

Ref : DTCL/BSE/20

Date : 3rd June, 2020

To,
BSE Limited
The Corporate Relationship Department
'Phiroze Jeejbhoy Towers'
Dalal Street, Fort,
Mumbai – 400 001

Scrip Code : 530959

Ref: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sub: Impact of COVID-19 Pandemic on the Company's Business Operations

Dear Sir/Madam,

The COVID-19 pandemic and the consequent lockdown restrictions imposed by the Central and State Governments has impacted business in general. In view of the same it is important that all the information about the impact of these events on the Company and its operations are made available to various stakeholders.

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we have already informed our investors regarding the temporary closure of our Tea Gardens in Jalpaiguri, West Bengal and their resumptions vide letters dated 26th March, 2020 and 17th April, 2020 respectively. In reference to the SEBI Circular No SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, the updates regarding the impact of COVID -19 are as follows:

Impact of the COVID-19 pandemic on the business :

Due to sudden outbreak of COVID-19 and complete lockdown since 24th March, 2020 had a substantial negative impact on the business of the Company. Post resumption of the factories at our tea gardens, it could not be fully operational due to non-availability of labour and transportation. The credit terms of the suppliers and availability of chemicals & fertilizers were severely affected. Although the Government had allowed easing of restrictions from mid-April, 2020 in a gradual manner, the Company has suffered an estimated crop loss of 3Lacs (calculated upto 31st May, 2020) which represents approximately 9% of the estimated annual production, which results in reduced sales for the year. This is primarily on account of shutdown in the tea estates and also deployment of workers much below required levels during the easing period. As per Government norms, the Company is deploying workforce at 50% of its workforce in the Gardens in West Bengal.

Ability to maintain operations :

After the announcement of lockdown, all the Head Office employees were advised to work from home. The Company began its factory operations in phased manner from 13th April, 2020. Necessary Government directives with respect to safety guidelines and percentage of deployment of staff at each location, and taking due care of all preventive measures like social distancing, safety & security and sanitization are being followed. As permitted by the Government, the Head Office in Kolkata is operating with limited staff and other employees are continuing to work from home.

AARES GROUP

Regd. Office : Sir RNM House (4th Floor), 3B, Lal Bazar Street, Kolkata - 700 001
Phone : 2248 8672, 4068 1590-93, Fax : 2248 7571 E-mail : contactus@dianatea.in
Website : www.dianatea.in CIN : L15495WB1911PLC002275

Steps taken to ensure smooth functioning:

Strict measures ensuring social distancing, hygiene practices and sanitization of premises, to ensure the safety of our workers / employees at work place has been implemented. The Company has taken several cost cutting measures to sustain the operations and to optimize the use of its financial resources ensuring that required operations are not affected adversely.

Estimation of the future impact of CoVID-19 on its operations:

The temporary closure of the factories and the operations at reduced capacity will have impact to an extent but could not be quantified at this point. The Management is constantly monitoring the situation on an ongoing basis and various precautionary measures are implemented .

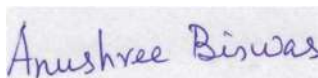
Details of impact of COVID-19 on Company's –

- i. **Capital and financial resources:** As per the current assessment, there will be an impact on the Company's capital and financial resources. On a rough estimate, the production is affected by 45%-50% as per present situation and may vary on future restrictions/relaxations by the Government.
- ii. **Profitability:** The turnover and profitability of the Company for the financial year 2020-21 would definitely have an impact as mentioned in (i) above.
- iii. **Liquidity:** Delay in sale of tea and receiving the payments from customers have impacted the working capital cycle.
- iv. **Assets:** Little impact on fixed assets due to disturbed maintenance and services.
- v. **Internal financial reporting and control:** Already in place and is being carried out as usual.
- vi. **Supply chain:** Inward and outward logistics were impacted since operations were suspended but now the same is getting restored gradually.
- vii. **Demand for its products/services:** On a rough estimate, it is affected by 45%-50% as per present situation and may vary on future restrictions/relaxations by the Government. It may improve in case production, logistics and demand increases over the remaining period of the financial year.

Existing contracts/agreements where non-fulfillment of the obligations by any party will have significant impact on the listed entity's business: No material impact.

Thanking you.

Yours truly,
For **DIANA TEA COMPANY LIMITED**



ANUSHREE BISWAS
COMPANY SECRETARY & COMPLIANCE OFFICER
MEMBERSHIP NO. 40821

AARES GROUP

Regd. Office : Sir RNM House (4th Floor), 3B, Lal Bazar Street, Kolkata - 700 001
Phone : 2248 8672, 4088 1590-93, Fax : 2248 7571 E-mail : contactus@dianatea.in
Website : www.dianatea.in CIN : L15495WB1911PLC002275