

June 4, 2020

To,  
BSE LIMITED,  
Corporate Relationship Department,  
P.J. Tower, Dalal Street,  
FORT - Mumbai - 400 001

SCRIP CODE: 513709

Dear Sir/Madam,

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

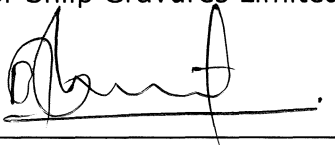
With respect to captioned subject and SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20<sup>th</sup> May, 2020, we would like to disclose the financial impact of the Pandemic Covid-19 on our business operations.

Manufacturing and other activities were shut down on March 23, 2020 due to lock down. The company is in the business of manufacturing engraved copper rollers for packaging of Food and other essential goods Industries including Food, FMCG and Pharmaceuticals. Hence, we were among the sectors which were allowed to start operations.

We would like to inform the exchange that the operations at our plants at Rakanpur were re-started on 15<sup>th</sup> April, 2020 after obtaining requisite approval from concerned authority and the production has been gradually stepped up in accordance with the guidelines issued by MHA from time to time.

The company is assessing the future impact of COVID-19 on its operations, profitability liquidity position, future demand for our goods. Further, Company will keep updating impact on financial along with the quarterly and annual financial results.

Thanking you  
For Shilp Gravures Limited



Bharat Patel  
Company Secretary





### **Following are the disclosures:**

#### **1. Impact on Operations**

In line with government lockdown orders, we shut down operations at plants on 23<sup>rd</sup> March, 2020. We immediately put in place a Business Continuity Plan and work-from-home wherever possible and taking all necessary steps to help our employees and their families remain healthy and safe.

The company is in the business of manufacturing engraved copper rollers for packaging of Food and other essential goods Industries including Food, FMCG and Pharmaceuticals. Hence, we were among the sectors which were allowed to start operations. We re-started partial operations on 15<sup>th</sup> April after complete compliance of government guidelines of safety, sanitization and distancing. To counter the challenge of mobility cuts, we put in place staggered timings for essential staff. We continue to closely monitoring the situation and adapt the business operations to ensure safety of all concerned.

#### **2. FY2019-20 Impact**

The shutdown impacted operations in the last week of March 20'. Hence the impact on the financials for the year 2019-20 was minimal.

#### **3. Restarting Operations**

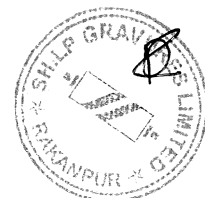
Operations at our plants at Rakanpur were re-started on 15<sup>th</sup> April, 2020 after obtaining requisite approval from concerned authority and the production has been gradually stepped up in accordance with the guidelines issued by MHA from time to time.

#### **4. Steps taken to ensure smooth functioning of operation**

We are taking necessary preventive measures like social distancing, temperature testing, providing masks and sanitization facility to all the workers and office staff to avoid any infection due to COVID -19. We also conduct regular check up of all employees by a doctor twice a week.

#### **5. Estimation of Future Impact of CoVID-19 on operation**

We expect that the First Quarter of the financial year 2020-21 will bear the brunt of the Covid-19. The impact will negatively affect both - Revenues and Profitability. With opening of domestic market post lockdown, we expect business to improve gradually and that business will start moving upwards from 2<sup>nd</sup> quarter of FY20-21. We can expect the business to normalize from the 3<sup>rd</sup> quarter of FY20-21. We continue to closely engage with our



Management team on a daily basis, monitor the situation, and attempt to effectively manage the supply chain.

## 6. Details of Impact of CoVID-19 on entity's-

### ➤ Capital and Financial resources

Financial Resource would be stretched to certain extent but the Company will be able to meet all its obligations. We have adequate capital to meet business requirements.

### ➤ Profitability

Profitability will be affected. The profitability of Q1 and Q2 of FY2020-21 is expected to be negatively affected due to lockdown. However, it is expected to improve from Q3 of FY2020-21 onwards. The turnover and profitability will remain affected due to market slowdown.

### ➤ Liquidity Position

We have conserved resources to maintain liquidity position in the Company.

### ➤ Ability to service debt and other financial arrangement

The Company will be able to meet all its debt and financial arrangements out of its accumulated Reserve fund.

### ➤ Assets: Company will assess CAPEX requirements once situation improves.

### ➤ Internal Financial Reporting and Control: Internal Financial Reporting and Control are not affected.

### ➤ Demand for Products/Services

Demand for product and services are temporarily reduced or suspended. However, the same is expected to improve after lockdown gets over by Q2 of 2020-21.

### ➤ Supply Chain

Stakeholders are agreeable to the fact that lockdown move by the government was an essential step to prevent the spread of the coronavirus. Since this was declared in a matter of hours, the preparedness to meet supply for a longer time could not be planned. Now with the latest directive of ensuring the running of transport for essential services, this challenge would be taken care of too. Other than that, the company is well placed to overcome this momentary challenge in the longer run."

