



1st July 2020

The Manager - Listing
BSE Limited
BSE Code - 501455

The Manager - Listing
National Stock Exchange of India Limited
NSE Code - GREAVESCOT

Dear Sir / Madam,

Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Material impact of COVID-19 pandemic on the Company

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020, please find enclosed disclosure on material impact of COVID-19 pandemic on the Company as Annexure 1.

Kindly take the same on record.

Thanking You,

Yours faithfully,
For Greaves Cotton Limited

Atindra Basu
Head - Legal, Internal Audit
& Company Secretary

Encl.: a/a

GREAVES COTTON LIMITED

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DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC

Pursuant to the SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020 on disclosure of material impact of CoVID-19 pandemic the details are as follows:

S. No.	Particulars	Disclosures
1	Impact of the COVID-19 pandemic on the business	The Covid-19 crisis has caused a slowdown to the whole industry, and we are not immune to it. The pandemic has directly affected both the demand and supply side, which has created a severe impact for the overall economy.
2	Ability to maintain operations including the factories/units/office spaces functioning and closed down;	There is no denying that this situation will have a negative impact on liquidity and would likely to put downward pressure on the Indian automotive sector as a whole. Since the market will take its course of time to evolve from the setback, we have re-evaluated and accelerated certain plans to bounce back.
3	Steps taken to ensure smooth functioning of operations	Our business practices and strong enterprise risk management framework (ERM) has helped in dealing with such an unprecedented crisis. Our approach has been to respond and not react to critical situations. In these testing times, focussing on business continuity plans, adopting “new ways of doing business” and to the “new normal” have been our priority along with nurturing relationship with our stakeholders by supporting them.
4	Schedule, if any, for restarting the operations	The challenges posed by COVID-19 led to closing our plant operations as per Government of India’s directives and thus impacting production. We utilised this opportunity to prepare ourselves to respond to the post COVID-19 reality by focussing on readiness to jumpstart operations by implementing social distancing at factories with cautious optimism. Now, the Company has partially resumed its manufacturing at its various facilities and is looking to step up the operations going forward as the restrictions ease. The Company has prepared a well-chalked out plan to deal with this crisis situation and is putting in place a comprehensive action plan across its various functions in order to face the challenges.
5	Estimation of the future impact of COVID-19 on its operations	The Company is not in a position to quantify the future impact of the Pandemic as the External environment remains uncertain and challenging. Company is closely monitoring the evolving Pandemic situation and adjusting as per the emerging circumstances. We are Confident to tide over crisis and emerge stronger.
6	Details of impact of COVID-19 on listed entity’s: -	
i.	Capital and financial resources	There is no impact of COVID-19 on Capital and financial resources.
ii.	Profitability	Due to lockdown and severely curtailed revenue streams in first quarter of current financial year whilst large part of costs continued, there will be an impact on profitability in first quarter.

iii.	Liquidity position	The Company was and continues to be a net debt free company. The liquidity was used to make timely statutory & regulatory payments, employee payments & dues to MSMEs etc.
iv.	Ability to service debt and other financing arrangements	Not applicable
v	Assets	The Company doesn't expect any material change with regards to assets.
vi.	Internal financial reporting and control	The Company's investment in digitization and strengthening internal controls over the year and a strong BCP enabled it to function well during lockdown with employees working from home. Internal controls continue to function without any challenge and financial reporting / auditing has been conducted with all statutory compliances within deadlines. There is also no impact on internal financial controls due to the COVID-19 situation. The results for the quarter and year ended 31 st March, 2020 were duly audited and approved by the Board on 5 th June, 2020.
vii	Supply Chain and demand	<p>The auto industry supply chain is slowly stabilizing, but it has been severely impacted due to lockdown and due to movement of the migrant workers.</p> <p>The demand for entire auto industry is sluggish but with our strong presence in semi-urban and rural markets, we expect demand to improve. We are also seeing pent up demand in other sectors like Gensets, Engines and Farm equipment.</p> <p>The Company has been able to buck the market slowdown through investments in new businesses and it has helped us in facing vagaries in market demand more effectively.</p>
7	Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business	The Company does not expect significant impact on the business if there is any non-fulfilment of Contract/Agreements by either party.
8	Other relevant material updates about the listed entity's business	None