

PL/SEC/TGT/2020-2021/008

 Friday, 19th June, 2020

The Manager Listing Department National Stock Exchange of India Limited "Exchange Plaza", C-1, Block G Bandra-Kurla Complex, Bandra (E), Mumbai - 400051	Corporate Relationship Department BSE Limited 1 st Floor, New Trading Ring Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai 400 001
Script Code: PRICOLLTD	Script Code: 540293

Dear Sir,

Sub: Disclosure on Material impact of CoVID-19 pandemic

With reference to the SEBI Circular dated SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May 2020, we submit herewith the material impact of the CoVID-19 pandemic over the company

1. Impact of the CoVID-19 pandemic on the business

In line with the Central Government's instructions for the Nationwide complete lockdown. The company has closed all its plants across India from 23rd March 2020. The plants of the company were started operations in phased manner, as follows, after obtaining necessary approval from the respective government authorities.

Plant	Date of commencing operations
Plant I & III, Coimbatore	6 th May 2020
Plant II, Gurugram	9 th May 2020
Plant V, Pune	13 th May 2020
Plant VI, Uttarakhand	23 rd April 2020
Plant IX, Gurugram	11 th May 2020
Plant X, Sri City	18 th May 2020

The definitive impact on the business of the company cannot be assessed at this point of time. The sales and revenue of the company will be affected in line with the de-growth of auto sector due to the impact of CoVID 19.

2. Ability to maintain operations including the factories / units / office spaces functioning and closed down:

Required personnel were instructed to work from home to the possible extent due to the national wide lockdown from 23rd March 2020.

Contd..2



We are following the guidelines issued by the respective State Government from where the Plants of the company are situated, regarding the opening and operations of the plants and offices of the company.

3. Schedule, if any, for restarting the operations:

All the plants of the company have already resumed its operations but albeit on a reduced scale due to acute drop in sales and most importantly due to acute shortage of manpower in company's Northern and western plants.

4. Steps taken to ensure smooth functioning of operations:

Following steps were taken

- All the health and safety measures issued by the respective State Government's were strictly adhered.
- Issued health and safety guidelines for its employees and workers.
- Reusable masks were provided at the entrance and all the employees were requested to wear the mask and work inside the office & factory.
- All the employees were screened for temperature at the security gate through Infra-red thermometers on daily basis
- Regular sanitization of office and factory premises were carried out.
- Proper social distancing measures were taken and monitored.

5. Estimation of the future impact of CoVID-19 on its operations:

At this stage, the company is unable to assess the definitive impact of the CoVID 19 over the operations of the company. The sales and revenue of the company will be affected in line with the de-growth of auto sector due to the impact of CoVID 19 which is expected to be about atleast 40% across all vehicle segments on average.

6. Details of impact of CoVID-19 on listed entity's:

<p>i. Capital and financial resources</p>	<p>The Equity capital of the company remains unchanged. The company is taking necessary steps to ensure adequate financial resources for carrying out the operations; nevertheless support from banks and FIs are not forthcoming as they do not have clarity.</p>
<p>ii. Profitability</p>	<p>Company's profitability will have a major impact due to stoppage of production and reduction in turnover of the company. The details of the impact will be known only after the completion of audit for the quarter ended 31st March 2020 and for the respective quarters of FY 2020-21.</p> <p>It is expected that the profitability will improve gradually once sales improve and stabilise.</p>
<p>iii. Liquidity position</p>	<p>The company is doing its best under the circumstances to take whatever steps possible to ensure liquidity to meet its commitments.</p>

Contd..3



iv. Ability to service debt and other financing arrangements	Moratorium is available until August 31 st as per RBI directives. Basis improvement in sales to normal levels; the company would be in a position to service its obligations.
v. Assets	There is no impact over the assets of the company.
vi. Internal financial reporting and control	There is no impact of the internal financial controls.
vii. Supply chain	<p>During the lock down period, the supply chain was fully disrupted.</p> <p>Furthermore the company is also suffering from shortage of materials from suppliers due to their shutdown and worker shortages. Many suppliers of the company are located in containment zones in the Chennai area as well as in Maharashtra which has badly affected supply chains. Logistics costs have also increased by the service providers due to shortage of drivers and loadmen.</p> <p>Presently, the situation is gradually improving with the relaxation of lockdown norms by the Government but we expect normalcy to return only by end of September</p>
viii. Demand for its products/services	At this stage, the company is unable to assess the definitive impact of the CoVID 19 over the demand for its products.

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

We are not foreseeing any significant impact, due to non-fulfilment of the obligations.

8. Other relevant material updates about the listed entity's business.

Nil

Thanking you

Yours faithfully,
For Pricol limited


T.G.Thamizhanban
Company Secretary
ICSI M.No: F7897

