

July 19, 2020

National Stock Exchange of India Ltd Listing Department Exchange Plaza, 5th Floor, Plot No: C/1,G - Block, Bandra - Kurla Complex Bandra (East) Mumbai - 400 051. SYMBOL:ORCHIDPHAR	BSE Limited CorporateRelationship Department 1st floor, New Trading Ring Rotunda Building, P J Towers Dalal Street, Fort Mumbai - 400 001 Scrip code:524372	Luxembourg Stock Exchange Bourse de Luxembourg BP 165, L-2011 Luxembourg Siege social 11, avenue de la Porte-Neuve
---	--	---

Sub: Disclosure of Material impact of CoVID-19 pandemic on the Company

Dear Sir/Madam

With reference to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, Please find enclosed herewith the disclosure of material impact of CoVID-19 pandemic on the operations and performance of the Company.

Kindly take the above on your records.

Thanking you,
Yours faithfully,

For **Orchid Pharma Limited**


NIKITA
Digitally signed
by NIKITA
Date: 2020.07.19
21:53:20 +05'30'

Nikita K
Company Secretary



S. No.	Particulars	Details
A.	Impact of the CoVID-19 pandemic on the business	<p>Due to CoVID-19, the main API Plant situated at Alathur was shut down for 20 days in April 2020. The IKKT Plant started operation from 4th May 2020. However, later on we have been able to achieve sales and production at last year level except for loss of production during shutdown.</p> <p>The plant is/was operating with lower man power. There were no major issues in procurement of raw Material and supply to customers. However some delays are unavoidable.</p>
B.	Ability to maintain operations including the factories/units/office spaces functioning and closed down	<p>Orchid API, Alathur unit and Orchid Healthcare, Irungattukottai have managed to operate the manufacturing unit with limited man power and adequate safety controls.</p> <p>The operation at the plant has resumed however under capacity. The Corporate office is functioning with 50 % as per Government Guidelines. Employees at Corporate office have been encouraged to increase productivity during “Work from home”.</p> <p>Necessary policy documents are prepared to manage the CoVID-19 pandemic situation and appropriate training are given to the employees and supporting staff to ensure good safety practices in executing the operations.</p>
C.	Schedule, if any, for restarting the operations	<p>Orchid API, Alathur unit and Orchid Healthcare, Irungattukottai had resumed operations from 21st April 2020 and 4th May 2020 respectively.</p>
D.	Steps taken to ensure smooth functioning of operations	<ul style="list-style-type: none"> - Preparation of policy to manage the CoVID-19 pandemic situation in line with WHO and respective regulatory requirements. - Following few critical aspects, but not limited, are implemented for smooth functioning of operations. <ol style="list-style-type: none"> a) Training of all staff and supporting staff b) Health assessment & declaration of all staff and supporting staff entering into units/corporate office c) Thermal scan of all persons d) Nose masks usage e) Hands sanitization f) Social distancing <p>The Company has been paying salaries to all its employees without any reduction on account of CoVID 19.</p> <p>The Company has taken various measures in respect of cost reduction and effective working capital management.</p>



E.	<p>Estimation of the future impact of CoVID-19 on its operations</p>	<p>Estimation of future impact is very difficult as it depends on many factors like pandemic intensity in plant, surrounding areas, location from where raw material is procured, location of customers and supply chain.</p> <p>However, considering ours is a part of Pharma Industry (Essential Commodity) the impact should not be severe. However, if Pandemic situation becomes extremely critical then we cannot be exception and operation may suffer.</p>
F.	<p>Details of impact of CoVID-19 on listed entity's -</p> <ul style="list-style-type: none"> ○ capital and financial resources ○ profitability ○ liquidity position ○ ability to service debt and other financing arrangements ○ assets ○ internal financial reporting and control 	<ul style="list-style-type: none"> ○ Capital and financial resources <p>The Company, in the normal course of its business, may raise financial resources, from time to time, in the form of capital, term loan, other instruments for meeting its various business purposes depending on requirements of the Company.</p> <p>Further, we expect last year turnover and EBITDA will be achieved unless some unforeseen event occurs.</p> <ul style="list-style-type: none"> ○ Profitability <p>As the plants, at present, are not operational at their full capacity utilization, the profitability of the Company is not ascertainable at this stage. However, the profitability of the Company may be effected due to impact of CoVID-19 and lockdown.</p> <ul style="list-style-type: none"> ○ Liquidity position <p>Currently, the company is not facing any liquidity concerns. We do not foresee any liquidity concerns pursuant to prevailing CoVID-19 during the Financial Year 2020-2021.</p> <ul style="list-style-type: none"> ○ Ability to service debt and other financing arrangements <p>With reference to the term loan availed by the Company, the Company is striving to fulfill all the obligations on time.</p>



		<ul style="list-style-type: none">○ Assets All the assets of the company are fully insured and security measures are in place.○ Internal financial reporting and control The company has implemented ERP systems, however due to prevailing lockdown, movement of physical documents is restricted hence there may be some delay in updating the records.○ Supply chain and demand for its products/services There is no significant impact on demand of product and services. However some logistic issues are faced and the Company has taken all measures to resolve them.○ Existing contracts/agreements where non - fulfilment of the obligations by any party will have significant impact on the listed entity's business The Company has evaluated the terms of existing contracts / agreements and concluded that there is no significant risk to the Company's business on account of any risks with the counter-parties to these agreements.
--	--	--