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E-mail : info@aarvee-denims.com • Website : www.aarvee-denims.com

Date: 11.02.2021

To,
The Manager (Listing)
The Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Company Code: 514274 (BSE)

To,
The Manager (Listing)
The National Stock Exchange of India Ltd
“Exchange Plaza”
Bandra-Kurla Complex
Mumbai – 400 051
Company Code: AARVEEDEN (NSE)

Dear Sir/ Madam,

Sub: Outcome of Board Meeting held on February 11, 2021 and filing of Unaudited Financial Results for the Third Quarter and nine months ended December 31, 2020.

With reference to captioned subject and as per the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, outcome of Board Meeting is as under:

The Board has approved the Un-audited Financial Results of the Company for the Third Quarter and nine months ended on 31st December, 2020 as recommended by Audit Committee.

Further, pursuant to Regulation 33 of the Listing Regulations, 2015, we enclosed herewith copy of the following.

- a) Copy of Standalone Unaudited Quarterly Financial Results of the Company for the quarter and nine months ended 31st December, 2020 prepared in accordance with Ind AS and taken on record and approved by the Audit Committee and the Board of Directors of the Company at their meeting held on 11th February, 2021;
- b) Copy of Limited Review Report on the above referred Unaudited Quarterly Financial Results of the Company for the quarter and nine months ended ended 31st December, 2020 issued by M/s. Shah & Shah Associates, Chartered Accountants.

The Meeting was started at 5:00 P.M. and the same has been concluded at 6:00 P.M.

Please take note of the same on your record.

Thanking you,
Yours faithfully,

For, AARVEE DENIMS AND EXPORTS LIMITED

Yashaswini Pandey
(Company Secretary & Compliance Officer)
(ACS 38402)
Encl: As above

Independent Auditor's Review Report on quarterly and year to date Unaudited Standalone Financial Results of M/s. Aarvee Denims & Exports Limited pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

To The Board of Directors of

AARVEE DENIMS & EXPORTS LIMITED

1. We have reviewed the accompanying statement of unaudited standalone financial results of **AARVEE DENIMS & EXPORTS LIMITED** (the "Company") for the quarter and nine months period ended December 31, 2020 being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This statement which is the responsibility of the Company's management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting", as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free from material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Emphasis of Matters

Attention is invited to note no: 4 of the notes on unaudited standalone financial results as regards the management's evaluation of COVID-19 impact on the future performance of the Company.

Attention is invited to note no: 5 of the notes on unaudited standalone financial results with regard to management expectation in respects of future prospects of business operations for the remaining quarters of the financial year 2020-21 which does not require any adjustments in carrying value of inventories as at December 31, 2020.

Attention is invited to note no: 6 of the notes on unaudited standalone financial results regarding continuing recognition of MAT Credit as at December 31 2020.

The auditors have relied upon and accepted the assumptions and explanations provided by the management in these regards and our opinion are not modified in respect of these matters.



SHAH & SHAH ASSOCIATES
CHARTERED ACCOUNTANTS

702, ANIKET,
Nr. MUNICIPAL MARKET,
C.G. ROAD, NAVRANGPURA,
AHMEDABAD - 380 009.
PHONE: 26465433
FAX : 079 - 26406983
Email: ca@shahandshah.co.in

5. Based on our review conducted as stated above nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued there under and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Ahmedabad

Date: February 11, 2021

UDIN: 21047236AAAABW1967



For **SHAH & SHAH ASSOCIATES**

Chartered Accountants

FRN:113742W

SUNIL K. DAVE

PARTNER

Mem. Number: 047236

AARVEE DENIMS AND EXPORTS LTD.

Regd. Office. 191, Shahwadi, Narol Sarkhej Highway, Narol, Ahmedabad-382 405. Phone No: 079-30417000, Fax No: 079-30417070,
Email ID: info@aarvee-denims.com, Website: www.aarvee-denims.com, CIN No: L17110GJ1988PLC010504

