

BSE Limited

10th August, 2020

Department of Corporate Service (DCS-CRD),
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001.
Script Code : 526161

Sub: Disclosure pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (“SEBI LODR”), read with the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 (“SEBI COVID Circular”), on the material impact of the COVID 19 Pandemic on the business of the Company.

Dear Sir/Madam,

In terms of Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, as amended from time to time, we hereby submit disclosure of impact of COVID-19 Pandemic on the operations and on business of the Company. The Detailed impact of COVID-19 Pandemic in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 is enclosed below.

This is for your information and record.

Thanking you,
Yours Faithfully

For Spenta International Limited



Nitesh Pangle

Company Secretary & Compliance Officer



IMPACT OF COVID-19 PANDEMIC ON BUSINESS

➤ **Impact of the CoVID-19 pandemic on the business;**

The Company's manufacturing facilities remained shut from March 23, 2020 due to lockdown and started opening partially upon lifting of strict lockdown orders. This has impacted its operations from April, 2020 to current date. Due to closure across the country for more than 3 months, domestic demand has suffered significantly.

➤ **Ability to maintain operations including the factories/units/office spaces functioning and closed down; Schedule for restarting operations;**

Our factory operations were closed and other operations continued predominantly through work from home (WFH) since the nationwide lockdown. From May 2020 onwards, in line with central and state government guidelines, we had resumed operations from our factory in a phased manner. We have put in place multiple safety measures at our offices including sanitization of premises, social distancing and mandatory temperature screening of employees. We now have around 50% of our employees working in factory. The Company expects normal operations when the situation all across the country is expected to improve.

➤ **Steps taken to ensure smooth functioning of operations;**

Advisories issued by the government with respect to safety protocols to be followed are strictly being enforced at all workplaces. Offices and factories are being sanitized. Social distancing norms are strictly being followed in offices and factory. Thermal screening of employees is done at the entrance itself.

➤ **Estimation of the future impact of CoVID-19 on its operations;**

Considering the fact that the situation is changing dynamically, the Company is not in a position to gauge with certainty, the future impact on its operations.

➤ **Details of impact of CoVID-19 on listed entity's -**

- **Capital and financial resources:** There is no material impact on capital and financial resources. The Company's capital and Banking facilities remain intact.
- **Profitability:** Profitability & revenues, especially, for the Q1 & Q2 FY 2020-21 are expected to be affected considerably due to lockdown and partial manufacturing capacity utilization. However, it is expected to improve from Q3 onwards.

- **Liquidity position:** Liquidity position has been maintained in the Company currently.
 - **Ability to service debt and other financing arrangements:** The Company hopes to service its debts and other finance arrangements inspite of cash flows being challenging. With increased bank limits and tight control over expenditure, the Company will strive to meet its financing arrangement.
 - **Assets:** The Company does foresee a challenge in realizing its Sundry Debtors to the full but is hopeful of recovering the same. The Company's fixed asset base remains intact.
 - **Internal financial reporting and control:** Internal financial reporting and control are in place.
 - **Supply Chain:** The Company is in continuous touch with all the stake holders to bring the supply chain to its normal. No sooner the effect of the pandemic comes down, the supply chain will improve further.
 - **Demand for its products/services:** Demand expected to improve post recovery of industry as a whole.
- **Existing contracts/agreements where non-fulfillment of the obligations by any party will have significant impact on the listed entity's business;** At present, some buyers are not lifting stocks as per the contract but have agreed to pick the goods once situation improves in the country. Thus, we do not foresee any significant impact on the business due to non-fulfillment of obligations by any party.
- **Other relevant material updates about the listed entity's business.** None

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