



**Ref. No: HSCL / Stock-Ex/2020-21/36**

**Date: 31/07/2020**

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<b>Ref :Listing Code: 500184 (Equity)</b> BSE Limited Department of Corporate Services P. J. Towers, 25 <sup>th</sup> Floor, Dalal Street, Mumbai- 400 001	<b>Ref: Listing Code: HSCL</b> National Stock Exchange of India Ltd Exchange Plaza, C-1, Block-G Bandra Kurla Complex, Bandra (E) Mumbai- 400 051
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**Ref: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Sub: Impact of COVID-19 pandemic on the Company**

Dear Sir/Madam,

In continuation to our earlier communications dated 23 March 2020, 31 March 2020 and 2 June 2020 regarding temporary closure of the Plants/ Offices of the Company due to the outbreak of COVID -19 and subsequent reopening of the same, pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("the Listing Regulations"), read with SEBI Circular No. SEBI/HO/CFD/CMDI/CIR/P/2020/84 dated May 20, 2020 following are the brief details relating to the impact of the COVID -19, pandemic on the operations/business of the Company:

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

The Government of India announced nation-wide lockdown on 24 March 2020 to contain the outbreak of COVID-19. Following government guidelines, the Company temporarily closed its corporate / regional offices, allowed work from home for its all employees and temporarily closed its factories in a phased manner. The immediate impact on the business due to closure of factories and offices coupled with transportation issues resulted in muted sales in the last week of March 2020. The Company has also updated about the impact of COVID-19 pandemic in its annual financial results.

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

Due to country wide lockdown to prevent & contain the spread of COVID-19, all the plants/offices were temporarily shut down in late March, 2020 and were partially re-opened at some locations after obtaining requisite government approvals. During this lockdown period the Company implemented Work From Home (WFH) policy for all the administrative staffs and was quite successful in implementing the same. Currently all the plants/offices have opened up and are operating with all safety norms and reduced manpower. Production and dispatch were disturbed for this entire lockdown period and now with ease of regulations and increasing availability of labour on day to day basis the Company has resumed production & dispatches. However, business is slow in the larger cities due to higher number of containment zones, restrictions on movement, strict norms etc. We expect that the demand will pick up once the lockdown restrictions are relaxed further.



**Himadri Speciality Chemical Ltd**

(Formerly known as Himadri Chemicals & Industries Limited) CIN: L27106WB1987PLC042756  
Regd. Office: 23A, Netaji Subhas Road, 8th Floor, Kolkata – 700 001, India  
Corp. Office: 8, India Exchange Place, 2nd Floor, Kolkata – 700 001, India  
Tel: 91-33-2230-9953, 2230-4363, Fax: 91-33-2230-9051, Website: [www.himadri.com](http://www.himadri.com)



### **3. Schedule, if any, for restarting the operations;**

In line with government directives and after obtaining requisite permission from the State Governments, the Company resumed few essential manufacturing operations w.e.f. 1 April 2020 to ensure business continuity in the continuously evolving situation out of the COVID -19 outbreak, within the guidelines issued by the Government and health authorities. In the last week of May, the Company resumed offices and all its operations with minimum possible manpower and taking adequate safety measures to protect its workforce.

### **4. Steps taken to ensure smooth functioning of operations;**

Post resumption of operations the Company has taken all necessary steps to adhere to the guidelines for social distancing provided by Ministry of Home Affairs along with the various directives issued by relevant state government authorities and has put in place safety measures which inter alia includes:

- Thermal Screening of all employees and visitors;
- Sanitization of premises and vehicles on regular basis;
- Maintenance of social distancing at all work places;
- Ensuring No Mask No Entry policy
- Educating employees to wash their hands regularly;
- Avoiding large groups or gatherings at work places;
- Asking all employees to install Aarogya Setu App;
- Restricting employees having any symptoms of cold or fever to attend office;
- Avoiding all the non-essential visitors at work place;
- Conducting regular awareness programs for the employees;
- Functioning through audio-video conferencing calls for all its internal and external meetings.

### **5. Estimation of the future impact of COVID-19 on its operations;**

Considering the fact that the situation is exceptional and is changing dynamically, the Company is not in a position to gauge with certainty, the future impact on its operations. These are early days and it would be presumptuous to predict full impact of COVID-19 on the business and performance. The Company is operating its factories at a low capacity and will scale up its operation after carefully assessing the course of COVID-19 in the near term. However, the Company is confident that operations will pick up once all restrictions are eased.

### **6. Details of impact of COVID-19 on listed entity's;**

#### **a) Capital and financial resources/ Liquidity/ Profitability;**

Company's capital and financial resources are well placed and have not been impacted because of the COVID -19. In view of lock down, the profitability is adversely impacted. However, to conserve cash in the current situations, the Company temporarily put on hold the ongoing advance carbon project and also implemented cost control measures across the Company. We hope that the business situation will gradually improve from now onwards.

#### **b) Ability to service debt and other financing arrangements:**

All the debts/instalments/interests/ dues as per repayment schedule have been made even during this lock-down period without any extensions/ defaults and the Company does not foresee any difficulty in meeting its future financial commitments as well.



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**c) Assets:**

The Company does not foresee any challenge in realizing its assets.

**d) Internal financial reporting and control:**

There was no major impact as the Company has robust internal financial controls in place and even during lockdown, the IT/reporting systems worked seamlessly.

**e) Supply chain:**

The Supply Chain process was impacted during the lock down period. With the ease of restrictions, the same is improving on a daily basis.

**f) Demand for its products/services:**

COVID -19 outbreak impacted different end-user industries differently. While aluminium sector was operating during the lockdown as well, tyre industry, graphite electrode industry, dyes and dye intermediate industry and construction industry were impacted more severely leading to loss of demand for the products catering to them. The situation is gradually improving with the easing out of restrictions.

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

The Company is confident of meeting its obligations and existing contracts/ arrangements. The existing contracts/agreements, where non-fulfilment of the obligations by any counter party may arise are not material and may not have any significant impact on the business of the Company.

This is for your information and records.

Thanking You,

Yours faithfully,

For Himadri Speciality Chemical Ltd

*Monika Sasagawa*  
Company Secretary  
ACS: 29322

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