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTH ENDED DECEMBER 31, 2020

(Rs. in Lakh)

| Particulars | Standalone | | | | | |
|---|-----------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | QUARTER ENDED | | | NINE MONTHS ENDED | | YEAR ENDED |
| | DEC 31, 2020 (Unaudited) | SEPT 30, 2020 (Unaudited) | DEC 31, 2019 (Unaudited) | DEC 31, 2020 (Unaudited) | DEC 31, 2019 (Unaudited) | MARCH 31, 2020 (Audited) |
| I. Income: | | | | | | |
| Revenue from operations | 9,310.35 | 4,357.05 | 11,031.06 | 14,018.43 | 44,439.77 | 56,133.72 |
| Other operating revenue | 84.07 | 39.71 | 63.02 | 126.00 | 234.76 | 334.09 |
| II. Other income | 49.59 | 511.00 | 61.61 | 590.98 | 139.84 | 172.86 |
| III. Total revenue (I + II) | 9,444.01 | 4,907.76 | 11,155.69 | 14,735.41 | 44,814.37 | 56,640.67 |
| IV. Expenses: | | | | | | |
| Cost of materials consumed | 4,833.13 | 821.43 | 5,668.78 | 5,654.56 | 27,269.79 | 34,837.75 |
| Changes in inventories of finished goods and work in progress | 424.53 | 1,914.47 | 676.15 | 2,769.38 | 1,249.84 | (155.66) |
| Employee benefits expense | 679.41 | 250.38 | 800.84 | 1,001.35 | 3,458.66 | 4,316.58 |
| Finance costs | 1,352.17 | 1,376.26 | 1,288.95 | 3,872.18 | 3,854.01 | 5,297.78 |
| Depreciation and amortization expense | 898.34 | 752.27 | 959.18 | 2,399.81 | 2,873.76 | 3,835.35 |
| Other expenses | 2,572.38 | 1,130.27 | 2,561.75 | 4,014.51 | 11,047.04 | 14,061.41 |
| V. Total expenses | 10,759.96 | 6,245.08 | 11,955.65 | 19,711.79 | 49,753.10 | 62,193.21 |
| VI. Profit / (Loss) before Tax (III- V) | (1,315.95) | (1,337.32) | (799.96) | (4,976.38) | (4,938.73) | (5,552.54) |
| VII. Tax expense: (Refer Note no: 9) | | | | | | |
| Current tax | - | - | - | - | - | - |
| Deferred tax | (748.42) | (169.86) | 19.45 | (748.42) | 42.05 | (1,359.85) |
| VIII. Profit / (Loss) for the Period/Year after Tax (VI-VII) | (567.53) | (1,167.46) | (819.41) | (4,227.96) | (4,980.78) | (4,192.69) |
| IX. Other comprehensive income (Net of tax) | - | - | - | - | - | (21.26) |
| X. Total comprehensive income (VIII + IX) | (567.53) | (1,167.46) | (819.41) | (4,227.96) | (4,980.78) | (4,213.95) |
| XI. Net profit attributable to: | | | | | | |
| a) Owners of the company | (567.53) | (1,167.46) | (819.41) | (4,227.96) | (4,980.78) | (4,192.69) |
| b) Non - Controlling interest | - | - | - | - | - | - |
| XII. Other comprehensive income attributable to: | | | | | | |
| a) Owners of the company | - | - | - | - | - | (21.26) |
| b) Non - Controlling interest | - | - | - | - | - | - |
| XIII. Total comprehensive income attributable to: | | | | | | |
| a) Owners of the company | (567.53) | (1,167.46) | (819.41) | (4,227.96) | (4,980.78) | (4,213.95) |
| b) Non - Controlling interest | - | - | - | - | - | - |
| XIV. Paid-up equity share capital (Face value of Rs.10) | 2,345.98 | 2,345.98 | 2,345.98 | 2,345.98 | 2,345.98 | 2,345.98 |
| XV. Other Equity (excluding revaluation reserve) | - | - | - | - | - | 20,752.61 |
| XVI. Earnings per equity share of face value of Rs. 10 each | | | | | | |
| Basic & Diluted (in Rs.) | (2.42) | (4.98) | (3.49) | (18.03) | (21.23) | (17.88) |



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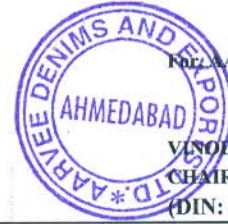
Annexure -1

SEGMENTWISE REVENUE, RESULTS AND ASSETS, LIABILITIES

(Rs. in Lakh)

