

DANGEE DUMS

Date: 01.06.2020

To,
Listing Department (NSE Emerge Platform)
National Stock Exchange of India Limited
Exchange Plaza, Plot no. C/1, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai - 400 051

Name of Scrip: DANGEE

Sub: Updates regarding impact of Covid-19.

Ref:- SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20.05.2020.

Dear Sir / Madam,

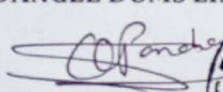
Pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020, please find enclosed disclosure of material impact due to COVID-19 pandemic on the company.

Kindly take this information on your records and acknowledge the receipt.

Thanking you,

Yours faithfully,

For, DANGEE DUMS LIMITED


SHYAMSUNDER PANCHAL
Company Secretary & Compliance Officer

Encl.: As above

DANGEE DUMS LIMITED

(Formerly Known as Aromen Hospitality Pvt Ltd)

Registered Address : 4/A, Ketan Society, Nr Sardar Patel Colony, Naranpura, Ahmedabad - 380014

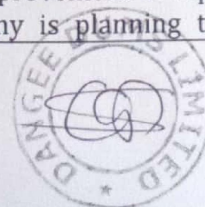
www.dangeedums.com | 079-2768 1878 / 98980 88885 | cs@dangeedums.com | CIN Number : L55101GJ2010PLC061983

IMPACT OF COVID-19 ON BUSINESS OF THE COMPANY:

Sr.No.	Particulars	Disclosures/Information
1	Impact of the COVID-19 pandemic on the business	The Company's main revenue comes from selling of bakery, confectionery and ice cream products through its outlets spreaded in the state of Gujarat, further, the Company has it's manufacturing facility in Ahmedabad.. Therefore, due to lockdown announced by Government of India, the company has to shut down all its outlets and manufacturing facilities from March 22, 2020, which has impacted negatively to its business operation and financial position. However, manufacturing facilities was partially re-opened with not more than 5-10 % capacity w.e.f. April 10, 2020 with 2-3 employees, and some of outlets partially re-opened w.e.f. May 23, 2020. It is to be noted that, as we are mainly in the business of cakes, Pastery, Icecream and other bakery items and selling through our outlets, we think our revenue and profitability will be adversely effected during the current financial year 2020-21.
	Ability to maintain operations including the factories/units office spaces functioning and closed down	Due to announcement of lockdown, around 70-80 employees-staffs have been returned to their home state, due to which the operation of the Company is drastically impacted and during period of lockdown Company's operation was ceased. However, the Company has maintained its certain operations by ensuring staggered reporting of operational staff, making travel arrangements, providing hygienic work environment and safety protection equipment. It has also permitted work from home to some staff.. The Company has taken precautionary measures to safeguard health and safety of its employees, customers and will continue to abide by the applicable rules prescribed by the government authority.
	Schedule, if any, for restarting the operations	Keeping in view our priority of health and safety of staff and customers of the Company, We are opening our Factory and outlets as per the guidelines of Authorities.
	Steps taken to ensure smooth functioning of operations	The Company is taking utmost care of its staff and work force and has put in place strict monitoring process for Covid-19 ensuring the following, ✓ Enforcing wearing of masks and regular cleaning of hands ✓ Thermal Screening of all employees and visitors ✓ Sanitizing the premises and vehicles on regular basis ✓ Taking regular updates of the health of all the employees and their families



Sr.No.	Particulars	Disclosures/Information
		✓ Maintenance of social distancing at all work places ✓ Asking all employees to have Aarogya Setu App
	Estimation of the future impact of COVID-19 on its operations	Looking to our business segment, we estimate that our revenue and profitability will be adversely affected in FY 20-21. Our Cash Flow will also be impacted as out of our outlets more than 95% are on rental premises. The 1 st Quarter revenue and profitability of the Company are very badly affected and on our re-opening of outlets, footfalls will take time to increase and to reach the level of previous FY 2019-20 will take 3-4 quarters.
	Details of impact of COVID-19 on listed entity's –	
	Capital and Financial resources	Buffer of the working capital will be wiped out built in last few months.. The Company is expected to struggle in its business operations for next few months considering this extraordinary circumstances.
	Profitability:	The profitability of the Company for the 1 st Quarter will be on negative side and we also see very much impact on profitability during the FY 20-21. Our fixed overheads will affect our profitability adversely in the Current FY.
	liquidity position	Due to Lockdown, outlets operations is halted and simultaneously revenue generation is also stopped as main revenue of the Company is generated form all our retail outlets. Therefore, liquidity position of the Company is tight, and Company is trying to manage it by strict monitoring of cash inflows and outflows. Further, due to control it's liquidity and looking to low operational feasibility of some of our stores the Company may have to close down some of it's outlets permanently as per data of its revenue generation in past 2-3 years. This pandemic circumstance hit and closed our all outlets and factory during this lockdown period which affected on the sales performance of the Company and same is effecting the liquidity of the Company. Our major shop/outlets are closed in this lockdown period, our major revenue shall be reduced drastically, and the cash position will be under stress. The Company is planning to restrict the production based on the market demand and also reduce the overhead cost proportionately. The banks as per the RBI guidelines have extended 6 months moratorium period for payment of principal and interest payments. This has given immediate and temporary relief for the liquidity position of the Company. Even with present, very tight liquidity position we are confident of overcome by various measures decided to taken it will result in improvement of liquidity by 3rd & 4th quarter. The company is planning to improve its



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		retail market by aggressive approach using it wide spread sales outlets and man power and also exploring other ways of sales like distribution through agent network.
	Ability to service debt and other financing arrangements:	All the banks have extended moratorium period for servicing of principal and interest on borrowings till August, 2020 and due to non generation of revenue liquidity crisis during this situation, the Company has also applied for the same for its outstanding loans. However, we are able to meet our financial obligation as and when it become due.
	Assets:	The Company is not planning any addition to assets during the year.
	Internal financial reporting and control	The Company has taken Cash flow control and overhead control measures to manage the operations. The Company has robust ERP System in place and all its locations are well networked. Even during lockdown, IT / reporting systems worked seamlessly without any disruption.
	Demand for its products:	Since there has been lockdown we have to closed down all our major outlets/shops and factory since 22 nd March, 2020 and the same has just started that too in a limited way, we expect it would take a few months time for us to pick up and for our products categories like Confectionery and other products, etc. As regards, hopefully the demand would revive once the situation comes to it's normalcy post lockdown.
	Existing contracts / agreements	Existing contracts/agreements where non-fulfilment of the obligations by any party may have significant impact on the Company's entity's business: The Company may expect such scenario, since the Company is into bakery and confectionery business through its outlets, which is semi essential goods and due to non fulfillment of the terms & conditions some of contract/agreements can be come to an end.
	Conclusion:	If the lockdown gets eased further going forward,the Company expects to gradually come back to its original level of operations, in the upcoming months. However, the Q-1 & Q-2 performance is likely to have its impact on the annual performance for the year 2020-21

