

Date: 03/06/2020

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

**Subject: Disclosure of material impact of CoVID—19 pandemic on the Company under
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Symbol: GLOBE**

Pursuant to Regulation 30 of LODR Regulations read with **SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020**, please find enclosed herewith the disclosure of material impact of CoVID-19 pandemic on the operations and performance of the Company. This is for your information and records.

Kindly take the same in your record.

Thanking you,

Yours faithfully,
For, Globe Textiles (India) Limitedd



Faruk H. Diwan
Company Secretary & Compliance Officer



Material impact of CoVID-19 pandemic on operations and performance of the Company

Sr. No.	Particulars	Disclosures
1	Impact of the CoVID-19 pandemic on the business	Our Plant was dosed w.e.f. March 24, 2020 to April 30, 2020 (38 days) due to lockdown. However, we got permission on April 25, 2020 from concerned authorities, subject to fulfilment of certain conditions, to partially start production operations. We have started our operations w.e.f May 01, 2020 at around 25% production capacity.
2	Ability to maintain operations including the factories/units/office spaces functioning and closed down:	i. We are pleased to inform that we are now operating our unit/godown located at Piplej and our capacity utilization is around 25%. We are observing full compliance to the conditions of operations stipulated to avoid any infection due to COVID-19; ii. We also would like to inform that global dispatches in few countries have resumed. We expect that domestic dispatches will also resume gradually as and when the market start opening; iii. The Registered Office of the Company located at Khokhra, Ahmedabad and it is functioning subject to maintaining social distancing and other safety norms and some of the departments have started working from home.
3	Schedule, if any, for restarting the operations:	There was resumption of partial operation at our Piplej unit/godown w.e.f. May 01, 2020 after obtaining requisite approval from the concerned authorities and we are scaling up the production capacity gradually.
4	Steps taken to ensure smooth functioning of operations:	The Company is taking utmost care of its staff and work force like sanitisation, social distancing, mandatory to wear mask/face cover, thermal check at the gate, maintain proper hygiene. Supply chain is being monitored to ensure availability of material. Many of our labourers are from far villages, therefore, the Company is facing the issue of migrant labour and presently working only with local labours with 25% production capacity only.
5	Estimation of the future impact of CoVID-19 on its operations:	In our view, most are all our end user industries have been impacted in varying degrees by the pandemic related contraction and its knock-on effects on global supply chains. We have seen lower off take in the months of April and May 2020 and its is difficult to estimate how soon things will revert to normal.



		With the opening of domestic as well as global market post lockdown, we expect business to improve gradually. We estimate that business will start improving from 2 nd quarter of FY20-21 and we can expect normal business from 3 rd & 4 th quarter of FY20-21 onwards.
6	Details of impact of CoVID-19 on listed entity's:	
6.1	Capital and financial resources	This pandemic affects the capital and financial resources of the Company. The Company will approach the Banks/Financial institutions to raise the capital to meet business requirements.
6.2	Profitability	Profitability for the Quarter 4 of FY 2019-20 and Quarter 1 of FY 2020-21 is likely to be adversely impacted due to lockdown and 25% manufacturing capacity utilization. However, it is expected to improve from Quarter 2 of FY 2020-21 onwards.
6.3	Liquidity position	We have conserved resources to maintain liquidity position in the company. However, due to our receivable getting delayed, the cash position will be under stress. The company do hope cash position to be normal by Quarter 3 FY 2020-21.
6.4	Ability to service debt and other financing arrangements	The Company has very less unutilised working capital, therefore the Company has availed moratorium from its lenders. However, the Company is falling slightly above MSME benchmark and due to policies of Banks; the Company is not in the position to get the support from the Banks. Large corporate borrowers are deprived from such benefits. The Company has paid statutory dues as per the due dates yet. With tight control over the expenditure, the Company will be able to serve its debt and other financial requirements.
6.5	Assets	Company will assess further CAPEX requirements once situation improves and will arrange necessary funding.
6.6	Internal financial reporting and control	Internal financial reporting and control are fully functioning.
6.7	Supply Chain	We have not observed any major supply chain issues and it is expected to normalize post lockdown.



6.8	Demand for its products/ services	There is temporary reduction in demand due to varying lockdown across the world, which we expect to improve in 3 rd quarter and normalise by 4 th quarter for FY 20-21.
7	Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business	We have no such contract which has significant impact on the company.
8	Other relevant material updates about the listed entity's business	All the material updates have been listed in this disclosure. Further Company shall make other disclosure as and when required.

