



# KANORIA CHEMICALS & INDUSTRIES LIMITED

Registered Office :  
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KC-13/

15<sup>th</sup> June, 2020

The Manager  
Listing Department  
National Stock Exchange of India Limited,  
"Exchange Plaza", Plot No. C/1,  
"G" Block, Bandra-Kurla Complex, Bandra (E),  
**Mumbai - 400 051**

**Symbol: KANORICHEM**

DCS-CRD  
BSE Limited,  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building, P.J. Towers,  
Dalal Street, Fort,  
**Mumbai - 400 001**

**Code No. 50 6525**

Dear Sir,

**Sub.: Disclosure on impact of COVID -19 pandemic on the Company, under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20<sup>th</sup> May, 2020, please find enclosed herewith the disclosure of impact of COVID -19 pandemic on the operations and performance of the Company as disclosed in Annexure -1.

We request you to please take the same on your records.

Thanking you,

Yours sincerely,  
For Kanoria Chemicals & Industries Limited

N K Sethia  
Company Secretary

Enci.: As above

**Impact of COVID- 19 pandemic on business, performance and financials of the Company**

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

The outbreak of novel Corona Virus (COVID-19) has affected the business operations of the Company by way of interruption in production activities, supply chain, loss of product demand, Cash Flow and availability of manpower during the lockdown period. Operations at our plants were under suspension from 24th March, 2020 to end April/mid May 2020.

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

Manufacturing facilities and offices were shut down entirely during the lockdown phase. Amid this situation, Company enabled staff to work from home during the lockdown. However, the essential services at plants such as safeguarding the premises, maintaining critical equipment were continued with permission from relevant government authorities. Fire & Electrical related safety requirements (like Fire Hydrant, power supply etc.) were monitored and reviewed periodically. Actions were taken to protect the raw materials, In-process and Finished goods from deterioration and ensured safe storage.

The Company's plants at Ankleshwar, Vizag and Naidupeta were shut down from 24th March, 2020 to end April/mid May, 2020. Most of the units in these plants have now restarted manufacturing operations gradually after obtaining necessary permissions from concerned State Government Authorities. Considering the demand, outlook and availability of workforce, we are operating the plants at lower capacities.

**3. Stepstaken to ensure smooth functioning of operations:**

All our manufacturing locations have been sanitized to ensure that all employees are safe and secure. The Company has further put in place strict monitoring procedures against COVID-19. Major precautions undertaken are as follows:

All the employees were given training on the safe practices such as social distancing, usage of masks, personal hygiene, etc. SOP for precautions made and being monitored very closely for its best compliances

- Thermal Screening of all employees and visitors
- Periodical Sanitization of all equipments in the Company premises
- Provided hand wash stations at entrance and at different places in the plant
- Mandatory wearing of masks at work place
- Taking regular updates on the health of all the employees
- Downloading of "Aarogya Setu App" by all employees

**4. Estimation of the future impact of COVID-19 on its operations**

With the frequent changing scenario of COVID19, it is very difficult to assess the future impact of COVID-19 on business operations and it is expected to evolve over a period of time. However, we are confident about our ability to manage this crisis through our experienced management, very well established product base, our customers, our committed employees and support from the Government.

**5. Details of impact of COVID-19 on listed entity's capital and Financial resources, profitability, liquidity position, ability to service debt and other financing arrangements, assets, internal financial reporting and control, supply chain and demand for its products/services**

The Revenue of the Company affected in March 2020 due to lockdown declared towards last week of the March which is period for higher sales. Revenue in the current and the forthcoming quarter will be

adversely affected to some extent due to Covid-19 and consequently the profitability would be impacted.

The Company has been meeting all its financial obligations. Internal Financial Control and reporting are not affected. Demand for Company products and to some extent supply chain are adversely affected due to lockdown and overall slowdown in the economy. The Company is confident of returning to normalcy.

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

No such contracts/agreements exist where non fulfilment of the obligations by any party will have significant impact on the Company.

For KANORIA CHEMICALS & INDUSTRIES LTD.



(N. K. Sethia)  
Company Secretary