



16th June 2020

To,
BSE Limited
25th Floor, P.J. Towers, Dalal Street,
Mumbai-400 001

To,
The Manager - Corporate Compliance
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai- 400 051

To,
Calcutta Stock Exchange Limited
7, Lyons Range
Kolkata - 700 001

Dear Sir / Madam,

Re: Intimation under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") - COVID-19 Update

Pursuant to Regulation 30 of the SEBI Listing Regulations read with SEBI Circular No SEBI / HO / CFD / CMDI/ CIR/P/2020 /84 dated 20th May 2020, please find the brief of the impact of COVID 19 on the Company's business and operations.

The Company vide its letter dated 25th March 2020 had informed to the Exchanges that the Company had implemented "Work from Home" policy for all its employees across the country. The manufacturing operations had been temporarily suspended till the regulatory advisories of the Central and concerned State Governments prevailed in this regard

Further, in accordance with the Central/ State Government's advisories for the operation of Industries, the manufacturing operations of the company resumed with limited manpower in a phased manner from 10th April'20.

The Company continues to assess on a regular basis, the impact of COVID-19 pandemic on its business operations and would like to update the following in this regard.

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

Even before the implementation of the nation-wide lockdown (from 25th March, 2020), restrictions on movement by various states affected the supply chain from mid-March. Operations until the first fortnight of April witnessed significant disruptions in the business and operations of the Company affecting the pre-season sale of the Company's summer products. Further, a decline in consumption was also witnessed due to rising unemployment and a significant drop in demand from low-income groups. This led to a consumer shift towards more essential products like food and groceries, affecting the sale of niche and discretionary products manufactured by the Company.





The Company, believes that lockdown enforced due to the COVID-19 pandemic would impact the Company's business performance in Q1FY21 and operations are expected to normalize Q2FY21 onwards. It is very difficult to assess the financial/ non-financial impact on near term and the Company continues to evaluate the impact as the situation evolves.

2. Ability to maintain operations including the factories/units/office spaces functioning and closed down; Schedule, if any, for restarting the operations; Steps taken to ensure smooth functioning of operations;

On 23rd March 2020, the Company implemented "Work from Home" policy for all its employees across the organisation and manufacturing operations at units were also temporarily suspended to ensure safety of its employees. However, production started in phased manner during lockdown from 10th April'20 in accordance with Government's advisory for Industrial operations with limited manpower to ensure social distancing. Currently, the company has ramped up production across its units and the capacity utilization is back to normal levels.

The offices of the company have also resumed with limited attendance effective from 3rd June 2020 in line with the guidelines by the Central /concerned State Governments .

The Company has taken necessary steps to comply with the guidelines provided by the Ministry of Home Affairs with the directives of the respective state governments.

The Company has put in place strict monitoring process by ensuring the following-

- Thermal screening of all the employees.
- Regular sanitisation of the premises.
- Enforcing wearing of mask and regular cleaning of hands
- Ensuring use of the Arogya-Setu App
- Observance of social distancing norms

3. Estimation of the future impact of COVID-19 on its operations;

Due to unpredictable situations evolving during this pandemic, it is very difficult to assess the future impact of COVID-19 on business operations. However, the Company is well prepared to manage this situation on the back of its power brands and its innovation funnel. The Company has already forayed into the hygiene category by launching BoroPlus Advanced Anti-Germ Hand Sanitizer and is poised to launch more products in the health, hygiene and wellness categories.



4. Details of impact of COVID-19 on the Company's -

- **Capital and financial resources;** The Company does not foresee any specific challenges.
- **Profitability;** The Company continues to adopt the cost reduction measures across the organisation to conserve the resources.
- **Liquidity position;** The Company has taken all possible measures for managing it's liquidity position to meet its obligations.
- **Ability to service debt and other financing arrangements:** The Company is in net cash surplus position and is comfortable to service it's debt and other financing arrangements.
- **Assets;** None of the assets of the Company have been affected due to COVID 19.
- **Internal financial reporting and control;** The Internal financial reporting and control were maintained adequately
- **Supply chain;** As discussed Point(s) 1 and 2, the supply chain was disrupted initially in view of lockdown. However, the same has gradually returned to normalcy. The company has maintained an adequate supply for its Ayurvedic / medicinal products and other personal care products with due compliance of guidelines / advisories of the Central / concerned Governments in this regard.
- **Demand for its products/services;** Due to the pandemic, there is a strong demand for healthcare and hygiene products. The company's healthcare range has been witnessing a steady demand for its immunity boosting products. The discretionary and personal care products are also slowly witnessing a recovery in demand.

5. 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 in a comfortable position to meet all its obligations as per agreements and does not foresee any significant impact on the business due to non/delayed fulfilment of obligations, if any.

Other relevant material updates about the business: None

You are requested to take note of the same on record.

Thanking you,
For Emami Limited



A. K. Joshi

Company Secretary & VP-Legal

