

Ref: AKSHAR/SE/2020-21/2007/14

July 4, 2020

To,  
Deputy General Manager  
Department of Corporate Services  
**BSE Limited**  
25<sup>th</sup> Floor, P. J. Towers  
Dalal Street  
**Mumbai – 400 001**  
**Scrip Code: 524598**

To,  
The General Manager (Listing)  
**National Stock Exchange of India Ltd.**  
5<sup>th</sup> Floor, Exchange Plaza,  
Bandra Kurla Complex,  
Bandra (East),  
**Mumbai – 400 051**  
**Company Symbol: AKSHARCHEM**

To  
Secretary  
**Ahmedabad Stock Exchange Limited**  
Kamdhenu Complex  
Opp. Sahajanand College,  
Panjara Pole, Ambawadi  
**Ahmedabad - 380 015**  
**Company Code: 6408**

**Sub: DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC ON THE COMPANY**

**Ref: REGULATION 30 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with SEBI circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20<sup>th</sup> May, 2020 and with reference to our earlier relevant disclosure on the subject, following are the brief details relating to impact of COVID-19 pandemic and resultant lockdown, on the operations/performances of the Company:

**Material impact of COVID-19 pandemic on the operations and performance of the Company**

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

Our plant was closed till April 21, 2020 due to lockdown. We got permission on April 22, 2020 from concerned authorities, subject to fulfillment of certain conditions, to partially start manufacturing operation to meet the export orders backlog.



**AksharChem India Ltd.**  
"Akshar House" Chhatral - Kadi Road, Indrad-382 715, Mehsana, India.  
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**2. Ability to maintain operations including factories/ units/ office space functioning and close down:**

- i) We are pleased to inform you that we have started operations at our plant located at Chhatral. We are observing full compliance to the conditions of operations stipulated to prevent the spread of COVID-19 disease;
- ii) We are not facing much labor issues as most of our laborers are from nearby villages;
- iii) Our Head office at Ahmedabad is functioning, subject to maintaining adequate social distancing and other required safety norms in this regards;
- iv) We have also provided work from home facility to the employees of the Head office who are staying in containment zones.

**3. Schedule, if any, for restarting the operations:**

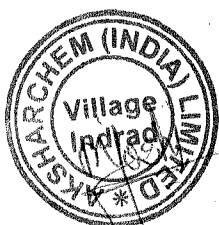
We had already communicated the resumption of operations/productions at the manufacturing plant w.e.f 22<sup>nd</sup> April, 2020 after obtaining requisite approval from the concerned authorities and we are scaling up the production/manufacturing capacity of the company gradually.

**4. Steps taken to ensure smooth functioning of operations:**

- i) We are taking necessary preventive measures like social distancing, temperature testing with thermal screening gun, providing mask and facility of sanitizing tunnel is also installed for the workers to avoid the infection due to COVID-19;
- ii) We have sufficient export and domestic orders in hand to scale up the production capacity utilization;
- iii) We have sufficient stock of Raw material to meet the production requirements.
- iv) We being a 'Responsible and Caring brand' has been proactive in supporting various government initiatives and helping communities around us;
- v) We have instructed all our employees to download the *Arogya Setu* app launched by Government of India.

**5. Estimation of the future impact of COVID-19 pandemic on the operations:**

Considering the fact that the situation is exceptional and is changing dynamically, it is very early to assess the future impact of COVID-19 pandemic with reasonable certainty. However the Company is confident about adapting to the changing business environment and respond to regular in hand orders suitably.

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We estimate that business will start improving from 2<sup>nd</sup> Quarter of FY 2020-21 and we can expect normal business from 3<sup>rd</sup> Quarter of FY 2020-21.

**6. Details of impact of COVID-19 on listed entity:**

- i) **Capital and financial resources:** We have adequate capital to meet the current business requirements of the Company.
- ii) **Profitability:** Profitability for the 1<sup>st</sup> Quarter (April-June) of FY 2020-21 is expected to be affected due to lockdown. However, we can anticipate the improvement in profitability from 2<sup>nd</sup> Quarter of FY 2020-21.
- iii) **Liquidity Position:** We are in a comfortable liquidity position to meet our commitments.

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

At present, we do not foresee any contract/agreement which will have significant impact on business in case of non-fulfillment of obligations by any party.

This is for your information and record please.

Thanking you,

Yours faithfully,

For, **AKSHARCHEM (INDIA) LIMITED**

  
**Meet Joshi**  
Company Secretary



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