Bright Solar Limited
(System Integrator, Consultant & EPC Contractor)
CIN : L51109GJ2010PTC060377
GST : 24AAECB0997L1ZE
PAN : AAECB0997L
TAN : AHMB05155D

bright™
Solar Water Pump

Date: 03/06/2020

To,

The Manager- Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra- Mumbai – 400051

Symbol: BRIGHT

Sub: - Updates regarding impact of COVID-19
Ref: - SEBI Circular no. SEBI/HO/CED/CMD1/CIR/P/2020/84 dated May 20, 2020

Dear Sir/Mam,

Pursuant to the SEBI Circular No. SEBI/HO/CED/CMD1/CIR/P/2020/84 dated May 20, 2020, please find enclosed disclosure of material impact due to COVID-19 pandemic on the company.

Kindly take this information on your record and acknowledge the receipt.

Thanking you,

For, **BRIGHT SOLAR LIMITED**

SAHUL N JOTANIYA
Digitally signed by SAHUL N JOTANIYA
Date: 2020.06.03 12:17:47 +05'30'

CS Sahul Jotaniya
Company Secretary and Compliance officer

Impact of Covid-19 on the Business of the Company:

Sr. No	Particulars	Disclosure/Information
1	**Impact of the COVID-19 pandemic on the business**	The Company's main revenue comes from EPC projects. Therefore, due to lockdown announced by the Government of India, our all EPC projects were shut down from March 22, 2020. Our all skilled, semi-skilled and Un-skilled labours were migrated to their native place which has impacted negatively to the business operation and company's financial position. Moreover, in case of EPC projects, billing normally done in the month of march but due to lockdown, all the Government departments were closed. Due to that, our various pending payments are pending to receive. Therefore, the company is currently facing financial crunch and shortage of working capital. However, the Government allowed to start offices from 3rd May, 2020 but our EPC works are yet not started with full capacity because of non-availability of manpower. Due to this, the revenue and profitability will be adversely affected during the current financial year 2020-21.
2	**Ability to maintain operations including the factories/Branch office spaces functioning and closed down**	Due to announcement of lockdown, our skilled, un-skilled employees and labours have been returned to their home state, due to which the operation of the company is drastically impacted and during the period of lockdown Company's operation was ceased. However, it was permitted to do work from home to skilled staff. But Factory unit and EPC projects are not started till 31st May, 2020. However, the company is taking precautionary measures to safeguard health and safety of its employees and starting EPC works at various sites specifically in Bihar state with half capacity.
3	**Schedule, if any for re-starting the Business operations**	The Company is following guideline of State and Central Government and starting its Office, Factory unit and Branch offices as per guideline.
4	**Steps taken to ensure smooth functioning of operations**	The company is taking care of its staff and work force and has put in place strict monitoring process for COVID-19 ensuring the following: • Ensuring wearing of masks and regular cleaning of hands. • Use of sanitizer at office and factory unit. • Maintaining social distancing at all work places. • Asking all employees to have Aarogya Setu App.

		• Taking regular updates of the health of all the employees and their facilities.
5	**Estimation of future impact of COVID-19 on Business operation of the company**	Our business is depended on semi and unskilled labours. But due to COVID-19, they are returned to their home state. Therefore, it is very difficult to resume EPC work at full capacity. Therefore, the company is estimating that our revenue and profitability will be adversely affected in financial year 2020-21. The Company is expecting that in the first and Second quarter of F.Y 2020-21, revenue and profitability will be adversely affected. In order to increase and reach at the level of previous financial year 2019-20, it will take 3 to 4 quarters.
6	**Impact on Financial Resources**	The Management of working capital is badly affected. The payments will get delay to receive and therefore, the company is currently in struggle for completing ongoing projects in given time frame. The shortage of fund will stick for next few months considering this extraordinary circumstance.
7	**Impact of Profitability**	The profitability of the company in the 1st and 2nd quarter will be on negative side. It will directly affect profitability of the entire F.Y 2020-21 will get adversely affected. On other side, fixed overheads will affect our profitability adversely in the current financial year.
8	**Impact on Liquidity position of the company**	Due to lockdown, all the existing projects are stopped and simultaneously revenue generation is also stopped. The major source of revenue generation is from Solar EPC projects but due to lockdown we are not able resume work with full capacity. Hence, the liquidity position of the company is tight and the company is trying to manage it by strict monitoring of cash inflows and outflows. Moreover, due to liquidity issue, company is not able to procure new works and submit bid for big projects during the next few months.
9	**Business Opportunities**	In future for next few months, the company is expecting that new tenders for water supply and Solar pump installation work will not published by the Government. Moreover, the company's position is not good to submit bid for new big projects. Therefore, the company's financial performance will be adversely affected.
10	**Assets**	The company has put on hold planning for starting Solar panel manufacturing unit at Fagvel, Gujarat. Moreover, the Company is not thinking for any addition in the company's assets during the year.

11	**Disruption of Supply chain**	Due to lockdown, the Company is facing difficulties in supply of materials, parts and machinery at various location. The supply chain is badly affected because during lockdown transportation facility was not available.
12	**Existing contracts /agreements**	The Company is expecting that the ongoing projects of solar pumping system, Solar PV Rooftop system and Water Supply projects will get delayed.
Conclusion		The Quarter-1 and 2 performance is likely to have its negative impact on the annual performance for the F.Y 2020-21.