

SUPERTEX INDUSTRIES LIMITED

An ISO 9001:2015 Certified Company

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19th June, 2020

The BSE Limited
P. J. Towers
Dalal Street, Fort
Mumbai - 400 001

SCRIP CODE: 526133

Dear Sir,

Sub: **Submission of disclosure of material impact of COVID-19 pandemic on the Company under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 we wish to inform you the following:

A. IMPACT OF THE COVID-19 PANDEMIC ON THE BUSINESS:

Business has been seriously hit due to stoppage of all activity abruptly. There was also no possibility of any preparation for the stoppage nor was the period of stoppage estimated and so the machines were all left in a weekly holiday kind of a situation. This has stretched abnormally and so the technical damage to the plant could be considerable. Generally, there is some need-based maintenance before a long stoppage. This can prove to be quite expensive.

The market demand is absolutely finished. This will seriously hamper the business as it might take a long while for the market demand to catch up. International market may take even longer time because of the uncertainties involved. Travel is not going to be possible for some time and hence there may be many unresolved issues with customers.

Customer outstanding is another major troublesome issue. There may be disputes, real as well as created. In any case recovery of debts will be slow and the normal working capital will dry considerably or become very sticky.

Bad debts is another factor that may appear. This can really harm the market's working and damage the trust that exists.

The government's solution of providing subsidised capital can improve the situation considerably. This should essentially be on time and significant enough to bridge the gap in the working. Another factor that eased the situation was the moratorium on current payments.

B. ABILITY TO MAINTAIN OPERATIONS INCLUDING THE FACTORIES/ UNITS/ OFFICE SPACES FUNCTIONING AND CLOSED DOWN:

The markets are slowly limping back to activity. Units are starting machine wise gradually. Offices are yet only running on minimal skeleton staff. Everyone is awaiting the kick starting of demand.

C. SCHEDULE FOR RESTARTING THE OPERATIONS:

Some machines have started. Exports are also started very very slowly. It is estimated that by July end the activities will start substantially.

D. STEPS TAKEN TO ENSURE SMOOTH FUNCTIONING OF OPERATIONS:

In order to ensure smooth operations without disruption owing to Covid-19, the Company adheres to strict protocol which among others includes regular sanitisation, creation of awareness among employees, fumigation at intervals, restraint on travel, extensive use of video facility in conduction of meetings, etc.

E. ESTIMATION OF THE FUTURE IMPACT OF COVID-19 ON ITS OPERATIONS:

The impact is large. The loss generated may take about two years to make good. Two years business of normal times. It's an uphill task and everyone is trying to strive hard to overcome the situation.

F. DETAILS OF IMPACT OF COVID-19 ON LISTED ENTITY'S - CAPITAL AND FINANCIAL RESOURCES, PROFITABILITY, LIQUIDITY POSITION, ABILITY TO SERVICE DEBT AND OTHER FINANCING ARRANGEMENTS:

All companies are heavily dependent on the bank moratorium and subsidised government recommended loan. These are essential for crossing this period when liquidity is dried totally. This year, the common aim is to plainly survive and try to run the factories as quickly as possible. Key factors are – cost cutting and maximising efficiency.

G. EXISTING CONTRACTS/AGREEMENTS WHERE NON-FULFILMENT OF THE OBLIGATIONS BY ANY PARTY WILL HAVE SIGNIFICANT IMPACT ON THE COMPANY'S BUSINESS:

Very luckily the company closed its export contracts most quickly. Its recovery also was delayed only slightly. There are practically very minimal contracts/obligations that remained to be completed. Thus, fortunately, the impact was nominal.

H. OTHER RELEVANT MATERIAL UPDATES ABOUT THE COMPANY'S BUSINESS:

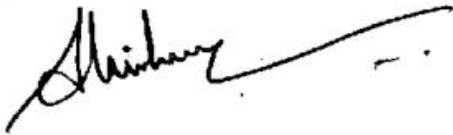
The speciality items continue to run normally. This is about 15 % of the Company's sale. The rest of machines have begun slowly and by July end the normal activity is expected to resume.

Kindly find the same in order.

Thanking you,

Yours faithfully,

For **SUPERTEX INDUSTRIES LIMITED**



S K MISHRA
DIRECTOR AND CFO