

ELECTROSTEEL CASTINGS LIMITED

H.O. : G.K. Tower, 19, Camac Street, Kolkata 700 017, India
Regd. Office : Rathod Colony, Rajgangpur, Sundergarh, Odisha 770 017
Tel : +91 33-2283 9900, 7103 4400
CIN : L27310OR1955PLC000310
Web : www.electrosteelcastings.com



6 June, 2020

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051

Scrip Code: **500128**

Symbol: **ELECTCAST**

Dear Sir/Madam,

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

Please find attached herewith, disclosure of material impact of COVID–19 pandemic on the Company, in terms of SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84, dated May 20, 2020.

Reference is also drawn to our earlier intimation vide our letter dated 24 March, 2020, regarding temporary suspension of production facilities and other offices of the Company, at various locations, due to the ongoing novel Coronavirus outbreak (COVID-19) and the consequent announcements of lockdowns and other directives issued by the Government of India and by several State Governments.

Further, the Company continues to take active measures in safeguarding the health of all its employees, such as, holding mandatory awareness webinars / programmes / training sessions on COVID-19, regular hand sanitization, social distancing, temperature checks, mandatory wearing of face masks, travel restrictions, work from home facility, and strictly adhering to all norms laid down by the Government of India and respective State Governments.

This is for your information and records.

Thanking you.

Yours faithfully,

For Electrosteel Castings Limited

Indranil Mitra
Company Secretary

Encl.: As above

Follow the Electrosteel Group on



ELECTROSTEEL CASTINGS LIMITED

H.O. : G.K. Tower, 19, Camac Street, Kolkata 700 017, India
Regd. Office : Rathod Colony, Rajgangpur, Sundergarh, Odisha 770 017
Tel : +91 33-2283 9900, 7103 4400
CIN : L27310OR1955PLC000310
Web : www.electrosteelcastings.com



Disclosure in terms of SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84, dated May 20, 2020:

1.	Impact of the COVID-19 pandemic on the business	The COVID-19 outbreak has been declared as a pandemic and has impacted the economies all around the Globe. The outbreak has moved quickly across countries, thus, disrupting global production, supply chain, trade, etc. Our Company's business operations too have been impacted as the plants were under shutdown during the lockdown period and has restarted production from 6 June, 2020. This has resulted in estimated production loss of around 55,000 MT of DI Pipes during the given period and estimated EBITDA loss of INR 50 crores, approx.
2.	Ability to maintain operations including the factories/units/ office spaces functioning and closed down	Partial ability. Impacted negatively due to loss of some expertise not available due to containment area / migration.
3.	Schedule, if any, for restarting the operations	Starting production from 6 June, 2020.
4.	Steps taken to ensure smooth functioning of operations	Professional medical agency engaged for prevention of spread of COVID-19. Training on COVID-19 of each employee including contract labour, temperature scanning on plant entry, segregation of plant entry hours & canteen hours to ensure social distancing are some examples. Safety pre-checks have been conducted. Step by step normalization of operations & production planned.
5.	Estimation of the future impact of COVID-19 on its operations	Estimated impact of COVID-19 for Quarter-1 of Financial Year 2020-21 would be loss in production of around 55,000 MT and EBITDA loss of around INR 50 crores. It is difficult to estimate fully the impact beyond June, 2020, at this point of time. How things will get normalised depends upon many variables caused by COVID-19 and associated issues.
6.	Details of impact of COVID-19 on listed entity's -	
a)	capital and financial resources	There has been no impact on the capital and financial resources.
b)	profitability	As mentioned in point 1, above.
c)	liquidity position	Liquidity position is sufficient. Company has undrawn limits and working capital of INR 120 crores as on 31 May, 2020.

Follow the Electrosteel Group on



ELECTROSTEEL CASTINGS LIMITED

H.O. : G.K. Tower, 19, Camac Street, Kolkata 700 017, India
Regd. Office : Rathod Colony, Rajgangpur, Sundergarh, Odisha 770 017
Tel : +91 33-2283 9900, 7103 4400
CIN : L27310OR1955PLC000310
Web : www.electrosteelcastings.com



d)	ability to service debt and other financing arrangements	Company has availed moratorium on payment of instalments in respect of term loans and interest on working capital limits, in line with RBI policy announced on 27 March, 2020 and 22 May, 2020.
e)	Assets	There has been no impact on the fixed assets, debtors, inventory and all assets continue to be at fair value.
f)	internal financial reporting and control	All the internal financial reporting and controls have been maintained adequately, despite the fact that employees have been working from home.
g)	supply chain	Supply chain has been adversely affected. Manufacturing of many of the materials required for production are affected and thus, their supply is scarce plus costlier. In addition, our process is multi-stage & material/WIP transfers/running all the process segments in synchronised level is a huge challenge.
h)	demand for its products/ services	Despite being an essential good as part of the water & sewerage network, yet execution of irrigation projects, sanitation, sewerage, water supply projects have got slowed down/stopped for the time being, despite Government clearances. This is likely to cause a dip in the demand in the near future if project works do not take off.
7.	Existing contracts/ agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business	We export nearly 50% of our products. Material is being demanded by most of these clients plus the State & Central Government agencies.
8.	Other relevant material updates about the listed entity's business	No other material updates, at this point of time.

Follow the Electrosteel Group on

