

SUNGOLD CAPITAL LIMITED

CIN: L65910GJ1993PLC018956

Registered Office: House no. 7/13, Opp White Tower, Station Road, Nandod, Rajpipla-393145, Narmada

Corporate Office: B/618, 6th Floor, Jaswanti Allied Business off Ramchandra Lane, extn, Malad (West), Mumbai-400064

Email Id: sungold2006@gmail.com Website: www.sungoldcapitallimited.com, Contact No: +91 8108756812

August 24, 2020

To,
The Department of Corporate Services - CRD,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001.

Sub.: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 –Disclosure relating to impact of Covid-19 pandemic on the Company

Ref.: Scrip Code -531433

Dear Sir,

In compliance with the Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, following are the brief details relating to the impact of COVID-19 and resultant nation-wide lockdown which have posed various challenges to all the businesses.

1. Impact of the COVID-19 pandemic on the business

The SARS-Cov-2 virus responsible for COVID-19 continues to spread across the globe and India. It has contributed to a significant decline and volatility in global and Indian Financial Markets and a significant decrease in the economic activities. On March 11, 2020, the COVID-19 outbreaks declared as a global pandemic by the World Health Organization. On March 24, 2020, the Indian Government had announced a strict 21 days lockdown which kept on getting extended across the country with gradual and modest relaxations. This pandemic has caused disruption to businesses and economic activity which has been reflected in recent fluctuations in markets across the globe which has led to non-meeting of expected revenues.

Further, outbreak of COVID – 19 Pandemic has majorly impacted disbursements however the collection being banking based continued and this pandemic has also created liquidity crunches across the country. Though, loan default risk has been largely minimized on account of grant of moratorium on repayment of loans and other measures to reduce the interest burden by Reserve Bank of India (RBI) in order to mitigate the current situation.

During this challenging time, our Company focuses on supporting our customers, our employees and the local communities in which we operate along with the safe guarding the interest of all the stakeholders.

2. Ability to maintain operations including the factories/units/office spaces functioning and closed down

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3. Steps taken to ensure smooth functioning of operations

Post formal announcement of the nationwide lockdown, keeping in mind the well-being and convenience of its employees, the Company had provided facility of 'work from home' to the extent possible in the current situation to its employees and taken all necessary steps to ensure a seamless transition to the new ways of working for employees, while at the same time ensuring business continuity.

The Company has taken necessary steps for ensuring safety and well-being of its human resources viz, undertaking proper and frequent sanitization, maintaining social distancing at every place, compulsory wearing of mask at all times, thermal screening of employees in the office.

The Company will continue its efforts towards achieving normalized level of operations, depending upon prevailing situations and government directives.

The Company will endeavor to focus on possibilities and magnify them to the fullest to enhance and preserve the stakeholder's interest.

4. Schedule, if any, for restarting the operations

Since declaration of Lockdown, company has been carrying out most of its operations with the help of the staff working from home. Rest of the Operations which cannot be fully carried out would be resumed as soon as the prevailing lockdown is lifted and our offices become operational fully.

5. Estimation of the future impact of COVID-19 on operations

It is difficult to assess definite future impact of COVID -19 on business operations at this point of time where lifting of 100% lockdown is not certain and due to relief given by RBI for payment of loan installments from March 1, 2020 to August 31, 2020, there will be some impact on the recoveries which will ultimately affect the revenues and other provisions.

The negative impacts of the COVID-19 pandemic will be reflected in the business revenues and profitability of the Company for the financial year 2020-21, based on the various policies and regulations dispensation likely to be given to industries and the level of the same cannot be ascertained at present.

However, we are confident to sail through this crisis smoothly through our consumers, our committed employees and our quality of leadership.

6. Existing contracts/agreements where non-fulfillment of the obligations by any party will have significant impact on the listed entity's business;

There has been no significant impact on the business due to non-fulfillment of any obligations by any party to existing contracts/agreements. At this point of time, we do not anticipate any material impact on the business, as the full consequences of the pandemic are yet unknown. We will attempt to take all steps in its control to monitor the situation and mitigate any potential impact on its business on this account.



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7. Impact of COVID-19 on -

a. capital and financial resources: The Company's capital and financial resources remain protected to run the business.

b. profitability: During the 1st and 2nd quarter profitability may get impacted due to lock down of economic activities during the lockdown period. However, company expects to improve profitability during second half of the current financial year subject to restoration of normal economic activity

c. liquidity position and d. ability to service debt and other financial arrangements: The Company is continuously trying to maintain adequate liquidity buffer by implementing cost cutting measures wherever possible to service the interest payments on debt if and when they fall due and to manage any unexpected situation arising out of COVID-19.

e. assets: The Company expects to recover the carrying amount of its assets including inventory, receivables and loans in the ordinary course of business.

f. internal financial reporting and control: There has been no impact on the internal financial reporting and controls of the Company with all controls applied digitally in a Work from Home situation. The Company uses back up procedures, restricted access to applications and other security restrictions.

g. supply chain and h. demand for its products/services: Supply chain and Demand for loan products may improve during second half of the current financial year subject to restoration of normal economic activity.

8. Other relevant material updates about the Company's business.

The COVID-19 Pandemic has significant impact on the business and operations of the Company. There is no other relevant update about the business of the company. However, the company is monitoring the situation and will further update on the matter as and when warranted.

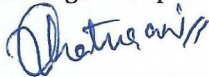
The company shall keep all its stakeholders informed as and when any material development takes place which may have a significant impact on the company.

Kindly take the above on record.

Thanking you,

Yours faithfully,

For Sungold Capital Limited



CS Versha Chaturani
Company Secretary & Compliance Officer
Membership No. A59225

