



Simplex Projects Limited

AN ISO 9001:2008 & ISO 14001:2004 COMPANY

Date: June 30, 2020

To, BSE Limited, P J Towers, Dalal Street, Mumbai - 400 001	To, National Stock Exchange of India Limited Bandra Kurla Complex, Bandra (East) Mumbai - 400 051
Scrip Code - 532877	Scrip Code: SIMPLEX EQ

Dear Sir / Madam,

Sub: Disclosure of material impact of CoVID-19 pandemic on the Company under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations)

This is with reference to SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 we have to state that, in view of the outbreak of the Corona virus (CoVID-19) pandemic and in compliance with the directives / orders issued by the State / Central Government authorities (from time to time) and keeping in mind the safety and well-being of all the employees and stakeholders, the Company's Registered Office including branch office and around 7 operating project contracts were shut down from last week of March 2020. All the statutory documents, Computer Server, files and other data of the Company are situated at the office and the officers had no/limited manpower resources due to which the Company was unable to continue its day-to-day operations including internal financial controls, finalization of Accounts, other statutory compliance work etc.

With the gradual lifting of lockdown restrictions, the operations at one of our working site have partially resumed from the last week of May, 2020 with a limited labour force. The Registered Office of the Company including branch office have progressively started from third week of May, 2020 with minimum staff strength, based on the directions provided by the Government of India and the State Government notifications and approvals received from appropriate local authorities. There are still many restrictions in the movement of human beings in major cities where we operate, because of which our operations have not been able to commence full-fledged.

Due to prolonged lockdown, there has been a severe impact on our execution capabilities. We have been monitoring the situation on daily basis and are in touch with our suppliers, vendors, contractors, customers etc. There is also a major labour shortage at our working sites due to the movement of migrant labour and we are working to mitigate its impact. The various restrictions put in place by the Governments to control the extents of the virus have triggered shortage of raw material and manpower, disrupted supply chain, further creating hindrances in performing contractual obligations.

Registered & Corporate Office :

12/1, Nellie Sengupta Sarani, 4th Floor, Kolkata-700087, India
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The business of the Company is significantly impacted due to the lockdown which affected the Company sales and other business activities of the Company. The revenues and profitability of the Company for the financial Year 2020-21, especially during the first quarter have been substantially impacted due to temporary closure of offices as well as working sites of the Company. The preparation of the Resolution Plan has also been delayed requiring operational and financial estimations for the 7 project contracts, only one of which is limping back to normally with 10-20 % of labour and level of operations. The lockdown has also impacted the working capital position of the Company, liquidity is under pressure and the cash flows are adversely impacted, however the Company had to continue incurring fixed expenses which will affect the overall profitability of the Company.

The Company has established protocols including working from home wherever possible, wearing of face masks at workplace all the time, maintaining social distancing and workplace sanitization, thermal searching before entering work space etc in accordance with the post Covid-19 guidelines issued by relevant authorities in the geographies in which we operate and we are making adherence to the same.

The prevailing uncertainties about the disease control, migrant labour, client readiness and local regulatory permissions make it extremely difficult to make future estimates for the 7 project contracts spread across the nation. At this juncture, it is difficult to estimate the full impact of Covid-19 pandemic and resultant lockdown. We expect that in the given market conditions, the Company's revenue from operations, liquidity and profitability will continue to be affected. Our business will also depend on full return of the migrant construction workers, concurrence and readiness of the Principals / Clients on making faster payments, starting and ramping up the creation work, renegotiated price under the extreme circumstances resulting in cost hikes, regulatory permissions for the local site/office operations and also future developments comprising actions to contain or treat the disease and mitigate its impact.

You are requested to take the same on your records.

Thanking you,
For **Simplex Projects Limited**

Sohini Shukla
Company Secretary



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