



Date: 15.07.2020

The Manager Listing Department BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai-400001	The Manager, Listing Department, National Stock Exchange of India Ltd, Exchange Plaza, Plot No. C/1, G- Block, Bandra Kurla Complex, Bandra (East), Mumbai-400051
Scrip Code: 539201	Symbol: SATIA

Dear Sir/ Madam

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

Pursuant to Regulation 30 of Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 and with reference to our earlier relevant disclosures on the subject, following are the brief details relating to the impact of the COVID-19 pandemic and the resultant lockdown, on the operations of the Company and its current status:

1. Operations

Impact of the COVID-19 pandemic on the business Operations:

The operations of the Company were disrupted in last week of March, 2020. The Company restarted the operations in phased manner after necessary permissions from the Statutory Authorities in the third week of April, 2020.

All the safety measures as advised by the Government have been implemented. The Company is making adequate provisions for masks, sanitizers, facility for washing of hands & transportation (wherever needed) to its employees. Regular sanitization of offices & manufacturing facilities is being carried out. Sanitization & screening of employees & other entrants is being ensured.

2 Restarting the operations

At Present plants are in operations

3 Future Impact of Covid 19- on operation

Due to unpredictable and changing situation of COVID-19. It is difficult to assess the impact of covid 19 on business operation.



- **Impact on Production & Profit for the year 2019-20**

Due to the sudden announcement of Lockdown on 22nd March, 2020, the production at plant came to halt for a period of 8 days during FY 19-20. The resultant impact on profits is:

Particulars	Actual during 19-20	Normal circumstances	Loss
Production	133191	137000	3809 MT
Profit before tax (Provisional)	115 Cr.	122 Cr	7.00 Cr.

- **Impact on Production & Profit for the year 2020-21**

The halt in production further continued till April 26th of present FY after which plant resumed at a capacity of 60% for about 20 days. 100% capacity utilization started only towards mid of May 2020 after relaxations to production units were allowed by authorities.

Despite of production now being at normal levels, demand and supply of output still remains affected due to overall market slowdown. As a result, a dip in sale price is expected. The overall loss of production, margins and resultant profit are summarized as under:

Particulars	Post lock down budgeted value 20-21	Budgeted Value under Normal circumstances	Loss
Production	123000	140000	17000 MT
Sales Price per tonne	48000	52000	4000 per MT

On a conservative look out we expect the dip in sales price till 30th September, 2021.

- **Impact on New paper machine Project**

As the pandemic has globally affected businesses, supplies from other countries in relation to the project shall also get delayed. In totality, an **overall delay of 12 months** in project implementation is expected as against the previous completion date of 30th September 2021. Snapshot of Loss due to project delay is as under:



Particulars	Twelve months loss due to deferment
Production Loss	107400 MT
Loss in PAT	89.25 Cr.
Increase in Preoperative Cost	3.00 Cr.

- **Impact on cash flows:**

The company has not availed any moratorium as of now and all interest & principal payments are being done as per schedule.

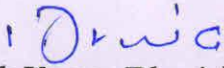
The operational cash flows despite being affected by the lockdown and subsequent slowdown in the consumption pattern in the economy; we still have surplus to meet the debt servicing obligations.

The company might avail short term credit facilities such as COVID sanctions or a minor short term loan to adjust any minor cash flow requirements if the unlikely need arises.

Thanking,

Yours faithfully,

For Satia Industries Ltd


(Rakesh Kumar Dhuria)
Company Secretary

