



**aarvee**  
DENIMS AND EXPORTS LTD.

Regd. Office : 191, Shahwadi, Narol - Sarkhej Highway, Nr. Old Octroi Naka, Narol, Ahmedabad.-382405.  
Ph : +91 -79 -68147000, Fax : +91 -79 -68147152 CIN : L17110GJ1988PLC010504  
E-mail : info@aarvee-denims.com • Website : www.aarvee-denims.com  
Date: 15.09.2020

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| To,<br>The Manager (Listing)<br>The Bombay Stock Exchange Ltd.<br>PhirozeJeejeebhoy Towers,<br>Dalal Street,<br>Mumbai - 400 001 | To,<br>The Manager (Listing)<br>The National Stock Exchange of India Ltd<br>"Exchange Plaza"<br>Bandra-Kurla Complex<br>Mumbai - 400 051 |
|--|--|

Company Code: 514274 (BSE)

Company Code: AARVEEDEN (NSE)

**REG.: SUBMISSION OF OUTCOME OF BOARD MEETING OF AARVEE DENIMS AND EXPORTS LTD.  
HELD ON SEPTEMBER 15, 2020 AT 05:15 P.M. AND CONCLUDED AT 6:45 P.M.**

Dear Sir/Madam,

With reference to above we hereby submit the outcome of meeting of Board of Directors of Aarvee Denims and Exports Ltd. as under:-

1. The Board, based on the recommendation of Audit Committee has approved the unaudited financial results (standalone) for the quarter ended 30<sup>th</sup> June 2020.
2. The Board has noted and approved the Resignation of Mr. Darshak Thaker Company secretary and compliance officer of the company w.e.f. 07.10.2020.

**Disclosure as required under SEBI's circular no. CIR/CFD/ CMD/4/2015 dated 9th September 2015 are as under:**

- A. Reason for Resignation: Due to better opportunity
- B. Date of cessation: w.e.f. October 7, 2020.
- C. Brief profile; N.A.

We are enclosing the un-audited financial results (standalone) for the quarter ended 30th June 2020 for your records.

Kindly acknowledge the receipt of the above.

