



BHAGWATI

BHAGWATI AUTOCAST LIMITED

May 28, 2020

To
BSE Limited
Mumbai
Security Code: 504646

Sub.: Disclosure of material impact of CoVID-19 pandemic on the Company under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020, we are submitting herewith the disclosure of material impact of CoVID-19 pandemic on the operations and performance of the Company.

Kindly take it on your record.

Thanking you.

Yours faithfully,
For, Bhagwati Autocast Limited

Mehul Naliyadhara
Company Secretary & Compliance Officer
Encl.: A/a.



BHAGWATI AUTOCAST LIMITED

Material Impact of CoVID-19 pandemic on operations and performance of the Company

The impact of CoVID-19 pandemic on India and globally has been felt by all. The effect on human lives has been unprecedented. At the same time the global economy has also seen a dramatic reversal. The effect due to the lockdown and other measures directed by the Government to control the pandemic had a significant impact on the operations of our Company. Some of the key factors likely to affect the business are listed below:

1. As our customers are tractors OEMs and they have closed its plants from 24th March, 2020 to 14th May, 2020. Hence, during this period there were no sales to our customers. Reduction in sales are as mentioned hereunder:

Less by 20% in March-2020,
Less by 100% in April-2020, and
Less by 50% in May-2020

Since, the Company continues to incurred fixed expenses, there could be substantial loss during the first two months in FY 2020-21.

2. This will lead us to a unique situation where there is a strong likelihood of generating lower income for the 1st quarter and the same situation continues then it will also affect in 2nd quarter of FY 2020-21.
3. The Company has drawn up plans to conserve its cash reserves and tide over these tough times in order to started production facilities to execute the contracts on hand.
4. A significant matter of concern will also be the availability of skilled workers for the production facilities. If there arises a situation of increasing cases post the removal of lockdown or a second wave, it is envisaged that it could impact our ability to work profitably.
5. The conditions of maintaining social distances and working with a labour force may have a significant impact on the costs of rendering our services.
6. It is also likely that there could be impact on the financials of the Company due to nonfulfillment of the obligations of parties in the contracts entered.

The Company shall be constantly monitoring the situation and shall keep its shareholders informed as and when any material developments take place having significant impact.

Date: 28/05/2020

For, Bhagwati Autocast Limited



Dinesh K. Sheth
Chief Financial Officer

