

NEAPS/ BSE ONLINE

9th June, 2020

The Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers
1st Floor, New Trading Ring
Rotunda Building
Mumbai – 400 001

Listing Department
National Stock Exchange of India Limited
Plot No. C/1, Block-G
Exchange Plaza, 5th Floor,
Bandra Kurla Complex, Bandra (E),
Mumbai 400 051

Dear Sir/Madam,

Sub: Disclosure of material impact of CoVID-19 pandemic on the business under SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to the Circular vide ref no. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 issued by the Securities and Exchange Board of India, we would like to disclose the material impact of CoVID-19 pandemic on the operations of the Company as enclosed below.

You are requested to take this information on record.

For HSIL LIMITED



(Pulkit Bhasin)
Company Secretary

Name: Pulkit Bhasin
Address: 301-302, 3rd Floor, Park Centra, Sector-30, Gurugram-122001
Membership No.: 27686

A. Impact of the CoVID-19 pandemic on the business; Ability to maintain operations including the factories/units/office spaces functioning and closed down; Schedule, if any, for restarting the operations; Steps taken to ensure smooth functioning of operations.

Due to global pandemic COVID 19 outbreak, Government of India had announced lockdown on 23rd March 2020 and ordered temporary shut down of all non-essential businesses, imposed restrictions on movement of goods, travel, etc. As some of our businesses fell under non-essential category, company had temporarily shutdown some of its plants (*as stated in table below*).

The container glass manufacturing plants situated at Hyderabad & Bhongir (Telengana) being continuous process plants and serving certain essential category of products like food and pharma continued their operations as per stipulated norms. The operations at container glass business ran at lower capacity utilisations during the lockdown period due to various factors like lower demand from customers, constrained availability of labour and trucks for shipments etc.

The company continued to incur fixed costs relating to its plants and businesses during the lockdown period, despite lower level of sales. Some of the plants have now resumed production/expected to resume production (*as stated in table below*), although at lower capacity levels to adhere to strict norms specified by respective Government Authorities.

Division	Products Description	Plant Locations	Plant shutdown Date	Plant Operations Resumption Date
Building Products	Sanitaryware	Bahadurgarh (Haryana) & Bibinagar (Telengana)	24 th March 2020	<ul style="list-style-type: none"> - Bahadurgarh plant expected to resume production within next 7-10 days. - Bibinagar: Expected around middle of August 2020. - Kaharani Faucet plant resumed operations on 9th June 2020. <p>Current dispatches from plants are being serviced from adequate quantities of finished goods stocks in hand.</p>
	Faucets	Kaharani (Rajasthan)	23 rd March 2020	
	Plastic Pipes & Fittings	Isnapur (Telengana)	27 th March 2020	18 th May 2020
Packaging Products	PET bottles & products	Isnapur (Telengana)	27 th March 2020	2 nd May 2020
		Dharwad (Karnataka)		4 th April 2020
		Selaqui (Uttarakhand)		4 th April 2020
	Security Caps & closures	Isnapur (Telengana)		22 nd April 2020

With current gradual easing of lockdown measures and pickup of demand in markets, we are looking forward towards gradual ramp up of production levels at our plants and dispatches of finished products to customers.

B. Details of impact of CoVID-19 on listed entity's: Capital and financial resources; profitability; liquidity position; ability to service debt and other financing arrangements; assets; internal financial reporting and control, supply chain; demand for its products/services.

The Company presently possess adequate financial resources to cover its commitments for near future and is also considering several measures to further optimise operations, operational costs and use of financial resources. The sales and profits of company have been be adversely impacted during lockdown period. With relaxations in lockdown after 18th May 2020, the demand and sales of company's products have slowly started building up.

Based on current market conditions, the Company currently has liquidity within its banking limits to service its debt and other financing arrangements. The company has paid all its financial commitments to its lenders on time and has not opted for moratorium offered by the lenders as per the various RBI guidelines relating to COVID-19 Regulatory Package.

The Company currently has sufficient level of finished goods inventories to cater to the current demand from its customers and has also started receiving the sales collections from its customers. The Company is in regular touch with respective business partners including customers, suppliers, vendors, supply chain providers, bankers to ensure smooth functioning of the operations and control systems.

The assets of the company are being maintained to keep them in good working condition.

The internal financial control over financial reporting, disclosure controls and risk assessment and minimization procedures are maintained, continued and followed.

With conditions of lockdown getting relaxed, company expects that the demand of its products will build up in phases as retail markets open up and consumer confidence gets built. The company shall increase its capacity utilisation at its operational plants and resume production at other plant/s with increase in market demand, further opening of retail markets and at same time adhering to guidelines issued by the concerned government authorities.

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

There is no failure in performance by the Company of its obligations envisaged in existing agreements entered into by it, which may have material effect.

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

Considering the fact that the situation is exceptional and is changing dynamically, the Company is not in a position to quantify the future impact of current pandemic as external environment remains uncertain and challenging. However, the Company is confident that demand will pick up going forward and company will be able to adapt to changing business environment to fulfil the market demands.

For HSIL LIMITED


COMPANY SECRETARY

The contents herein above may contain forward-looking statements based on the currently held beliefs and assumptions of the management of the Company, which are expressed in good faith and, in their opinion, reasonable. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance, or achievements of the Company or industry results, to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements. Unless otherwise indicated, the information contained herein is preliminary and indicative and is based on management information, current plans and estimates. Given these risks, uncertainties and other factors, recipients of this document are cautioned not to place undue reliance on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements to reflect future events or developments.

xx-----xx

For HSIL LIMITED

COMPANY SECRETARY