Thanking you,

Yours faithfully

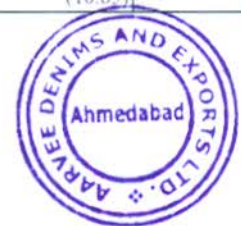
**FOR, AARVEE DENIMS AND EXPORTS LTD.**

**Darshak Thaker**  
Company Secretary  
(ACS 46919)  
Encl: As above



STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

| Particulars   | STANDALONE                  |                             |                             |                          |
|---|-----------------------------|-----------------------------|-----------------------------|--------------------------|
|   | QUARTER ENDED               |                             | YEAR ENDED                  |                          |
|   | JUNE 30,2020<br>(Unaudited) | MARCH 31, 2020<br>(Audited) | JUNE 30,2019<br>(Unaudited) | MARCH, 2020<br>(Audited) |
| <b>I. Income:</b>   |                             |                             |                             |                          |
| Revenue from operations   | 351.03                      | 11,693.95                   | 16,711.79                   | 56,133.72                |
| Other operating revenue   | 2.22                        | 99.33                       | 61.84                       | 334.09                   |
| <b>II. Other income</b>   | 30.38                       | 33.02                       | 38.49                       | 172.86                   |
| <b>III. Total revenue (I + II)</b>                                  | <b>383.63</b>               | <b>11,826.30</b>            | <b>16,812.12</b>            | <b>56,640.67</b>         |
| <b>IV. Expenses:</b>  |                             |                             |                             |                          |
| Cost of materials consumed  | -                           | 7,567.96                    | 11,961.45                   | 34,837.75                |
| Changes in inventories of finished goods and work in progress       | 430.38                      | (1,405.50)                  | (629.26)                    | (155.66)                 |
| Employee benefits expense   | 71.56                       | 857.92                      | 1,392.47                    | 4,316.58                 |
| Finance costs   | 1,143.76                    | 1,443.77                    | 1,245.13                    | 5,297.78                 |
| Depreciation and amortization expense                               | 749.20                      | 961.59                      | 956.48                      | 3,835.35                 |
| Other expenses  | 311.86                      | 3,014.37                    | 4,403.59                    | 14,061.41                |
| <b>V. Total expenses</b>  | <b>2,706.76</b>             | <b>12,440.11</b>            | <b>19,329.86</b>            | <b>62,193.21</b>         |
| <b>VI. Profit / (Loss) before Tax (III- V)</b>                      | <b>(2,323.13)</b>           | <b>(613.81)</b>             | <b>(2,517.74)</b>           | <b>(5,552.54)</b>        |
| <b>VII. Tax expense:</b>  |                             |                             |                             |                          |
| Current tax   | -                           | -                           | -                           | -                        |
| Deferred tax  | 169.86                      | (1,401.90)                  | (20.70)                     | (1,359.85)               |
| <b>VIII. Profit / (Loss) for the Period/Year after Tax (VI-VII)</b> | <b>(2,492.99)</b>           | <b>788.09</b>               | <b>(2,497.04)</b>           | <b>(4,192.69)</b>        |
| <b>IX. Other comprehensive income (Net of tax)</b>                  | -                           | -                           | -                           | (21.26)                  |
| <b>X. Total comprehensive income (VIII + IX)</b>                    | <b>(2,492.99)</b>           | <b>788.09</b>               | <b>(2,497.04)</b>           | <b>(4,213.95)</b>        |
| <b>XI. Net profit attributable to:</b>                              |                             |                             |                             |                          |
| a) Owners of the company  | (2,492.99)                  | 788.09                      | (2,497.04)                  | (4,192.69)               |
| b) Non - Controlling interest                                       | -                           | -                           | -                           | -                        |
| <b>XII. Other comprehensive income attributable to:</b>             |                             |                             |                             |                          |
| a) Owners of the company  | -                           | (21.26)                     | -                           | (21.26)                  |
| b) Non - Controlling interest                                       | -                           | -                           | -                           | -                        |
| <b>XIII. Total comprehensive income attributable to:</b>            |                             |                             |                             |                          |
| a) Owners of the company  | (2,492.99)                  | 766.83                      | (2,497.04)                  | (4,213.95)               |
| b) Non - Controlling interest                                       | -                           | -                           | -                           | -                        |
| <b>XIV. Paid-up equity share capital ( Face value of Rs.10 )</b>    | <b>2,345.98</b>             | <b>2,345.98</b>             | <b>2,345.98</b>             | <b>2,345.98</b>          |
| <b>XV. Other Equity ( excluding revaluation reserve )</b>           | -                           | -                           | -                           | 20,752.61                |
| <b>XVI. Earnings per equity share of face value of Rs. 10 each</b>  |                             |                             |                             |                          |
| Basic & Diluted (in Rs.)  | (10.63)                     | 3.36                        | (10.65)                     | (17.88)                  |





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**STATEWISE REVENUE, RESULTS AND ASSETS & LIABILITIES**

| Sr No | PARTICULARS  | Standalone    |                |               |             |
|-------|--|---------------|----------------|---------------|-------------|
|       |  | QUARTER ENDED |                | YEAR ENDED    |             |
|       |  | JUNE 30, 2020 | MARCH 31, 2020 | JUNE 30, 2019 | MARCH, 2020 |
|       |  | (Unaudited)   | (Audited)      | (Unaudited)   | (Audited)   |
| 1     | <b>Segment Revenue</b>                                   |               |                |               |             |
|       | a) Textiles  | 330.09        | 11,469.15      | 16,050.78     | 54,216.89   |
|       | b) Power Generation -Wind farm (Refer Note 7)            | 23.16         | 324.13         | 722.85        | 2,250.92    |
|       | Total Segmental Revenue                                  | 353.25        | 11,793.28      | 16,773.63     | 56,467.81   |
|       | Less: Inter Segmental Elimination                        | -             | -              | -             | -           |
|       | Net Sales/Income from operations                         | 353.25        | 11,793.28      | 16,773.63     | 56,467.81   |
| 2     | <b>Segment Profit / (Loss) before Tax &amp; Interest</b> |               |                |               |             |
|       | a) Textiles  | (1,014.62)    | 734.73         | (1,742.24)    | (1,640.32)  |
|       | b) Power Generation -Wind farm                           | (180.04)      | 81.33          | 444.60        | 1,292.65    |
|       | Less/(Add) : Inter Segment Elimination                   | -             | -              | -             | -           |
|       | Total Segments Result                                    | (1,194.66)    | 816.06         | (1,297.65)    | (347.67)    |
|       | Less: Interest related to Textiles                       | 1,143.76      | 1,443.77       | 1,245.13      | 5,297.78    |
|       | Less/(Plus) : Net Unallocable expense / (income)         | (15.29)       | (13.89)        | (25.04)       | (92.91)     |
|       | Total Profit /(Loss) before Tax                          | (2,323.13)    | (613.81)       | (2,517.74)    | (5,552.54)  |
| 3     | <b>Segment Assets :</b>                                  |               |                |               |             |
|       | a) Textiles  | 76,148.92     | 79,026.09      | 88,569.12     | 79,026.09   |
|       | b) Wind farm   | 5,103.28      | 5,253.77       | 5,711.90      | 5,253.77    |
|       | Total Assets   | 81,252.20     | 84,279.86      | 94,281.02     | 84,279.86   |
| 4     | <b>Segment Liabilities :</b>                             |               |                |               |             |
|       | a) Textiles  | 60,096.66     | 60,655.10      | 69,131.27     | 60,655.10   |
|       | b) Wind farm   | 549.96        | 526.16         | 334.25        | 526.16      |
|       | Total Liabilities  | 60,646.62     | 61,181.27      | 69,465.52     | 61,181.27   |

