



Date: 20th July, 2020

BSE Limited
Department of Corporate Services
25th Floor, P.J. Towers
Dalal Street
MUMBAI-400001
Through BSE Listing
Security Code: 500380

National Stock Exchange of India Limited
"Exchange Plaza"
Bandra - Kurla Complex
Bandra (E)
MUMBAI – 400051
Through NEAPS
Symbol: JKLAKSHMI, Series : EQ

Dear Sir,

Re: SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May 2020
Disclosure of material impact of COVID-19 Pandemic

We had vide our Letters dated 23rd & 24th March, 2020 informed the Stock Exchanges about the temporary suspension of our operations across locations of our various units on account of the lock-down announced by the State Governments / Central Government after the out-break of COVID-19 Pandemic. Thereafter, we have vide our letters dated 16th & 20th April, 2020 informed the Stock Exchanges about the restart of our operations in a phased manner while conforming to the guidelines issued by the various State / District Administrations.

Subsequent thereto, we had made additional disclosures on the impact of COVID-19 Pandemic to the Stock Exchanges alongwith our Quarterly / Yearly Results declared on 20th May, 2020. We would now like to make following additional disclosures with reference to the aforesaid SEBI Circular:

1. Impact on Business

Due to the out-break of COVID-19 Pandemic across the globe and the subsequent lock-down announced by the State Governments / Central Government, the Company's Manufacturing facilities spread across various 5 States had to be temporarily suspended in line with the Government's directives. The Manufacturing activities were subsequently restarted at various Plants towards the end of April, 2020 in a phased manner by adopting series of precautionary & safety measures including compliance of the Standard Operating Procedures (SOPs) for Social distancing & other measures advised by Central/State Government & the Local Administration. However, the shut-down had an impact on the Revenues of the Company.

2. Ability to maintain operations including the factories/units/office, Schedule for Restarting of Operations and Steps taken to ensure smooth functioning

The continuity of business was considered of utmost priority with safety & security of Plants & manpower during the lock-down so as to ensure smooth restart of operations at short notice. The Company on its part took pro-active steps from the last week of March, 2020 itself in creating awareness & maintaining hygiene, clearer environment and social



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distancing, other advisories issued by the government during the lock-down period. SOPs were prepared to create awareness among employees about social distancing, thermal screening & sanitization & wearing of masks. To ensure the well-being of its employees, the Company had enabled work-from-home for its employees & took necessary steps to ensure seamless transition to the new ways of working for employees while at the same time ensuring continuity of business operations. The Company has been in continuous dialogues with External & Internal Stakeholders through various digital platforms. Quick Response Teams were formulated across various Manufacturing facilities for the smooth transition of the Business after the restart of the operations after the relaxations in the guidelines of the lockdown.

The Company has also taken-up various CSR initiatives by way of distribution of sanitizers, masks & rations in coordination with the District / Local administration. The employees of the Company across all levels have donated one day salary to the PM-CARES Fund. In addition, the Company contributed Rs.75 Lacs directly to the PM-CARES Fund.

The Company has since resumed its operations at its various Plants with approval of the Government & in conformity with the guidelines of the Ministry of Home Affairs of India for close monitoring / implementation of the directives / guidelines issued by Regulatory Bodies from time to time.

3. Future Impact on Operations

Due to unpredictable and fast changing COVID-19 situation, it is very difficult to assess the future impact of COVID-19 on Business operations as we continue to reel under the impact of COVID-19 Pandemic. However, we are confident about our ability to manage this crisis through our financial stability, our trusted brands, our consumers, our committed employees and our quality of leadership.

4. Impact of COVID-19 Pandemic on the Company'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 is confident of recovering the Carrying amounts of all its Assets including Inventory receivables & Loans in the ordinary course of business based on the information available on the current economic conditions. The Company is continuously monitoring of any material changes in future economic conditions.

The Company's Capital & Financial Resources are well protected, though there has been an impact on its Sales. Lower Sales would impact the Company's profitability in the current Financial Year. There has been continuous review of the cash-flow position with focus being



on reduction in Receivables & on ensuring smooth supply chain management during the lockdown period. In addition, inventories of all the input materials, semi-finished goods, cement stock across all manufacturing facilities and inward / outward movement of raw materials & finished goods have been closely monitored.


The Company has a healthy Treasury Corpus and in order to further conserve cash to meet any unforeseen eventuality in future, the Company has partly availed of the Moratorium facility extended by the Banks as per RBI guidelines. The Company has sufficient liquidity & does not foresee any difficulty during the current Financial Year in meeting & servicing its Business obligations.

Given the uncertainty of the COVID-19 Pandemic, the final impact on Company's Assets in future may differ from what is estimated now.

5. Existing contracts / agreements where non-fulfilment of the obligations by any party will have significant impact on the Company's Business:

The Company is confident of fulfilling its obligations under the various existing contracts/arrangements. The Company does not foresee any major impact on the Company's business due to the non-fulfilment of its contractual obligations by any party arising out of existing contracts / agreements. However, there would be some delay in the implementation of Company's Waste Heat Recovery (WHR) Project at Sirohi, Rajasthan due to absence of migrant laborers at the Project site. The Company is taking all possible steps to minimize the delay.

Yours faithfully
For JK Lakshmi Cement Ltd.


(B.K. Daga)
Sr. Vice President &
Company Secretary