



PNC Infratech Limited

An ISO 9001 : 2015 Certified Company

Ref No: PNC/SE/26/20-21

Date: 06.07.2020

To,
The Manager
The Department of Corporate Services
BSE Limited
Floor 25, P.J. Towers,
Dalal Street, Mumbai-400 001
Scrip Code: 539150

To,
The Manager
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai- 400 051
Scrip Code: PNCINFRA

Dear Sir,

Sub: Disclosure under Regulation 30 of LODR (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"/'LODR')

Pursuant to Regulation 30 of LODR and Security and Exchange Board of India (SEBI) Circular No. **SEBI/HO/CFD/CMD1/CIR/P/2020/84** dated 20 May 2020. Please find enclosed herewith the subject disclosure with regards to Impact of CoVID-19 pandemic on the business, performance and financials of PNC Infratech Limited.

Thanking you,
For PNC Infratech Limited

Tapan

Tapan Jain
Company Secretary & Compliance Officer
ICSI M. No.A22603



Encl: 2/2



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

Pursuant to the nationwide lockdown imposed by Government of India (GoI) vide Ministry of Home Affairs'(MHA) Order dated 24.03.2020, construction work across all the Company's Work Sites including EPC and HAM projects were suspended w.e.f. 25.03.2020. The user fee (toll) collection operations by Company's subsidiary SPVs were also suspended at all the operational national highway project from 1200 noon of 26.03.2020, pursuant to the directives issued by the Ministry of Road Transport & Highways (MoRTH) and National Highways Authority of India (NHAI).

Going forward, in terms of MHA's order No. 40-3/2020-DM-I(A) dated 15 April 2020 and upon obtaining required permissions from the respective local administrations, Company resumed the construction activities across all our construction projects progressively from 20 April 2020 onwards, ensuring compliance to the guidelines issued by the authorities. Though initially progress could not be ramped up rapidly at the sites due to departure of majority of migrant labour and disruptions in the supply chains, is picking-up gradually and may take few more months to reach the normal (pre-lockdown) levels. Pursuant to the directives from MoRTH & NHAI, Company also resumed user fee (toll) collection operations at all the MoRTH and NHAI BOT-Toll Projects w.e.f. 20.04.2020

Company has taken cognizance of the relief measures announced by MoRTH vide MO No. CoVID-19/RoadMap/JS(H)/2020 dated 3.6.2020 to the Contractors/Developers of Road Sector pursuant to the economic revival package announced by GoI under the Atmanirbhar Bharat Abhiyan. Company is in the process of availing the above relief measures as applicable to mitigate losses being suffered due to the lockdowns, to the extent possible.

2. Ability to maintain operations including the factories/units/office spaces functioning and close down, and Schedule if any, for restarting the operations.

As Company's capabilities are backed by mostly owned construction equipment, mining and aggregate crushing facilities, in-house planning & execution teams, in-house construction, could able to close down and restart the operations as per the requirements and need of the situation, complying with the requirements laid down in the applicable SOPs.

3. Steps taken to ensure smooth and safe functioning of operations.

Considering the difficult situation and challenges, Company has taken various steps for smooth and safe functioning of operations in pursuance to the guidelines and SOPs issued by the government authorities, that include six feet social distancing at work places, personal hygiene, thermal scanning, provision of face masks & gloves, setting-up of isolation rooms, staggering of work and food timings, permitting persons above 65 years of age, people with comorbidities, pregnant women to work from home, asking all employees/workmen to frequently wash hands with soap, provision of sanitizer dispensers, restriction for all non-essential visitors, allowing work from home by certain percentage of employees, team rotation policy among other precautionary measures.

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

Given the uncertainty and unpredictability, it would not be possible to estimate the future impact of CoVID 19 pandemic on the Company's operations. However, with the support of Government Authorities, Project Proponents and various measures being undertaken to mitigate the adverse impact of the pandemic, the Company should be able to endeavor minimizing the impact on its operations in future.

5. Details of impact of CoVID-19 on capital and financial resources, profitability, liquidity position, ability to serve debt and other financing agreements, assets, internal financial reporting control, supply chain, demand of its products/services.

- **Capital and Financial Resources:** Company is having sufficient capital and financial resources to meet the business requirements including equity to be infused in all its ongoing fund-based projects.
- **Profitability:** Impact on the profitability of the Company due to CoVID-19 in the financial year FY 20 was marginal. Owing to uncertainty and unpredictability, it is difficult to say about what extent the profitability of Company will get impacted in FY 21 as of now.
- **Liquidity Position:** Company is having adequate liquidity to meet the requirements for the business operations, going forward.
- **Ability to serve debt and other financing agreement:** Company has been serving the debt within the timelines, in terms of the financing agreements and don't foresee any difficulty in serving the debt in the near future also.
- **Internal financial reporting control:** Company is having required internal financial reporting and control systems in place.
- **Supply chain, demand of its products/services:** Supply chains were disrupted during the lockdown spells and started restoring gradually after movement of goods allowed by Govt vide MHA order dated 15 April 2020. Though there is still a moderate demand-supply gap in some of the construction items, Company is closely interacting with all its suppliers and vendors for streamlining the supplies and their delivery schedules.
- **Demand of its products/services:** Infrastructure sector is one of the major contributors to the employment generation and socio-economic development of the country. The Task Force on National Infrastructure Pipeline (NIP) submitted its final report to the government in April, 2020, which projected investments to the tune of Rs. 111 lakh crore during period between 2020 and 2025. The final report mentioned that 18% of the targeted investment is expected to be made in roads sector, which includes development of overall 60,000 km of national highways including 2,500 km of expressways, 9,000 km of economic corridors and other roads by 2024. Under Bharatmala Pariyojana, government has targeted construction of about 65,000 kms of national highways, of which NHAI has been given mandate to construct about 27,500

km in Phase I. Given the huge opportunities in the Infrastructure space in general and roads sector in particular, there would be substantial and sustained demand for Company's products i.e. development of highways and expressways in the near future.

- **Order Book:**Company's unexecuted order-book as on 31st March 2020 was over Rs. 8600 Crore. The order book value does not include the HAM project of 4 laning of Challakere to Hariyur section of NH 150A in Karnataka with Bid Project Cost of Rs. 1157.0 crore and recently secured four new HAM projects with an aggregate Bid Project Cost of Rs. 6596.0 crore. The order-book gives a distinct execution and revenue visibility for the next 2-3 years.

6. Existing contracts/agreements where non-fulfillment of the obligations by any party will have significant impact.

Company have been fulfilling its contractual obligations in all its existing contracts/agreements without any material omissions. However, even in case of any delay in fulfilment of any of the obligations due to the outbreak of CoVID 19 pandemic and consequent restrictions (lockdowns, curfews etc) imposed by the governments, there will not be any significant impact as the same are exempted under the 'Force Majeure Event'provisions of the respective contracts/agreements.

7. Other relevant material updates about the business.

Company is watching the situation closely as it is unfolding, to prepare itself to deal with it going forward and will continue to share all the relevant material updates about its business operations from time to time.