



Regd. Office : 191, Shahwadi, Narol - Sarkhej Highway, Nr. Old Octroi Naka, Narol, Ahmedabad.-382405.
 Ph : +91 - 79 - 30417000, 30017000 Fax : + 91 - 79 - 30417070 CIN : L17110GJ1988PLC010504
 E-mail : info@aarvee-denims.com • Website : www.aarvee-denims.com

Date: 28.07.2020

To, The Manager (Listing) The Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	To, The Manager (Listing) The National Stock Exchange of India Ltd "Exchange Plaza" Bandra-Kurla Complex Mumbai - 400 051
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Company Code: 514274 (BSE)

Company Code: AARVEEDEN (NSE)

SUB: SUBMISSION OF DISCLOSURE ON IMPACT OF COVID-19 PANDEMIC ON THE COMPANY REGULATION 30 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

Dear Sir/Madam,

With reference to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/84 dated 20th May, 2020.

We would like to inform the stock exchange and stakeholders the Financial Impact of the Pandemic Covid-19 on our Business Operations.

We would like to intimate to the Exchange that the Company has not resumed manufacturing operations in its plant situated at the registered office of the company and is also resumed with minimum staff at Ahmedabad, Gujarat as per the approvals/clearance from the Government of Gujarat.

Further, we would like to submit the information as required under SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/84 dated 20th May, 2020 as disclosed as Annexure-1.

You are requested to please take the same on your record and reference.

Thanking you,

Yours faithfully

For, AARVEE DENIMS & EXPORTS LIMITED

SD/-

Darshak Thaker

(Company Secretary & Compliance Officer)

(M.NO: ACS 46919)

Encl: Annexure -1



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1. IMPACT OF COVID-19 PANDEMIC ON BUSINESS:

The Company's Manufacturing Facilities remained shut from 24th March, 2020 due to lockdown and we would like to inform you that, the operations of the plant was disturbed from past 2 months due to which quarter 4 results will be affected due to lockdown which will also result in the Financials for the year ended March 31, 2020.

2. ABILITY TO MAINTAIN OPERATIONS INCLUDING THE FACTORIES/UNITS/ OFFICES SPACES FUNCTIONING AND CLOSED DOWN:

Since, the operations in Plant is not started yet, though the Corporate Office has been resumed and the company is complying with all requirement relating to Social Distancing and wear face mask, face cover and have proper sanitizations, thermal checking at the gate, maintaining proper hygiene with proper interval with reduced work force.

3. SCHEDULE, IF ANY, FOR RESTARTING THE OPEARTIONS:

The operations have not started yet and it will be started when the major markets in the country will open, then it will be started with based on revised production plan, after considering current market scenario and according to the guidelines issued by the Government.

4. STEPS TAKEN TO ENSURE SMOOTH FUNCTIONING OF OPEARTIONS:

In this regard various actions have been taken considering Employees Health as well as our Vendors capability to work on priority for our operations. The Company has taken proper steps to ensure smooth functioning of operations. The

5. ESTIMATION OF THE FUTURE IMPACT OF COVID-19 ON ITS OPEARTIONS:

Covid-19 certainly would have negative impact on the industry. Aarvee would be affected to the extent as the April 2020, May 2020, June 2020 & also partial July, 2020 being lockdown months, the revenue and profitability of the Company are likely to be adversely impacted. As the company is fully dependent on customized fancy yarn and the business situation is very dynamic, the sane is being monitored closely. 1st and 2nd quarters of these fiscal years are badly affected, possibly from 3rd quarter we do hope the situation should normalize. However, Aarvee will take certain measures to tide over these uncertain times.



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6. DETAILS OF IMPACT OF COVID-19 ON LISTED ENTITY'S CAPITAL AND FINANCIAL RESOURCES:

- a) **Profitability:** – It will be affected. However the details will be known only as per the audit of FY 2019-2020.
- b) **Liquidity Position:** - The Company facing short term liquidity crunch due to disturb operating cycle of the Company. However, the company is confident to manage the working capital of the company in coming periods.
- c) **Ability to service debt and other financial arrangements:** - The Company has availed moratorium for the period from March 2020 to August 2020 as facilitated by the RBI guidelines to overcome liquidity stress. The company does not have liquidity concerns, though cash position is challenging, with our limits and tight control over expenditure, the company will be able to service its debt and other financial arrangement as it comes up.
- d) **Assets:** - Company has secured all its assets and are in working condition.
- e) **Internal financial reporting and control:** - Internal Financial Reporting and Control are not adversely affected.
- f) **Supply Chain:** - At present, the supply chain of the Company is adversely affected due to Global Lockdown in the World. However, the company is positive and hopes that it will get normalize as the government restrictions lift up.
- g) **Demand for its products/services:** - It will continue at a slower pace.

7. EXISTING CONTRACTS/ AGREEMENTS WHERE NON-FULFILLMENT OF THE OBLIGATIONS:

The Existing contracts/agreements, where non-fulfillment of the obligations by any party will have significant impact on the business of the company.

8. OTHER RELEVANT MATERIAL UPDATES ABOUT THE LISTED ENTITY'S BUSINESS: -

No such material information at this time.