

Corporate Relationship Department
BSE Limited
PJ Towers, Dalal Street,
Mumbai – 400 001

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

Dear Sirs,

Further to our intimation dated June 27, 2020 (copy attached), we wish to state as under:

Section A: COVID 19 and FCL:

Closure Call:

1. The Company had to temporarily suspend its operation for another 10 days from 14.07.2020 to 23.07.2020 owing to another lockdown in the Pimpri area, primarily affecting its Corporate Office, but continued working from home. The production, sales and marketing operations however were not hampered during this period.
2. Similarly, owing to the onset of the “second wave”, several States Governments had declared complete or temporary lockdowns due to which business operations were impacted. While the Company’s manufacturing operations remained more or less uninterrupted, there were certain states where sales and distribution activity was impacted during the months of April 2021 through June 2021.

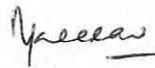
Section B: COVID 19 Impact and Risk Assessment on FCL’s Operations

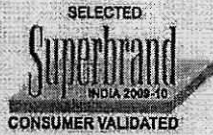
No change from our intimation dated June 27, 2020.

Section C: The way forward

As mentioned earlier, factory operations continue uninterrupted and with easing of lockdown by several states, sales and distribution activities also have begun to normalise, over the last couple of weeks.

Place: Pune
Date: July 02, 2021


M. Viswanathan
Chief Financial Officer



Finolex
Cables Limited
AN IS/ISO 9001 COMPANY

FCL:SEC:SE:2020:
Corporate Relationship Department
BSE Limited
PJ Towers, Dalal Street
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June 27, 2020

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

Dear Sirs,

Pursuant to the above mentioned advisory issued by SEBI, following is the disclosure of material impact of CoVID-19 pandemic on the Company.

Section A: COVID 19 and FCL:

Closure Call:

With the increasing COVID cases in Pune, decided to close its Pune operations (Urse, Pimpri Plants and Pimpri Corp. office) from March 22. With the declaration of the nationwide lockdown from March 24, all the other operations viz, Goa and Roorkee Plants, all depot/Branch offices etc. were also shut down, resulting in an absolute halt in operations.

Buoyancy:

During the shutdown period, although manufacturing, marketing and logistics had come to a standstill, FCL encouraged work-from-home, to its employees. Furthermore, the Company Management and function-heads, worked on strategically planning the future and preparing for life post lockdown, in order to bring the operations of the Company back to normal.

Restart:

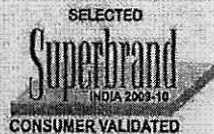
FCL opened up its Urse, Goa and Roorkee plants in the second week of May, 2020 followed by the Pimpri Plant and Office in the third week of May 2020. The Company put in its best efforts to re-configure its operations to increase efficiency and focus on its well-known quality towards its customers, stakeholders and employees.

This started with strict procedures and practices in place with the 'FCL Safe Practices Manual' as well as the 'COVID 19 Response Strategy' and covered all the plant sites, offices, depots and stores, maintaining both productivity and safety.

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Section B: COVID 19 Impact and Risk Assessment on FCL's Operations

1. Sales and Profitability

- The Company had to forego an estimated Sales of Rs 200 Cr. for this period and for the year ended March 31, 2020 along-with the profit on such sales.
- For FY 2020-21, until sales operations commenced nationally, the Company saw almost no sales on its leading products except few products in selected locations.

2. Capital and Financial Resources

- Risks: Capital and Financial Resources and Going Concern Risk.
- FCL has a strong financial position with a strong Net-worth. The Company also remains debt-free thereby carrying no debt servicing risks. Therefore, the Company does not foresee any material capital, financial resource or going concern risks.

3. Liquidity

- Liquidity risks refer to risk of a business unable to meet its financial obligations/requirements.
- FCL thrives on a strong financial position with a strong net-worth and half of which stays invested into liquid resources. The Company also remains debt-free and has the ability to meet its cash flow both under normal and stressed conditions.

4. Human Resources

- Risk: Human Resource risk refers to unavailability of adequate and skilled human resources.
- Automation forms the basis of all the production facilities at FCL with manual labour involved predominantly for overseeing such automation with majority of the manual labour force involved in the handling the logistics of the Company. The Company does not expect any material risks on this front

5. Supply chain and Demand

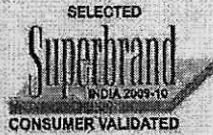
- *Raw Material:* The Company monitors the commodity movement at periodic intervals and has a system in place to de-risk itself from commodity movement.
- *Logistics:* The transport industry received a relief after the end of lockdown 2, with the Government allowing plying of essential and non-essential goods carrier with certain restrictions. Therefore, the Company does not foresee any further risks on the Logistics front.
- *Unorganized Players and Demand:* The MSME business and unorganized players suffered a major blow due to the strict and long lockdown with analysts reporting a majority of such small players going out of business permanently. Cable manufacturing units operating out of small places suffered a major blow and the Company anticipates conversion of business from such unorganized players
- *Inventory and Demand:* The March lockdown resulted in lower sales than estimated due to the sudden cut-off. Owing to this, inventory to meet such estimations both Raw Materials and Finished Goods remained with the Company. This inventory however, will facilitate the Company to resume sales before production activities get back to normal

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'Atmanirbhar Bharat' and Demand: The lockdown resulted in the 'Atmanirbhar Bharat' vision of the Government of self-sufficiency. This was also in line with the underlying anti-China sentiment in the market. The Company foresees this to convert in an increased demand for its products.

6. Internal Financial Reporting and Control

- There has been no impact on internal financial controls due to COVID 19.

7. Existing Contracts/agreements and the impact of non-fulfilment of such obligations

- The Company does not anticipate any material impact on the business if there is any non-fulfilment of contract/agreement by any party.

Section C: The way forward

The Company has already resumed its operations in an almost full-fledged manner by June 01, 2020. Although, it is difficult to predict the course of the pandemic and its likely future impact, with the opening up of the economy, the Company hopes that the market would steadily drop its negative sentiment in the short-term and the mid-term would see the market operate with regular normalcy. The Company will continue to closely monitor any material changes to future economic conditions.

Place: Pune

Date: June 27, 2020

M. Viswanathan
Chief Financial Officer