



Regd. Office : Texcellence Complex, Near Anupam Cinema, Khokhra, Ahmedabad - 380 021, India.
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CIN No : L99999GJ1982PLC005253

Date : 10th July, 2020

To,
Manager – Listing
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (East),
Mumbai 400 051.

Sub.: Reply to your mail dated 08.07.2020 with regard to Disclosure of material impact of COVID 19 pandemic on listed entities under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref.: Scrip Codes: NSE: ASHIMASYN

We are in receipt of your mail dated July 8, 2020, with regard to disclosure of material impact of COVID-19 pandemic in terms of SEBI Circular dated May 20, 2020 stating that the company has not addressed all the points of disclosure as specified in said SEBI Circular.

In this regard we wish to inform you that the Company has made an initial disclosure dated May 26, 2020 on the impact of CoVID-19 followed by a further update dated June 18, 2020 on operations of the Company. The said disclosures already cover material points as specified by the said SEBI Circular, which are enumerated below:

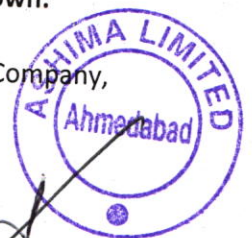
- **Impact of COVID-19 on business :**

Manufacturing operations /activity, production of cotton textile fabrics, sales and other operational activities were completely halted for the entire duration of lockdown. The stoppage has an adverse impact on operational performance of the Company and its financial position. The Company has been facing liquidity crunch and is striving to manage its cash flows within the limitations. However, it was not possible to quantify the impact on profitability or financial position of the Company.

Later on the Company commenced manufacturing activity partially for fulfillment of pending delivery commitments against customer orders.

- **Ability to maintain operations including factories /office functioning and closed down:**

Post lifting of lock down there has been hardly any manufacturing activity in the Company, as we are seeing no significant activity in textiles market.



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- Schedule, if any, for restarting the operations:

The Company has been facing liquidity constraints due to closure of operations and therefore waiting for business conditions to improve. Commencement of normal operations will take some more time. The Company is monitoring the situation and will further update on the matter as and when warranted, as the situation unfolds in the time to come.

- Estimation of future impact of CoVID-19 on its operations and Details of impact of CoVID-19 on capital and financial resources, profitability, liquidity position, ability to service debt and other financing arrangements, assets, internal financial reporting and control, supply chain, demand for products / services :

In our both disclosures dated May 26, 2020 and June 18, 2020 we have stated that company is facing liquidity constraints and is waiting for business conditions to improve and it was not possible to quantify the impact on profitability or financial position of the Company.

We may inform you that the Company operates in Khokhara area of Ahmedabad which itself was till some time back in red /containment zone and surrounded by several red /containment zones. We may state that the lockdown lasted till May 31, 2020 and practically there was hardly any activity during quarter ended June 30, 2020.

We may further state that as regards impact of CoVID 19 on financial resources or profitability etc., it is difficult to assess at this juncture as operations have still not normalized and business conditions are yet to improve for the Company as well as for Textile Industry.

As regards Company's ability to service its debt, we may state that Company has very insignificant amount of debt for which it foresee no difficulty in servicing.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For Ashima Limited

Hiren S. Mahadevia
Company Secretary



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