



Sanghvi Brands Limited

(Formerly known As Sanghvi Brands Private Limited)

Date: 4th June 2020

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai: 400 001

Security ID: SBRANDS
Security Code: 540782

Sub: Disclosure of material impact on the operations of the company due to COVID-19 pandemic, pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), 2015

Dear Sir,

Pursuant to the applicable provisions of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 issued by SEBI, the material impact of COVID-19 pandemic is given as under:

Particulars	Disclosure
Impact of the COVID-19 pandemic on the business	There has been considerable effect on our businesses due to the COVID-19 pandemic since 24 th March 2020 when we decided to shut down our offices and asked all our personnel to work from home. By the last week of March, all operational work at all our locations including for subsidiary companies stopped due to central and various state regulations. This has affected revenues.
Ability to maintain operations including the Project Sites / Office spaces functioning and closed down;	Due to the lockdown regulations in force since 24 th March 2020, and as the Company was not part of Government denominated essential service all operational locations (including for all subsidiary companies) were shut down entirely during the lockdown phase. Registered and Corporate offices were also shut, but the Company personnel were working from home during the entire duration of the lockdown

CIN: L74999PN2010PLC135586

Registered Office:
Sanghvi House, 105/2, Shivajinagar, Pune - 411005, India
Tel: 020 67634800

Corporate Office:
Unit No 101, DTC Building, Sitaram Mill Compound, N M Joshi Marg, Lower Parel - 400011
Tel: 022 4910 7600

E-mail: info@sanghvibrands.com



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Schedule, if any, for restarting the operations	<p>It is still uncertain when our Offices will be able to reopen due to the high incidence of COVID-19 cases in Mumbai and Pune and the extension of lockdown presently announced till 30th June 2020.</p> <p>We are waiting for various state governments to issue guidelines and permissions to re-start salon and spa operations but until date we have not received any notification.</p>
Steps taken to ensure smooth functioning of operations:	<p>The Company, always recognize its workforce as its valuable assets and has taken a series of pro-active and preventive measures to ensure the safety and health of all its work force and as prescribed by the Central or State Government, from time to time. 'Work from home' option continues for certain category of employees until the normalcy of pandemic.</p>
Estimation of the future impact of CoVID-19 on our operations	<p>The revenues of the Company has fall for the 1st half of the Financial year due to pandemic of COVID-19 which has affected the Company business in India, USA and UAE due to worldwide lockdown, shutting down of tourism and domestic/ international travels.</p> <p>The major effect is on our international subsidiaries situated in USA and UAE which are badly affected by COVID-19 and temporally shut down of hotels.</p> <p>With a widespread impact on travel, tourism and hospitality industry which has bound to affect our sustainability and continuity. However, the Company has reduced its expenses and expecting to do better business in second half of the financial year 2020-21 and expecting a normalcy in the situation of COVID-19.</p>
Details of impact of COVID-19:	<p>The company is accessing the impact of COVID-19 on other aspects, operations, profitability, liquidity position demand for its services and we will update on these issues by the time of publishing the half yearly/and annual financial results.</p>

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Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business;	<p>The Company does not foresee significant impact in respect of its existing contracts and agreements where the non-fulfilment of obligations by any party would lead to any material financial claim by or against the Company as most of our contracts/agreements have force majeure clause in place.</p> <p>The Company ensures that all the commitment is honored in agreed and amicable time frame and as per agreed mutual interest of the parties.</p>
Impact of COVID-19 on Key Subsidiaries of Sanghvi Brands Limited	<p>During the last couple of months, due to lockdown, the operations of Sanghvi Brands US Holding Inc (United States of America) and Sanghvi Brands Beauty & Salon LLC (United Arab Emirates) were impacted adversely as the hotels were closed by 17th March, 2020 and they have not reopened as yet.</p> <p>Both the above subsidiaries have been affected due to impact of COVID-19 in terms of liquidity, capital and financial resources. Further, viability seems questionable given the heavy negative impact on the travel, tourism and hospitality industry which has forecasted a grim outlook for the remainder of the financial year.</p>
Other relevant material updates about the business of the Company	<p>The Company shall keep its stakeholders informed as and when any material developments take place having Significant impact. As the current environment is very dynamic and resultant situation is evolving, the business operations are highly influenced by the decisions taken by the Government and Regulators, from time to time. Accordingly, any material change in the business operations and its impact will be updated from time to time.</p>

You are requested to kindly take the above information on your record.

For **Sanghvi Brands Limited**

Kruti Shah
Company Secretary & Compliance Officer

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