

May 27, 2020

To The Corporate Relations Department BSE Limited Phiroz Jeejeebhoy Towers, 25 th Floor, Dalal Street Mumbai – 400001 Code: 540222	To The Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051 Code: LAURUSLABS
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Dear Sirs,

Sub: Disclosure of material impact of Covid-19 pandemic on the operations of the Company

Ref: SEBI Circular dated May 20, 2020

With reference to the above circular of SEBI, we provide the following disclosure:

a) Impact of the COVID-19 pandemic on the business of the Company:

Pharma Industry, being essential industry, was exempted from Lockdown from day one. Therefore, we did not close down any of our operations. Initially, for around one week in March 2020, there was a significant disturbance for operations due to restrictions on the movement of manpower, material etc. Slowly, things improved and our Company was able to maintain operations close to normal subsequently. The transport cost of raw materials and finished goods has gone up tremendously due to logistical problems, both domestic and international. Other than this, the business of the Company has not been materially impacted due to Covid-19. In fact, the Company was able to complete and declare its audited financial results as per its originally planned scheduled time.

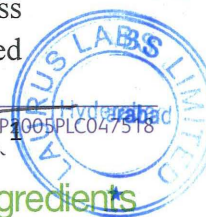
b) Ability to maintain operations including the factories/units/office spaces functioning and closed down:

We have been running our operations smoothly in most part of the lockdown period, except one week in the beginning of the lockdown period where there was a significant disturbance for operations. Part of the office teams worked from home.

c) Schedule, if any, for restarting the operations: Not Applicable

d) Steps taken to ensure smooth functioning of operations:

We have taken steps to monitor and control the operations such as the travel ban for employees, thermal screening, sanitation of buses, cafeteria and restrooms and awareness campaigns have been conducted through video, mailers, posters, etc. We have created





‘Covid 19 Task Force’ with all internal risk committee members, functional heads and senior team including CEO and organized to have twice a day calls to take decisions on priority. Masks have been provided to the employees and sanitizers have been kept in work place for use of employees.

e) Estimation of the future impact of COVID-19 on its operations:

To the best of our information and knowledge, there may not be any material impact on the operations of the Company in future due to Covid-19.

f) Details of impact of COVID-19 on Company’s –

- ❖ capital and financial resources - Very insignificant
- ❖ profitability - Very insignificant
- ❖ liquidity position - Very insignificant
- ❖ ability to service debt and other financing arrangements – Normal
- ❖ assets - Nil
- ❖ internal financial reporting and control - Very insignificant
- ❖ supply chain - Supply chain is almost normal except that the transportation cost of the goods has gone up significantly most of which the Company has been passing on to the Customers.
- ❖ demand for its products/services –Normal

g) Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the Company’s entity’s business:

The Company is not expecting any such scenario, since the Company is into Pharma business which is an essential activity.

h) Other relevant material updates about the Company’s business: Nil

Thanking you,

Yours truly,

For Laurus Labs Limited


G. Venkateswar Reddy
Company Secretary

