

July 16, 2020

To
BSE Limited
Listing Dept./ Dept. of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400001

Security Code : 500101
Security ID : ARVIND

To
National Stock Exchange of India Limited
Listing Dept., Exchange Plaza, 5th Floor
Plot No. C/1, G. Block
Bandra-Kurla Complex
Bandra (E)
Mumbai - 400051

Symbol : ARVIND

Dear Sir/Madam,

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.

Kindly take the above on record.

Thanking you,

Yours faithfully,
For, Arvind Limited

R.V. Bhimani
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 due to lockdown and started opening partially upon lifting of strict lockdown orders. This has impacted its operations during April and May' 2020. Due to closure across the country for more than 2 months, domestic demand has suffered significantly.

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

The Company has restarted operations in some of the factories adhering to the safety norms prescribed by Government of India. During lockdown, some factories of the Company were involved in production of PPE kits and masks while other factories were shut down since they were not part of Government denominated essential services.

C. Schedule, if any, for restarting the operations:

As communicated by the Company vide letter dated 21st May 2020, the Company has started preparing for resumption of partial operations and has put 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.

D. 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 is commencing post completion of mandatory safety check and training of personnel on Physical distancing, health & hygiene.

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

April - June' 2020 being lockdown months, the revenues and profitability of the Company are likely to be 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.

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

i. capital and financial resources:

The Company's capital and Banking facilities remain intact. There are some liquidity concerns since the Company is witnessing delay in receivable collection from buyers as buyers are extending payment terms. The Company has successfully issued Rs. 75 crores of Non-Convertible Debentures in 1st week of June 2020 to meet the immediate funding requirements.

ii. profitability:

The Company has embarked upon a Company-wide initiative to bring down costs and conserve cash. This programme is well under way and the Company is expected to get benefits as a consequence of these initiatives in future. In view of lock down, the profitability during 1st quarter (April to June) is likely to be 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.

iii. liquidity position:

As explained above, there are some liquidity concerns since the Company is witnessing delay in receivable collection from buyers as buyers are extending payment terms. The Company has successfully issued Rs. 75 crores of Non-Convertible Debentures in 1st week of June 2020 to meet the immediate funding requirements.

iv. ability to service debt and other financing arrangements:

The Company should be able to meet financial requirements. Though the cash position is challenging, with limits and tight control over expenditure, the Company will be able to serve its debt and other financing arrangement.

v. 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.

vi. internal financial reporting and control:

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

vii. supply chain:

Since the lifting of nationwide lockdown, there is minimal disruption in the supply chain. However, the Company's major manufacturing facilities are located in Ahmedabad, Gujarat and the Company continues to face some disruption in supply chain due to localized lockdowns.

viii. demand for its products/services:

There is temporary reduction in demand due to lockdown but the Company sees no material demand reduction in long term.

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

The Company is well positioned to fulfil its obligations and also does not foresee any significant impact on the business due to non-fulfilment of the obligations by any party.

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

Generally, the Company publishes its annual audited accounts by second week of May of each year. However, due to the current situation, the Board meeting to approve financials of the Company will be held in June 2020.