

June 09, 2020

The Corporate Relationship Department <b>BSE Limited</b> P. J. Towers, Dalal Street Fort, Mumbai 400001  <b>Scrip Code:532799</b>	The Listing Department <b>The National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex Bandra (East), Mumbai 400051  <b>Symbol: HUBTOWN</b>
--	--

**Sub: Disclosure on Material Impact of COVID-19 Pandemic****Ref: 1. Regulation 30 of ("SEBI LODR")****2. SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020.**

Dear Sir,

With reference to the captioned subject, we wish to inform you that, in view of the COVID19 pandemic, the Company has taken various measures (including work from home) to ensure safety and well-being of all the employees and is ensuring compliance with the directives issued by the Central Government, State Government and local administration in this regard. In view of the lockdown ordered by the Government of India across the country to contain the spread of COVID-19, the operations of the Company have also been disrupted.

In this regard, please find below the disclosure pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 on material impact of COVID-19 pandemic on the Company.

We request you to kindly take the aforesaid disclosure on your record.

Thanking you,

Yours faithfully,  
For **Hubtown Limited****Vyomesh M. Shah**  
**Managing Director**  
**DIN: 00009596**

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

Sr. No.	Particulars	Disclosure
1.	Impact of the CoVID-19 pandemic on the business	Covid -19 Pandemic has led to disruption in the business of the Company. We, being in the real estate sector, all our sites were completely shut down from 22.03.2020. Subsequently, the labour has migrated to its native place thereby leading to uncertainty on resumption of operations. All these factors will ultimately lead to delay in completion of projects and handing over of possession of units to Customers.
2.	Ability to maintain operations including the factories/units/office spaces functioning and closed down;	The operations a. At office was only partial due to shut down. Whatever was possible with work for home by staff were being done. b. At sites were complete shut, as was not permitted under shut down.
3.	Schedule if any, for restarting the operations	Uncertain as of now, as company and its most of the sites are based at Mumbai, where unlock is only nominal till 30 <sup>th</sup> June, 2020.
4.	Step taken to ensure smooth functioning of operations.	All the construction site, essential safety work are put in place. However with labour not available and office required to operate from 9 <sup>th</sup> June only with 10% staff strength, smooth functioning in near future is not possible. However care is being taken to ensure to maintain the functioning at the minimum level. Key employees do work from home.
5.	Estimation of the future impact of CoVID-19 on its operations.	1. Delay in completion of Projects. 2. Slow movement in Trade Receivables 3. Price ,may see downward trends. 4. High Inventory Cost. 5. Expected Cancellations of sold units. 6. Downward Valuation of inventory of FSI /Finished apartments and under construction units,  All the above factors will ultimately affect the profitability and Cash Flows of the Company, during current year .



Details of impact of COVID-19 on listed entity's:		
6.		
6.1	Capital and financial resources	No sales during the months of April'20 and May'20 with condition likely to improve only little in next one quarter. Since most of our operations are in Mumbai, which has most cases of COVID in the country
6.2	Profitability	Profitability for year 2020-2021, may get severely affected due to disruption in operations, reduced sales, cancellation of sales, mounting interest costs, downward valuation of inventory etc. Combined effect may see losses being reported in current year.
6.3	Liquidity Position	Though the Company is looking at avenues to raise funds, there is concern on the liquidity position of the Company. NBFC and Banks are not looking at real estate sector for funding and that is going to cause further stress on liquidity position. Severe pressure on liquidity position due to no sales and slowed down recovery, may require company to indulge in sales on differed payment basis and that too at distress prices.
6.4	Ability to service debt and other financial arrangements	Concerns exist.
6.5	Assets	All assets are safe and well protected.
6.6	Internal financial Reporting and control	Business MIS and reviews are on schedule. The Audit for the period ended March 2020 is underway
6.7	Supply Chain	Severely affected. Labour is just not available. All sites have only 10% of the required labour strength. Material supply are also under stress. On the top of it Cement and Steel, prices have gone up.
6.8	Demand for its products/services	Closure of economic activity has led to no Demand. Real Estate will be last priority for any person to purchase in todays pandemic situation. Our main product are flats at Mumbai, and which is most effected in this pandemic.



: 3 :

7.	Existing contracts/agreement where non-fulfilment of the obligation by any party will have significant impact on the listed entity's business	Delay in completion of projects will lead to non fulfilment of the obligation to deliver the ready units to the Customers as indicated in the sale agreements entered with customers. However Regulatory authority, RERA has allowed extension of six months in the date of completion. However considering the situation today, the extension required will be of atleast 9 to 12 months.
8.	Other relevant material updates about the business	The Company has been promoting its digital Platform for online rate request, booking, etc. to customers across the country.

Thanking You,

Yours Faithfully,  
For Hubtown Limited

(Authorised Signatory)

