



# KEMISTAR CORPORATION LTD.

CIN No. : L24233GJ1994PLCO22845

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Gujarat, India. **Ph** : 079-26923570 / 26923587 **Email** : kemistarbse@gmail.com

July 06, 2020

To,  
Department of Corporate affairs  
Bombay Stock Exchange Limited,  
P.J Dalal Street,  
Mumbai-400001

Dear Sir,

**Subject:** Disclosure Requirement under Regulation 30 of SEBI (Listing Obligation and Disclosure Requirement)

**Ref.:** 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.

**Scrip code: 531163**  
**Security ID: KEMiSTAR**

With reference to above, please find attached herewith disclosure of impact of Covid-19 and consequent lockdown on our company.

Kindly take same on records.

Thanking you

Yours faithfully,

**For, Kemistar Corporation Limited**

  
Sheeja Mohan  
Company Secretary



## **Disclosure Requirement under Regulation 30 of SEBI (Listing Obligation and Disclosure Requirement)**

### **1) Impact of the CoVID-19 pandemic on the business**

Kemistar is in the business of Chemical. The company deals in the Various Products of chemical & allied products.

The factories were shutdown and productions were stalled during the period. This had led to decline in the production and increase in the overhead expenses during the month of March and April. Due to lockdown the transportation was also hampered hence the produced couldn't be supplied. The company had also provided longer credit period to its clients keeping in mind the effect of Covid-19 on them.

The demand for the chemicals had also reduced during the lockdown leading to lesser revenue generation and increase in cost. With the gradual lifting of lockdown restrictions, it is expected that, the demand will further pick up in coming months. The company had started its operations by mid of May and has been successfully delivering to its clients demands.

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

As stated above the factories were shutdown during March- April and the operations began by Mid-May. As the lockdown was gradually lifted the company began its operations with minimum employees on-site and off-site. The company also provided Work From Home facilities to its off-site employees during the lockdown. The company has now started operations with 100% employees and has implemented the safety guidelines as mandated by the government to prevent Covid-19.

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

The company had resumed its operation in the month of May after some of the restrictions were relaxed.

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

The company has implemented all the safety protocol and restriction after the lockdown as specified by the government. Social distancing and awareness relating to same are being observed in the plant and in the office.

### **5) Estimation of the future impact of CoVID-19 on its operations**

The company has analysed and has taken a detailed study of the impact of Covid-19 on Chemical Industry. It is expected that there will be moderate to less impact on the Chemical industry in future. The company has taken necessary steps to overcome the demand shortages. The company is fully operational and has worked out its production capacity to cater to the market in terms of future demand.

6) **Details of impact of CoVID-19 on listed entity's -**

- **Capital and financial resources:** the company has adequate liquidity to cater to its needs and continue its business operations during the FY 20-21. The company doesn't foresee any material impact of Covid-19 on the financials of the company.
- **Profitability:** The profitability for the first quarter of FY 2020-21 might be impacted compared to the corresponding period of previous year, but subsequently the same will be covered in the next coming three quarters.
- **Liquidity position:** The company has a good liquidity position and can cater to the requirements of FY 2019-20.
- **Ability to service debt and other financing arrangements:** currently there are no such agreements.
- **Assets:** No impact on the assets of the company.
- **Internal financial reporting and control:** Internal financial controls are in place and were not impacted due to covid-19.
- **Supply chain;** The Supply chain was disrupted during Covid-19. The impact on it has slowly worn out with lifting of lockdown and movement of goods has increased.
- **Demand for its products;** the demand for product was impacted during the lockdown period. With resumption of work by industries all over India the demand has increased for the products.

7) **Existing contracts/agreements where non-fulfillment of the obligations by any party will have significant impact on the listed entity's business**

There are no such contacts/agreements non-fulfillment of which will have an impact on the business.