



Ref No.: GIL/CFD/SEC/21/034/SE

13th June 2020

BSE Limited
Dalal Street,
Phiroze Jeejeebhoy Towers,
Fort, Mumbai - 400 001
Scrip Code: 500300

The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai 400051
Symbol: GRASIM

Dear Sirs,

Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with reference to SEBI Circular bearing reference no. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May 2020, enclosed is the impact of the COVID-19 pandemic and the ensuing nation-wide lockdown on the operations of the Company.

This is for your information and records.

Thank you.

Yours faithfully,
For Grasim Industries Limited

Hutokshi Wadia
President & Company Secretary

Encl. : as above

Cc: Luxembourg Stock Exchange
Market & Surveillance Dept.,
P.O. Box 165, L-2011 Luxembourg,
Grand Duchy of Luxembourg, EUROPE

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Depository Receipt Services
388 Greenwich Street, 14th Floor
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Citi Bank N.A.
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Regd. Office : Birlagram, Nagda – 456 331 (M.P.)



COVID UPDATE

I. Impact on the business:

In view of the situation arising due to spread of Novel Coronavirus (COVID-19) and to support the lockdown initiative(s) taken by Central/ State Government authorities in various states/ districts across India, all our plants, except Fertiliser plant at Jagdishpur (U.P), were shut down since the start of the lockdown in March 2020. In the month of April and May 2020, Chemicals and VSF plants were granted permission by the Government authorities to re-start partial operations subject to various conditions. The status of our plant operations as of 13th June, 2020 is as under:

- i. VSF plants at Nagda, Kharach, Vilayat have resumed partial operations while Harihar is expected to resume operations in mid-June 2020
- ii. Chemicals plants at Vilayat, Nagda, Renukoot, Karwar, Rehla, Veraval and Ganjam have resumed operations partially in May 2020
- iii. Fertiliser plant continues to be fully operational as it was not impacted by lockdown
- iv. Insulators Plants at Halol and Rishra have resumed operations partially
- v. Textile plants at Rishra and Malanpur resumed partial operations during the month of May 2020
- vi. Product despatches to the customers have been resumed across all operating plants
- vii. Our Registered office at Nagda is functional while the Corporate office in Mumbai is starting mid-June 2020. Employees are working from home with no impact on business continuity.

Operations of our JV's: Our pulp JV's operations at Canada and Sweden and VSF unit at China were temporarily impacted by COVID-19 but are currently all operational.

II. Steps taken to ensure smooth functioning:

We have been very cognizant of safety of our employees and have increased safety protocol across our plants. Since mid-March 2020, we have initiated Work from Home and are committed to ensure normalcy in daily operations at all our offices.

III. Estimation of the future impact of COVID-19 on operations:

The operational and financial performance of the company will be significantly impacted during the Q1FY21 on account of lockdown led demand slowdown. Given the current state of affairs, it would be difficult to provide an estimate on the full year performance of the company for FY21.

IV. 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 well positioned to fulfil its obligations and existing contracts/arrangements and does not foresee any significant impact on the businesses of the company.

V. Details of impact of COVID-19 based on performance parameters:

- i. Capital and financial resources and other assets: As per the current assessment, there is no significant impact on the Company's capital and financial resources and other assets of the Company.
- ii. Liquidity position: The Company has maintained and continues to maintain a comfortable liquidity position, both in terms of liquid investments as well as credit available.
- iii. Capex: We are reviewing our capex plan during this emerging environment. We will take decision on timeline for these capex based on overall economic and demand outlook.
- iv. Ability to service debt: Our financial position is strong enough to service all debts and take care of the working capital requirement.
- v. Internal Financial Controls: The Company has in place adequate internal financial control system commensurate with the size of its operations. Internal control systems comprising of policies and procedures are designed to ensure sound management of your Company's operations.
- vi. Supply chain: The initial disruptions in supply chain has eased. The company maintains an optimum level of inventory which will facilitate restart and scale up of our plants. With the newly announced guidelines (31st May 2020), the supply chain situation is expected to improve with material relaxation in lockdown.
- vii. Customer Demand: Status on the demand update from various businesses:
 - a) VSF business is catering to the needs of overseas customers as few of our domestic customers have recently resumed operations.

- b) Chemical business continue to supply Caustic Soda to cater to the needs of non-ferrous metals manufacturers.
- c) In the Chemical business, Chlorine Value Added Products used in health and sanitation products continue to be sold in the domestic market.
- d) Textile business is catering to the needs of overseas customers and some of our domestic customers have partially resumed operations in the month of June.
- e) Fertiliser business is meeting to the needs of the farmers in the Indo-Gangetic plain.

GRASIM INDUSTRIES LIMITED

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Cautionary Statement

Statements in this "Press Release" describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities law and regulations. Actual results could differ materially from those express or implied. Important factors that could make a difference to the Company's operations include global and Indian demand supply conditions, finished goods prices, feedstock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statement, on the basis of any subsequent development, information or events, or otherwise.