| Sr No | PARTICULARS | Standalone | | | | | |
|-------|--|-----------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | | QUARTER ENDED | | | NINE MONTHS ENDED | | YEAR ENDED |
| | | DEC 31, 2020 (Unaudited) | SEPT 30, 2020 (Unaudited) | DEC 31, 2019 (Unaudited) | DEC 31, 2020 (Unaudited) | DEC 31, 2019 (Unaudited) | MARCH 31, 2020 (Audited) |
| 1 | Segment Revenue | | | | | | |
| | a) Textiles | 8,540.93 | 4,012.52 | 10,662.06 | 12,883.54 | 42,747.74 | 54,216.89 |
| | b) Power Generation -Wind farm | 853.49 | 384.24 | 432.02 | 1,260.89 | 1,926.79 | 2,250.92 |
| | Total Segmental Revenue | 9,394.42 | 4,396.76 | 11,094.08 | 14,144.43 | 44,674.53 | 56,467.81 |
| | Less: Inter Segmental Elimination | - | - | - | - | - | - |
| | Net Sales/Income from operations | 9,394.42 | 4,396.76 | 11,094.08 | 14,144.43 | 44,674.53 | 56,467.81 |
| 2 | Segment Profit / (Loss) before Tax & Interest | | | | | | |
| | a) Textiles | (629.37) | (172.65) | 288.99 | (1,816.62) | (2,375.04) | (1,640.32) |
| | b) Power Generation -Wind farm | 656.45 | 161.34 | 173.46 | 637.75 | 1,211.32 | 1,292.65 |
| | Less/(Add) : Inter Segment Elimination | - | - | - | - | - | - |
| | Total Segments Result | 27.08 | (11.31) | 462.45 | (1,178.87) | (1,163.72) | (347.67) |
| | Less: Interest related to Textiles | 1,352.17 | 1,376.26 | 1,288.95 | 3,872.18 | 3,854.01 | 5,297.78 |
| | Less/(Plus) : Net Unallocable expense / (income) | (9.14) | (50.25) | (26.54) | (74.68) | (79.00) | (92.91) |
| | Total Profit /(Loss) before Tax | (1,315.95) | (1,337.32) | (799.96) | (4,976.38) | (4,938.73) | (5,552.54) |
| 3 | Segment Assets : | | | | | | |
| | a) Textiles | 68,604.80 | 70,256.48 | 81,091.50 | 68,604.80 | 81,091.50 | 79,026.09 |
| | b) Wind farm | 4,764.61 | 4,926.85 | 5,381.66 | 4,764.61 | 5,381.66 | 5,253.77 |
| | Total Assets | 73,369.41 | 75,183.33 | 86,473.16 | 73,369.41 | 86,473.16 | 84,279.86 |
| 4 | Segment Liabilities : | | | | | | |
| | a) Textiles | 54,034.21 | 55,244.00 | 63,708.51 | 54,034.21 | 63,708.51 | 60,655.10 |
| | b) Wind farm | 464.58 | 501.17 | 432.22 | 464.58 | 432.22 | 526.16 |
| | Total Liabilities | 54,498.79 | 55,745.17 | 64,140.73 | 54,498.79 | 64,140.73 | 61,181.26 |

Place : Ahmedabad
Date : February 11, 2021



FOR: ARVEE DENIMS AND EXPORTS LTD.

VINOD P. ARORA
CHAIRMAN & MANAGING DIRECTOR
(DIN: 00007065)



AARVEE DENIMS & EXPORTS LIMITED

NOTE TO UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE THIRD AND NINE MONTHS PERIOD ENDED DECEMBER 31, 2020:

- 1) The unaudited Standalone Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors of the company at their meeting held on February 11, 2021. These unaudited standalone financial results have been subjected to limited review by the statutory auditors of the company. The statutory auditors have expressed an unmodified conclusion.
- 2) The above unaudited Standalone Financial Results have been prepared in accordance with the guidelines issued by the Securities and Exchange Board of India ("SEBI") and the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013.
- 3) Pending publication of notice in the Official Gazette by the ROC, Gujarat, the name of the subsidiary i.e. Aye Ess Spinning Mills Pvt. Ltd (herein after referred to as "Aye Ess") is yet to be stricken-off from Register of Companies and to be dissolved as at December 31, 2020. As the net worth of the Aye Ess as at March 31, 2020 is nil, the investment in Aye Ess amounting to Rs.1.00 lac had been provided as loss in diminution in value of investment in subsidiary in Standalone Financial Results of the company for the year ended March 31, 2020. Further, in absence of business operations in subsidiary during the current period, no Consolidated Financial Results for the same are prepared.
- 4) The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slowdown of economic activity. COVID-19 has caused interruption in production, supply chain disruption, unavailability of personnel, etc. during last week of March, 2020 and thereafter. The management of the Company has exercised due care in concluding significant accounting judgments and estimates in preparation of the financial results. In assessing the recoverability of Trade receivables, the Company has considered subsequent recoveries, past trends, credit risk profiles of the customers and internal and external information available up to the date of issuance of these financial results. In assessing the recoverability of inventories, the Company has considered the latest selling prices, customer orders on hand and margins. Based on the above assessment, the Company is of the view that the carrying amounts of Trade receivables and inventories are expected to be realizable to the extent shown in the financial results. The impact of COVID-19 is highly uncertain and may be different from the estimates as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

The company has partially started its manufacturing operations in later part of the quarter ended September 30, 2020 and thereafter the same is gradually increased in current quarter ended on December 31, 2020. The company believes that the same will be operated with normal capacity within reasonable period. The Company's management has made initial assessment of likely adverse impact on business and financial risks and believes that the impact is likely to be short term in nature. The management does not see any medium to long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due.

