



## ARSS INFRASTRUCTURE PROJECTS LTD.

10 June 2020

Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers 1st Floor, Rotunda Building, Dalal Street, Mumbai- 400 001  <b><u>BSE Scrip Code - 533163</u></b>	National Stock Exchange of India Limited, Exchange Plaza, Plot No-C1, G Block Bandra Kurla Complex, Bandra (E), Mumbai-400 051  <b><u>NSE Symbol: ARSSINFRA</u></b>
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Dear Sir / Madam,

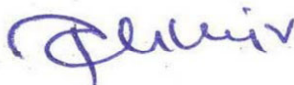
**Subject: Impact of COVID-19 disclosure pursuant to SEBI Circular No.: SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020**

With reference to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, we hereby enclose the disclosure on impact of COVID-19 required as per Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements), Regulation, 2015, which is self-explanatory.

The same is submitted for public dissemination and for your records.

Thanking you,  
Yours faithfully,

For ARSS Infrastructure Projects Limited

  
(Prakash Chhajer)  
Company Secretary &  
Compliance Officer  
FCS-8473



Enclosed: As Above

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**CIN : L14103OR2000PLC006230**



## ARSS INFRASTRUCTURE PROJECTS LIMITED

### DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC

Pursuant to the SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 on disclosure of material impact of Covid-19 pandemic are as follows: -

<u>S. No.</u>	<u>Particulars</u>	<u>Disclosure</u>
1.	Impact of the Covid-19 pandemic on the business	The COVID -19 pandemic is a global health crisis which is unprecedented. In these unusual times, our primary focus at ARSS has been on employee safety and safeguarding. The Company's various project sites remained shut from March 23, 2020 due to lock down, which has impacted its operations during April and May' 2020. Most of project sites are still shutdown due to migration of labour. The company is trying to contact them to resume the duty so that the company can start its projects to some extent.
2.	Ability to maintain operations including the factories/ units/office spaces functioning and close down	The company has little bit started its operations at few project sites and Head office with available workforce, from June 1, 2020, adhering to the safety norms prescribed by the Government of India.
3.	Schedule, if any, for restarting the operations	
4.	Steps taken to ensure smooth functioning of operations	The company is taking utmost care of its staff and work force like sanitation, social distancing, mandatory mask wearing, thermal check at the gate, maintaining proper hygiene. Supply of material at project sites is being monitored to ensure availability of material. We have taken initiative measures to control cash flow, capital & overhead expenditure so that we can smoothly manage our operations.
5.	Estimation of the future impact of Covid-19 on its Operation	April – June' 2020 being the lockdown months, the revenues and profitability of the company will be adversely impacted. As the business operation is facing a very critical situation, the company is closely monitoring it. Though we do hope the business situation should improve in 3 <sup>rd</sup> quarter and normalize during 4 <sup>th</sup> quarter.
6.	<b>Details of impact of Covid-19 on listed entity's:-</b>	
6.1	capital and financial resources	The Company's Capital and financial positions are badly affected. Since the OTS proposal has already been declined by the banks. The company is facing liquidity crunch. Also the company is witnessing delay in receivable collection from debtors.



6.2	Profitability	In view of lock down, the profitability during 1 <sup>st</sup> quarter and some extent to 2 <sup>nd</sup> quarter will be adversely impacted. As the business operation is facing a very critical situation, the company is closely monitoring it. Though we do hope the business situation should normalize during 3 <sup>rd</sup> and 4 <sup>th</sup> quarter.
6.3	Liquidity Position	As explained above, The company is facing liquidity crunch. Also the company is witnessing delay in receivable collection from debtors. Due to our receivable getting delayed, the cash positions are under stress. The company do hope cash positions to be normal by 4 <sup>th</sup> quarter.
6.4	Ability to service debt and other financing arrangements	As the Company's accounts are NPA and due to default in making the payment as agreed in compromise settlement, the State Bank of India has already cancelled the compromise settlement which was earlier intimated to the stock exchange(s). Since the cash positions is challenging with our limits, we are taking a tight control over the expenditure to reduce the cost to company.
6.5	Internal financial reporting and control	The company has taken initiative to control cash flow and overhead control measures to manage the operations, weekly review mechanism adopted to review the accounts receivables and measures taken to control the capital expenditure.
6.6	Demand for its services	The business of the company to develop the Railways and Roadways infrastructure and constructions. Demand of its business is resume to normal. Floating of tenders in the market by various Govt. Non-govt. PSUs are already stored and company has already started to participate in various tenders. There will be no impact in the demand of its services. However as the company is in construction business and the total work depending upon the availability of the labour. Though due to lock down and consequently the migration of labour, the company is facing crises of labour and try by its full afford to arrange the labour force so that the work at sites will resume at full force. We expect to improve in 3 <sup>rd</sup> quarter and normalize by 4 <sup>th</sup> quarter.
7	Existing contract/agreements where non-fulfilment of the obligations will have significant impact on the business of the company	We are trying to complete all our running projects as per the time line assigned to us. However if at any time, the management feels some difficulty at execution level due to labour crises, we will approach to the concern authorities for extension of some time for completion of the work as per direction issued by the government of India.