

31st July 2020

REF: 3107202/M/ZVL

To,
The Corporate Communication Department
Bombay Stock Exchange Ltd.
Dalal Street,
Fort, Mumbai — 400001

SUB: Disclosure of Material Impact of Covid-19 Pandemic on the Company

REF: Scrip Code: 503641

Dear Madam/Sir,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May 2020, we are hereby submitting the disclosure of material impact of Covid-19 pandemic on the operations and performance of the Company.

Kindly take the same on record.

Thanking you.

Yours sincerely,
For Zodiac Ventures Limited



Rustom Deboo
Company Secretary and Compliance Officer

MATERIAL IMPACT OF COVID-19 PANDEMIC ON OPERATIONS AND PERFORMANCE OF THE COMPANY

No.	Particulars	Impact
1	Impact of Covid-19 on Business	<p>Our offices were shut down due to COVID 19 pandemic and the consequent complete Lockdown effective from 23rd March 2020, which have now partially been resumed effective from 8th June 2020 consequent to the approval granted by the Central and State Governments.</p> <p>Like other industries, impact has been quite severe on us also. With regard to our sole subsidiary company Zodiac Developers Private Limited (ZDPL), sales have been adversely impacted as site visits could not be conducted due to ongoing lockdown. The collections were also impacted largely due to lack of progress in disbursement process and the financial institutions.</p>
2	Ability to maintain operations including the factories / units/office spaces functioning and closed down	<p>Pursuant to the guidelines and directives issued by the Ministry of Home Affairs, Government of India and the State Government authorities, the Company has resumed its operations at our offices with permitted work force but construction activities with respect to ZDPL have not resumed.</p> <p>Further, we have laid down Standard Operating Procedures (SOP), separately, for offices and for construction sites on the lines suggested by the guidelines and directives issued by the Ministry of Home Affairs to ensure maximum safety by abiding social distancing and other precautions in order to prevent any further spread of COVID-19.</p> <p>We are observing full compliance with the condition of operations stipulated to avoid any infection due to COVID-19.</p>
3	Schedule, if any, for restarting the operations	<p>Operations have resumed in a very limited manner with permitted work force, and construction activity pertaining to ZDPL will be resumed and scaled to normal level in a phased manner based on the directions issued by the authorities.</p>
4	Steps taken to ensure smooth functioning of operations	<p>The Company is taking utmost care of its staff and workforce like sanitization, social distancing, mandatorily wearing masks, thermal check of temperature at the gate, maintaining proper hygiene and continuously following guidelines as prescribed by the Central and State Government.</p> <p>The Company has enough resources to meet its obligations towards suppliers, and other service providers.</p>
5	Estimation of the future impact of COVID-19 on operations	<p>The temporary suspension of construction activities pertaining to ZDPL and the reduced level of operations are likely to have some financial impact, the extent of which is not quantifiable at this moment. We hope to be able to commence work in the near future. However, currently there is shortage of labour which is being addressed. It is very early to assess the future impact of Covid-19 with reasonable certainty. We expect some deferment in our delivery schedule and we also expect deferment of decision of home purchases by buyers.</p>

6	<p>Details of impact of COVID-19 on Company's:</p> <p>Capital and financial resources, profitability, assets, demand for products/service</p> <p>Ability to service debt and other financing arrangements and liquidity position;</p> <p>Internal financial reporting and control;</p> <p>Supply chain;</p>	<p>In this evolving situation, the overall financial impact or the duration thereof cannot be predicted with any reasonable certainty. The capital and financial resources, profitability and liquidity are likely to be adversely impacted due to COVID-19 lockdown.</p> <p>The pandemic might impact the purchasing power of prospective customers/buyers leading to some adverse impact on business and in turn financials of ZDPL, and as a consequence, of the Company, but the extent of the same cannot be ascertained at this time.</p> <p>Liquidity position of the company is very strained, and it will be a struggle to meet our future obligations.</p> <p>The Company has a strong Internal Audit framework in place to ensure operational efficiency, risk management and internal financial reporting and control.</p> <p>The management is keeping a close watch to ensure continuity and timeliness in supply of material for construction.</p>
7	<p>Existing contracts/agreements where non-fulfillment of the obligations by any party will have significant impact on the listed entity's business;</p>	<p>The Company does not foresee significant impact in respect of its existing contracts and agreements where the non-fulfillment of obligations by any party would lead to any material financial claim by or against the Company.</p> <p>The Company ensures that all the commitments are honoured in agreed and amicable time frame and as per agreed mutual interest of the parties.</p>
8	<p>Other relevant material updates about the business of the Company</p>	<p>The Company will keep its stakeholders informed as and when any material developments take place having significant impact.</p>