



Date: June 01, 2020

To, The General Manager Capital Market(Listing) National Stock Exchange of India Ltd. Exchange Plaza, BKC Bandra-Kurla Complex, Bandra (East), Mumbai-400 051. Symbol: RUBYMILLS	To, Dy. General Manager Marketing Operations (Listing) BSE Ltd P. J. Towers, 25th Floor, Dalal Street, Fort, Mumbai-400 001. Code: 503169
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Subject: Intimation under Regulation 30 of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

The lockdowns and restrictions imposed on various activities due to COVID – 19 pandemic, while being a necessary measure to contain its spread, have also posed unprecedented challenges to all businesses and the business operations at The Ruby Mills Limited (hereinafter referred to as the “Company”) has been no exception to this.

Pursuant to Regulation 30 of Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/C MD1/CIR/P/2020/84 dated May 20, 2020 and with reference to our earlier relevant disclosures on the subject, following are the brief details relating to the impact of the COVID-19 pandemic and the resultant lockdown, on the operations of the Company:

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

Our plants situated at Kharsundi and Dhamni were closed since March 23, 2020. Both the factories reopened after due permission from the concerned authorities from May 06, 2020 on a very low scale. At present they are operating only one shift. The Company has put in place strict monitoring process for COVID-19 by ensuring the following:-

- i. Thermal Screening of all employees and visitors,
- ii. Sanitizing the premises and vehicles on regular basis,
- iii. Maintenance of social distancing at all work-places,
- iv. Enforcing wearing of masks and regular cleaning of hands,
- v. Regular update of the health of all the employees and their families.
- vi. Ensuring use of the Arogya-Setu App

The Company has taken all necessary steps to adhere to the guidelines for social distancing provided by Ministry of Home Affairs along with the various directives issued by relevant Government authorities and has put in place safety measures keeping in mind safety, health and well – being of the employees and other stakeholders at all our locations.

Our Registered Office in Mumbai also closed in accordance with the Government directives and/or as a precautionary measure since March 23, 2020.

The point of sales are closed due to the lockdown, be it organised retail/ brand stores or the conventional cloth market. Moreover, people across the value chain have heavy pre lock down stocks, which they will look to liquidate first. Only after assessing the market situation, the production planning for increased operation of the factories can be looked into, which cannot be assessed unless the lockdown is completely lifted and normalised. Hence the Company expects

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the turnover for the first quarter of FY 2020-21 to be about 10% excluding real estate income in which the company expects a reduction of about 10%.

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

- i. Amidst the crisis, the safety of our employees has been our top-most priority and the Company has taken several measures to ensure their well-being. Some of the key employees in our offices have been working from home in accordance with the guidelines issued by the Central/State/Municipal authorities.
- ii. We are not at present facing any migrant issues. However, as the scale of operations of the factories increases, we are likely to face shortage of contract labour due to current migrant problems as most of our labourers live nearby.

3. Schedule, if any, for restarting the operations:

We had already communicated the resumption of partial operation at both our plants w.e.f. May 06, 2020 after obtaining requisite approval from the concerned authorities and we will be scaling up the production capacity gradually depending upon the improvement in the demand in the market.

4. Steps taken to ensure smooth functioning of operations:

We have been continuously monitoring and training the work force at the plants on the protocol and safety measures to be followed both inside and outside the factory premises and also through pamphlets and displays in notice boards and explaining them the importance of social distancing and the SOPs issued by the Ministry of Home Affairs, Government of India from time to time.

We are in phase of training people on the job for practicing mandatory SOPs and also PPEs for resumption of operations in a graded manner as we have commenced partial production post completion of mandatory safety check and training of personnel on Physical distancing, health & hygiene.

We will closely monitor the situation and take necessary steps as may be required from time to time.

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

Considering the fact that the situation is exceptional and is changing dynamically, the Company is not in a position to gauge with certainty, the future impact on its operations. However, the Company is making continuous efforts to adapt to the changing business environment and respond suitably to fulfil the needs of its customers and there by considerably reduce the impact due to COVID-19.

While the current customer sentiments and the reverse migration of the migrant workforce pose challenges, the Company is quite confident that the demand situation will pick up progressively.

With the opening of domestic market post lockdown, we expect business to improve gradually. We estimate that business will start improving from Second quarter of FY2020-21 subject to the spread of COVID-19 being controlled and staggered lifting of the lockdown.

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6. Development of Fabric for COVID-19:

In the view of global outbreak of COVID-19 pandemic, as forefront leaders of innovation in fabrics, the Company has been doing research on the critical aspects such as protection from virus on clothing. We are glad to inform that the Company has developed H+ Technology fabric which has an ANTI-VIRAL, ANTI-MICROBIAL, ANTI-FUNGAL protection which lasts upto 30 washes and helps in controlling infection spread. Further, with normalising of operations, the Company will undertake the manufacturing on a larger scale.

7. Details of impact of COVID-19 on listed entity:

- i. **Capital and financial resources:** We are not foreseeing any major capital expenditure till the situation improves and the market shows marked improvement.
- ii. **Profitability:** Profitability for the First quarter (April, 2020 to June, 2020) FY2020-21 expected to be affected due to lockdown and partial capacity utilization. However, it is expected to improve from Second quarter (July, 2020 to Sept, 2020) FY2020-2022 onwards subject to the market opening up.
- iii. **Liquidity position:** We have conserved resources to maintain liquidity position in the company and also in discussions with the financial institutions for availing the benefits of the COVID-19 regulatory package notified by Reserve Bank of India to bridge the gaps in the working capital
- iv. **Ability to service debt and other financing arrangements:** The Company is in discussions with their Licensees and are confident that we would be able to service their LRD loans without any delays. As regards the other loans the Company is confident of meeting its repayment obligations.
- v. **Assets:** The Company sees no immediate impairment requirement for any assets due to COVID- 19.
- vi. **Internal financial reporting and control:** Internal financial reporting and control are fully functioning.
- vii. **Supply Chain:** We have not observed any major supply chain issues and it is expected to normalize post lockdown.
- viii. **Demand for its products/ services:** Domestic demand expected to improve post lockdown.
- ix. **Relations with Labour / Staff and Significant labour problems and their proposed solutions:** Salaries and wages for the Month of March 2020 including the lockdown period have been paid and ad hoc advance against salaries and wages for the month of April 2020 have been made.

The workers of the Kharsundi Processing Plant of the Company have resorted to an illegal strike from May 25, 2020 despite a Four year Wage Agreement having being executed between the Company and the workers. The said act of the employees have been construed as subversively of discipline & misconduct as per the rules of the Company and despite explaining the reporting employees to resume their duties and start production activities, they have abstained from duties. The



Management has on May 25, 2020 informed the Exchange of the Illegal strike & is taking necessary corrective steps. As of now the production at the processing plant has stopped. Meantime with the hearings conducted with the Revenue, Labour & police officials it is observed that there is no lapse on part of the Company. In light of the findings the Company is taking strict disciplinary action against the workmen who instigated the unrest & is confident of resuming the operations shortly.

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

The Company is well positioned to fulfil its obligations and existing contracts/arrangements. At present, we do not foresee any contract/agreements which will have significant impact on the business in case of non-fulfilment of obligations by any party.

Thanking you,
Yours faithfully,

For THE RUBY MILLS LIMITED

A handwritten signature in blue ink, appearing to read "Pranav Maru".

Pranav Maru
Company Secretary
Membership No: A46608