

Corp. Office  
392, 'E' Shahupura,  
Post Box No. 201,  
Kolhapur 416 001, India

Works  
Plot No. C 18,  
Five Star MIDC, Kagal,  
Kolhapur 416 216 India.

T 0231 2658375  
W www.synergygreenind.com  
U27100PN2010PLC137493



The Manager- Listing Department  
BSE Limited, P J Towers,  
Dalal Street, Mumbai -400001  
India.

19<sup>th</sup> June, 2020

Symbol: SGIL

**Subject: Disclosure under regulation 30 of SEBI (LODR) Regulations 2015-disclosure relating to impact of CoVID-19 pandemic on the Company.**

Dear Sir/ Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20.05.2020 an update relating to the impact of the Covid-19 pandemic and resultant lockdown, on the operations of the Company are enclosed as Annexure - A.

You are requested to take a note of the same.

Thanking you

Yours faithfully,

For Synergy Green Industries Limited

Sachin R. Shirgaokar  
Managing Director  
DIN:00254442



**Annexure-A**  
**Impact of Covid-19**

COVID-19 is likely to materially impact the financial position and statutory compliances of many companies in India. It is therefore important for directors and the management of each company to consider impact of COVID-19 before they sign off on financial statements and report for the financial year 2019-20. The financials of a company play an important role in depicting the state of affairs of the company and are relied upon by the stakeholders. Especially companies which have investments from FPI, Public or have financing arrangements from lenders / financial institutions need to pay attention while drawing up financials for FY 2019-20 due to COVID-19.

SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20.05.2020 came up with the requirement of an advisory disclosure on material impact of COVID-19 on listed entities under SEBI(LODR) Regulations 2015. Hence, an endeavour to ensure that all investors have access to timely, adequate and updated information, Company is giving disclosures on the below points under the said circular;

- **Impact of the CoVID-19 pandemic on the business:**  
Impact is limited to lockdown period. There may be marginal reduction in the demand from local Customers.
- **Ability to maintain operations including the factories/units/office spaces functioning and closed down:**
  - a) Operational interruption was for nearly 6 weeks with total stoppage of production.
  - b) Because of progressive lifting on restrictions, full operational recovery may take another 6 weeks minimum. This is likely to impact overall performance of the year.
- **Schedule, if any, for restarting the operations:**  
The permission was obtained from statutory authorities to restart the production in the last week of April 2020.
- **Steps taken to ensure smooth functioning of operations:**  
All precautions are taken to protect the employees by strict adherence to MHA guidelines to restart the production activities.
- **Estimation of the future impact of CoVID-19 on its operations:**  
As of now not much adverse situation is foreseen, excepting the lockdown period impact on operations. However, this situation needs close monitoring on upcoming development on the pandemic.
- **Details of impact of CoVID-19 on the Company -**
  - **Capital and financial resources:**  
There was a temporary stoppage in cash flow due to lockdown in operations. However, this situation could be managed because of customer receipts during lockdown period as well and some relief from Bank by postponing term loan instalments and interest payments.
  - **Profitability:**  
There was a reduction in sales during March 2020 due to Covid-19 which results into 5% decrease in yearly sales against target for F.Y.2019-20. For current financial year 2020-21 we are expecting impact of nearly 20% on Sales Turnover. This has impacted the profitability by 1% for the F.Y.2019-20 and another 3% during current Financial Year i.e. 2020-21.
  - **Liquidity position:**  
Because of lower debts company could manage the liquidity during this period.
  - **Ability to service debt and other financing arrangements:**

All the debt and financing obligations are fully meet and no defaults are on this count.

○ **Assets:**

There is no materialistic impact on assets.

○ **Internal financial reporting and control:**

Internal financial reporting and controls are professionally managed and are in place.

○ **Supply chain:**

There was an operational impact with our suppliers as well. However, they should be recovering faster along with our business recovery.

○ **Demand for its products/services:**

Company is operating in wind turbine casting (80%) and Non wind castings (20%).

Wind Business: 75% demand of wind castings are of domestic and 25% of exports. A marginal impact in domestic business is expected for the short period 3 to 6 months. However, increase in demand is noticed with export market due to favourable buyers' sentiments towards India.

Non-Wind Business: Non-Wind Business will be impacted significantly for next 3-6 months.

As a whole there is not much impact from demand side to organization.

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

'Force major' notice has been served to all the customers. There would not be any impact on organization from customer contractual non fulfilment.

- **Other relevant material updates about the Company's business:**

NIL

For Synergy Green Industries Limited



Sachin R. Shirgaokar  
Managing Director  
DIN:00254442

