



Value through values

SANGAM (INDIA) LIMITED

CIN : L17118 RJ 1984 PLC 003173

Regd. Office : P.B. No. 90, ATUN, Chittorgarh Road

Bhilwara - 311001, Rajasthan, INDIA.

Phone : + 91-1482-245400-06, Fax : + 91-1482-245450

Website: www.sangamgroup.com, E-mail : secretarial@sangamgroup.com



Date: 06.06.2020

<p>The Manager Department of Corporate Services The National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai 400 051 Scrip Code: 5251</p>	<p>The Manager Department of Corporate Services Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers 25th Floor, Dalal Street, MUMBAI – 400 001 Scrip Code: 514234</p>
--	---

Ref.: SEBI Advisory vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020

Sub.: Disclosure of Material Impact of COVID-19 Pandemic on Operations of the Company

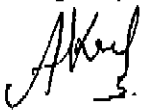
Dear Sir/Madam,

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

This is for your information and record.

Thanking you

For Sangam (India) Limited


(A.K. Jain)
Company Secretary
FCS – 7842





Value through values

SANGAM (INDIA) LIMITED

CIN : L17118 RJ 1984 PLC 003173

Regd. Office : P.B. No. 90, ATUN, Chittorgarh Road

Bhilwara - 311001, Rajasthan, INDIA.

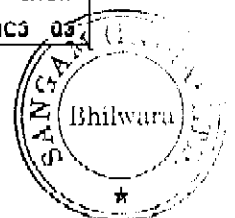
Phone : + 91-1482-245400-06, Fax : + 91-1482-245450

Website: www.sangamgroup.com, E-mail : secretarial@sangamgroup.com



Material impact of COVID-19 pandemic on operations and performance of the Company

S.No	Particulars	Disclosure
1	Impact of the Covid 19 pandemic on the Business	<p>Global Pandemic COVID-19 encapsulated the entire world in first half of 2020; all the business activities were affected during the initial period due to lock down in most of the countries worldwide. There is lot uncertainty prevailing worldwide due to the pandemic COVID-19 and as we don't see situation getting in control in near future.</p> <p>The Company's manufacturing facilities remained shut from March 22, 2020 due to lockdown and Partially re-opened vide intimation dated 28th April, 2020 and dated 15th May, 2020. We have lost production during complete lock down for the period over a month that reduces our production capacity utilization by 10% for the FY 2021. We have no sales for the month of April 2020.</p> <p>SIL has re-started the production activities from last week of April 2020, company is ramping up the production capacity utilization gradually. In light of the unprecedented situation owing to the spread of COVID-19, We feel it will take another few months to utilize the production capacity at optimum level.</p> <p>As per the current estimate we feel COVID-19 will have around 30% impact on business operation for FY 2020-21, assuming things get normalize and start improving progressively in near future and will not have any major setback going forward.</p>
2	Ability to maintain operations including the factories/ units/ Office spaces functioning and closed down	The Company has already resumed the operations of its production facilities with lower capacity utilization, adhering to the safety norms as prescribed by the Government of India.
3	Schedule, if any, for restarting the operations	We will ramp up the production capacity gradually as per the market condition, global economy, supply chain support, addressing labor and other issues, etc.
4.	Steps taken to ensure smooth functioning of Operations	Exhaustive measures have been undertaken by Company to ensure safe workplace for the employees with appropriate social distancing and high standard of hygiene. The company has also taken various steps such as thermal screening of all employees and visitors, sanitizing the premises on regular basis, enforcing wearing of masks, asking all employees to have Aarogya Setu App on their mobiles and continuously follow guidelines as





Value through values

SANGAM (INDIA) LIMITED

CIN : L17118 RJ 1984 PLC 003173

Regd. Office : P.B. No. 90, ATUN, Chittorgarh Road

Bhilwara - 311001, Rajasthan, INDIA.

Phone : + 91-1482-245400-06, Fax : + 91-1482-245450

Website: www.sangamgroup.com, E-mail : secretarial@sangamgroup.com



		prescribed by the central or State Government from time to time. Work from Home option also continues for certain category of employees. The Company has also ensured complete adherence to all safety guidelines to minimize the spread of this deadly corona virus.
5	Liquidity Position	<p>We have adequate liquidity to tide over the current difficult period. We continue to be extremely vigilant with our liquid positions and monitor them on an on-going basis. We are confident we will weather this storm and come out leaned and stronger.</p> <p>As permitted by RBI & Bank, the Company has availed additional moratorium of six month for payment of Bank Term Loans, Interest, and deferment of payment working capital facility of the Company.</p> <p>Company has also got sanction of COVID-19 additional 10% fund base working capital facilities from its lending partners. It will reduce the pressure on company's liquidity position.</p>
6	Profitability	Profitability for the First Quarter is likely to be affected due to the lockdown and partial manufacturing capacity. However, it is expected to gradually improve from the Second Quarter.
7	Assets	There has been no significant change in the fixed asset positions of the company, however realization of current assets (receivables from customers) has been a challenge and the Company is taking all possible steps to ensure collection of receivables.
8	Internal Financial reporting and control	All the internal financial reporting and controls have been maintained adequately.
9	Supply Chain	COVID-19 pandemic has halted the operations worldwide and there might be supply disruptions, if the pandemic is prolonged.
10	Estimation of the future impact of COVID -19 on its operations	The revenues and profitability of the Company are likely to be adversely impacted during the Lock Down period and near future till we achieve stabilization of normal operations. The Company is making every effort to mitigate this.
11	Other relevant material updates about the Company	No other significant information.

