



Eim/Sec/SE

Date: 1st June, 2020

To, BSE Ltd. Phiroze Jeejeebhoy Towers 25th Floor, Dalal Street Mumbai - 400 001 Company Code 523708	To, National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 Symbol EIMCOELECO - Series EQ
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Sub.: Disclosure of material impact of COVID-19 pandemic on the Company under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020, the disclosure of material impact of COVID-19 pandemic on the Company is enclosed as Annexure-1.

This is for information and record.

Thanking you,

Yours faithfully,
For Eimco Elecon (India) Limited,

R. Dalwadi
Rikenkumar Dalwadi
Company Secretary & Compliance Officer



Enclosure: As above



**Annexure:-1****1. Impact of the COVID-19 pandemic on the business:**

Due to global outbreak of Coronavirus disease 2019 (COVID-19), the manufacturing facilities and sales operations were shut down by the Company and the production and sales of the Company has been impacted.

2. Ability to maintain operations including the factories/units/office spaces functioning and closed down:

The Company's manufacturing plants and its office were shut down from 23rd March, 2020 entirely during the lockdown phase, but the Company adopted the work from home policy during the entire duration of the lockdown.

3. Schedule, if any, for restarting the operations:

The Company has partially resumed the operations with limited workforce w.e.f. 4th May, 2020 in line with the directions issued by the Central Government, State Government and local authorities.

4. Steps taken to ensure smooth functioning of operations:

The Company has implemented strict measures of ensuring social distancing, thermal screening, use of Arogya Setu App, hygiene practices and deep cleansing of premises to ensure the safety of our workers, staff and the community at workplace.

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

As COVID-19 pandemic continues to evolve, it is difficult to predict the future impact of COVID-19 on the operations of the Company.

6. Details of impact of COVID-19 on the Company:**a. Capital and financial resources:**

No impact on capital and financial resources as the Company has not long term debt and the requirement of working capital is well within limits.

b. Profitability:

There will be an impact on profitability of the Company and it will update on these issues by the time of publishing the financial results.

c. Liquidity position:

The Company is in a comfortable liquidity position.



**d. Ability to serve debt and other financing arrangements:**

There has been constant improvement in collection and we are also making regular payments to our vendors. There may be some impact on receivable cycle however, the Company foresees no major risk.

e. Assets:

The Company does not see incremental risk to recoverability of assets (Inventories, Investments, Receivables, etc.) given the measures being taken to mitigate the risks.

f. Internal financial reporting and control:

Our internal financial reporting and control, is in no manner impacted by Covid-19.

g. Supply chain:

The Company is depending on imported materials for some major orders. Due to lockdown all over the world, getting the material (both supply and shipment) will be difficult. We expect the situation to become normal in near period.

h. Demand for its products/services:

The overall demand of the products has been impacted and it is too early to comment on the demand of the product.

7. Existing contracts/arrangements where non-fulfilment of the obligations by any party will have significant impact on the Company's business:

The Company is well positioned to fulfil its obligations and also does not foresee any significant impact on the business due to non-fulfilment of the obligations by any party.

8. Other relevant material updates about the Company's business:

The impact of COVID-19 on the Company's business will be only for temporary.

The Company is closely monitoring the situation and will take all necessary measures as directed by the respective government authorities in this respect.

The Company would furnish updates in the case of any material development or changes, to the Stock Exchange, from time to time.

**Regd. Office & Works :**

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