

Ref. No.INF/ 2020-21/ 05

DATE: 31.05.2020

THE GENERAL MANAGER,
DEPARTMENT OF CORPORATE SERVICES-CRD
BSE LIMITED,
1st FLOOR, NEW TRADING RING
ROTUNDA BUILDING, P.J.TOWERS
DALAL STREET, FORT
MUMBAI-400001

Scrip Code: BSE – 541083

Dear Sir,

SUB: DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC

Pursuant to SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May20, 2020; please find enclosed herewith disclosure on material impact of COVID-19 pandemic on the Company.

The above is for your information and record.

Kindly acknowledge receipt.

Thanking You,

Yours Faithfully,

For INFLAME APPLIANCES LIMITED

(Signature)

Authorized Signatory

Encl.: As above.



Inflame Appliances Limited

(Formerly TECHNO ENGINEERING CORPORATION)

ADD.: KHASRA NO. 40/14-15-16-17/1 VILL. BAGWALI, NH -73, Distt. PANCHKULA (H.R.) 134205.

Regd. Office:- Khasra No. # 855/1, Vill. Kalyanpur, Chakkan Road, Teh. Baddi, Distt. Solan (H.P.) 173205

W: inflameindia.com | **P:** +01795-246820 | **contact@inflameindia.com**

DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC

Pursuant to the SEBI circular SEBI/HO/CFD/CMD 1/CIR/P/2020/84 dated MAY 20,2020 on disclosure of material impact of COVID-19 pandemic are as follows:-

S.NO	Particulars	Disclosures
1.	Impact of the covid-19 pandemic on the business	The company's manufacturing facilities remained shut from march 23,2020 due to lockdown and partially re-opened w.e.f. May06,2020,which has impacted its operations, during April and May' 2020 by way of interruption in production activities, supply chain and availability of manpower. Some of the company's pending orders are on hold as per requirements of buyers
2.	Ability to maintain Operations including the factories/units/office spaces functioning and closed down.	The company has restarted operations with some of pending orders and available workforce, since May 06, 2020, adhering to the safety norms prescribed by Government of India.
3.	Schedule, if any, for restarting the operations	Restarted but production badly impacted due to shortage of Labour and Raw Material.
4.	Steps taken to ensure smooth functioning of operations	The company is taking utmost care of its staff and work force like sanitisation, social distancing, mandatory mask wearing, and thermal check at the gate, maintaining proper hygiene. Supply chain is being monitored to ensure availability of material. We have taken cash flow, capital expenditure and overhead control measures to smoothly manage our operations.
5.	Estimation of the future Impact of covid-19 on its operations	April - June' 2020 being lockdown months, the revenues and profitability of the company are likely to be adversely impacted. The regular demand of company is missing; this is resulting into almost negligible sale during the current quarter. Situation is likely to improve in Q2 as some buyers have already started releasing orders.
6.	Details of impact of covid-19 on listed entity 's:-	

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6.1	Capital and financial resource, Profitability, liquidity Position	The company's capital and Banking facilities remain intact. We have unutilised LC limit available with us. Further banks have offered additional limits. However, due to our receivable getting delayed, the cash position will be under stress, the company do hope cash position to be normal by 3 rd /4 th quarter. Profitability during 1 st quarter (April to June), is likely to be adversely impacted. Though we do hope the business situation should normalise during the 3 rd /4 th quarter, we hope we will strongly bounce back.
6.2	Ability to service debt and other financing Arrangements	The company has sufficient limits to meet financial requirements. And we are applying for working capital under MSME support. Though the cash position is challenging, with our limits and tight control over expenditure, the company will be able to serve its debt and other financing arrangement.
6.3	Internal financial reporting And control	In order to migrate some of the impact, Company has taken various initiative to manage its costs across the organisation and also took cost reduction measure.
6.4	Demand for its products /service	Although there is temporary reduction in demand due to lock down, we expect the market to improve in 3 rd quarter and normalise by 4 th quarter. As Inflammé is the only company in India with integrated manufacturing facility to produce Electric chimney with suitable infrastructure & products already developed & tested, company has received a lot of enquiries/orders from big and known brands in India. Further "Vocal for Local" campaign has also offered a very big opportunity with Inflammé to offer good quality products which are presently being imported.



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