

Date: 22nd June 2020

The Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers
1st Floor, New Trading Ring
Rotunda Building
Mumbai - 400 001

Listing Department
National Stock Exchange of India Limited
Plot No. C/1, Block-G
Exchange Plaza, 5th Floor,
Bandra Kurla Complex, Bandra (E),
Mumbai 400 051

Dear Sir/Madam,

Sub: Disclosure of material impact of CoVID-19 pandemic on the business under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to the Circular vide ref no. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 issued by the Securities and Exchange Board of India, we would like to disclose the material impact of CoVID-19 pandemic on the operations of the Company as enclosed below.

You are requested to take this information on record.

For Somany Home Innovation Limited



(Payal M. Puri)
Company Secretary and V. P. Group General Counsel

Name: Payal M. Puri
Address: 301-302, 3rd Floor, Park Centra, Sector-30, Gurugram-122001
Membership No. 16068

Somany Home Innovation Limited

Corporate Office: 37 B, Echelon Institutional Area, Sector-32, Gurugram, Haryana-122 001, India. T. +91 124 2889300
Registered Office: 2, Red Cross Place, Kolkata-700001, West Bengal, India. T. +91 33-22487407/5668
wecare@hindware.co.in. | www.shilgroup.com | CIN: L74999WB2017PLC222970

A. Impact of the CoVID-19 pandemic on the business; Ability to maintain operations including the factories/units/office spaces functioning and closed down; Schedule, if any, for restarting the operations; Steps taken to ensure smooth functioning of operations.

Due to Global Pandemic COVID 19 outbreak, Government of India had announced lockdown on 23rd March 2020 and ordered temporary shutdown of all non-essential businesses, imposed restrictions on movement of goods, travel, etc.

The company is engaged in business of consumer goods like kitchen chimneys, hoods, hobs, water heaters, air coolers, air purifiers, water purifiers, fans, furniture, furnishings and home improvement products. The company also has one material subsidiary Brilloca Limited, which is engaged in business of building products, sanitary ware, faucets, other bathroom accessories, CPVC/UPVC pipes and fittings (hereinafter collectively referred as the "Company").

As businesses of Company fell under non-essential category, the Company had temporarily shut down its operations at different locations including its offices, regional sales offices, warehouses and depots as per the lockdown instructions from Government. Given the fact that lockdown has been relaxed over last few weeks, the operations of the Company have resumed in phased manner in month of May 2020 and June 2020 and is as per norms stipulated by various central and state Governments towards COVID-19.

The Company continued to incur fixed costs relating to its businesses during the lockdown period, despite lower level of sales. With current gradual easing of lockdown measures over last few weeks and pickup of demand in markets, the Company is looking forward towards gradual ramp up in sales orders and dispatches of products to its customers.

B. Details of impact of CoVID-19 on listed entity's: Capital and financial resources; profitability; liquidity position; ability to service debt and other financing arrangements; assets; internal financial reporting and control, supply chain; demand for its products/services.

The Company presently possess adequate financial resources to cover its commitments for near future and is also considering several measures to further optimise operations, operational costs and use of financial resources. The sales and profits of company have been adversely impacted during lockdown period. With relaxations in lockdown after 18th May 2020, the demand and sales of company's products have slowly started building up.

The company has paid all its financial commitments to its lenders on time and has not opted for moratorium offered by the lenders as per the RBI guidelines relating to COVID-19 Regulatory Package dated 27th March 2020.



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The Company currently has sufficient level of finished goods inventories to cater to the current demand from its customers and has also started receiving the sales collections from its customers. The Company is in regular touch with respective business partners including customers, suppliers, vendors, supply chain providers, bankers to ensure smooth functioning of the operations and control systems.

The assets of the company are being maintained to keep them in good working condition.

The internal financial control over financial reporting, disclosure controls and risk assessment and minimization procedures are maintained, continued and followed.

With conditions of lockdown getting relaxed, company expects that the demand of its products will build up in phases as retail markets open up and consumer confidence gets built.

C. Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business.

There is no failure in performance by the Company of its obligations envisaged in existing agreements entered into by it, which may have material effect.

D. Estimation of the future impact of COVID-19 on its operations.

Considering the fact that the situation is exceptional and is changing dynamically, the Company is not in a position to quantify the future impact of current pandemic as external environment remains uncertain and challenging. However, the Company is confident that demand will pick up going forward and company will be able to adapt to changing business environment to fulfil the market demands.

The contents herein above may contain forward-looking statements based on the currently held beliefs and assumptions of the management of the Company, which are expressed in good faith and, in their opinion, reasonable. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance, or achievements of the Company or industry results, to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements. Unless otherwise indicated, the information contained herein is preliminary and indicative and is based on management information, current plans and estimates. Given these risks, uncertainties and other factors, recipients of this document are cautioned not to place undue reliance on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements to reflect future events or developments.

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