



Sakthi Sugars Limited

180, Race Course Road, Post Box No. 3775, Coimbatore - 641 018. Phone : + 91 422-2221551, 4322222
Fax : +91 422-4322488, 2220574 E-mail : info@sakthisugars.com CIN : L1542ITZ1961PLC000396

SL/SE/730/2020

16.07.2020

BSE Limited
Floor - 25,
P.J.Towers
Dalal Street, Fort
MUMBAI - 400 001

The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No.C/1,
G-Block, Bandra Kurla Complex,
Bandra (East)
MUMBAI - 400 051

Dear Sirs,

Sub: Disclosure of material impact on CoVID-19 pandemic on the Company as per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Pursuant to the SEBI Circular dated 20th May 2020 on the above subject, we disclose hereunder the impact of Covid-19 pandemic on the Company:

- Impact of the CoVID-19 pandemic on the business.

In view of outbreak of Covid-19 and subsequent lock down, there has been disintegration of harvesting labour and therefore supply of sugar cane for crushing got affected. The Company's mill at Sakthinagar in Tamilnadu was closed from 24.3.2020 till 23.4.2020 and at Dhenkanal, Orissa State, from 28.03.2020 till 11.5.2020. This stoppage has not made any material impact on the operations of the Company as the standing sugar cane crop has been crushed during subsequent period.

- Ability to maintain operations including the factories/units/office spaces functioning and closed down and restarting:

With the approval of the District Collector crushing operations of Mills at Sakthinagar and Dhenkanal commenced on 24.4.2020 and on 12.5.2020 respectively.

Head Office worked at 50% of the total strength from 4.5.2020 as per the Guidelines of State Government and resumed to full strength from 1.7.2020. Wherever possible officials were encouraged to work from home.

As already intimated to the Stock Exchanges the Mills at Sivaganga and Modakurichi are not in operation due to non-availability of adequate sugarcane for viable crushing operations.

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

Except the delay/postponement of crushing/planting operation due to dislocation of labourers, there has been no significant impact on the operations of the Company.



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The Covid-19 has not made material impact on the functioning of the sugar industry. The estimate of future impact cannot be ascertained at present due to various uncertainties associated with Covid-19.

• Details of impact of CoVID-19 on listed entity's -

a. Capital and financial resources:

The Company has no plans to make any capital expenditure.

b. Profitability:

As the outbreak of Covid-19 happened at the verge of closure of crushing, the impact on the financial results may not be significant/material.

c. Liquidity position:

The Liquidity position of the Company has been affected due to non-operation of mills for a period of about a month.

d. Ability to service debt and other financing arrangements:

Due to drought condition during the past 4 years, the Company's ability to service debt has been affected. The out break of Covid-19 added further strain on the ability to service debt.

e. Internal Controls

Covid-19 has not caused any impact on the internal controls of the Company.

f. Assets;

Covid-19 does not have any impact on the assets of the Company.

g. Demand for its products/services:

There is slight fall in the demand for the products of the Company but the price remains stable. It is expected that the position will improve once the lock down is further relaxed/removed.

h. Non-fulfilment of the obligations under contract/agreement:

On account of Covoid-19 none.

Thanking you,

Yours faithfully

For SAKTHI SUGARS LIMITED


SENIOR VICE PRESIDENT &
COMPANY SECRETARY