



## BHARAT SEATS LIMITED

Plot No.1, Maruti Udyog Joint Venture Complex, Gurugram-122015 (Haryana) India  
Phones : +91-9643339870-74 Fax : 0124-2341188 E-mail:seats@bharatseats.net  
CIN: L34300DL1986PLC023540 WEBSITE: www.bharatseats.com

30.07.2020

### Corporate Relationship Department

BSE Limited  
P.J. Towers  
Dalal Street  
Mumbai – 400 001

REF: SCRIP CODE: 523229

Dear Sir/Madam,

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

With reference to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020; following is the disclosure of material impact of CoVID:

#### 1. Impact of the CoVID-19 pandemic

In line with the government directions imposing lockdown across the country, the manufacturing operations across all plants of the Company at Borakalan, Manesar and Gurugram were temporarily shut down with effect from 23<sup>rd</sup> March, 2020 till May 11, 2020 and as a result, both sales and profitability has taken a hit. This has posed challenges to the business. At this stage, numbers cannot be quantified but all segments in auto sector are expected to have de growth.

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

As submitted earlier, the manufacturing facilities were temporarily shut down during the lockdown period; however, the senior and middle management team were able to work from home and contributed to the continuance of administrative activities. The Company is following the planned protocol in line with MHA guidelines and additional precautions to run our operations post approval received from the administration in the respective States. All reasonable steps have been taken to resume the operations, post lockdown and partial operations have commenced from 12<sup>th</sup> May, 2020. The Company had temporarily faced difficulty in availability of skilled/ unskilled labour, which has since been recouped.

Regd.Office: I, Nelson Mandela Road, Vasant Kunj, New Delhi-110070  
Phone: 09810808631



## **BHARAT SEATS LIMITED**

Plot No.1, Maruti Udyog Joint Venture Complex, Gurugram-122015 (Haryana) India  
Phones : +91-9643339870-74 Fax : 0124-2341188 E-mail:seats@bharatseats.net  
CIN: L34300DL1986PLC023540 WEBSITE: www.bharatseats.com

### **3. Schedule, if any, for restarting the operations**

The Company is taking requisite measures and all plants of Bharat Seats are operational as of now. Supplies to the customers have been started as per their schedule. The Company is ensuring compliance with the directives / guidelines issued by the authorities and ensure safety and well-being of its employees and workers at all levels of operations.

### **4. Steps taken to ensure smooth functioning of operations**

All guidelines of MHA are complied with and in addition to this, the Company's own precautions of the operations are being taken. The Company is taking utmost care of its staff and work force like sanitization, social distancing, compulsory wearing of mask, thermal check at the entry gate, proper hygiene maintenance. In addition, virtual sessions are held with employees at all levels for creating awareness in the matter.

### **5. Estimation of the future impact of CoVID**

It is very early and hard to quantify with reasonable certainty, but as stated above, there is a market de-growth in the auto sector, majorly impacting our Company. The Company being Tier-1 supplier to Maruti Suzuki India Limited (MSIL), the sale and demand depends on the production at MSIL. The Company faced a major decline in manufacturing activity, both for supply for four wheeler and two wheeler in the first quarter of the financial year. However the Company is ramping up sales as per customers' demand.

### **6. Details of impact of CoVID**

- (i) capital and financial resources: In view of the COVID-19 situation, there was negligible sales in April, 2020 and May, 2020, resulting in shortage of working capital. In order to meet the shortage of working capital, the Company got a Bank loan sanctioned for Rs.28.56 crores, out of which only Rs.15 crores has been utilized till date.
- (ii) profitability: Profitability is impacted with a decline in turnover of the Company during the lockdown period and is expected to be impacted in subsequent quarters. However the same is expected to be marginalized with ramp up of volumes by customers and marginally compensated by cost optimization and reduction measures.



## BHARAT SEATS LIMITED

Plot No.1, Maruti Udyog Joint Venture Complex, Gurugram-122015 (Haryana) India  
Phones : +91-9643339870-74 Fax : 0124-2341188 E-mail:seats@bharatseats.net  
CIN: L34300DL1986PLC023540 WEBSITE: www.bharatseats.com

- (iii) liquidity position: At present, the Company has sufficient liquidity to take care of smooth operations of the Company.
- (iv) ability to service debt and other financing arrangements: The Company is regular in debt servicing on due dates and does not foresee any challenge in financing arrangements.
- (v) assets: There is no impact on the assets of the Company.
- (vi) Internal financial reporting and control: The Company has an adequate systems of internal controls in place and the review of such controls are being done periodically. All the controls that existed before COVID\_19 are in place and also all central / state/ local administration guidelines with regard to employee safety are being adhered.
- (vii) supply chain: We do not foresee any major supply chain/logistic issues.
- (viii) demand for its products/services: As stated above, it is too early and hard to quantify with reasonable certainty.

### **7. Existing contracts/agreements where non fulfilment of the obligations by any party will have significant impact on the listed entity's business**

The Company is meeting its present obligations of its existing contracts/ agreements. The Company is not anticipating any contracts/ agreements which have a significant impact on the business in case of non fulfilment of the obligations by any party.

Kindly take the same on your record.

Thanking you,  
Yours faithfully,

**FOR BHARAT SEATS LIMITED**

*Ritu Bakshi*

**(RITU BAKSHI)**

**COMPANY SECRETARY**