PRASHANT INDIA LTD.
CIN No. L15142GJ1983PLC006574

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10.06.2020

To,
The Manager
BOMBAY STOCK EXCHANGE LTD
Department of Corporate Service
1ST Floor, P.J Towers,
Dalal Street Mumbai- 400001.

Dear Sir / Madam,

Scrip Name: Prashant India Limited
Script Code: 519014

Sub: Intimation under Regulation 30 of SEBI(LODR) Regulations ,2015- Disclosure of Material Impact of covid-19

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we hereby submit the disclosure of Material Impact of Covid-19 Pandemic on the Company.

Kindly take the same on your records and oblige

Yours Truly,

For Prashant India Limited

Ritika

Ritika Mundra Panpaliya
Company Secretary & Compliance Officer
M No.: A56636

RITIKA MUNDRA PANPALIYA
COMPANY SECRETARY
M. NO. A56636

Encls: As above

Regd. Office: Block 456, Palsana Char Rasta, N. H. 8, PALSANA - 394 315. (Dist. Surat Gujarat.)
Ph.: 9375055557, E-mail :cs.prashantindia@gmail.com, Website : www.prashantindia.info

<u>DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC</u>

Pursuant to the SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84, dates May 20,2020 in disclosure of Material Impact of Covid-19 Pandemic are as under:

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

❖ The lockdowns and restrictions imposed on various activities due to covid-19 pandemic have posed challenges to the business. There is huge impact of CoVID-19 pandemic on our business. Since yet the situation is not stabilized. Every day, cases of covid-19 are increasing and in this period , no one is going to buy the cloth as it is not a basic need. After the lockdown, we have not received any orders and there are less than 10% of the laborers in the factory(Most Laborers are Migrants).

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

❖ The Company has started and are in Job work but there is no demand for the work after the lockdown. We are running factory on the orders and there are no orders yet after the lockdown.

3. **Schedule, if any, for restarting the operations and Steps taken to ensure smooth functioning of operations;**

❖ With the lifting of the lockdown restrictions, the company has started the factory in the non-containment zones, after establishing thorough and well-rehearsed safety protocols. These Protocols include compulsory use of face masks, hand sanitizer, maintaining social distancing. As Soon as we get the required laborers and there are increased in orders, we will get a flow of our daily work.

4. **Estimation of the future impact of CoVID-19 on its operations;**

❖ Nearly one and half month , company was in lockdown. Thus, Company is expecting to incur a very heavy cash losses.

❖ We expect to reach 50% of the product utilization by next 6 months.

5. **Details of impact of CoVID-19 on listed entity's-**

a) **Capital and financial resources;**

❖ Since the financial position of the Company is already week, the closure of business operations will have severe impact. The Company will not be able to meet with its fixed business expenses.

b) **Profitability;**

❖ Company is expecting to incur a very heavy cash losses. The covid-19 situation is expected to adversely affect the profitability during this year.

c) **Liquidity position;**

❖ We are doing job work, there are no orders yet, so it will be difficult for us to maintain the liquidity to survive.

d) **Ability to service debt and other financing arrangements;**

❖ The Company is a sick Company and is already unable to serve debt and other financial arrangements, which position may worsen due to covid-19 effect.

e) **Assets;**

❖ There is no effect on assets of Company.

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f) **Internal Financial Reporting And Control;**

- We will enforce strict cost control measures and avoid those expenses which can be postponed for some time.

g) **supply chain;**

- The Company is doing job work only. There is no effect on Supply chain.

h) **demand for its products/services;**

- Since yet the situation is not stabilized, there is no demand for the work.

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

- Whatever pending orders are there before the lockdown has been cancelled by the customers, since our customers are facing problem, we have a fear of huge losses.

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