



August 21, 2020

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001

Ref: H.P. Cotton Textile Mills Limited (Scrip Code: 502873)

Sub: Disclosure of material impact of COVID-19 pandemic on Company under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Dear Sir,

We wish to inform you that Company had made disclosure dated April 01, 2020 and June 15, 2020 in regard to the impact on Business Operation due to COVID-19 pandemic. In continuation of our earlier disclosures, please find below the brief details relating to the material impact of the COVID-19 pandemic and the resultant lockdown, on the operations and performance of the Company in compliance with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020:

S.no	Particulars	Company's Response
1.	Impact of the COVID-19 pandemic on the business	<p>The impact of COVID-19 on the Company had shown in the results of Q4FY20 which has been shared with the declaration of Q4FY20 and FY20 results on 06th July, 2020.</p> <p>The Company has made significant efforts to boost production and revenue, and has already achieved pre-COVID levels of production and has recorded better performance despite COVID-19 restrictions and production loss compared to Q1 last year.</p>
2.	Ability to maintain operations including the factories/ units/ office spaces functioning and closed down	<p>In view of the directions given by State/Central Govt., to prevent and contain the spread of COVID-19, the Company had temporarily closed its manufacturing operations at Hisar in the State of Haryana and offices located at different places in India.</p> <p>Company was able to seek special permission from the concerned authorities to re-start its operations partially in April and to normal levels by mid May.</p>



H.P. Cotton Textile Mills Limited
(A Government of India recognised Star Export House)

Corporate Office:

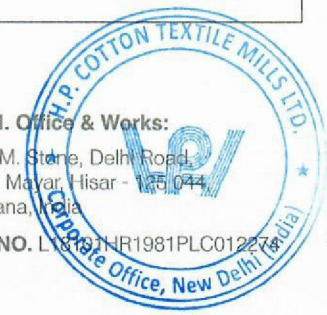
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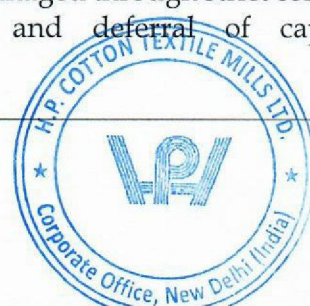
Regd. Office & Works:

15 K.M. Stone, Delhi Road,
V.P.O. Mayar, Hisar - 145 044
Haryana, India

CIN NO. L18197HR1981PLC012277



3.	Schedule, if any, for restarting the operations	<p>Company had re-started its limited operations at Hisar w.e.f April 25, 2020 after fulfilment of imposed conditions as per the permission received from the Concerned Authorities to restart the operations.</p> <p>Thereafter, Company's manufacturing plant at Hisar in the month of June was operating at pre-lockdown capacity, as it was operating in March 2020, before the lockdown restrictions for COVID-19 emergency came into force, keeping the safety and well-being of our employees as top priority and operating as per a strict SOP, in line with the directions/guidelines issued by the Central/State Governments.</p>
4.	Steps taken to ensure smooth functioning of operations	<p>The Company had rolled out a slew of measures including inter-alia Work from Home policy, Social Distancing Policy at Workplace and employees transportation and strict hygiene and sanitization policy for its employees to ensure the safety and wellbeing of its employees and taking all necessary measures against the spread of the COVID-19 as advised by the Governments from time to time.</p>
5.	Estimation of the future impact of COVID-19 on its operations	<p>There was a loss of production due to imposed restrictions during lockdown. Presently, the Company does not foresee any material/significant impact on the Company's operations. The Company is continuously monitoring the situation and impact of COVID-19 pandemic and the same will be communicated as and when the actual impact, if any, will be assessed.</p>
6.	Details of impact of COVID-19 on listed entity's -	
	<ul style="list-style-type: none"> Capital and financial resources; 	<p>The Company does not anticipate any immediate need for capital or financial resources, other than those already committed by the Shareholders.</p>
	<ul style="list-style-type: none"> Profitability; 	<p>The profitability of the Company has been affected due to loss of production during lockdown which company exposes to recover.</p>
	<ul style="list-style-type: none"> Liquidity position; 	<p>The Company has sufficient liquidity to operate with and there is no concern on account of the same. We are vigilant on the same and monitoring it continuously. It is also managed through strict control on various overhead and deferral of capital expenditure.</p>



	<ul style="list-style-type: none"> Ability to service debt and other financing arrangements; 	The Company has sufficient liquidity to meet its business debt and financial arrangements commitments.
	<ul style="list-style-type: none"> Assets; 	The Company does not see incremental risk in recoverability of assets like inventory, debtors etc.
	<ul style="list-style-type: none"> Internal financial reporting and control; 	The Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively
	<ul style="list-style-type: none"> Supply chain; 	The Company do not foresee any material impact on its supply chain.
	<ul style="list-style-type: none"> Demand for its product; 	Demand of products were significantly reduced in Q4FY20 due to lockdown in most of the geographical markets all around the world. Subsequently, demand of our products in Q1FY21 was gradually increased in various markets around the world.
7.	Existing contracts /agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business;	The Company does not have any such contracts or agreements, where non fulfillment of the obligations, may have significant impact on the Company's business.
8.	Other relevant material updates about the listed entity's business	There are no other material updates to report.

You are requested to kindly take the same on your record.

Yours Faithfully,

For H.P. Cotton Textile Mills Limited

Shubham Jain

Company Secretary and Compliance Officer

