



**PRISM JOHNSON LIMITED**

May 28, 2020

The National Stock Exchange Limited,  
Exchange Plaza,  
Bandra-Kurla Complex,  
Bandra (E),  
Mumbai - 400 051  
Code : PRSMJOHNSN

The BSE Limited,  
Corporate Relationship Department,  
P. J. Towers,  
Dalal Street, Fort  
Mumbai - 400 023  
Code : 500338

Dear Sirs,

Re : Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Further to our letter dated April 16, 2020 and pursuant to SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, please find attached herewith the Update regarding Impact of Covid-19 on the business of the Company.

This is for your information and records.

Thanking you,

Yours faithfully,

for **PRISM JOHNSON LIMITED**

**ANEETA S. KULKARNI**  
**COMPANY SECRETARY**

Encl. : As above



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Registered Office: Prism Johnson Limited, 305, Laxmi Niwas Apartments, Ameerpet, Hyderabad - 500 016, India.  
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CIN: L26947TG1997BI0014033

## **Prism Johnson Limited**

Health and safety have gained paramount importance during the lockdown period. At Prism Johnson too, we undertook measures to ensure health and safety of all employees and stakeholders.

Prism Johnson has provided Covid-19 Testing Machine worth Rs 65 lacs to Madhya Pradesh Government. This machine is one of the most advanced machines available presently and can accurately do about 1,000 tests per day. This will help the Madhya Pradesh Government to do quick and accurate Covid-19 tests on patients and help in controlling the spread of the contagious virus.

Global experts have underlined that an event such as Covid-19 pandemic is once in a life time. There would be behavioral changes of all the concerned. At the same time, we believe Rural and Individual Housing Segment demand to normalize and pick up better than Urban demand. We have witnessed better than expected cement demand in Satna Cluster, where the Company operates, since the end of April till date.

As a matter of responsibility, kindly find below the updates on the three Business Divisions (Cement, HRJ and RMC) of Prism Johnson Limited, considering the impact due to lockdown. The below update has few forward looking statements.

### **Impact during Q4FY20**

- All employees have been fully paid for the month of March in time.
- Cement and HRJ Division have maintained sufficient stock of Finished Goods at Company level and its channel level and requisite levels of raw material pursuant to easing of lockdown conditions
- Because of lockdown, volumes in all the three Divisions got impacted. At the same time, it would be difficult to quantify the loss

### **Updates during the quarter under review - Q1FY21**

The Central Government and few State Government relaxed the lockdown partially in April 2020 to start economic activity. Adhering to the framework and guidelines of MHA, the Company started despatches / production during the quarter.

Mandatory safety and equipment health audit checks were carried out at facilities and appropriate locations before restart of operations.

Cement Demand is reasonably good in Rural sector due to the support of government and Individual House Building segment. Cement Division sales volume are in line with May 2019 volume until date. Non-Trade sales is picking up slowly with government push towards job creation through infrastructure and highways.

Work on critical WHRS project has resumed from April 2020. Based on current assessment we expect commissioning by November 2020 in a phased manner.

In case of HRJ and RMC Division, despatches have resumed in May in view of staggered opening of markets. The channel off-take in case of tiles has been subdued until first half of

May. Post that we have seen moderate pick-up in tile sales. Retail trade is expected to be slowly opening up and it probably will take some time for footfalls to return to normalcy.

Few RMC plants outside the containment zone have resumed operations as per State directives

### **Offices / Work from home / Training programs and digital initiatives for engagement with all stakeholders**

- All officers outside plant location and other offices across the Country are working from home since start of lockdown until date.
- IT, GPS, Web tools and Digital support systems have been in development for some years. These are working well which enabled working from home including sales, logistics control, physical deliveries, collections, invoicing, accounting, customer support, management controls, virtual review meetings, etc

### **Finance and payment obligations**

- Employees above a certain grade level have taken salary cut. Accordingly, All employees have been paid for the month of April in time.
- All statutory obligations have been paid within time limit allowed by government with relaxations as announced
- The Company has been monitoring cash inflows with continuous follow up with customers during lock down period and managing vendor payments
- Because of follow-up trade collections have been better
- The Company has not opted for moratorium with any banks / FIs for principal or interest payments. The Company did not opt for moratorium on TDS and made all payments in time

Over the years, the Company has been proactively managing its liquidity profile. Given the current challenges, the Company continues to explore its strategy of pre-payment / refinancing of loans well in advance

Kindly refer to the Company's Investor Presentation – May 2020, which would be uploaded on the exchanges and Company's website

The major focus during lockdown period is on preserving cash and reducing fixed costs

### **Impact for rest of FY21**

- Going forward demand improvement would depend on
  - Complete lockdown lifted from which date
  - Second wave of pandemic if at all
  - Monsoon, which currently is forecasted to be normal
  - Behavioral changes
- Broadly we expect rural and IHB demand to normalize and pick up better than urban institutional demand

- Initiatives to be taken during the year:
  - Fixed cost reduction across the Company
  - A good part of fixed cost reduction would be sustainable
  - To review inefficient and unprofitable operations
  - Scaling down capex
- We are looking Covid-19 as an opportunity to emerge as leaner, meaner and stronger organization once businesses start to normalize.