



IG PETROCHEMICALS LIMITED

24th June, 2020

SECT/1042

BSE Limited Corporate Relationship Department 1 st Floor, P J Towers Dalal Street Mumbai - 400 001 <u>Scrip Code: 500199</u>	The National Stock Exchange of India Ltd. Exchange Plaza BandraKurla Complex Bandra (East) Mumbai – 400 051 <u>Scrip Code: IGPL</u>
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Dear Sir,

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

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020 issued by the Securities and Exchange Board of India, we enclose herewith a disclosure on impact of Covid-19 on the business of the Company.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For I G Petrochemicals Limited



Sudhir R Singh
Company Secretary

Encl: As Above

The World Health Organisation declared Covid-19 as a global pandemic on 11th March, 2020 and the Government of India acted swiftly and took a major step to impose a nationwide lockdown from 24th March 2020 to control and the spread of the virus. This has resulted in complete halt to the economic and financial activities disrupting every industry, function, and geography.

- **Impact of the Covid-19 pandemic on the business**

Post Government's directives, the Company had to temporarily suspend operations at its plants situated at Taloja, Navi Mumbai due to lockdown. After all regulatory permissions, the Company saw partial resumption of production at its plants in the 2nd half of April 2020 albeit at lower capacities due to lockdown. The Company has been gradually increasing its capacity utilisation.

- **Steps taken to ensure smooth functioning of Operations**

The Company has put in place strict monitoring process for Covid-19 smooth functioning of precautions ensuring the following operations:

- Sanitizing the premises on regular basis
- Maintenance of social distancing at all workplaces
- Enforcing wearing of masks, PPE and Face Shields, use of Arogya Setu App and thermal temperature checking of all employees at the factories
- Regular update of the health of all the employees and their families

- **Estimation of the future impact of Covid-19 on its operations**

Since there has been a national lockdown in the months of April and May, the revenues and profitability of the business have been impacted. Our facilities have resumed operations and we are hopeful that the business environment improves and we get back to normalcy in the second quarter.

Since this situation is exceptional and changing dynamically, the Company is not able to gauge with certainty, the future impact on its operations. However, the Company is confident about adapting to the changing business environment and respond suitably to fulfil the needs of its customers.

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

Due to partial commencement of production, the Company has been able to cater to the demand of PAN in domestic as well as export markets.

The demand of product is gradually improving in the domestic market; however, it is still far from pre-Covid-19 levels. This is due to the fact that the lock down has not been fully lifted in most part of our Country.

The Company is catering to the requirement of increased demand of PAN in the export market.

- **Capital and Financial Resources, Profitability and Liquidity Position**

Currently, the Company is not planning any capital restructuring. The investments, fixed deposits, banking credit lines and internal accruals as available to the Company are deemed adequate unless the lockdown extends and situation further deteriorates.

Currently, the Company has adequate resources to maintain its liquidity, however debtors could get stretched due to prevailing lockdown.

The Company has strong balance sheet position and adequate unutilised working capital borrowing limits and comfortable debt to equity mix. The Company is regular in repayments of its debts including interests thereon. The Company has adequate resources to service debt and managing other financing arrangements in the future as well.