

J. Kumar Infraprojects Limited

16-A, Andheri Industrial Estate, Veera Desai Road, Andheri (W), Mumbai-400 053.

E.mail:info@jkumar.com,website:www.jkumar.com ,Ph:+91-22-67743555

(CIN L74210MH1999PLC122886)

Date: 08:06:2020

The Secretary, BSE Limited Corporate Relation Dept, P.J. Towers, Dalal Street, Fort, Mumbai-400 001 Scrip Code : 532940	The Secretary, National Stock Exchange of India Limited Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East) Mumbai-400 051 Scrip Symbol: JKIL
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Dear Sir/Madam,

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

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

This communication is 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 J. Kumar Infraprojects Limited (“JKIL / “the Company”)

I. Overall Status:

1. The Registered and Corporate Office (situated in Mumbai, Maharashtra) continue to remain shut as per directives of Central and respective State Government. The offices will start as per applicable operational guidelines.
2. The operations at majority of our various projects sites were impacted due to the lockdown announced by the government. With Central Government relaxing the lockdown conditions for construction sector on April 20, 2020, we recommenced the construction activities gradually at all those project sites wherever labour was available at site and the respective state governments, employers / clients permitted the resumption of the same.
3. As a socially responsible corporate, we have taken responsibility to help workers in the difficult situation of COVID-19. Company had taken several measures including organising timely food and health care facilities for all its workers stationed at various project sites / Workers Camps across India, during the lockdown period and subsequent to partial opening of lockdown. Company had been very prompt in adopting and issuing necessary guidelines received from Central / State / Municipal Authorities to all employees / workers on social distancing, travel guidelines, thermal scanning, permissible number of employees per office

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/ site, use of Arogya setu app, etc. Respective administrative members have been trained to impart suitable training to all the employees and workers in respect to the aforesaid measures.

Impact on the Business:

1. For JKIL, traditionally Q4 is always better in terms of revenue as compared to other quarters. However, Company was unable to undertake the planned work thereby impacting the March sales and consequent profitability was adversely impacted due to the lockdown announced by the government in the month of March.
2. Although, we have started work at majority of our project sites but due to continued lockdown extensions and migration of labour, we have not been able to achieve the optimum level of operation. As such, there will be significant revenue loss for the Company as compared to corresponding 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.

II. Ability to maintain operations:

1. The Company has sufficient working capital arrangements to meet its operation requirement on a sustained basis.
2. The entire management team including Chairman, Managing Directors, senior management team, departmental heads, coordinators and senior project heads continue to remain actively engaged on day to day basis through various communication facilities, attending to internal operation matters as well with clients and other stakeholders.

III. Commencement of Operations:

1. With Central Government relaxing the lockdown conditions for construction sector on April 20, 2020, we recommenced the construction activities gradually at all those project sites wherever labour was available at site and the respective state governments, employers / clients permitted the resumption of the same. We are continuously engaging with respective state governments / agencies for re-commencement of work at balance sites.
2. The labour availability at site have dropped significantly due to migration of workmen resulting in sub-optimal operations at various sites. The Company is taking various steps to restore the adequate workmen strength.

IV. Details of Impact of COVID 19

- i. **Capital & Financial Resources:** The Company is well capitalised and having adequate resources. The Company continues to enjoy "IND A/Stable+" for Fund based limit and "IND A1" for non-fund based limit from India Ratings.

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- ii. **Profitability:** The revenues, profitability and cash flows for the quarter ended March 31, 2020 and June 30, 2020 would be adversely impacted due to the lockdown.
 - iii. **Liquidity Positions:** We are focussed on cash conservation, cost reduction, discharging operational expenses and ensuring optimum availability of working capital. Further, the Company has sufficient unutilized banking facilities to cover short term financial distortions caused due to COVID-19.
 - iv. **Ability to Service Debt and other financing arrangements:** Majority of our lenders have extended relaxation for payment of interest on working capital facilities and term loan instalments. Barring unforeseen situation, we do not foresee difficulties in meeting our loan, interest and other commitments.
 - v. **Assets:** The Company does not see risk to recoverability of assets (Inventories, receivables and other current assets). Further the Company has adequate insurance policies for its core assets.
 - vi. **Internal financial reporting and control:** We have effective internal financial reporting and control mechanism in place. Our robust IT systems help us in remotely monitor all the functions during the lock down. There was no impact of COVID-19 on internal financial reporting and control.
 - vii. **Supply Chain:** There was initial hiccups in supply chain due to lack of clarity on relaxations provided by various government agencies across geographies. The situation has improved substantially. Further our timely payment track record helped us in restoring the supply chain. Initially, there has been issue of migration of labour, which we believe should reverse in medium term.
 - viii. **Demand for its products/ services:** Since, our order book consists of orders from Government / Government Agencies, we don't foresee any challenge in terms of receivable as well as execution of the project. The Company continues to bid for new projects and has been securing new Contracts.
- V. **Existing contracts / agreements where non-fulfilment of obligation by any party will have significant impact on the listed entity's business:**

We are continuously engaging with our clients and do not anticipate any incremental contractual obligations. Further government has also given relaxations in timelines for completion of projects.

VI. **Impact of COVID-19 on Joint Ventures:**

The Company does not foresee any significant impact of COVID 19 on the operations of its key Joint Ventures.

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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, having significant impact, take place.

Kindly take the above information on record and oblige.

Thanking you,

Yours Faithfully

For J. Kumar Infraprojects Limited

SD/-

Kamal J. Gupta

Managing Director