



STEEL STRIPS WHEELS LTD.

CIN: L27107PB1985PLC006159

Head Office : ISO/TS16949 Certified
SCO 49-50-51, Sector-26,
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Fax : +91-172-2794834 / 2790887
Website : www.sswlindia.com

Ref. SSWL/
Dated: 22.06.2020

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Mumbai - 400 001

The National Stock Exchange of India
Limited
Exchange Plaza,
Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051

BSE Code: 513262

NSE Code: SSWL

Sub: Disclosure regarding Material Impact of COVID-19 on the Company

Dear Sir,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, we enclose herewith the disclosure of material impact of Coronavirus (Covid-19) pandemic on the operations and performance of the Company. (Annexure 1)

We hereby also state that the impact of Covid-19 pandemic on the Company will also depend on future developments that cannot be reliably predicted, including actions to contain or treat the disease and mitigate its impact on the economies of the affected countries, among others. The impact of global health pandemic might be different from what we estimate, and the Company will closely monitor any material changes to future economic conditions.

Kindly take the same on your records for reference.

Thanking you.
Yours faithfully,

For Steel Strips Wheels Limited

(Shaman Jindal
(CGM-Cum-Company Secretary)

Encl: a/a



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Annexure I

SEBI Circular - Disclosure of impact of COVID-19 on Steel Strips Wheels Limited

1. Impact of COVID-19 pandemic on Business:

The COVID-19 outbreak across borders and geographies has severely impacted almost the whole world and triggered significant downside risks to the overall global economic outlook. Due to the lockdown announced by the Government of India from 25th March 2020, entire operations of the Company came to a halt causing tremendous production losses and revenue losses to the business which affected the performance of the company adversely.

During lockdown till now, we have dispatched pending exports orders in transit and additionally some domestic dispatches have been resumed from May 2020.

2. Schedule for restarting of operations:

Operations has been resumed in line with State and Central Government directives considering permissible workforce and adhering to the prescribed safety norms. Employees were strictly directed to wear face mask and proper sanitization of work places carried out at regular intervals. To opt social distancing practices employees were given work from home facility to the carry operational and commercial activities.

In relaxations during lockdown phase 3 & 4 various OEM's got the approvals and commenced the production, and we started the production in-line with the demand with safety protocols. Partially started operations with permitted workforce shall be further scaled up keeping in view the Government guidelines to be issued from time to time.

3. Steps taken to ensure smooth functioning of operations:

Company has implemented safety protocol related to Covid-19 as advised by the government while resuming its operations. Safety guidelines to employees and workers with appropriate training have been imparted along with implementation of safety & precaution systems in factory and office premises. Regular sanitization and Fumigation of offices and shop floors is being carried out. Social distancing norms being strictly followed at factories and offices. Sanitization and thermal screening of employees, truck drivers, other entrants and sanitization of loading vehicles at the entry gate of factories. The Company is taking utmost care of its staff and work force like sanitization, social distancing, mandatory mask wearing, thermal check of temperature at the gate, maintaining proper hygiene. Supply chain is being monitored to ensure availability of material. The workforce which can work from home without affecting the normal operations of the Company have been advised to do so.

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

The impact of COVID-19 on the operations of the company and financial condition will largely depend on future developments which are uncertain and cannot be predicted accurately at present. The Company is closely monitoring the developing situation arising out of COVID-19.



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and resultant restrictions imposed by the regulatory authorities and with the gradual phasing out of the lockdown going forward, the Company expects to see demand revival.

5. Details of impact of COVID-19 on listed entity's capital and financial resources:

- The Profitability of the company for the quarter and financial year ended 31 March 2020 will definitely be impacted. However, the details will be known only after the audit of the said period. The conditions of maintaining social distances, adherence of safety norms and sanitization may have impact on the costs but the company has started initiatives to reduced variable and fixed cost significantly, the company will get benefit as a consequence of these initiatives in future.
- Company is taking adequate steps to ensure the liquidity and has availed deferment of interest and installments from Banks as per RBI notification to meet temporary liquidity mismatch and had applied for COVID-19 emergency Working Capital limits.
- Company is working aggressively to reduce the inventory levels and to liquidate the non-core assets in the company to have comfortable liquidity position.
- Company has secured all the assets and they are in working condition.
- There is no impact on Internal Financial controls due to COVID-19 situation.
- The supply chain remained disrupted during the lockdown period but situation is improving gradually with relaxation provided by government. Vendors are resuming their production with available manpower and following government directives and safety norms.
- Significant matter of concern will be the availability of workers in the plant. If there arises a situation of increasing COVID cases post the removal of lockdown or a second wave it is envisaged that it could further impact our Profitability.
- Though it is difficult to predict any demand scenario for the immediate short term, we expect the Tractor demand to show good improvement on the back of several positive factors, also in-line to that the exports orders are increasing and we are trying to supply to all the customers and meet their deadlines.
- The Company does not foresee significant impact in respect of its existing contracts and agreements where the non-fulfillment of obligations by any party would lead to any material financial claim by or against the Company.
- The demand likely to be at higher level if government rolls out some policy in favor of the automobile industry, which is likely post Covid-19.

6. Other material information:

No other material matter can be identified at present. We will continue to follow the recommendations/advisories as may be issued from time to time by the relevant authorities.

We are continuously monitoring the impact on the operations and financials of the company and taking necessary steps in the best interest of our people, customers and communities. We will keep all investors and stakeholders informed of any further steps taken.

