



Commitment, Reliability & Quality

Dept. of Corporate Services – Corporate Relationship,
BSE Limited,
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai 400 023.

Listing Department,
National Stock Exchange of India
Limited,
Exchange Plaza, C-1, Block ‘G’
Bandra-Kurla Complex,
Bandra (East),
Mumbai 400 051.

Date	Our Reference No.	Our Contact	Direct Line
25 th June, 2020	SEC/06/2020	RAHUL NEOGI	91 22 67680814

Dear Sirs,

Sub: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) relating to impact of COVID-19 pandemic on the operations of the Company

Pursuant to Regulation 30 of the Listing Regulation read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, regarding Advisory on disclosure of material impact of Covid-19 pandemic on the operations of the Company, please find annexed herewith requisite information in this regard.

This is for your information and records.

Thanking you,

Yours faithfully,

For **ITD Cementation India Limited**

Rahul Neogi
Company Secretary

Encl: as above

ITD CEMENTATION INDIA LIMITED

Registered & Corporate Office: National Plastic Building, A - Subhash Road,
Paranjape B Scheme, Vile Parle (East), Mumbai - 400057.
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Corporate Identity Number: L61000MH1978PLC020435

ISO 9001, ISO 14001 & ISO 45001





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ANNEXURE

Impact of the CoVID-19 pandemic on the business

In view of the nationwide lockdown announced by the Government on account of outbreak of Coronavirus (COVID-19) pandemic, the Company temporarily stopped operations at its construction sites as per as per the directives issued by the Government authorities which impacted the Company's operations at various sites. Subsequently, post relaxation of the lockdown conditions, the business operations of the Company have gradually recommenced on a limited scale. The pandemic outbreak is still in an evolving mode and it is difficult to forecast its implications on the Company's operations.

Ability to maintain operations including the factories/units/office spaces functioning and closed down

Amidst the uncertainty of the growth outlook of the economy, the Company's order book stands at around Rs 11,700 crores as at 31st March, 2020, being historically the highest ever for the Company. The Company has strived continuously to secure contracts across the wide range of its portfolio. We believe that with gradual easing of restrictions, the Company will be able to overcome the adverse conditions and effectively manage its operations.

Schedule, if any, for restarting the operations

Many of the projects have resumed operations. However, with migrant workers heading towards their home town, the workforce available with the projects got depleted. For full-fledged resumption of operations remobilization of work force, not only for the projects but also for the associated members of the supply chain, is essential. Restarting of operations in normal mode will be possible only after these restrictions are removed and we are able to redeploy the requisite labour.

Steps taken to ensure smooth functioning of operations

In order to avoid spread of coronavirus among the staff and workmen of the Company, a detailed SOP, in line with the SOP circulated by Ministry of Home Affairs, has been put in place and being rigorously followed. The Company has encouraged work from home for most of its office staff. However, as per the Government directives, the Company's offices have started functioning with 10% staff strength. For construction activities at project sites, the Company is taking all possible measures to retain the labour force at project locations. The Company is also taking good care of the employees and labour force by ensuring the safest working environment at all its project sites and offices. The Management is also connecting with its customers, vendors, sub-contractors, bankers and other stakeholders to ensure business continuity in these difficult times.





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

The operations of the Company have been impacted in the short term. However, it is not possible at this stage to speculate how this situation will further unfold in future and what would be the long-term effect due to COVID. Although our project sites are presently operating, the level of construction activity is significantly lower than in the months immediately prior to the lockdown in March 2020. At this stage where we are yet uncertain on how the COVID situation will unfold, it will be difficult for us to assess the impact on our revenues and profitability in FY 2020-21.

Details of impact of CoVID-19 on listed entity's –

- **Capital, financial resources and liquidity-** At present, the Company's capital and financial resources are adequate to manage its operations.
- **Profitability** will be impacted during first two quarters, as it will not be possible to curtail the committed and fixed costs despite reduction in revenue.
- **Ability to service debt and other financing arrangements:** All payments to our lenders for repayment of principal/interest are regular. There is no delay or default in meeting any of our obligations to lenders or in the payment of statutory dues.
- **Assets:** The Company does not foresee any risk regarding the recoverability of assets and has the necessary insurances in place.
- **Internal financial reporting and control:** The Company has a robust internal financial reporting and control system which can also be operated remotely in a lockdown situation. Consequently, there was no adverse impact of lockdown on the Company's reporting and control mechanism.
- **Supply Chain:** The supply chain was impacted during the lockdown. However, with the easing of lockdown restrictions and availability of logistics support, the Company is witnessing an improvement in the supply chain. Availability of labour / work force however, continues to be a challenge due to the migration in May 2020.
- **Demand for services:** The Company's operations are mainly in the infrastructure space and any long-term reduction in demand for its services cannot be foreseen. However, some of the state Governments may reduce investment in infrastructure in the current fiscal to tide over the additional cost burden resulting from COVID-19.
- **Existing Contracts / Agreements where non-fulfilment of the obligations by any party will have significant impact on the company's business:** Almost all the running projects have suffered a setback and delay because of the pandemic and there will be time overrun. The Govt. of India has already taken note of this situation and has allowed extension of completion time upto 6 months without any penalty for government contracts. It is expected that private owners will follow suit and as such





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the delay in completion resulted from the pandemic may not lead to any contractual issue. There however, has not been any discussion on compensating the financial losses suffered by the contractors and the Contractors expect the government to come out with a suitable guideline in near future in order to address this issue.



FOR ITD CEMENTATION INDIA LIMITED

A handwritten signature in black ink, appearing to read 'Jayanta Basu'.

**JAYANTA BASU
(MANAGING DIRECTOR)**