

SURAT TEXTILE MILLS LIMITED

Date: 13th July, 2020

The Corporate Relations Department,
BSE Limited.,
First Floor, New Trading Wing,
Rotunda Building,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400001
Scrip Code: 530185

Sub.: Disclosure regarding Impact of the Covid-19 pandemic on the Company's operations
Ref.: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020,

Sir/Madam,

Further to our disclosure dated 11th April, 2020 and 25th May, 2020 on the plant operations, an update relating to the impact of the Covid-19 pandemic and the resultant lockdown on the Company's operations is provided herewith.

1. Ability to maintain operations including the factories/units/office spaces functioning and closed down; Schedule, if any, for restarting the operations:

Consequent to the declaration of outbreak of Coronavirus disease (COVID-19), a global pandemic, Government of India had declared lockdown on 23rd March, 2020 and the Company temporarily suspended the operations at its plant Village Jolwa, Taluka Palsana, Dist. Surat in compliance with the lockdown instructions issued by the Central and State Governments.

This impacted the normal business operations of the Company by way of interruption in production, supply chain, dispatches, unavailability of personnel etc. during the lockdown period which was extended till 17th May, 2020.

Production and supply started in phase manner during May-June, 2020 ⁱⁿ and a staggered manner after obtaining permission from the appropriate government authorities.

As per the prescribed guidelines of Government, our registered office has also re-opened by allowing minimum staff to work from office premises and rest are continuing to work from home. Safety norms and precautions are strictly followed at all locations, considering the risk of Corona virus and also to keep a control on it.

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STM

Regd. Office : 6th Floor, Tulsi Krupa Arcade, Puna Kumbharia Road, Dumbhal, Surat 395 010.

Phone : (0261) 2311198 | Website : www.surattextilemills.com

CIN : L17119GJ1945PLC000214

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2. Steps taken to ensure smooth functioning of operations:

In order to smooth functioning of operation, the Company is adhering the guidelines and direction issued by State and Central Government including the local administrative authority for maintaining the health and safety norms across its all locations including physical distancing, compulsory use of face mask and hand sanitization etc.

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

The situation is still evolving and it is difficult to guess on how this pandemic will make further influence. The Company is closely monitoring the emerging situation arising out of COVID-19 and subsequent restrictions imposed by the regulatory authorities.

It is possible neither to foresee the duration for which this pandemic will last, nor predict its course. Nevertheless, the Company is making every effort to ensure that the after effects are dealt with. In view of the prevailing uncertainty, no precise estimation can be made about overall impact of this pandemic.

4. Details of impact of COVID-19 on listed entity's:

- a. **Capital and financial resources:** The Capital employed of the Company is intact and the present liquidity has been deployed in safe money market instrument.
- b. **Profitability:** The revenue and profitability for the first quarter of the financial year 2020-21 will be more impacted due to lock down situation and we expect to recover ground in remaining quarters. The Company has taken necessary steps to reduce overheads to the extent possible.
- c. **Liquidity Position:** Company has adequate resources to maintain its liquidity, however during the lockdown, cash flow was disrupted due to lower collections and fixed expenses commitments.
- d. **Ability to service debt and other financing arrangements:** The Company does not have any long term debt or working capital debt.
- e. **Assets:** There has not been any impact on assets due to Covid-19.
- f. **Internal Financial Reporting and Control:** There is no impact on internal financial controls due to COVID-19.
- g. **Supply Chain:** There was distribution on supply chain during lockdown. The Company is actively working with its vendors and logistic provider for ensuring seamless supply of raw material and despatches of finished goods.
- h. **Demand for its products/services:** The Company expect that post lock down demand will take off on coming months on revival and opening of the market.

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

No such existing contracts/agreements have been identified where non-fulfilment of the obligations by any party will have significant impact on the Company.

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

The Company shall keep its stakeholders informed as and when any material developments take place having significant impact. As the current environment is very dynamic and resultant situation is evolving, the business operations are highly influenced by the decisions taken by the Government and Regulators, from time to time.

This is for your information and record.

Thanking you.

Yours faithfully,

For Surat Textile Mills Limited



Haniha Arora

Company Secretary & Compliance Officer



Encl.: As above

The logo for Surat Textile Mills Limited, featuring the letters 'STM' in a large, bold, orange serif font.

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SURAT TEXTILE MILLS LIMITED

Date: 25th May, 2020

**The Corporate Relations Department,
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First Floor, New Trading Wing,
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Dalal Street, Fort,
Mumbai 400001
Scrip Code: 530185**

Sub.: Partial resumption of operation at the Company's Plants – Intimation under Regulation 13 of SEBI (LODR) Regulations, 2015 ('Listing Regulations')

Sir/Madam,

In continuation to our earlier communication dated 11th April, 2020, we would like to update that pursuant to the applicable guidelines issued by the Ministry of Health Affairs (MHA), Government of India and after obtaining necessary permissions as required, the operations of Company's plants located at Village Jolwa, Taluka Palsana, Dist. Surat are being partially resumed in a gradual and phased manner.

The Company is taking all necessary steps to adhere to the SOPs for Social Distancing provided by MHA and continues to work to safeguard the interests of its employees, workers and other stakeholders at the Company's locations.

The Company will continue to monitor the situation closely and take appropriate actions as per regulatory guidelines.

You are requested to take the above on record.

Thanking you,

Yours faithfully,
For Surat Textile Mills Limited



Manisha Arora
Company Secretary & Compliance Officer



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