Place : Ahmedabad  
 Date : September 15th 2020

For, AARVEE DENIMS AND EXPORTS LTD

*Vinod P. Arora*

VINOD P. ARORA  
 CHAIRMAN & MANAGING DIRECTOR



## AARVEE DENIMS & EXPORTS LIMITED

### NOTE TO UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE FIRST QUARTER ENDED JUNE 30,2020:

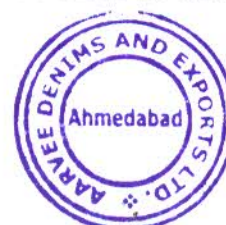
- 1) The unaudited Standalone Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors of the company at their meeting held on September 15,2020.\*
- 2) The above unaudited Standalone Financial Results have been prepared in accordance with the guidelines issued 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) During financial year 2019-20, pursuant to resolution passed by the Board of Directors of the Aye Ess Spinning Mills Pvt. Limited, Ahmedabad (herein after referred to as "Aye Ess"), the 100% Subsidiary Company of the company, has filed an application under section 248(2) of the Companies Act, 2013 for voluntarily striking off of the name of the company from the Register of Companies with Registrar of Companies, Gujarat ( i.e. ROC), after complying with all the prescribed legal formalities. Pending publication of notice in the Official Gazette by the ROC, Gujarat, the name of the Aye Ess Company is yet to be stricken-off from Register of Companies and to be dissolved as at June 30, 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 has 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.

Because of above and 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. However, due to COVID-19 pandemic, the company could not obtained balance confirmations from its receivables. 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.

Further, recently the company has resumed its manufacturing operations at certain plants and 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 first quarter ended June 30,2020 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 June 30,2020 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 recognised as asset.
- 7) The company has not started its manufacturing operations till June 30,2020 and therefore, 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.
- 8) The previous period's/year's figures have been regrouped and rearranged where necessary, to make them comparable to current period/year figures.
- 9) The Standalone financial results include the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the financial year which were subjected to limited review by us.
- 10) 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 June 30,2020 on the company's website [www.aarveedenims.com](http://www.aarveedenims.com) or on [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) of the website of Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE') respectively.

For, AARVEE DENIMS AND EXPORTS LTD.

Place: Ahmedabad  
Date: 15.09.2020

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



**Independent Auditor's Review Report on quarterly Unaudited Standalone Financial Results of M/s. AARVEE DENIMS & EXPORTS LIMITED pursuant to the 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 ended 30<sup>th</sup> June, 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 ("the Statement").
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. Attention is drawn to the fact that the figures for the 3 months ended 31 March 2020 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
5. 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 better 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 June 30, 2020.

Attention is invited to note no: 6 of the notes on unaudited standalone financial results regarding continuing recognition of MAT Credit as at June 30, 2020.

The auditors are relied upon and accepted the assumptions and explanations provided by the management in these regards and our opinion is 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

6. 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 : 15.09.2020  
UDIN : 20067236AAAA101425



For **SHAH & SHAH ASSOCIATES**  
Chartered Accountants  
FRN: 113742W

  
**SUNIL K. DAVE**  
**PARTNER**

Membership Number: 047236