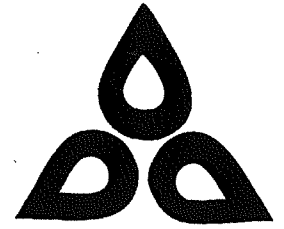


NELCAST LIMITED



10th June 2020

BSE Limited
Listing Operations
Phiroze Jeejeebhoy Towers,
Dalai Street,
Mumbai - 400 001
Maharashtra, India
BSE Script Code: 532864

National Stock Exchange of India Limited
Listing Department,
Exchange Plaza,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051
Maharashtra, India
NSE Script Code: NELCAST

Dear Sir/Madam

Sub: Disclosure of impact of COVID-19 pandemic on the Company – Intimation Under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 of SEBI LODR Regulations 2015 read with SEBI's circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 on the impact of COVID-19 pandemic on the business operations of the Company, we enclose herewith disclosures relating to this..

We request you to take the above on record and note the compliance under relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR)

Thanking you.

For **NELCAST Ltd**

(S.K.SIVAKUMAR)
Company Secretary

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Regd. Off.: 34, Industrial Estate, Gudur - 524 101 (A.P.) Tel.: 251266 / 251766 Fax:08624-252066
Ponneri works :Madhavaram Village, Amur P.O. Ponneri - 601 204 .T.N Tel.: 27974165/27973532, Fax: 27973620
Pedapariya Works : 259/261, Pedapariya Village, Ozili Madal, Nellore Dist - 524402. (A.P.)

IATF 16949 : 2016 * ISO 14001 : 2015 * ISO 50001 : 2011



ISO 9001 : 2015

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OHSAS 18001 : 2007

Disclosure on the impact of the COVID-19 pandemic

Operational impact

Consequent to the outbreak of the COVID-19 pandemic and the lockdown introduced by the Central and State Governments, the operations in the Company's manufacturing plants had to be shut down from 24th March 2020. From May 2020, the Company has resumed operations in a gradual manner and all the plants are in operation at present with reduced manpower.

To facilitate ease of resumption:

- All the plants were cleaned & sanitized at regular intervals during the lockdown period;
- All the equipment was properly shut down and proper check list put in place for the precautions to be taken before restart of equipment;
- All safety aspects taken care with respect to screening of all the employees before entering the factory. Medical facilities are made available across all locations;
- Adequate stocks of Sanitizer and face masks made available to all employees;
- Clear Standard Operating Procedures in place on how to work with social distancing, marking of work spots, staggered lunch timings, fixing hand sanitizer dispensers etc., ensured in all areas.

Based on our preliminary estimate, we expect that revenue in Q1 of Financial Year 2020-21 will be severely affected due to the lockdown. We expect an improvement in Q2 due to easing of restrictions and recovery in some sectors of the economy. However, the actual extent to which the COVID-19 pandemic will impact the business performance of the Company will depend on future developments which are highly uncertain and unpredictable.

Financial impact:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. Currently, no major impact on the assets of the Company is envisaged. The Company has also taken several cost-reduction measures to optimise the utilisation of its financial resources in the wake of the current uncertainty. While profits are expected to be negatively impacted, the Company has the necessary liquidity to comfortably be able to service its business commitments and other statutory & financial obligations.

Given the uncertainty around the severity and duration of the COVID-19 impact, the Company is not able to assess the impact of this on future financial performance at this point of time. Moreover, the detailed impact assessment of COVID-19 on the business of the Company is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to closely monitor the developments and the material impact, if any, will be disclosed to the Stock Exchanges.

