



## HERCULES HOISTS LIMITED

KSM/CM6

June 8, 2020

BSE Limited  
Code No. 505720  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai 400 001

National Stock Exchange of India Ltd.  
Symbol: HERCULES  
EQ Exchange Plaza, Bandra Kurla Complex  
Mumbai 400051

Sub: Impact of COVID-19 disclosure pursuant to SEBI Circular No.: SEBI / HO /CFD / CMD1 / CIR / P / 2020 / 84 dated May 20, 2020

Dear Madam / Sir,

With reference to SEBI Circular No. SEBI / HO / CFD / CMD1 / CIR / P / 2020 / 84 dated May 20, 2020, our disclosure relating to the impact of COVID-19 required as per Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements), Regulation, 2015, is as herein under.

### A) Impact on Operations

Due to the implementation of the lockdown announced by the Government of India, from March 24, 2020 the manufacturing operations of the Company were temporarily shut down. The Company has been closely monitoring the situation, based on the conditions of the areas where the manufacturing units and offices are located. Since the commencement of the lockdown, employees who could work out of home have been allowed to work accordingly.

As informed on May 13, 2020, the Company started operations at its Khalapur (Raigad) and Chakan (Pune) plants in a limited manner with restricted manpower. The Company has ensured that that the relevant practices for the safe operations of the facilities including but not restricted to sanitization, hygiene, social distancing, adhering to the guidelines issued by the relevant authorities are being strictly followed. Furthermore, all safety protocols are being regularly emphasized to the employees and are also being regularly reviewed to ensure incorporation of any updates or revisions to the guidelines issued by the relevant authorities.

In view of the unique and exceptional circumstances, the Company is unable to accurately gauge the extent of the impact of Covid 19 on the future operations, including the duration and scale of such impact. More so, as the extent of impact will depend on several factors that the Company may not be able to currently estimate or control, the Company expects the operations to remain sub-normal in the immediate future.

### B) Business and Financial Impact

Like on most of the businesses in the country, the impact of Covid 19 has been disruptive on the operations of the Company. The halt in operations has adversely impacted the revenue and profitability position of Company. The profitability of the Company for the quarter and financial year ended March 31, 2020 will be known on the conclusion of the audit for the said period(s).

#### Corporate Office

501 to 504, Shelton Cubix  
Sector 15, Plot No. 87  
CBD Belapur, New Mumbai 400614  
Maharashtra INDIA

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Works: Khalapur & Pune

#### Registered Office

Bajaj Bhawan, 2<sup>nd</sup> Floor  
226, Jarnalal Bajaj Marg  
Mumbai 400 021, INDIA  
CIN: L45400MH1962PLC012385

**bajaj group**



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The sudden lockdown has also upset the Company's supply chain and it is expected that with the gradual relaxation of the lockdown, matters will slowly improve.

The Company has a robust ERP system in place. The combination of the remotely accessible ERP system and critical team members working from home, ensured that the reporting systems are working satisfactorily.

None of the Company's assets have been impacted by Covid 19 situation. Since the Company has no debt / other financial arrangements, the situation of inability to service the debts or financial arrangements, does not arise. The Company has adequate capital and financial resources presently, to run its business.

### C) **Business post lockdown situation**

With the Company's products being largely capital equipment for its customers, as stated earlier, it is difficult to accurately gauge the extent of the impact of Covid 19 on the future operations, including the duration and scale of such impact. However, with the gradual phasing out of the lockdown and the impetus of the Government in terms of self-reliance and 'Make in India' initiatives, the Company is hopeful of progressive demand revival. The Company is concurrently taking steps to optimise its costs and expenses to address the situation emerging from the impact of Covid 19. As the Company happens to be amongst the oldest, market leading and highly reputed manufacturers of unitized material handling equipment in India, the Company is prepared to take advantage of any opportunities that may arise.

The Company is well positioned to fulfil its obligations and also does not foresee any significant impact on the business due to non-fulfilment of the obligations by any party.

### **Cautionary Statement**

*Statements made herein describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed herein. Important factors that could influence the Company's operations include actions to contain or treat the Covid-19 disease and mitigate its impact on the economy and operations of its customers, demand and supply conditions affecting selling prices of finished goods, input availability and rates, changes in the government regulations, tax laws, economic developments within the country and litigation and industrial relations, among others.*

The same is submitted for public dissemination and for your records.

Thanking you,

For Hercules Hoists Limited

Kiran Mukadam  
Company Secretary

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