



THE PERIA KARAMALAI TEA & PRODUCE CO LTD.

August 7, 2020

The Listing Department,
National Stock Exchange of India Limited
Exchnage Plaza, C-1, Block-G
BandraKurla Complex, Bandra (E)
Mumbai – 400 051
Scrip Symbol: PKTEA

The Listing Department
The Calcutta Stock Exchange Ltd.
7, Lyons Range
Kolkata – 700001
Scrip Code: 10026140

Dear Sir / Madam

Ref:- Disclosure under Regulations 30 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (the Listing Regulations) –

Sub:- Update on Impact of COVID – 19 on the Company's Business Operations: - reg.

Pursuant to Regulation 30 of the Listing Regulations read with SEBI Circular NO: SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, an update relating to the impact of COVID – 19 pandemic and the resultant lockdown is given below.

1. Impact on the Business Operation:-

Due to outbreak of COVID – 19 pandemic and the complete lockdown imposed by the Central and State Government since 24th March 2020, the company had adverse impact on the business of the Company. The Governments across the globe has imposed lockdown and they were implemented social distancing norms as one of the tools for the containment of pandemic as a result workers were reluctant to work in the field due to which plucking of tea leaves was drastically reduced. Post resumption of the operations at our factories, it could not be fully operational due to non availability of tea leaves, skilled labours and transportation. Our tea gardens are mostly relying on migrant worker from surround areas. The availability of chemicals and fertilizers were affected due to non availability of logistics and stocks in their godown. Although the Central and the State Government had allowed to work with full, declared & classified our product as essential commodity and easing of restriction imposed from second week of April onwards, our company has suffered production loss. The estimated annual production also has fallen sharply and marketing of tea also affected due to lock down of auction centres in Cochin and Coimbatore during March'20 and April'20. The Government permitted to deploy only 50% of labour force until May 18, 2020 and later on permitted with 100% full labour force.

In south India the maximum crop was achieved during the 1st quarter itself fortunately the pre monsoon summer shower was also sufficient to enhance the growth. Our expected production during 1st quarter was 13 Lakhs but we have actually produced only 11.1 lakhs because of purely lack of nutrition.



L N B A N G U R G R O U P O F C O M P A N I E S



REGISTERED OFFICE

7, Munshi Premchand Sarani, Hastings, Kolkata - 700 022,
India L : +91 33 22230016 / 18 F : +91 33 22231569

CORPORATE ADDRESS

3rd Floor, Uptown Banjara, Road No. 3, Banjara Hills, Hyderabad
500 034, India L : +91 40 47861111 | F : +91 40 23553358



THE PERIA KARAMALAI TEA & PRODUCE CO LTD.

South west monsoon this current year commenced during last week of May 20, however due to outbreak of Covid – 19 there was huge shortage of weedicide chemical and NK Based fertilizer which affects our cropping pattern.

2. Ability to maintain operations :-

After the announcement of lockdown, all the employees of Registered Office at Kolkata, Head Office at Coimbatore and Marketing Office at Hyderabad were advised to work from home. The company has resumed its factory operation from first week of April 2020 as per the guidelines of Central and State Government since the State Government and Central Government has declared and classified tea as essential commodity. The company is taking due care of all preventive measures like social distancing, using of face mask and sanitization are being followed.

3. Schedule, if any for restarting the Operations and steps taken to ensure smooth functioning of operations. :-

As stated above the company strictly adhere to the norms and guidelines issued by the Central and State Government for resumption of factory operations. Strict measures ensuring social distancing, hygiene practices and sanitization of premises, to ensure safety of our workers / employees at work place has been implemented and monitoring to practice the same without hassles. The company has taken severe steps to cut the cost of production and to take steps to sustain the operation / business and to optimise the use of its available financial resources ensuring that required operations are not affected adversely.

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

The temporary closure of factories and operations, capacity reduction will have an adverse impact but the same could not be quantified. The management is continuously monitoring the situation and implementing various precautionary measures.

- i) Capital and Financial Resources:- As per our assessment at this stage there will be an impact on the working capital and financial resources. The production also affected drastically at this present situation and it may vary in future based on relaxation / restrictions by the Central / State Government.
- ii) Skilled Workers / Labourers:- Most of the workers are from surrounding areas and they were moved to their native place due to COVID -19 pandemic which drastically affects our production. They may return to work place once the normalcy happens in the Country. Till such a time our company is struggling for workers / labourers which results reduction in harvesting of tea leaves.
- iii) Profitability:- In view of the above, the profitability of the company for the financial year 2020-21 would have definite adverse impact.



L N B A N G U R G R O U P O F C O M P A N I E S

REGISTERED OFFICE

7, Munshi Premchand Sarani, Hastings, Kolkata - 700 022,
India L : +91 33 22230016 / 18 F : +91 33 22231569

CORPORATE ADDRESS

3rd Floor, Uptown Banjara, Road No. 3, Banjara Hills, Hyderabad
500 034, India L: +91 40 47861111 | F: +91 40 23553358






THE PERIA KARAMALAI TEA & PRODUCE CO LTD.

- iv) Liquidity:- Delay in realization of sale of tea from the customers have liquidity impact in working capital circle and increase in finance cost.
- v) Assets:- Due to shutdown of our factories for some period, the maintenance of machineries and others have minimal impact.
- vi) Internal financial reporting and Control:- Taken every steps to maintain control and is being carried out as usual.
- vii) Supply Chain: - The logistics and auction centres are getting restored gradually and taking steps to place tea for auctions.
- viii) Demand for its products / services: - Even though the logistics and auction centres are restored gradually, the demands for tea are seems to be low.
- ix) Impact on financial statement for the FY 2019-20:- The Company has completed fourth quarter accounts and the year ended March 31, 2020 and published its results on 15.06.2020.

Thanking You

Yours Truly

For The Peria Karamalai Tea & Produce Co. Ltd


Lakshmi Niwas Bangur
Director
DIN:00012617



LN BANGUR GROUP OF COMPANIES

REGISTERED OFFICE

7, Munshi Premchand Sarani, Hastings, Kolkata - 700 022,
India L : +91 33 22230016 / 18 F : +91 33 22231569

CORPORATE ADDRESS

3rd Floor, Uptown Banjara, Road No. 3, Banjara Hills, Hyderabad
500 034, India L : +91 40 47861111 | F : +91 40 23553358

