



INDIA GELATINE & CHEMICALS LTD.

Plot No. 1/A, G.I.D.C. Industrial Estate, National Highway, VAPI - 396 195. (Gujarat). INDIA
Tel.: (260) 240 1741, 240 1584, 240 1385, 240 0795
E-MAIL: igclvapi@indiagelatine.com • Web: www.indiagelatine.com • CIN L99999GJ1973PLC002260

Date: May 27, 2020

BSE Limited

Department of Corporate Services – CRD,
PJ Towers, Dalal Street,
Mumbai 400 001

BSE (Scrip Code: 531253)/ (Scrip Id: INDGELA)

Sub.: Disclosure of material impact of COVID-19 pandemic on Company

Ref.: Intimation under Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Dear Sir,

Pursuant to Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20 May, 2020, forwarding herewith the disclosure of material impact of COVID-19 pandemic on the India Gelatine & Chemicals Limited.

We request you to kindly take the above information on record.

Thanking you,

Yours faithfully,

For INDIA GELATINE & CHEMICALS LIMITED

Sd/-

Tanaya T. Daryanani

Company Secretary

A37181

Mob. No. 9011996086

Head Office: 77/78, Mittal Chambers, 7th Floor, 228, Nariman Point, Box No. 11620, Mumbai- 400 021.
Tel.: (022) 2202 0341, 2284 5522 • Email: igclmumbai@indiagelatine.com
Regd. Office : 703/704, "SHILP", 7th Floor, Near Municipal Market, Sheth C. G. Road, Navrangpura, Ahmedabad- 380 009 (Gujarat). Tel.: (079) 2646 6737, 2646 9514 • Fax: (079) 2646 5569.



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DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC ON LISTED ENTITIES PURSUANT TO REGULATION 30 OF SEBI LODR AND SEBI CIRCULAR NO.SEBI/HO/CFD/CMD1/CIR/P/2020/84 DATED MAY 20,2020

With the rise of the global pandemic, COVID-19, Maharashtra has been a critically hit state, with Mumbai having cases that have been exponentially increasing. Due to regulations set by local authorities, the head/Corporate office located in Mumbai has been temporarily shut down. The daily function of the sales, accounting, purchase and export departments have been affected due to this closure and will resume back to normal hours of operation when the state and local authorities have permitted the company to do so.

The company falls under the category of “pharmaceuticals”, therefore, based on local government guidelines, the Vapi plant has been able to keep operations running with minimal setbacks in the form of a ten day closure during end March 2020. Due to the lockdown put in place by the government, there has been a decrease in the availability of transportation, which has hindered the arrival of critical raw material crushed bones and furnace oil to some extent. The plant has also faced manpower constraints due to regulations set by local authorities for the lockdown in the state of Gujarat.

Given the current state of affairs, operations have been adjusted to account for the present availability of raw material and manpower so as to ensure smooth running of the plant. Production levels at the Vapi facility have been between 40-60% of normal operation levels.

The plant has adhered to strict health and safety protocol by implementing the following:

- Entry of outside visitors strictly prohibited into the plant except for factory staff and authorised personnel
- Sanitization of all personnel who enter the plant through sanitization chambers
- Mandatory use of hand sanitizer upon entry
- Mandatory thermal screening before entering
- Sanitization spray for vehicles entering the facility
- Use of masks for all factory personnel
- Hand sanitizer stations positioned at various locations of the plant

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In addition to the above, the company has borne the cost for the transportation for those employees who have not been able to avail of public transportation due to the lockdown. The company has also provided employees with food for lunch and dinner to ensure their basic requirements during this period.

There is a high level of uncertainty which remains during this lockdown period and it is difficult to foresee when operations may resume back to normal and how they may be impacted going forward. Given the uncertainties, the company will take necessary action as needed to maintain the smooth running of operations.

Minimal transportation for goods was available in April 2020, therefore, revenue of the company was severely reduced. As soon as transportation of goods was permitted by the authorities during May 2020, the liquidity position of the company was restored to an extent and no additional funds from the company reserves were required to be drawn from. As IGCL is a zero debt company, there is no issue of debt servicing.

Internal financial reporting has been disturbed due to temporary closure of the Mumbai office (head/corporate office). This disturbance due to the closure shall remain until the office is allowed to reopen as work from home is not possible. The company's product is mainly used for pharmaceutical capsules and food purposes. The demand for gelatine is expected to remain consistent in both the export and domestic markets as the need for the company's product is inelastic in nature.

Besides the aspect of under utilization of the assets due to the lower production volumes there has been no impact on the assets of the company. Based on the lower production and shortage of raw materials it is likely to affect the operations and profitability of the company, the extent of which are unknown at the moment given the uncertainties.

Given the excellent relations the management enjoys with its customers, all contracts are being honored and fulfilled as per agreed terms and conditions. Export shipments and domestic deliveries continue to the extent the requisite transportation facilities are available. Although there have been delayed shipments due to the unprecedented circumstances, there have been no cancelled orders from any customers so far.

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