



**Date: 25<sup>th</sup> June, 2020**

To,  
BSE Limited  
Listing Department  
P.J.Towers, Dalal Street,  
Fort, Mumbai – 400 001

**Sub: Disclosure of material impact of COVID-19 pandemic on the Company under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR Regulations')**

Dear Sir/Madam,

Pursuant to Regulation 30 of LODR Regulations read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, please find enclosed herewith the disclosure of material impact of CoVID-19 pandemic on the operations and performance of the Company.

This is for your information and records.

Thanking You,

Yours faithfully,  
**For Transpek Industry Limited**

**Alak D. Vyas**  
**Company Secretary &**  
**Compliance Officer**  
**ACS: 31731**



Works:  
At & Post: Ekalbara  
Taluka: Padra  
Dist.: Vadodara - 391 440  
Gujarat (India)  
Ph.: +91-2662-244444, 244318, 244309  
Fax: +91-2662-244439, 244207



Company Identification No.: L23205GJ1965PLC001343

[www.transpek.com](http://www.transpek.com)  
WEBSITE  
[inquiry@transpek.com](mailto:inquiry@transpek.com)  
EMAIL

## **Material Impact of COVID-19 pandemic on operations and performance of the Company**

### **1. Impact of the COVID-19 pandemic on the business, restart status and steps taken to ensure smooth functioning of operations:**

- a) Subsequent to the lockdown order issued by the Government of India, the Company had temporarily suspended its manufacturing activity at its plant at Ekalbara, Padra as well as on the job-workers manufacturing sites situated at Karakhadi and Piludra. The Company obtained permissions on 26<sup>th</sup> April, 2020 from concerned authorities to restart its manufacturing activities, subject to fulfilment of certain conditions including making only those products that go into pharmaceuticals. We are currently operating at around 75% production capacity and are observing full compliance with the conditions of operations stipulated by the Central Government, State Government and Local Authorities.
- b) The Company is not facing migrant labour issues as most of the labourers are from local areas.
- c) The Company's Registered Office is situated at 6<sup>th</sup> Floor, Marble Arch, Race Course, Vadodara – 390007 and has started functioning with minimum staff subject to maintaining social distancing and other safety norms.
- d) The Company is taking necessary preventive measures like social distancing, temperature testing, providing masks, immunity medicines and sanitizing facilities, to all employees (at the Factory and Registered Office) to help prevent spread of infection due to COVID-19;
- e) Dispatch activities (Domestic and Exports) have resumed. However, some delays are expected due to logistics issues which are slowly resolving.
- f) The Company has sufficient order book at present to sustain current capacity utilisation.
- g) The Company has sufficient stock of raw materials to meet production requirements. We do not expect any significant issue in supply of raw materials.

### **2. Details of impact of COVID – 19 on Listed Entity:**

- a. **Capital and Financial Resources:** The Company has adequate financial resources to meet the business requirements.
- b. **Profitability:** Profitability for the Quarter 1 (April, 2020 to June, 2020) of Financial Year 2020-2021 is expected to be adversely affected due to lockdown and partial manufacturing capacity utilisation. However, it is expected to improve from Second Quarter (July, 2020 to September, 2020).



- c. **Liquidity:** The Company is conserving resources to maintain adequate liquidity position in the Company.
- d. **Ability to service debt and other financing arrangements:** The Company is capable to service all debts as and when due. We are paying our lenders on due date and has not availed any extension. All suppliers are being paid as per schedule.
- e. **Assets:** There is no impact on the assets of the Company.
- f. **Internal Financial Reporting and Control:** Internal Financial Reporting and controls are fully functioning.
- g. **Supply Chain:** The Company has not observed any major supply chain issues and it is expected to remain normal.
- h. **Demand for its products/services:** Demand for the Company's products in exports and domestic markets has been reasonably maintained with some reduction in the volumes.

**3. Estimation of the future impact of COVID-19 on its operations:**

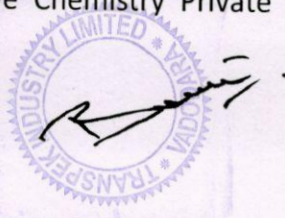
The COVID-19 situation is highly unpredictable. It is not possible to foresee how the global & local economies & businesses will perform. However, the Company does not foresee significant shifts in the long term demand for its products due to COVID-19 pandemic. The Company's management has carried out a detailed assessment of the impact of COVID-19 on its business operations and liquidity position, and on the recoverability of carrying values of its assets for the next one year, including Properties, Plants and Equipment, Trade Receivables, Inventories and Investments and is of the opinion that there would only be a limited impact of COVID-19 on its operations. However, the Company is keeping a close watch on market situation and aligning its response accordingly.

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

The Company is well positioned to fulfil its obligations and existing contracts/arrangements. At present, the Company does not foresee non-fulfilment of obligations of any contracts/arrangements by/with any parties.

**5. Other relevant material updates about the listed entity's business:**

In the current uncertain times, the Board of Directors of the Company had at its meeting held on 24<sup>th</sup> June, 2020 reviewed all such initiatives where significant financial commitment was planned and accordingly, the new project to be undertaken by Transpek Creative Chemistry Private Limited (TCCPL), the Wholly



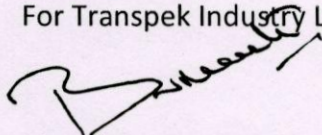
Owned Subsidiary Company of the Company, has been put on hold and the same shall be reviewed when the situation improves.

Also, the decision to fund the part of the project cost by the Company by way of equity infusion in the Wholly Owned Subsidiary viz. TCCPL is also put on hold till further review.

This update is dynamic and may change as the situation changes. The Company will provide an update on the situation in case of any major change.

Kindly take the information on your record.

Thanking You,  
Yours faithfully,  
For Transpek Industry Limited



Bimal V. Mehta  
Managing Director  
DIN: 00081171

