



**Gorani
Industries Ltd.**

CIN : L28121MP1995PLC009170
GSTIN : 23AAACG6274B1Z2

Regd. Office :

Plot No. 32-33, Sector-F, Sanwer Road, Industrial Area,
Indore-452 015 (M.P.) India

Admin. Office :

1st Floor, B-15, Pologround, Indore - 452 015 (M.P.)
Phone : 0731-2723201-3, Fax No. : 0731-2723200
E-mail : gorani.industries@yahoo.com
Website : www.goraniindustries.com

Date: 27/05/2020
Indore

To
The BSE Limited
The Corporate Relationship Department,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400001

Subject: Disclosures of material impact due to COVID-19 pandemic on the Company.

Dear Sir,

Pursuant to SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 and Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we hereby disclose the material impact of CoVID–19 pandemic on the financial condition, liquidity, demand for product etc. of the company.

- 1. Impact of the CoVID-19 pandemic on the business;** - The lockdown to prevent the spread of Covid-19 had a severe impact on the business of the Company. Due to lockdown there is weak recovery from debtors and low demand of the company's products is leading to financial crunches. The impact of Covid-19 resulted in huge losses to the company during the current quarter which may continue for the next few quarters also. At present, it is difficult to ascertain the actual loss.
- 2. Ability to maintain operations including the factories/units/office spaces functioning and closed down;** - Management is putting its sincere efforts to re-gain the situation of February and March month. The imported raw material reached to the port and factory is to be operationalized from next week.

The Company is adhering to the guidelines as specified by the State Government / Central Government and complying with all safety measures to safeguard its employees from Covid-19 disease.

- 3. Schedule, if any, for restarting the operations** – The Company has started its operation from 25/05/2020



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4. **Steps taken to ensure smooth functioning of operations;** - Workers and labours are retained by paying them the salary of March month in full and some additional amount is also paid to them on account of Covid cost to sustain their livelihood. The company has taken a variety of safety stapes, such as sanitizing the premises and vehicles on regular basis, maintenance of social distancing at work places, enforcing wearing of masks and regular cleaning of hands.
5. **Estimation of the future impact of CoVID-19 on its operations;** - In 2020-2021 the estimated turnover of the company may not be achieved beyond 70%. Moreover, the debtors recovery is very low and immediate payment made to the creditors will create an absurd Current ratio and liquidity ratio.
6. Details of impact of CoVID-19 on listed entity's -
 - **Capital and financial resources;** - The Company has no plan to increase the Share Capital in the present year. Interual accrual will be squeezed and company will be depending up on funds from Banks, MSME relief measures etc.
 - **Profitability;** - The profitability of the company for the year 2019-20 is not yet finalised but is expected to reduce. The profitability for the year 2020-21 will also be at lower level because of reduction in sales due to the impact of COVID-19 lockdown
 - **Liquidity position;** - The Company is facing the liquidity issue at the moment due to non-receipt of funds from its customers. The company is planning to restrict its production, based on the market demand and is also planning to reduce the overhead cost proportionately.
 - **Ability to service debt and other financing arrangements;** - At present Company does not have significant term loan, Interest on working capital shall be managed due to MSME relief measures.
 - **Assets;** - No effect as such.
 - **Internal financial reporting and control;** - The company is having adequate internal financial reporting and control system. The company will use effective techniques to improve its operations and to increase the demand of its products.
 - **Supply chain** – No material effect on supply chain.



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- **Demand for its products/services** – At present, the demand for company's product is very low. The reduction in demand for company's product is expected till festive season. However this may be temporary effect and the company is expected to overcome all these problems in the future.
7. **Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business** – there is no major existing contracts or agreements which will significantly impact the company
8. **Other relevant material updates about the listed entity's business.** – Entity has started surround product business which might be emerging because of COVID. So, there are still hopes of sustainability.

This is for your information and records.

Thanking You,
Yours faithfully,

for **Gorani Industries Limited**

Sd/-
Anil Gorani
(Holding DIN: 00055540)
(Whole-Time Director)
Contact No. 9827025864