



AKSHAR SPINTEX LIMITED

Date: 22/06/2020

To,
The Department of Corporate Services,
BSE Limited
P.J. Tower, Dalal Street,
Mumbai – 400 001.

Ref: BSE Script Code: 541303

Dear Sir/ Madam,

Subject: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Disclosure relating to impact of COVID-19 pandemic on the Company.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circular bearing ref. No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 issued by the Securities and Exchange Board of India on 20th May, 2020, please find enclosed herewith the disclosure of material impact of CoVID-19 pandemic on the operations and performance of the Company.

Kindly take note of the same on record and acknowledge the receipt.

Thanking you,

Yours Faithfully,

For and on behalf of Board of Directors,
AKSHAR SPINTEX LIMITED

Ashwin Chavda



Ashwin Chavda
Company Secretary & Compliance Officer

Regd. Office & Factory : Survey no.102/2, Plot no. 2, At-Haripar, Kalavad - Ranuja Road, Tal. Kalavad, Dist - Jamnagar, Pin - 361013. Gujarat (India).

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CIN : L17291GJ2013PLC075677



AKSHAR SPINTEX LIMITED

Material Impact of CoVID-19 Pandemic on operations and performance of a company

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

We hereby inform you that the Company's manufacturing unit located at Village: Haripar, Kalawad, Dist: Jamnagar. Company has suspended its operations from the date of Janta Curfew on 22nd March 2020 and subsequently follows lockdown declared by the state government of Gujarat from 23rd March 2020 consequent to the lockdown declared across the country in view of the CoVID-19.

The administrative Office of the Company Situated at Rajkot, Gujarat also closed from the 22nd March 2020 and subsequently follows lockdown declared. The administrative staffs were worked from home and necessary office connectivity has been in place. All IT Securities protocols were in place and all systems are being monitored remotely.

2. Resume of Operation

Akshar Spintex Limited has started limited operations at its manufacturing unit situated at Haripar, Kalawad, Dist: Jamnagar (Gujarat) on release of Partial lifting of lockdown by Central Government and State Government from 10th April 2020 and Administrative Office resume its function from 1st May 2020 with a limited Staff as per the guidelines issued by State Government.

3. Steps taken to ensure Safety and Health of Employee

To ensure the safety and well-being of the employees, all recommended precautions against COVID-19 have been taken, which includes work from home policy for eligible employees, restrictions on travel, minimizing contacts in public, health advisory to employees following State and Central government directives issued in this regard from time to time. Company is taking necessary preventive measure like social distancing, temperature testing, providing masks and sanitization facility to all workers and other preventive measures to avoid any infection due to CoVID-19.

Further we are having workforces (Employee) from the surrounding villages as much not hampered the plant operations.

4. Details of impact of COVID-19 pandemic

The details of Impact of COVID-19 are as follows:

(a) Business Operations

Domestic Market remains closed throughout the lockdown leading drastically decrease in revenue during the period. Further Company is export through merchant also, due to global lockdown it also affected. Due to lack of transportation and logistics it is experiencing difficulties in supply chain. Considering the fact that the situation is exceptional and is changing constantly, the Company is not in a position to gauge with certainty, the future impact on its operations. However, the Company is gearing up to adapt to the changing business environment and respond suitably to



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fulfill the needs of its stakeholders. In the Month of April and May no material production was done and sales made.

(b) Financial Performance

In view of the delay in collection of receivables and clearance of finished goods stock, the financial position is strained. During this period, the Company has taken various initiatives to bring down fixed cost and improve liquidity position. This will help the Company in the coming year. Due to the COVID 19 impact in the current quarter and the State lockdowns, the Company will not be able to achieve Q1 targets and will have an adverse impact on financial performance during FY 2020-21 but the assessment of the impact will be possible only after stabilization of business operations.

Due to the closure of the Company's office and factories during lockdown period, there has been an impact on revenues; however, the exact extent of this impact is not readily quantifiable.

Profitability for the Quarter 4 (January 2020 to March 2020) of F.Y. 2019-20 and Quarter 1 (April 2020 to June 2020) of F.Y. 2020-21 expected to be affected due to lockdown and partial manufacturing capacity utilization. However, it is expected to improve from Quarter 2 (July, 2020 to September 2020) and onwards.

The Company has opted to avail the moratorium of two Quarters for Term Loan and for one Quarter for Personal Loan, to ease the immediate working capital requirements.

(c) Annual Audited Results

The Company declares and publishes its annual audited results in the month of May of every year. However, due to the current situation there is delay in declaration of Financial Results and the Company will declare very shortly within the due date.

The update is dynamic and will change as the situation changes, which is not in the control of the Company.

The Company is monitoring the situation and will continue to provide the update on the matter.

Kindly take the above information on record.

For and on behalf of Board of Directors,
AKSHAR SPINTEX LIMITED
Akshar Spintex Limited


Director

Harikrishna S. Chauhan
Whole-Time Director
[DIN: 07710106]

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