



CONTINUING STABILITY

ARIHANT
SUPERSTRUCTURES LTD.
CONTINUING STABILITY

10th June, 2020

Corporate Relations Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	Listing Compliance Department National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051
Scrip Code: 506194 Class of Security: Equity	Symbol: ARIHANTSUP Series: EQ

Dear Sir/Madam,

Subject: Impact of COVID-19 pandemic on the Company under Regulation 30 of SEBI (LODR) Regulations, 2015.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 and SEBI Notification 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 listed entities", we hereby submit disclosure regarding "Impact of the COVID-19 pandemic on the business."

The above mention disclosure is attached herewith for your reference.

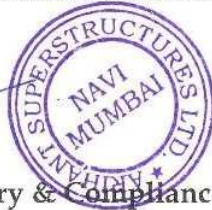
Thanking You,

Yours Faithfully,

For Arihant Superstructures Limited


Govind Rao

Company Secretary & Compliance Officer



Encl. As above

L51900MH1983PLC029643

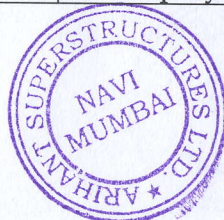
Arihant Aura, B-Wing, 25th Floor, Plot No 13/1,
TTC Industrial Area, Thane Belapur Road,
Turbhe, Navi Mumbai, Maharashtra - 400705

Tel.: 022 6249 3333
022 6249 3344

Website : www.asl.net.in
Email : info@asl.net.in

Impact of the COVID-19 pandemic on the business

S. No.	Particulars	Impact
1.	Impact of the COVID-19 on the business	<p>Due to sudden lockdown, the Operations of the Registered office & Construction Sites of the Company were closed with effect from 22nd March, 2020 which has been started with effect from 08th June, 2020 in accordance with the permission of Government Authority with necessary precautions.</p> <p>However, the lockdown due to Novel COVID-19 pandemic was imposed in India from 22nd March, 2020 which impacted bookings since then itself.</p> <p>We see this as deferment in demand as we find strong interest in our all projects and we hope that should translate into sales velocity over a period of time once lockdown is lifted and we revert to normal economic activity.</p>
2.	Ability to maintain operations including the factories/units/office spaces functioning and closed down;	<p>The company is working on various cost optimization and productivity improvement to emerge stronger COVID-19 pandemic. The Company is following the Government directives regarding the health and safety of the workforce.</p> <p>The company has put in place stringent monitoring processes for Covid-19 ensuring the following:</p> <ul style="list-style-type: none">• Thermal Screening of all employees and visitors.• Sanitizing the premises and vehicles on regular basis.• Maintenance of social distancing at all work places.• Enforcing wearing of masks and regular cleaning of hands.• Regular health updates of all the employees and their families.• All customers and vendors have been communicated about the measures taken by the Company• The Company made it mandatory for all the employee to download "Aarogya Setu App"



		launched by the government of India.
3.	Schedule, if any, for restarting the operations;	Company has resumed its operations at its Registered Office and various construction sites with effect from 8 th June, 2020, partially due to shortage of Migrant labourers & we expect them to return soon to work.
4.	Steps taken to ensure smooth functioning of operations	The company is taking utmost care of its staff and work force like sanitization, social distancing, mandatory mask wearing, thermal check at gate, maintain proper hygiene etc. for its Registered office and all Construction Sites.
5.	Estimation of the future impact of CoVID-19 on its operations;	<p>The Company expects construction to reach optimum levels in 3-6 months post lifting of lockdown as migrant labourers resume work gradually.</p> <p>April- June 2020 being lockdown months, the revenues and profitability of the Company shall adversely impact the Company. Though we do hope the business situation should normalize during 3rd and 4th Quarter.</p>
6.	Details of impact of COVID-19 on listed entity's :	
6.1	Capital and financial resources	<p>The company's capital and Banking facilities remain intact. There are no liquidity concerns as we have sufficient unutilized Banking limits available. The Company has liquidity to fund the fixed costs and expects the same to continue till normalcy returns.</p> <p>The effect of COVID-19 has not been material on the financials of the Company for the year and quarter ended March 31, 2020, since lockdown due to Novel COVID-19 pandemic was imposed in India from 22nd March, 2020, which impacted bookings since then only.</p>
6.2	Profitability	While our sales and profitability for the quarter were impacted due to the lockdown, it is not possible to ascertain the exact quantum thereof. However, due to the prolonged lockdown resulted in lower than budgeted sales in the month of April and May 2020, which in turn may adversely impact profitability.



6.3	liquidity position	The Company has a strong balance sheet with net cash position at the end of March 2020. The Company has adequate financial resources to continue its business operations, fund its working capital and meet its obligations.
6.4	Ability to service debt and other financing arrangements	<p>Liquidity position is gradually improving therefore the company is servicing its debt and other financial obligations in timely manner.</p> <p>The Company has availed a moratorium of Six months from its lending banks as a matter of abundant caution. The Company does not foresee any issue in its ability to service debt and other financing obligations.</p>
6.5	Assets	<p>The Company does not see significant incremental risk to recoverability of assets (Inventories, investments, Receivables, etc.) given the measures being taken to mitigate the risks.</p> <p>The Company has assessed the recoverability of the assets including receivables, property, plant and equipment, intangible assets and have made necessary minor adjustments to the carrying amounts by recognizing provisions / impairment of assets.</p> <p>However, the actual impact may be different from that estimated as it will depend upon future developments and future actions to contain or treat the disease and mitigate its impact on the economy.</p>
6.6	Internal Financial Reporting and Control	There is no impact on internal financial controls due to the COVID19 situation, given the steps taken as indicated in point no. 4 and robust change control processes.
6.7	Supply Chain	<p>The supply chain was disrupted due to the lockdown since March, 2020 to May, 2020. The operations were however not affected as all sites were closed during the period.</p> <p>However, the situation is improving gradually with Central & States relaxing lockdown norms.</p>



6.8	Demand for its products/services	<p>The Company believes that residential housing demand will see green shoots around Diwali and expects healthy recovery around December 2020 onwards. Within residential real estate, it expects demand for affordable to mid-income segment (Rs. 35-80 lakhs) to revive the fastest.</p> <p>Investor led demand is also expected to see revival. With the equity market at its most volatile, and real estate prices in India subdued, investors are also looking towards real estate to diversify risk and earn healthy returns.</p>
7	Existing contracts/agreements where non-fulfillment of the obligations by any party will have significant impact on the listed entity's business.	<p>Delay in completion of projects will lead to non-fulfillment 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 for the date of completion.</p>
8	Other relevant material updates about the listed entity's business.	<p>The Company has been promoting its digital Platform for online rate request, booking, etc. to customers across the country.</p>

