

**SILGO RETAIL LTD.**

CIN : L36911RJ2016PLC049036

SIL/JAI/2020-21

Date: 29 June, 2020

Listing Department
National Stock Exchange of India Limited
"EXCHANGE PLAZA",
Bandra – Kurla Complex,
Bandra (East), Mumbai- 400 051. INDIA.

Symbol: SILGO

Dear Sir/Madam,

SUBJECT: DISCLOSURE OF MATERIAL IMPACT OF COVID- 19 PANDEMIC UNDER SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

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

With reference to the captioned subject , the Company hereby reports temporary suspension of working at office, showroom and business operations due to COVID-19 pandemic and the lockdown announced by the respective governments(Centre/State/Local) from 22nd March, 2020 and it restarted on 25th May, 2020 with all the necessary precautionary hygiene and safety measures as applicable.

Having regard to the above SEBI circular, we now desire to furnish the following information based on our evaluation of the impact of Covid-19 pandemic on our business, performance and financials.

Sr. No.	Particulars	Required Information
1.	Impact of the COVID-19 pandemic on the business	Due to the impact of COVID19 and in accordance with various initiatives and directions of both central and State(s) Govt. from time to time including Janta Curfew and subsequent nationwide lock down, the operations of the Company were suspended at its office/showroom/manufacturing unit from March 22, 2020, which has negative impacted its operations of the Company during last week of March, April and May 2020. The company's domestic business was completely shut down from 22nd March 2020 to 19th may, 2020. This resulted in complete business loss of the auspicious days of Navratras as well as Akshay Tratiya. The wedding season of April and May has also been a complete wash out. The office and manufacturing unit have started w.e.f. 25th May 2020 albiet with very strict timing and

		on restricted days. But the footfall of the showroom remains almost negligible and till date the company has not able to carry on its business operations in full swing.
2.	Ability to maintain operations including the factories/units/office spaces functioning and closed down	The Company has restarted operations considering the available workforce, since May 25, 2020, adhering to the safety norms prescribed by Government of India. Our administrative staff is started with minimum staff capacity as per guidelines issued by government.
3.	Schedule, if any, for restarting the operations	Already started.
4.	Steps taken to ensure smooth functioning of operations	The Company is taking utmost care of its staff and work force has put in place strict monitoring process for Covid-19 ensuring the following, i) Enforcing wearing of masks and regular cleaning of hands ii) Thermal Screening of all employees and visitors iii) Sanitizing the premises and vehicles on regular basis iv) Regular update of the health of all the employees and their families v) Maintenance of social distancing at all work places vi) Asking all employees to have Aarogya Setu App
5.	Estimation of the future impact of COVID-19 on its operations	April - June' 2020 being lockdown months, the revenues and profitability of the Company are likely to be adversely impacted. However, the company is closely monitoring it the business situation. Though we do hope the business situation should normalize during 3rd and 4th quarter.
6.	Details of impact of COVID-19 on listed entity's —	
i)	Capital and Financial Resources	As on date the company has adequate capital. As regards financial resources, the financial aid announced by government for MSME, if received would definitely help us to survive in near future.

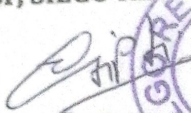
ii)	Profitability	The profitability for the year 2020-21 will be at lower level because of reduction in sales due to the impact of COVID-19 lockdown and rescission in the market. In view of lock down, the profitability during 1st quarter (April to June) is likely to be adversely impacted. As the business situation is very dynamic, the company is closely monitoring it. Though we do hope the business situation should normalize during 3rd and 4th quarter.
iii)	Liquidity position	This pandemic circumstance hit and closed showrooms and sales during this lockdown period which affected on the sales performance of the Company and same is effecting the liquidity of the company. Our sales activity are closed in this lockdown period, our major revenue shall be reduced drastically, and the cash position will be under stress. The company is planning reduce the overhead cost. The banks as per the RBI guidelines have extended 6 months moratorium period for payment of principal and interest payments. This has given immediate and temporary relief for the liquidity position of the company. Even with present, very tight liquidity position which the company is confident of overcome by various measures by 3rd & 4th quarter.
iv)	Ability to service debt and other financing arrangements:	All the banks have extended total 6 months moratorium for servicing of principal and Interest on borrowings. The debt servicing situation will be comfortable.
v)	Assets	None of our Assets got impaired due to COVID -19 effect till date.
vi)	Internal financial reporting and control	The Company has a sound internal financial reporting and control mechanism and Wherever applicable additional controls are being added to address the current situation.
vii)	Demand for products/services	Our overall sales are down considerably Leading to lower revenue and it will take some time to reach normalcy.
7.	Existing contracts/agreements where non-fulfillment of the obligations by any party will have significant impact on the listed entity's business	Currently, the Company does not see any failure in performance by the Company of its obligations envisaged in contract / agreement entered into by it which may have material effect.

8.	Other relevant material updates about the listed entity's business	If the lockdown gets eased further going forward, Company expects to gradually come back to its original level of operations, in the upcoming months. However, the Q-1 & Q-2 performance is likely to have its impact on the annual performance for the year 2020-21
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Please take note of the same and condone the delay, if any.

Thanking you,

For, SILGO RETAIL LIMITED


 TRIPTI SHARMA
 (Company Secretary & Compliance Officer)