

Dated :08.06.2020

To,

BSE Limited
25th Floor, P. J. Towers,
Dalal Street,
MUMBAI – 400 001
(Company Code: 505714)

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
MUMBAI – 400 051
(Company Code: GABRIEL)

Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

Dear Sir,

Pursuant to Regulation 30 of Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020 and with reference to our earlier relevant disclosures on the subject, following are the brief details relating to the impact of the COVID-19 pandemic and the resultant lockdown, on the operations of the Company:

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

The Company's manufacturing facilities and office operations were closed due to lockdown, as and when declared by the concerned government authorities. They were partially re-opened upon receiving conditional permission as was informed to the Stock Exchange from time to time. The lockdown has impacted Company's operations during April and May 2020. While the lockdowns and restrictions imposed on various activities were necessary to contain the spread of COVID-19, it has impacted the business operations of the Company. Consequently, revenues and profitability have been adversely affected, in line with the industry.



2. Ability to maintain operations including the factories/ units/ office spaces functioning and closed down and Steps taken to ensure smooth functioning of operations:

All the Plants of the Company are resuming operations gradually based on customer demand. The Company has started receiving orders from OEM's / After Market customers / Export customers after re-opening of the Plants. The Company has taken cash flow, capital expenditure and overhead control measures to smoothly manage Company's operations.

The Company is following all requisite guidelines to adhere to the National Directives for COVID-19 management. It is ensuring the Standard Operating Procedure of social distancing, wearing of safety masks, sanitizing and washing hands, travel guidelines, thermal scanning, permissible number of employees per Plant location and is taking preventive measures for health, hygiene, sanitation etc. at workplace for safety and wellbeing of all workers and employees. It has encouraged and monitored to ensure that Aarogya Setu App is download by its employees. Only day shift is being operated. The employees not attending offices have been working from home in accordance with the guidelines issued by the Central/State/Municipal authorities and necessary office connectivity has been in place. Microsoft Teams is used extensively and the organization as a whole has learnt to work under the new norms. All IT Security Protocols are in place and all systems are being monitored remotely. HR Department is in continuous touch with all employees, getting regular updates about their and their family members health and arranging extensive online professional development programmes / Webinars for all levels of employees.

All supply chain partners have also been sensitized on the need to maintain required level of safety in operations, both during manufacture and transportation of goods to Company's locations. Supply chain has enough inventory and is fully prepared to meet the demand of the customers in all markets as and when demand arises.



3. Estimation of the future impact of CoVID-19 on its operations:

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. Other than Aftermarket business, the Company's business is more dependent upon orders being received from OEM's which gets trigger based on demand in the Automotive Sector. The Company is quite confident that the demand situation will pick up progressively. However, the Company has readiness to adapt to the changing business environment and respond suitably to fulfil the needs of its customers.

The Company is continuing with its Capital projects which are in advanced stages of completion and does not foresee any immediate concerns towards their completion.

4. Details of impact of CoVID-19 on :

(a) Capital and financial resources:

The Company's capital and Banking facilities remain intact. The Company have sufficient unutilized Banking limits available. However, due to lockdown the Company is witnessing delay in receivable collection from buyers as buyers are extending payment terms.

(b) Profitability:

Due to lock down, the profitability during 1st quarter (April to June 2020) is likely to be adversely impacted. As the business situation is very dynamic, the said impact may continue during the remaining months of the financial year 2020-21.

(c) Liquidity position:

Currently, the Company is in a comfortable liquidity position to meet its commitments. The Company also have sufficient Banking limits available. However, due to receivable getting delayed, the cash position may be under stress and hope to be normal after improvement in business cycle, post lockdown.



(d) Ability to service debt and other financing arrangements:

The Company has not availed Term Loan facility from Banks but has availed Working Capital Limits, which are not significant. Its ability to repay interest liability has not been impacted due to COVID-19 lockdown.

(e) Assets:

Due to COVID-19 lockdown the Company has assessed the recoverability of the receivables, tangible and intangible assets and other financial and non-financial assets. The Company has considered internal and external information including economic forecasts available. The Company has performed sensitivity analysis on the assumptions used and based on such information and assessment the Company expects to recover the carrying amount of these assets. The Company will continue to closely monitor any material changes to future economic conditions.

(f) Internal financial reporting and control:

As informed above, the Company has taken Cash flow control and overhead control measures to manage the operations. Weekly review mechanism has been adopted to review the account receivables and this mechanism will continue even after the lockdown.

(g) Supply chain:

During lockdown, the Company was in constant touch with its key vendors and is working with them to mutually partner each other to propel the business forward. The Company has been providing liquidity to its vendors by making payments from time to time. It has also carried out a risk assessment to ascertain any potential supply issues and as of now, it does not foresee any disruption in raw material supplies.

(h) Demand for its products/services:

While the Automobile Sector was down for about 16 months before COVID-19 lockdown, the demand of Company's products further subdued due to lockdown.

It is expected to improve post lockdown and its demand may improve further later in the year as per market conditions.

5. Existing contracts/agreements 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 existing contracts / arrangements. At present, the Company do not foresee any contract/ agreements which will have significant impact on the business in case of non-fulfilment of obligations by any party.

The aforesaid update is dynamic and will change as the situation changes, which is not in the control of the Company.

This is for your information and record.

Thanking You,

Yours Sincerely,

For Gabriel India Limited



Nilesh Jain
Company Secretary

Email id: secretarial@gabriel.co.in

