



Since 1907

# Jost's Engineering Company Limited

C-7, Wagle Industrial Estate, Road No. 12, Thane 400 604, Maharashtra, India

CIN : L28100MH1907PLC000252 , Tel. : +91 22 61174000, 25821727/46, Fax : +91 22 25823478

Email : jostfact@josts.in

Website: www.josts.com

( Registered Office : Great Social Building, 60 Sir Phirozeshah Mehta Road, Mumbai 400 001 )

To,  
The Secretary,  
BSE Ltd.,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400001  
June 12, 2020

11<sup>th</sup> June, 2020

Dear Sir,

**Scrip Code- 505750**

**Sub: Disclosure on Material Impact of COVID-19 Pandemic**

**Ref: SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020.**

With reference to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020 regarding advisory on disclosure of material impact of COVID - 19 pandemic on listed entities under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the required information is annexed herewith.

We request you to kindly take the aforesaid disclosure on your record.

Thanking you,

Yours Faithfully,

For Jost's Engineering Company Limited

Sd/-

Prajakta Patil

(Secretarial Department)

Encl: As above

**Note: This is a computer-generated letter, hence not signed.**





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Sr. No.	Particulars	Disclosure
1.	Impact of the COVID-19 pandemic on the Business	We, being in the manufacturing sector, all our operations were completely shut down from 22 <sup>nd</sup> March, 2020. This has led to halt in economic activities thereby adversely impacting the business operations across the value chain. All these factors will ultimately affect our production cycle and supply of manufactured goods to the customers at their locations.
2.	Ability to maintain operations at the factory during the shutdown.	All Government notifications and advisories have been implemented across all locations. Additional IT arrangements and connectivity to enable safe and secure working from home has been ensured. Factory was completely shut since the announcement of nationwide lockdown.
3.	Schedule for restarting the operations.	Factory has now resumed its manufacturing operations partially in strict compliance of the guidelines issued by the Government advisories. Supply chain and product sale activities are being resumed. Most of the staff continues to operate from home.
4.	Estimation of future impact on operations	<ol style="list-style-type: none"><li>1. Slow movement in Trade Receivables</li><li>2. High Inventory Costs.</li><li>3. Expected cancellation of in hand orders.</li><li>4. Slowdown in production cycle.</li><li>5. Challenge in getting contract labour back to work.</li></ol> <p>All these factors will impact the cash flow and profitability.</p>
5.	Financial Impact	Drastic reduction in sales in April'20 and May'20 thereby impacting the first quarter of the financial year 2020-2021. However, second quarter to have better prospects than first quarter, expecting the resumption of normalcy. Profitability may be adversely affected due to disruption in operations,





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		cancellation of Customers' orders, delay in deliveries in affected areas due to COVID-19.
6.	Liquidity	While the company has a strong balance sheet, proactively managing day-to-day cash becomes critical during these difficult times. Accordingly, the company continues to review and maximize all avenues of case generation while re-evaluating and curtailing expenditure. Containing discretionary spending in view of prevailing circumstances, continues to be a focus area. Capital Investment is also being limited towards protecting Long-term strategic objectives.

For Jost's Engineering Company Limited

Mr. Jai Prakash Agarwal  
Chairman