations in coordination with the District / Local administration. The employees of the Company across all levels have donated one day salary to the Rajasthan Chief Minister Relief Fund.

The Company has since resumed its operations with approval of the Government & in conformity with the guidelines of the Ministry of Home Affairs of India for close monitoring / implementation of the directives / guidelines issued by Regulatory Bodies from time to time.

**3. Future Impact on Operations.**

Due to unpredictable and fast changing COVID-19 situation, it is very difficult to assess the future impact of COVID-19 on Business operations as we continue to reel under the impact of COVID-19 Pandemic. However, we are confident about our ability to manage this crisis through our financial stability, our trusted brands, our consumers, our committed employees and our quality of leadership.

**4. Impact of COVID-19 Pandemic on the Company's capital and financial resources, profitability, Liquidity position, ability to service debt and other financing arrangements, assets, internal financial reporting and control, supply chain, demand for its products/services.**

The Company is confident of recovering the Carrying amounts of all its Assets including Inventory receivables & Loans in the ordinary course of business based on the information available on the current economic conditions. The Company is continuously monitoring of any material changes in future economic conditions.

The Company's Capital & Financial Resources are well protected, though there has been an impact on its Sales. Lower Sales would impact the Company's profitability in the current Financial Year. There has been continuous review of the cash-flow position with focus being on reduction in Receivables & on ensuring smooth supply chain management during the lockdown period. In addition, inventories of all the input materials, semi-finished goods, cement stock and inward / outward movement of raw materials & finished goods have been closely monitored.

All the Vendors / Contractors continue to work with the Company based on long-term relationship and the Company is also committed to all business associates.

The Company has not availed the moratorium facility extended by the Banks as per the RBI guidelines and has serviced its debt obligations as per schedule.

Given the uncertainty of the COVID-19 Pandemic, the final impact on Company's Assets in future may differ from what is estimated now.



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

The Company is confident of fulfilling its obligations under the various existing contracts/arrangements. The Company does not foresee any major impact on the Company's business due to the non-fulfillment of its contractual obligations by any party arising out of existing contracts / agreements. However, there would be some delay in the implementation of Company's Capacity Balancing Project at Udaipur, Rajasthan due to absence of migrant laborers at the Project site. The Company is taking all possible steps to minimize the delay.

Thanking you,

Yours faithfully,  
for **UDAIPUR CEMENT WORKS LIMITED**



**(Poonam Singh)**

**Company Secretary & Compliance Officer**

