



# Super Spinning Mills Limited

Regd. & Central Office : "Elgi Towers" PB. 7113, Green Fields, 737-D, Pulliakulam Road, Coimbatore - 641 045.  
CIN : L17111TZ1962PLC001200



July 08, 2020

To

BSE Ltd 25 <sup>th</sup> Floor, P J Towers Dalal Street, Fort, Mumbai - 400 001 Scrip Code : 521180	National Stock Exchange of India Limited "Exchange Plaza", C-1, Block G Bandra – Kurla Complex Bandra (E), Mumbai – 400 051 Scrip Code : SUPERSPIN
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**Subject: Disclosure in accordance with SEBI circular dated May 20th, 2020 - impact due to COVID-19 pandemic**

With reference to the SEBI Circular No. SEBI/HO/CFD/CMDI/CIR/P /2020/84, dated 20th May, 2020 and in line with the requirement of Regulation 30 of the Listing Regulations, requisite disclosure pertaining to the material impact of Corona Virus Disease ("COVID-19") is as under;

**Impact of the COVID - 19 pandemic on the business;**

In general, there has been a large impact observed from 23<sup>rd</sup> March, 2020 and onwards all through the various lockdown periods till date. Even now, although the lockdown has been partially lifted, there are many local and general issues which are impacting the business. However, in the present situation, it is difficult to quantify the overall impact of the outbreak. It had impacted the demand and supply mismatch and the markets at a stalemate.

**Ability to maintain operations including the factories/units/office spaces functioning and closed down**

The Company has implemented Work from Home Policy for its offices wherever possible.

The Manufacturing Operations as well as the administrative offices of the Company remained closed from 23<sup>rd</sup> March 2020. However, the partial activity and operations were started during 2<sup>nd</sup> half of May, 2020 as per the approval of the state government.

**Schedule, if any, for restarting the operations**

The Manufacturing Operations of the Company resumed partially from 05<sup>th</sup> May, 2020, in compliance with the guidelines issued by the Central Government and approvals accorded by State Government and local authorities.



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## Steps taken to ensure smooth functioning of operations

The Company is taking utmost care of its staff and work force like sanitization, social distancing, mandatory mask wearing, maintaining proper hygiene.

Further, workers at factory are being provided mask during work, thermal check of temperature at the gate is done and sanitizing of work place is done regularly. The company has ensured all health and safety measures as prescribed by Government to ensure safety of our workers and staffs at the workplace

## • Estimation of the future impact of COVID -19 on its operations

Major impact on the operations and concerns are as follows:

- Interrupted production due to lockdown
- Rising inventories of raw material and finished goods
- Muted demand and negative customer sentiments.
- Reduced margins

Because of the above said factors, revenue from operations and profitability of the Company are likely to be impacted and it would be difficult to estimate the exact impact of COVID-19 on the operations of the company beyond Q1F21 at this point of time.

## • Details of impact of CoVID - 19 on listed entity's -

Capital and financial resources;	The company's equity capital structure remains unchanged and company has availed additional bank facilities/moratoriums provided as per of government Covid-19 stimulus.
Profitability;	Expecting more operational losses due to inability to dispense with the stocks as the main trading centers like Mumbai has been closed for long. This impacted the low level of realization compare to the cost of production. Further the losses will increase due to low level absorption of Fixed Expenses in view of under utilization of capacities and resources for the FY 2020-21.
Liquidity position;	The liquidity position of the Company impacted heavily due losses and increase in its current liabilities



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Ability to service debt and other financing arrangements;	As the business would only get tougher, the company will be able to service debt partially from the proceeds against disposal of Assets.
Assets;	There is an impact on tangible assets or inventory of the company due to lockdown as the values are down by more than 20%. There is no impact on valuation of investment of the company due to COVID-19.
Internal financial reporting and control;	No major impact
Supply chain;	There has been significant disruption in supply chain for procurement of Raw Material, stores, spares and consumables and sale of finished goods.

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

In long run no significant impact expected on the core business of the company.

- Other relevant material updates about the listed entity's business

The company has been regularly updating the Stock exchange about its business.

This is submitted for your information and records.

Thanking you

Yours faithfully

For Super Spinning Mills Ltd

Narmatha G K  
Company Secretary