



25  
YEARS  
OF HERITAGE

Ref: SECT: STOC: 39-20

27th May, 2020

To  
The Secretary  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001

To  
The Manager,  
Listing Department,  
**National Stock Exchange of India Limited**  
Exchange Plaza, C-1,  
G Block, Bandra-Kurla Complex,  
Bandra (East), Mumbai – 400 051

Scrip Code: 519552

Scrip Code: HERITGFOOD

Dear Sir / Madam,

**Sub: Disclosure on impact of CoVID-19 pandemic on the business as advised vide SEBI circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020**

**Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

In furtherance to our letter dated March 28, 2020, pursuant to Regulation 30(3), Schedule III Part A Para B of SEBI (LODR) Regulations 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, we wish to inform you the following;

Particulars As Per SEBI Circular Dated May 20, 2020	Details Of Disclosures
<b>Impact of the CoVID-19 pandemic on the business;</b>	The Company is considered for handling the “Essential Commodities” as per the notification issued by Ministry of Home Affairs (MHA) for supply of Milk and Milk Products to the public. This classification has helped the Company operate all the plants during the lockdown period. The pandemic has not had any material adverse impact on the company’s business, although the institutional sales of milk and value-added products have come down because of the lockdown. Transportation has also been impacted to some extent due to absenteeism of drivers. The situation is improving and we foresee normal operations in this segment too by the end of this quarter. However, the availability of raw materials and the supply chain of the company are not affected
<b>Ability to maintain operations including the factories/ units/ office spaces functioning and closed down;</b>	<p>The Company has taken conscious decision to balance uninterrupted operations and ensuring a safe working environment. To ensure this, staff has been asked to report to work from their locations. The Company has also made necessary arrangements by obtaining passes from appropriate authorities as per the Guidelines issued by the Government of India and respective States, for vehicles and individuals and conducted proper sanitization of work place to ensure that staff were safe and comfortable at work.</p> <p>The rest of the staff has been asked to work from home/ report to the workplace on alternate days based on their convenience, thereby ensuring seamless operations, reporting and controls.</p>



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CIN : L15209TG1992PLC014332

**AN ISO: 22000 CERTIFIED COMPANY**





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<b>Schedule, if any, for restarting the operations;</b>	Since the Company's operations are fully functional, this question does not arise.
<b>Steps taken to ensure smooth functioning of operations</b>	<p>The Company has put in place strict monitoring process for Covid-19 precautions ensuring the following</p> <ul style="list-style-type: none"> <li>• Sanitizing the premises and vehicles on regular basis</li> <li>• Maintenance of social distancing at all work places</li> <li>• Enforcing wearing of masks and regular cleaning of hands with soap water</li> <li>• Regular update of the health of all the employees and their families</li> <li>• Asking all employees to install Aarogya Setu App</li> </ul> <p>The Company has been regularly conducting awareness programs for all its employees. All employees of the Company have been communicated about the measures taken by the Company through mails and video conferencing calls which includes video-clip discussions from the desk of Vice Chairperson &amp; Managing Director and Executive Director explaining about the steps required to be taken by individuals to maintain safety.</p>
<b>Estimation of the future impact of CoVID-19 on its operations;</b>	As explained above, there has not been any material adverse impact on the Company's performance in terms of volume and value, top-line and bottom-line. We expect further improvements as the Central & State Governments are taking initiatives for opening of the trade and commerce.
<b>Details of impact of CoVID-19 on listed entity's</b>	
<p><b>Capital and financial resources</b></p> <p><b>Profitability;</b></p> <p><b>Liquidity position;</b></p> <p><b>Ability to service debt and other assets;</b></p>	<p>The Company does not plan to raise any capital in the near future and hence there is no impact. Presently, the Company doesn't need any additional funding from Banks/ Financial Institutions. However, already sanctioned long-term loans and working capitals are honoured by the Banks/ Financial Institutions without any additional rate of interest and covenants.</p> <p>As mentioned earlier, the profits are not adversely impacted. The transportation segment which acts as an enabler is marginally impacted. As of now, it can be concluded that the Covid-19 impact on profits will not be material</p> <p>The Company operates on cash-and-carry basis of its substantial business, however collection from some of the debtors has been impacted marginally with some of the customers requested for a deferred payment schedule which the company keeping in mind the long term relationship has accepted. We expect this coming back to normal within first quarter. The Company has been meeting all its financial obligations.</p> <p>The Company has not availed moratorium for any of its payments and has never defaulted on any interest or loan payment and does not see any issue meeting future obligations too.</p> <p>None of the assets of the Company have been impacted or impaired</p>



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<p><b>Internal financial reporting and control;</b></p>	<p>Covid-19.</p> <p>The Company has robust IFC system in place and all its locations are well networked with S4 Hana SAP System. Even during the lockdown with a combination of staff working from the plants and/ offices etc., and all others working from home, all reporting systems worked seamlessly without any disruption.</p>
<p><b>Supply chain;</b></p>	<p>Being the Company categorised under “essential commodities” by Central Government, there has been less impact of supply chain inward-an-outward. The situation is although improving and we expect normal operations in this segment very soon.</p> <p>During the crisis, there has been no greater impact in the demand/supply of our products.</p>
<p><b>Demand for its products/services;</b></p> <p><b>Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity’s business;</b></p>	<p>The Company is in a position to honor all agreements with its vendors and consumers. The vendors from whom the Company avails product or services, those are few in numbers and are not in any way impacted by the pandemic.</p>



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<b>Other relevant material updates about the listed entity's business.</b>	The following are some of the material updates relevant to the Company are mentioned below
<b>- Repayment of Loan instalments</b>	The Company has been repaying all the loan instalments without any default, even though Reserve Bank of India allowed for moratorium/ deferment of instalment payments, the Company didn't opt for it.
<b>- Payments to Employee</b>	During the period, the Company has paid to all its working employees, none of the Employees were terminated from the services. The Company also covered all its employees' (including indirect employees) under various insurance policies
<b>- Payments to Suppliers/Creditors</b>	During this period, the Company didn't default any of its payment to its suppliers/ creditors.
<b>- Contributed to Covid-19</b>	<p>The Company has contributed Rs 1 crore to the fight against Covid-19 pandemic too the following State Govt Relief Fund/ Disaster Management Fund on 1<sup>ST</sup> week of April 2020 out of its CSR Amount of FY 2020-21</p> <ol style="list-style-type: none"><li>Chief Minister/ Disaster Relief Fund Andhra Pradesh – Rs.30 Lakhs</li><li>Chief Minister/ Disaster Relief Fund Telangana - Rs.30 Lakhs</li><li>Chief Minister/ Disaster Relief Fund Karnataka - Rs.10 Lakhs</li><li>Chief Minister/ Disaster Relief Fund Tamil Nadu- Rs.10 Lakhs</li><li>Chief Minister/ Disaster Relief Fund Maharashtra - Rs.10 Lakhs</li><li>Chief Minister/ Disaster Relief Fund Delhi-Rs.10 Lakhs</li></ol>

This is for your information and records.

Thanks & Regards

For **HERITAGE FOODS LIMITED**

**UMAKANTA BARIK**

Company Secretary & Compliance Officer  
M. No: FCS-6317



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