

Date: 10th July, 2020

To,

The National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No. C/1, G. Block
Bandra Kurla Complex
Bandra (East), Mumbai – 400 051

Script Code: LYKALABS

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


Pursuant to SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 please find enclosed herewith disclosure on material impact of COVID – 19 pandemic on the Company, in continuation of our previous intimation submitted to NSE Ltd on 5th June, 2020.

You are requested to kindly take the same on your record.

Thanking You,

Yours Faithfully,

For Lyka Labs Limited



Piyush G Hindia

Company Secretary & Compliance Officer

DISCLOSURE OF MATERIAL IMPACT OF COVID -19 PANDEMIC

Sr	Particulars	Disclosures
1.	Impact of the COVID-19 pandemic on the business	The parties who have placed orders with the Company have deferred the execution of orders, as a result, the sales has been affected.
	Ability to maintain operations including the factories /units / office spaces functioning and close down	The administrative office and R&D center of the Company at Mumbai has been closed due to locked down and at present, it is partially operating. The presence of workers at a factory was very low, as a result, the production at Ankleshwar Factory has been badly affected. The plant was running at 40% of its capacity.
	Schedule, if any, for restarting the operations	The operation will get regularize by end of August, 2020.
	Steps taken to ensure smooth functioning of operations	i. The effective work-from-home were implemented by the Company's management. ii. Cost control measures have been under taken by the Management. iii. Effective control and management of the funds.
	Estimation of the future impact of COVID – 19 on its operations	Due to COVID 19, the parties are deferring their orders. Cost of raw materials and packaging materials have been increased which will increase the Production cost.
Details of Impact of COVID – 19 on listed entity's: -		
	Profitability	Since sales is affected, profitability is under stress.
	Liquidity position	The Company has to bear interest cost and fixed overheads by way of rent payment of the Office premises and R&D center.
	Ability to service debt and other financing arrangements	Able to manage finance cost and interest payment to Lender.
	Internal financial reporting and control	The management is closely monitoring each activity and ensuring an effective internal financial control.
	Supply Chain	There has been interruption in supply of raw material and packing material to the Factory during lockdown which is being regularized.
	Demand for its products/services	Initially during the lockdown, sales of the product dropped but now things are being improved. The normal operation is expected to be achieved by end of July, 2020 and onwards.

