

12th August, 2020

The Manager
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai - 400 001.

Security ID: MODULEX

Scrip Code: 504273

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir / Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020; please find enclosed disclosure of impact of COVID-19 pandemic on the Company as per Annexure I.

You are requested to take note of the same and oblige.

For Modulex Construction Technologies Limited



Bhoomi Mewada
Company Secretary and Compliance Officer



Encl: as above

ANNEXURE 1 to Letter dated 12th August, 2020

A. Impact of the COVID-19 pandemic on the business:

Due to Novel COVID-19 pandemic, the Maharashtra Government announced lockdown in four cities of Maharashtra i.e. Mumbai, Pune, Nagpur and Pimpri Chinchwad from the midnight of 20th March, 2020 till 31st March, 2020. Simultaneously, the Government of India announced a nationwide lockdown with effect from 25th March, 2020, which got extended from time to time to combat the spread of the COVID-19 Pandemic. To comply with the government directives, all offices and Projects sites on Pan India basis were closed w.e.f. 25th March, 2020 till 30th June, 2020.

The Senior Management of the Company took stock of the situation from time to time and took appropriate decisions to mitigate the situation arising due to COVID-19 pandemic and associated lock down. Appropriate SOPs and guidelines were issued across the Company for various measures to be followed keeping in view of the health and well-being of all workers and employees. The Company has complied with relevant directives issued by Central and State government from time to time.

As it is, the real estate sector and the construction industry are passing through challenging times and to survive and grow in such challenging times, it is imperative that the customers be offered a proposition which adds value. The Company with its unique offering of designing of modular buildings and the construction thereof through its subsidiary is perfectly positioned. Construction activities saw suspension during 20th March, 2020 but resumed gradually with effect from 05th August, 2020 with available workmen. However, there has been a significant fall in the workmen count across project sites. The scale of work progress is therefore yet to get back to the pre COVID-19 pandemic situation.

B. Ability to maintain operations including projects / office spaces functioning and closed down:

As stated above, the project sites and offices were shut down as per government directives. However, throughout the lockdown period, the Company enabled work-from home/anywhere, with appropriate Information Technology security and framework in place. The project sites were adequately manned, to meet the safety, health and emergency requirements to prevent COVID-19 pandemic spread during the lockdown phase.

C. Schedule, if any, for restarting the operations and steps taken to ensure smooth functioning of operations:

The Company will continue with the work-from-anywhere policy until full normalcy is restored in the cities/towns where the Company offices are located more so having regard to the lack of public transport. Further, the Company expects to operations to normalize in FY21 upon migrant workmen returning from their respective native States to the project sites.

Workmen remobilization is a prime focus area for the Company now, as it is critical for raising the level of progress of work at its project site. Numbers of measures have been undertaken by the Company, including by way of making safe travel arrangements for the workmen to reach the sites.

The workmen headcount is expected to increase substantially in FY21 with the easing of public transport restrictions including as to inter-State travel.

D. Estimation of the future impact of COVID-19 on its operations:

Considering the prevailing uncertainty, it is difficult at this point of time to quantify the impact of disruption in our operations caused by COVID-19 pandemic. However, the Company expects improvement in business performance gradually during this financial year, which depends on the success of the various efforts being undertaken by government authorities. The Company is taking appropriate measures including invoking the Force Majeure conditions and Change in Law simultaneously to take care of COVID-19 related impact.

E. Details of impact of COVID-19 on the Company:

- Capital & financial resources, liquidity position and ability to service debt & other financing arrangements

The Company has not raised and term debt from Banks and/or Financial Institutions and as such no debt is required to be serviced by the Company. The Company does not intend to raise any financial resources in the current financial year.

- Profitability

The Company has taken number of measures to reduce its fixed overheads having regard to the turbulence caused by the COVID Pandemic. However, the Company is at initial stage of its business and additionally COVID-19 pandemic has impacted the operations of several of its potential customers which has the potential to defer the award of the contracts by them and as a sequel, a drop in revenues and potential profitability in the first half of FY21.

- Assets

There has been no impact on the assets of the Company.

- Internal financial reporting and control

There has been no impact on Internal Financial Reporting and Controls due to COVID-19 pandemic.

- Supply Chain

The Company is in the business of providing designing services and as such there is no supply chain involved.

- Demand for its products/services

The Company does expect deferment in award of contracts by some of its customers though it is expected that newer opportunities may emerge particularly in the public sector and infrastructure domain.

F. Existing contracts/agreements where non-fulfillment of the obligations by any party will have significant impact on the Company's business:

The Company does not anticipate material impact on its business under any of its contracts due to non-fulfillment of obligations as a result of COVID-19 pandemic. The contracts entered into by the

Company provide for appropriate remedial measures permitted by Force Majeure/Change in Law and other applicable laws in case of non-performance of obligations arising out of COVID-19 impact and thereof. The Company is taking appropriate measures as provided in the respective contract(s).

G. Other relevant material updates about the Company's business:

The Company keeps the investors updated as to all material developments from time to time in compliance with the extant SEBI Listing Regulations.