

June 3, 2020

BSE Limited

Corporate Relationship Department,
Phiroze Jeejebhoy Towers,
Dalal Street,
Mumbai – 400 001.
SCRIP CODE: 503960

National Stock Exchange of India Limited

Listing Department,
Exchange Plaza,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051
SCRIP CODE: BBL

REF.: Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Advisory vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020

Dear Sir / Madam,

SUB.: DISCLOSURE OF MATERIAL IMPACT OF CoVID-19 PANDEMIC ON OPERATIONS OF THE COMPANY

In compliance with Regulation 30 (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with above cited SEBI Circular dated May 20, 2020, please find enclosed an update by the Company giving brief details of the Material Impact of CoVID-19 pandemic and the resultant lockdown, on the operations of the Company.

Request you to kindly take the same on your record.

Thanking You,

Yours sincerely,
For **Bharat Bijlee Limited**

Durgesh N. Nagarkar
Company Secretary & Senior General Manager,
Legal

Encl.: As above

Our submission for the Material Impact of CoVID-19 pandemic on Operations and Performance of the Company, is as under:

Impact of CoVID-19 pandemic on the business and ability to maintain operations including factories / units / office spaces functioning and closed down:

- With the various restrictions imposed since beginning of March 2020 and the lockdown announced from 21st March, 2020 in Maharashtra and from 24th March 2020 nation-wide, all the operations including field and manufacturing operations came to standstill since then.

Schedule, if any, for restarting the operations:

- Permission was received to start the manufacturing facility at Airoli, Navi Mumbai with limited number of employees with effect from early May, 2020.
- The restart of operations has been slow due to various reasons such as restrictions on movement, lack of labour, strict restriction by societies on its members, a large number of areas under red zone, etc.

Profitability:

- Profitability for the Q1 FY21 will be impacted since major part of the quarter was lost under lockdown and a sub-optimal level of operations since receipt of permission to operate on a limited scale.
- Q1 FY21 along with future development under this situation may have an impact of the financial performance of the Company.

Steps taken to ensure smooth functioning of operations:

- Sanitisation of workplace as well as company transport per the norms
- Ensured availability of mask, sanitizers and liquid hand wash to all employees at workplace
- Continuous communication on caution to be exercised
- Facilitated safe distance at workplace, canteen, company transport
- Organised transport for employees who are not able to attend due to non-availability of public transport

Capital and Financial Resources:

- The Company does not propose to raise any further capital / debt as the current financial position of the Company is sound.

Liquidity Position and Payment Obligations:

- Liquidity position of the Company is stable and is being maintained to meet its commitments. Salaries to all the employees including casual and contract workmen were paid up to April 2020. The vendor payments are being released in a staggered manner. All statutory dues were paid on respective due dates. The Company, with focus on its dues from customers, has managed to collect part of its due amounts, though the credit period remains elongated due to the nation-wide lockdown.

Ability to service debt and other financial arrangement:

- Company has only working capital limits with banks and the same is being serviced without any default / moratorium.

Assets:

- None of the assets of the Company have been impacted or impaired.

Internal Financial Reporting and Control:

- The Company has robust SAP ERP System in place and all its locations are well networked. Even during lockdown, IT / reporting systems worked seamlessly without any disruption. The employees working from home were provided with secured remote access.

Supply Chain:

- We are constantly in touch with our suppliers of which quite a few are MSME. Some of the suppliers have expressed lack of labour due to movement of migrant workers. We are closely working with them to ensure optimally utilise the limited capacity we have been permitted to restart with.

Demands for products:

- Company had a good unexecuted order book before start of the lockdown and is confident of executing the same gradually as the lockdown is lifted. The Company is also optimistic about pick-up in demand post lockdown in wake of the Government's commitment to infrastructure spend and assurances from various electricity utility companies to continue with their capex plans.

Existing contracts / agreements where non-fulfilment of the obligations by any party will have significant impact:

- The Company is well positioned to fulfil its obligations and existing contracts/arrangements. Since the Government has declared CoVID-19 pandemic as natural calamity, most of supply contracts will be subject to *force majeure clause*.

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

- The Covid19 pandemic situation is unprecedented and exceptional. The future impact of the pandemic on the operations the Company can't be gauged with certainty as the same hinges upon future development, the Governments response to the situation to mitigate or contain its impact on the economies and the probable medical treatment discovery.
- However, the Company is confident about adapting to the changing business environment and the new normal.
