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11.06.2020

To, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. <u>Scrip code : 509152</u>	To, National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex Bandra (E), Mumbai - 400 051. <u>Symbol : GRPLTD – Series: EQ</u>
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Dear Sir / Madam

Sub: Intimation of Impact of COVID-19 Pandemic on the Company

Pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20.05.2020, following are the brief details relating to the impact of the COVID-19 pandemic on the operations of the Company:

1. Impact of the COVID-19 pandemic on the business and schedule if any for restarting the operations :

In light of heightened concern on spread of COVID-19 pandemic, Central and State Government announced Lockdown to contain the spread of disease. Accordingly, production was temporarily suspended at all our facilities. While the lockdown and restrictions imposed on various activities were necessary to contain the spread, it has impacted the business operations of GRP Limited (hereinafter referred to as the "Company"). Consequently, revenues and profitability have been affected for period during lockdown.

The Company commenced partial operations at its facilities after obtaining due approval from local authorities concerned:

- Ankleshwar & Panoli Facility (Gujarat) with effect from 20.04.2020
- Perundurai Facility (Tamilnadu) with effect from 07.05.2020
- Chincholi Facility, Solapur (Maharashtra) with effect from 08.05.2020
- Akkalkot Road Facility, Solapur (Maharashtra) with effect from 18.05.2020

The Company is assessing the demand, availability of workers at its facilities, reconfiguring its facilities for effective social distancing and is working towards resumption of operations to normalcy at the earliest.

2. Steps taken to ensure smooth functioning of Operations :

The Company has developed a "Workplace Guidelines" in line with directives issued by *Ministry of Home Affairs* (MHA). All the facilities continue to be regularly sanitized for the safety and wellbeing of the employees. All safety protocols of temperature screening, wearing of safety gears, social distancing, sanitizing and washing hands are being adhered to very stringently. With a view to maintain the social-distancing norms and prioritizing employee wellbeing, the Company continues to provide the facility of Work from Home to its employees with reduced staff coming to offices & workplace.

3. Financial position and profitability :

Due to the suspension of operations our revenues & profitability has been impacted. In order to mitigate some of the impact, Company has taken various initiatives to manage its costs across the organization and also took actions to conserve cash. There may be some impact on receivable cycle from customers. However, the company foresees no major risk given its high quality of customers. The Company has postponed and/or deferred most of its capex while ensuring the safety and sustainability of the business.

4. Liquidity position :

The Company is currently in a comfortable liquidity position to meet its financial and other commitments. Company will continue to monitor the liquidity situation and if required, take appropriate steps to augment it further.

5. Supply chain :

The Supply chain of the company comprises collectors of end of life tyre waste and generally come from rural parts of the country. The lockdown has affected their operations and most suppliers face a shortage of workers engaged in the collection, sorting of the waste materials. However the situation continues to improve due to lifting of lock down and relaxations given by the government. The Company has been closely working with its vendors to resume & align production schedules and de-bottleneck supply chain concerns.

6. Estimation of the future impact of COVID -19 on its operations :

We believe there will be impact on revenue and profitability for Q1FY21 as our operations were shut in April 2020 and were gradually started in May 2020. Considering the fact that the situation is exceptional and is changing dynamically, the Company is not in a position to gauge with certainty, the future impact on its operations. However, the Company is confident about adapting to the changing business environment and respond suitably to fulfill the needs of its customers.

7. Demand for its products :

The lockdown resulted in most of the Company's customers in India also having to shut their operations. The resultant sales to these domestic customers is starting to resume and we hope to ramp up capacity utilization over the next months. The silver lining for the company has its been its export customers. Significant plants of the Company's customers in overseas markets continued to operate even during the lockdown in India. This led to a quick resumption in sales in the international markets for such customers. While the demand is at significant reduced levels, the Company is actively gauging the return to normal levels of demand with these customers. At this stage, while we continue to engage with customers, it will be hard to estimate the time for a complete recovery.

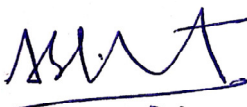
8. Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business :

The Company is well positioned to fulfill its obligations and existing contracts/arrangements. At present, we do not foresee any contract/agreements which will have significant impact on the business in case of non-fulfilment of obligations by any party.

We request you to kindly take the above on record.

Thanking you,

Yours faithfully,
For **GRP Ltd.**



Abhijeet Sawant
Company Secretary