



## SHIVA TEXYARN LIMITED

Regd. Office : 252, Mettupalayam Road, Coimbatore - 641 043, Tamilnadu INDIA

Telephone : 0422 - 2435555 E-mail : shares@shivatex.co.in

Website : www.shivatex.co.in CIN : L65921TZ1980PLC000945 GSTRN : 33AABCA6617M1Z0

STYL/SEC/SE/26/2020-21

15<sup>th</sup> June 2020

To

BSE Limited P.J. Towers, Dalal Street, Mumbai – 400 001.  Scrip Code: 511108	National Stock Exchange of India Limited, “Exchange Plaza”, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051  Scrip Code :- SHIVATEX
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Dear Sir,

**SUB: INTIMATION UNDER REGULATION 30 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 – REG.**

**REF:- CIRCULAR NO. SEBI/HO/CFD/CMD1/CIR/P/2020/84 DATED 20.05.2020 ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA.**

With reference to the above cited SEBI Circular pertaining to the COVID-19 impact on the Company, we are herewith furnishing the reply of our management under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015.

We request you to kindly take the same on record.

Thanking you

Yours faithfully

For Shiva Texyarn Limited

  
R. SRINIVASAN  
Company Secretary  
M.No.21254



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### DETAILS PERTAINING TO THE CIRCULAR NO. SEBI/HO/CFD/CMD1/CIR/P/2020/84 DATED 20.05.2020

#### COMPANY'S BUSINESS:

Shiva Texyarn Ltd has the manufacturing facility with different divisions located at Coimbatore, Tirupur and Erode districts of Tamil Nadu. Pursuant to the lockdown announced by the Government on account of the Covid-19 Pandemic, the manufacturing operations of the Company were suspended at the close of 24.03.2020. Necessary measures were taken for the safety of the employees in compliance of the directions issued by the State and Central Governments as well as the concerned Local Authorities.

As the Central and State Governments relaxed lock down restrictions, the Company's other manufacturing divisions commenced operations from 4<sup>th</sup> May 2020 initially with 50% labour strength and from 1<sup>st</sup> June 2020 onwards steps are being taken to operate the plants with normal labour force by adhering to all the Standard Operating procedures (SOPs) stipulated by the Government.

However other manufacturing division lamination and garment were continuing its functions lockdown period to produce PPE for government supply.

#### IMPACT ON OPERATIONS OF THE COMPANY:

In the year 2019-20, the overall exports of yarn and garment items from India was affected by US-China Trade war, Britain's exit from European Union, Preferential access by developed nations to competing Countries like Vietnam, Cambodia, Bangladesh etc. The COVID-19 pandemic has worsened the situation further and has disturbed the demand-supply situation of the Indian textiles industry.

The demand for textiles will face headwinds in both the markets, domestic and international. The closure of retail stores and malls on account of lockdown situation across the nation will affect the industry's sales. Even after the lockdown is lifted, demand for textiles will take time to pick up. This is because footfalls will be low in malls and retail stores as people will avoid visiting crowded markets.

Exports of Yarn, fabric and garments constitute about 20% of the total Revenue of the Company. As a result of muted demand from domestic and International markets, India's export unit realisations and the domestic prices is likely to be affected adversely. Hence the overall prospects for Textile Industry for FY 2020-21 look bleak as of now and our Company is no exception to this phenomenon affecting parameters like Revenue, Operating Profit etc;





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Though some export orders have been cancelled, post relaxation of lock down the Company has been able to book export as well as domestic contracts for Yarn and Fabric at reduced prices which will have a bearing on the margins. Going forward the Company expects to increase the order book though there is likely to be some pressure on Realisations. In view of the delay in collection of Receivables and clearance of finished goods stock, the financial position is strained.

The adverse impact on the Company's operations due to COVID 19 Pandemic cannot be reasonably estimated at this point of time and depends on the extent to which the Indian and Global economy reacts to the ripple effects caused by the pandemic.

We request you to kindly take the same on record.

Thanking you

Yours faithfully

For Shiva Texyarn Limited

S.K.SUNDARARAMAN  
Managing Director