

SUNDARAM BRAKE LININGS LIMITED

Padi, Chennai - 600 050, India.



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PAN : AADCS4888E

Sec/I Qr.20-21

July 15, 2020

The Manager
Capital Market Listing
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C/1, "G" Block
Bandra Kurla Complex
Bandra (East), Mumbai-400 051
Scrip Code: SUNDRMBRAK

The Deputy Manager
Corporate Relationship
Department of Corporate Services
Bombay Stock Exchange Limited
Floor 25, P J Towers,
Dalal Street,
Mumbai – 400 001
Scrip Code: 590072

Dear Sir,

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

This is with reference to Regulation 30 of SEBI's Listing Obligations and Disclosure Requirements read with SEBI's Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 of 20th May 2020 which issued an Advisory on disclosure of the material impact of the COVID-19 pandemic on listed entities.

Further to our previous disclosures on the subject, given below are additional details of the impact of the COVID-19 pandemic on the operations of the company.

Impact of the CoVID-19 pandemic on the business;	<p>The nationwide lockdown declared from 23rd March 2020 led to temporary stoppage of operations resulting in loss of production and dispatch in the last week of March 2020 and also impacting the performance of the company for the Months of April & May 2020.</p> <p>With restrictions for resumption of operations from commencement of 2nd lockdown, concerted efforts were made to obtain necessary approvals from the Government to resume operations as soon as possible to meet customer orders. Extraordinary efforts were made to safely mobilize manpower and resume operations as soon as possible. With continuing Governmental restrictions on manpower, and slow resumptions of operation by our domestic customers, operations are focused mainly on catering to Export orders and reduced OE & Domestic After Market orders.</p>
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MANUFACTURERS OF TVS BRAKE LININGS & CLUTCH FACINGS

Registered Office : Padi, Chennai - 600 050. India.

CIN : L34300TN1974PLC006703

<p>Ability to maintain operations including the factories/units/office spaces functioning and closed down</p>	<p>As mentioned above, the operations of Corporate office in Padi & in manufacturing facilities were shut during the lockdown period. These have since commenced operations, in line with the regulations prevalent in each location. We initiated "Work from Home" protocols from the beginning of the lockdown to ensure continuity of operations. Operations have resumed with restricted manpower deployment as per the directives issued by the Central and State Government with due compliance to the guidelines on maintaining safe work practices.</p>
<p>Schedule, if any, for restarting the operations;</p>	<p>The Company pursuant to the requisite approvals from the respective Government authorities has partially resumed the operations in its four Plants. This was communicated to the stock exchanges vide our letter dated May 12, 2020.</p>
<p>Steps taken to ensure smooth functioning of operations;</p>	<p>The Company has taken all the precautionary measures relating to hygiene and social distancing in the areas of transportation of employees, workplace, canteen, thorough cleaning and disinfection of factory/office premises to secure the employees from any health hazard.</p>
<p>Estimation of the future impact of CoVID-19 on its operations;</p>	<p>With continuing Governmental restrictions on manpower, and slow resumption of operation by our domestic customers, operations are focused mainly on catering to existing Export orders and reduced OE & Domestic After Market orders.</p> <p>The short-term outlook for the Indian economy is rather grim and domestic sales are expected to decline substantially which will have a knock on effect on your company's production & sales. SBL has built its exports to nearly 50% of its revenue which has helped sustain operations at about 60% utilization levels from May 2020.</p>
<p>Details of impact of CoVID-19 on listed entity's</p>	
<p>Capital and financial resources</p> <p>Profitability</p>	<p>We believe the severe country wide lockdown from end March 2020 will see an adverse impact on the Company's revenue and profitability in 2020-21. To cope with this unprecedented crisis, the company has taken several steps to reduce fixed costs through right sizing the operation and improvements in Machines & Methods and conserve cash.</p>

	Company's banker SBI has given & assured continued support to the Company to meet the working capital requirements.
Liquidity position Ability to service debt and other financing arrangements assets	The Company does not foresee any major incremental risk on its liquidity position. We also continue to service our debt obligations on time and as planned. We do not foresee any significant impact on recoverability of our assets, including inventory and receivables.
Internal Financial Reporting and Control	There has been no impact on internal financial reporting and controls of the company.
Supply Chain	The supply chain was disrupted in view of lockdown measures imposed from March 24, 2020 which impacted export shipments. However, the situation has improved with Central & State Governments relaxing lockdown norms.
Demand for its product/Services	Demand of our products was impacted during the lockdown period. Given the dynamic and uncertain nature of the COVID-19 pandemic it is difficult to accurately predict and assess demand for our products and the overall financial impact on the company over the rest of FY21
Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business	In our current assessment the company is able to fulfil its legal obligations. We do not see any incremental material impact on this count.
Other relevant material updates about the listed entity's business	Nil

This is for your kind information and records.

Thanking you,

Yours faithfully
for SUNDARAM BRAKE LININGS LIMITED

S. Ramabadrn
Chief Financial Officer & Company Secretary