

Date: 16th July 2020

To,
Department of Corporate Services
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

To,
Listing Department
National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor Plot No. C/1,
G. Block Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051

Security Code: 542 460
Security ID: ANUP

Symbol: ANUP

Dear Sirs,


Sub.: Disclosure of Material Impact of CoVID-19 pandemic under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, please find enclosed herewith disclosure on material impact of COVID-19 pandemic on the Company.

We request you to kindly take the aforesaid information on record.

Thanking you,

Yours faithfully,
For The Anup Engineering Limited


Chintankumar Patel
Company Secretary



DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC

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

The Company's manufacturing facilities remained shut from March 23, 2020 because of the nationwide lockdown due to Covid-19. This has severely impacted critical activities on shop floor and our sales performance got impacted approximately by Rs. 30 – 40 Crs. March has always been a very strong month for us, but due to this globally challenging situation arising due to CoVID-19, our business was affected as well.

Resumption of partial operations of the Company commenced w.e.f 1st June, 2020 with putting in place the mandatory protocols and SOPs for all our employees as per the guidelines stipulated by the Ministry of Home Affairs of the Government of India. We are closely monitoring the situation and take necessary steps as may be required from time to time.

B. Ability to maintain operations including the factories/units/office spaces functioning and closed down:

The Company has restarted operations at Company's plant located at Odhav, Ahmedabad adhering to the safety norms prescribed by Government of India.

C. Steps taken to ensure smooth functioning of operations:

The Company has been training people on the job for practicing mandatory SOPs and also PPEs for resumption of operations in a graded manner and partial production commenced post completion of mandatory safety check and training of personnel on physical distancing, health & hygiene. The policies revolve around Safety for Self, Safety at Home, Safety for Family, Safety in Transit, Safety of Colleagues, Safety at Workplace and Safety for Community. The Company is taking all recommended precautions and preventive measures to ensure safety and well-being of its employees at all times.

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

April - June' 2020 being lockdown months, the revenues and profitability of the Company got adversely impacted. As the business situation is very dynamic, the company is closely monitoring it. These are early days and the Company is not in a position to gauge with certainty the future impact on operations.

E. Details of impact of CoVID-19 on listed entity's –

i. Capital and Financial resources:

The Company's capital and Banking facilities remain intact. We have Strong Balances Sheet and Cash Reserves helping us navigate through these unprecedented times.

ii. Profitability:

In view of lock down, the profitability during 1st quarter (April to June) is likely to be moderately impacted. As the business situation is very dynamic, the company is closely monitoring it and expect the business situation will improve and it may lead to strong business performance over remaining financial year.



iii. **Liquidity position:**

The Company has adequate liquidity to continue operations and will not likely to be adversely affected. The company does not for see any impact on the Company's ability to meet its liabilities as and when they are due. There is no material change in the internal control environment of the company.

iv. **Assets:**

The Company's fixed asset base remains intact. The Company does not see incremental risk to recoverability of current assets (Inventories, investments, Receivables, etc.) given the measures being taken to mitigate the risks.

v. **Internal financial reporting and control:**

There is also no impact on internal financial controls due to the CoVID-19 situation.

vi. **Supply Chain:**

CoVID-19 has affected supplies from both the raw materials' suppliers and subcontractors as they have not yet started working with full strength due to migration of labour and other problems.

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

All our contracts provide for Force Majeure conditions in case of any unforeseen situations such as to CoVID-19 Pandemic. Customers have been informed of the delays in completion of their orders/projects because of lockdown. We do not anticipate any significant impact because of nonfulfillment of the obligations.

G. **Other relevant material updates about the listed entity's business:**

Financial Year 2020-21

We have a good order book for all our products which gives us strong visibility ahead. Anup is alive of its operating costs and has taken measures to ensure that optimal cost structure is maintained.

Capex Plans:

On Capex, the Heavy Bay Extension at company's Odhav plant has been completed successfully which helps in further strengthening its manufacturing capabilities. This will help the company, execute larger and more complex equipment orders. Further, we plan to ramp up the Kheda project compensating time lost due to CoVID-19, at the same time balancing the cash flows with cautious approach precipitated by the pandemic.

