E:KRBL/BIBHU/STK_EX_2021/18
10 June 2020

KRBL Limited

	The General Manager **Department of Corporate Services** **BSE Limited** **Floor 25, Phiroze Jeejeebhoy Towers** **Dalal Street, Mumbai – 400 001** Scrip Code: **530813**	✓	**National Stock Exchange of India Limited** **"Exchange Plaza", C-1, Block-G** **Bandra-Kurla Complex** **Bandra (E), Mumbai-400051** **Symbol: KRBL** **Series: Eq.**

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 regarding impact of COVID-19

Ref: SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20.05.2020

Dear Sir/Madam,

With reference to the above Circular, advising listed entities to make available all information about the impact of COVID-19 pandemic to their Investors and Stakeholders. In this regard, earlier we have informed regarding the measures taken by the Company, complying with all the guidelines, rules and regulations issued by the Central as well as State Government including WHO from time to time basis *vide* letter dated 26 March 2020.

We now wish to furnish the latest updates regarding impact of COVID-19 on the business of the Company as under:

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

KRBL's business is considered an 'Essential Services' as per the Ministry of Home Affairs (MHA). This classification has helped the Company to operate all the Factories optimally during the lockdown period.

At KRBL during the first few days of lockdown due to COVID-19, the curfew was imposed and all operations were completely stopped, we experienced constraints in transportation, availability of labour, logistics etc. in the initial 3-4 days. Thereafter the Government of India allowed production of essential goods which included food. Being an essential food company and simultaneous cooperation from local Administration and Government, we managed to overcome the obstacles and were able to streamline the process.

Further, Company's rice milling and processing units since March 2020 onwards are running at around 70%-80% level as compared to same period last year, which denotes that the impact was not material.

2. Ability to maintain operations:-

The Company has taken conscious decision through balance uninterrupted operations and ensuring a safe working environment. To ensure this, majority of the staff have been asked to report to work at their locations. The Company has also made necessary arrangements to ensure that these staff are safe and comfortable at work. The rest of the staff have been asked to work from home.

3. Steps taken to ensure smooth functioning:-

The Company has put in place strict standard operating procedures for COVID-19 ensuring the following:-

- Thermal Screening of all Employees;
- Sanitizing the premises and vehicles on regular basis;
- Distribution of masks to our factory workers;
- Maintenance of social distancing at all work places;
- Enforcing wearing of masks and regular cleaning of hands;
- Regular update of the health of all the Employees and their Families;
- Asking all Employees to have Aarogya Setu App.

In addition to above, the Company have implemented the Standard Operating Procedures, which is strictly being followed across all the Units and Workplaces and we have also designated officials responsible for ensuring the compliances to the Guidelines, Rules and Regulations issued by Central as well as State Government on COVID-19 from time to time:

The Company has been regularly conducting awareness programs for all its Employees.

All Customers and Vendors of the Company have been communicated about the measures taken by the Company through mails which includes even short films on the steps taken by the Company.

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

As explained above, there has not been any material adverse impact on the Company's performance so far. We expect further improvements as Central and State Governments are continuously announcing relaxations and taking steps to improve Trade and Commerce. We are also going ahead with our expansion plans and have started working on the same.

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

- **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.

- **Profitability** - As mentioned earlier, the Company's business is considered an 'Essential Services' as per the Ministry of Home Affairs (MHA). Basis the internal assessment the COVID-19 impact on profits of the Company doesn't seems to be material.

- **Liquidity** - The Company has a strong balance sheet and liquidity position.

- **Ability to service debt** - The Company has adequate financial resources to meet its working capital requirement. The Company has never in the past defaulted on any interest or loan payment and does not see any issue meeting future obligations too.

- **Assets** - None of the assets of the Company have been impacted or impaired by the COVID-19.

- **Internal Financial Controls** - The Company has robust SAP system in place and all its locations are well networked. Accordingly, all Internal Financial Controls and reporting systems are working seamlessly without disruption.

Contd...(3)

- **Supply Chain** - There has been no impact because we have sufficient quantities of both Basmati Rice and Paddy along with largest processing and storage facilities in the world.

  - Online sales have also seen significant growth, through all major e-commerce platforms such as Amazon, Flipkart, Grofers, Big Basket, Paytm Mall and several others. Further, we have recently collaborated with up Zomato and Swiggy to expand our reach to the end consumers.

- **Demand** – The Company have witnessed a sudden increase in requirement from the Retail channel because consumers advanced their purchase in the light of the nationwide lockdown. Also due to this, we have seen a quantum rise in volume dispatch, especially in the online channels to the extent of 2 times than the usual. The Modern Retail formats have increased their volumes by almost 75% post-lockdown.

On the other hand with respect to HoReCa (Hotels, Restaurants, and Catering) Segment, there is a considerable amount of loss. But the Company is quite confident that due to pandemic situation, the focus will be more on hygiene and packaged basmati rice will be of greater preference to the consumers.

6. Impact on Contracts/ Agreements:-

The Company does not foresee any significant impact in respect of its existing Contracts and Agreements.

7. Other relevant material updates:- None

Further, the above information is also available on the Company's website at www.krblrice.com

This is for your information and record.

Thanking you,

Yours faithfully,
For KRBL Limited



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