

Ref: CIL/STEX/2020-21/01

Date: May 29, 2020

To  
The Secretary,  
BSE Limited  
Corporate Relation Dept,  
P.J. Towers,  
Dalal Street, Fort,  
Mumbai-400 001

The Secretary,  
National Stock Exchange of India Limited  
Plot No. C/1, G Block,  
Bandra Kurla Complex  
Bandra (East)  
Mumbai-400 051

Scrip Code – /Scrip Id: 540710/CAPACITE Scrip Symbol: CAPACITE

Dear Sir/Madam,

**Ref: Disclosure of material impact of COVID-19 pandemic on the Company**

**Subject: Intimation under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

This is in continuation to our earlier intimation dated March 23, 2020 and pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular bearing Ref. 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 and performance of the Company and SEBI Circular No CIR/CFD/CMD /4/2015 on continuous Disclosure requirement dated September 09, 2015.

**Update on COVID-19 situation for Capacit'e Infraprojects Limited (“CIL / “the Company”)**

**Overall Status:**

1. The Corporate Office (situated in Mumbai, Maharashtra) and West Zone Office (situated in Mumbai, Maharashtra) continue to remain shut as per directives of Central and respective State Government. The offices will start per applicable operational guidelines.
2. The North Zone Office (situated in Gurgaon, Haryana) has resumed partial operations from May 18, 2020, in strict compliance with the guidelines laid down by the Central and respective State Government.
3. The South Zone Office (situated in Bangalore, Karnataka), has resumed partial operations from May 4, 2020, in strict compliance with the guidelines laid down by the Central and respective State Government.
4. The Company has taken moral responsibility for extending help to the COVID-19 affected workers. Company had taken suitable steps and has been successful in organizing food and health care for all its workers stationed at various project sites / Workers Camps across India, during the lockdown period and subsequent to lockdown (partial opening). Necessary guidelines for the Company have been drafted on the basis of guidelines received from Central / State / Municipal Authorities on social distancing, travel guidelines, thermal scanning, permissible number of employees per office / site, Arogya setu app download by its employees. Respective administrative members have been trained to impart suitable training to all the employees and workers in respect to the aforesaid measures.

Mumbai (Head Office) :

605-607, Shrikant Chambers, Phase-I, 6th Floor, Adjacent to R. K. Studios, Sion-Trombay Road, Chembur,  
Mumbai- 400071. Maharashtra, India Tel: 022 7173 3717 • Fax.: 022 7173 3733 • Email: info@capacite.in



**Functioning during lockdown:**

1. All members of the senior management, departmental heads, coordinators and senior project heads continue to remain actively engaged on day to day basis, via video conferencing, attending to internal operation matters as well as with clients and other stakeholders. All IT protocols are in place and systems are being monitored remotely.

**Commencement of Operations:**

1. The Company has received approval for starting all projects, except 3 projects which are located in the containment zone. Further, the Company in close coordination with the clients has prepared a start-up program, internally classifying the projects in Category A & B, of which category A projects will start their operations first, followed by projects falling in category B. The Company has started preparatory activities to start-up operations in projects put under Category A.
2. The migration of workmen, has resulted in a drop of 70% in overall workmen strength deployed by the Company under various contractors (as opposed to the pre-COVID period). Workmen retention is and continues to be a serious industry concern for contractors, especially those operating in buildings & factories segment. The Company is taking various steps to restore the adequate workmen strength.
3. The Company has initiated work from home strategy, under which it expects members from various departments (at Corporate & Zonal offices) to work from remote locations, on rotational basis, even after the lock down opens in totality.
4. The Company has taken various steps in controlling and reducing fixed costs, across offices and project sites.
5. The Company has availed relaxation / extension in respect to working capital facilities and term loans from Banks, in an endeavor to match the same with collections.
6. The collections have been slow / stretched starting March 15, 2020 to date. However, the Company has and continues to engage with all its clients, who have assured release of payments in phase wise manner, once lockdown opens / work commences at respective project sites.
7. Apart from payment of statutory liabilities, salaries to its staff, the Company during the lockdown period had prioritized payment to labour / sub-contractors, so that workmen could be paid.
8. The Company continues to engage closely with all Clients and all of them, as verbally informed, are equally keen to start up the operations.
9. The Company has adequate insurance policies for its core assets, projects and workmen compensation, apart from group health insurance & accident insurance covering its staff.

**Sales and Impact:**

1. Historically company has been able to achieve better revenue in Q4 every year, especially in March. Due to sudden lockdown announced by the government, Company was unable to undertake the planned work thereby impacting the March sales and consequent profitability adversely.
2. Due to continued lockdown in the month of April and May, we have not been able to commence work at site in a meaningful way. As such, there will be no sales during the months of April & May 2020, which will result in significant revenue loss for the Company



as compared to corresponding sales achieved during the same period of previous financial year. The company continues to incur expenditure towards fixed/ indirect cost (though rationalized to the extent possible), as a result of which there will be adverse impact on the profitability of the Company.

3. The revenues, profitability and cash flows for the quarter ended March 31, 2020 and June 30, 2020 would be adversely impacted due to the nation wise lockdown from March 25, 2020.

**Liquidity:**

1. Company has sufficient head room to raise debt to cover short term financial distortions caused due to COVID-19 considering low net debt position as on March 31, 2020. The Company has maintained enough cash to start up with its mega project/s and ramp it up at the earliest possibility. However, delay in payments is expected to supply chain, which is directly linked to release of payments from clients.

**Customer:**

1. The Company has and continues to engage with all its customers across geographies of operations, for establishing start up requirements and release of due outstanding. Focus will be customer satisfaction to be achieved by safe startup of project/s and ramp up in close coordination with respective clients.

**Internal financial reporting and control:**

1. There was no impact of COVID-19 on internal financial reporting and control.

**Existing contracts / agreements where non-fulfilment of obligation by any party will have significant impact on the listed entity's business:**

1. There are no such contracts/agreement which lead to non-fulfilment of the obligations by any party or shall have impact on the business.

The update is dynamic and subject to change due to factors beyond the Company's control.

The Company will constantly monitor the situation and will keep you informed as and when any material developments take place having significant impact.

Kindly take the above information on record and oblige.

Thanking you,

Yours Faithfully

**For and on behalf of Capacit'e Infraprojects Limited**

**Rohit R. Katyal**  
Executive Director & CFO