- 5) The financial results for the third quarter and nine months period ended December 31, 2020 has been affected due to Covid 19 pandemic. The management expects that better profitability will be made in subsequent quarters for the financial year 2020-21 from business operations and therefore no adjustments are required to be made in carrying value of the inventories as at December 31, 2020 which is being carried forward from March 31, 2020. The auditors are relied upon and accepted the assumptions and explanations provided by the management.
- 6) The company is continuing with the balance of MAT credit aggregating to Rs.1357.45 lacs recognized up to March 31, 2020. Based on the future projections of profitability and tax liabilities computed in accordance with the provisions of Income Tax Act, 1961, the management of the company believes that there shall be sufficient future taxable profit and the company shall be required to pay normal taxes within the period specified u/s. 115JAA of the Income Tax Act and entire amount of MAT credit shall be setoff/ utilised. Therefore, in accordance with the Guidance Note on Minimum Alternate Tax under the Income Tax Act, 1961 issued by the Institute of Chartered Accountants of India, such MAT credit has been continued to be recognized as asset.



- 7) Though the company has partially started its manufacturing operations in later part of the quarter ended September 30, 2020 and has gradually increased it during the quarter ended December 31, 2020, the income from Power generation – Wind Mills has been substantially reduced due to shorter credit given by Torrent Power Limited (i.e. TPL) compare to power units generated from Wind Mills. The management is of the view that the balance amount of credit will be utilized in subsequent period of the financial year 2020-21 and the said credit will be subsequently recognized in the books as and when the credits are given by TPL.

Further, during the quarter under review, the company has entered into Memorandum of understanding for sale of certain Wind Mills which is subject to fulfillment of certain legal/other obligations at company's end. Due to pending legal/other formalities to be complied with by the company, resultant gain on proposed disposal of such assets is not recognized in the books.

- 8) The company has provided interest liabilities as at December, 31 2020 as per the terms of finance as amended from time to time after considering the benefits of moratorium granted by the Reserve Bank of India.

Due to the economic fallout on account of the Covid-19 pandemic which has led to significant financial stress for borrowers across India and with reference to Resolution Framework for COVID-19-related Stress issued by Reserve Bank of India dated 6th August and 7th September 2020, the company has submitted Restructuring Proposal to the Consortium Bankers and the Consortium Bankers have entered into Inter-Creditor Agreements (ICA) on 23rd October, 2020 complying with the regulation of the said RBI Circular for execution of ICA. Thereafter, the Government has given operational guidelines for extending Emergency Credit Line Guarantee Scheme 2 loans (ECLGS-2 loans) for the units falling under the stressed sectors as identified by Kamath Committee, which would be eligible for the ECLGS-2 loan for an amount up to 20% of fund based loan outstanding as on 29.2.2020 at concessional rate of interest. All the consortium member banks and one NBFC Tata Capital Financial Services Ltd. have sanctioned the ECLGS-2 loan to the extent of Rs.54.15 cr.

- 9) In absence of taxable income during the period under review, no provision for current tax is required to be made.
- 10) The previous periods/year's figures have been regrouped and rearranged where necessary, to make them comparable to current period/year figures.
- 11) The code on Social Securities 2020 (Code) relating to employee benefits during the employment and post-employment benefit received Presidential accent in September, 2020. The Code has been published in official gazette in India. The effective date from which the Code is applicable and the Rules to be frame under the Code are to be notified. The company will assess the impact of the Code when it comes to effects and will record any related impact in the period of the Code become effective.
- 12) As per requirements of Regulation 33 of the Securities and Exchange Board of India, the Company is required to publish financial results. Investors can view the unaudited standalone financial results of the company for the quarter and nine months period ended December 31,2020 on the company's website www.aarveedenims.com or on www.bseindia.com and www.nseindia.com of the website of Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE') respectively.

Place: Ahmedabad
Date: 11.02.2021



For AARVEE DENIMS AND EXPORTS LTD.
AHMEDABAD

Vinod Arora

VINOD P. ARORA
CHAIRMAN & MANAGING DIRECTOR

(DIN: 00007065)