



VAPI ENTERPRISE LTD.
(Formerly known as VAPI PAPER MILLS LTD.)

Regd. Off.213 UDYOG MANDIR, PITAMBER LANE, MAHIM (WEST), MUMBAI 400016
Works : Plot No. 298/299, GIDC 2nd Phase, Industrial Area, VAPI, GUJARAT 396 195
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30.06.2020

To,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street Mumbai 400001
Security Code: 502589

Subject: Disclosure in accordance with SEBI circular dated May 20th, 2020 - impact due to COVID-19 pandemic.

Dear Sir/Madam,

With reference to the SEBI Circular No. SEBI/HO/CFD/CMDI/CIR/P /2020/84, dated 20th May, 2020 and in line with the requirement of Regulation 30 of the Listing Regulations, requisite disclosure pertaining to the material impact of Corona Virus Disease ("COVID-19") is as under;

1. Impact of the COVID-19 pandemic on the Business:

Like other businesses, the business of the Company has also been impacted by COVID-19 pandemic. The Registered office is situated at Mumbai, which has been declared a Red Zone. Job Work/Operations of the Company is situated at Vapi which has had a lower impact of COVID 19.

Our main sources of revenue are Renting of Immovable Property Assets and Manufacturing Job Work of Paper Products.

On the rental side, we have had 100% revenue till March 31st so there is no impact on 2019-2020 financial year. From April onwards we have had no requests for remission of rent although payment receipts have been delayed. Some agreements have expired and we are billing and collecting rents on a month to month basis pending full normalization and then we will extend agreements based on the ability of tenants to continue. All our old agreements have a three-month notice of termination from either side, we may see some customers vacate early if they find business unviable leading to temporary loss of revenue.

2. Ability to maintain operations including the office spaces functioning and closed down:

The Company's registered office is situated at Mahim (West), Mumbai, which falls under red zone and remains under lockdown. The company has not been operating from its registered office. However, all the employees based there have been given the facility to work from home.

In April the Manufacturing Job Work Operations resumed on a lower level in last week and revenue on Job work was about 20% of normal.

In May, the Job Work volumes have inched up to 50% of normal and we expect volumes to be at around 65% for June improving steadily month on month. Company has been able to mitigate the effects of revenue reductions by reducing fixed and variable costs as much as possible and while the disruption will create some loss of profit, the company is confident of quick recovery.

3. Schedule, if any, for restarting the operations and steps taken to ensure smooth functioning of operations:

The Company will restart its operations at Mumbai office as soon as the same is allowed by the Government of Maharashtra and based on the decision of Management keeping in mind the safety of its employees and their families.

4. Estimation of the future impact of COVID-19 on its operations

In the ambit of the prevailing Force Majeure conditions, the impact of the COVID-19 pandemic is presently not completely ascertainable and the same will depend on how quickly the global and local economy will recover.

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

There has been no significant impact on the business due to non-fulfillment of any obligations by any party to existing contracts/agreements. At this point of time, we do not anticipate any material impact on the business, as the full consequences of the pandemic are yet unknown. We will attempt to take all steps in our control to monitor the situation and mitigate any potential impact on our business on this account.

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

There is no other relevant update about the business of the company. However, the company is monitoring the situation and will further update on the matter as and when warranted.

Kindly take the same on your record.

Thanking you,

Yours Faithfully,

For Vapi Enterprise Limited

(Formerly Known as Vapi Paper Mills Limited)



MANOJ RAMANBHAI PATEL

Managing Director

DIN 00485197