

October 07, 2020

To,

The Secretary Corporate Relations Department BSE Limited PJ. Towers, Dalai Street Mumbai- 400 001	The Secretary Corporate Relations Department The National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex, Bandra East, Mumbai- 400051
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Dear Sir,

Sub: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015

We refer to the Circular No. SEBI/HO/CFD/CMD/1/CIR/P/2020/84 dated May 20, 2020 issued by the SEBI wherein listed companies have been directed to disclose the impact of pandemic of novel corona virus ("**Covid-19**") on *inter alia* business, performance and financials, upon application of principle of materiality in accordance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR**") and Para B of Part A of Schedule III of LODR.

At the outset, we would like to inform you that, pursuant to an order of the Hon'ble National Company Law Tribunal, Mumbai Bench ("**NCLT**") dated September 5, 2018 the corporate insolvency resolution process ("**CIRP**") of Value Industries Limited ("**Company**") has been initiated under the provisions of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder, as amended from time to time ("**Code**"). Subsequently, the Hon'ble NCLT vide its order dated August 08, 2019 has ordered the consolidation of the CIRP of the 13 Videocon Group entities, including the Company, ("**Videocon Group Entities**"). Further, the NCLT vide an order dated September 25, 2019 has appointed Mr. Abhijit Guhathakurta as the resolution professional of the consolidated CIRP of the Videocon Group Entities ("**Resolution Professional**"). The Appointment Order was published on September 27, 2019, on which date the Resolution Professional has taken over the management and affairs of the Videocon Group Entities. Pursuant to the publication of the Appointment Order and in accordance with the provisions of the Code, the powers of the board of directors of the Company stand suspended and the same have been vested with and are being exercised by the Resolution Professional.

In this regard, we would like to inform you that while the Company is sensitive about the impact of the Covid-19 pandemic, not only on human life but on businesses and industrial activity across the globe and in the country, however, its effect will only be realized and ascertained over the next few months.

The Company has been monitoring the situation closely and has taken proactive measures to comply with various directions / regulations / guidelines issued by Government of India, various state governments and local bodies to ensure safety of workforce across all its offices. Vide notification dated March 24, 2020 issued by Ministry of Home Affairs, a nation-wide lockdown was announced to contain the Covid-19 outbreak and same had been extended for additional period.

We would like to inform you the material impact of the Covid-19 pandemic on operation and of business and financial performance of the Company as under:

1. Impact of the Covid-19 pandemic on the business supply chain and demand

Indian consumer electronics and home appliances are a seasonal business which depends on the changes in the weather conditions in various parts of country all year round. Ideally the periods from March to June are suitable for cooling products due to hot weather conditions in most part of the country. Due to the outbreak of the coronavirus in India, there has been an adverse impact on the supply chain and manufacturing operations in view of the lockdown being imposed by the Central and State Government from March 25, 2020.

Due to the lockdown, there has been a shortage and inconsistent supply of spares and components in consumer electronics and home appliances business that are imported. Further, Company's production facilities in Aurangabad have been shutdown resulting into production losses and loss of sales.

It is expected that there may be a rise in product prices due to uncertainty created because of disruption of supply chain of some of the critical components from China.

2. Ability to maintain operations including the Factories / units/ office spaces

In view of the SoP's issued in accordance with MHA's guidelines and State Government directives formulated and circulated to resume operations of the factories and relaxation being provided in the lockdown, the Company has resumed production facility situated in Aurangabad in May and June. The factory's situation is monitored closely and proactive measures are taken to comply with various directions / regulations / guidelines issued by Government and local bodies to ensure safety of workforce across all its offices. Further, the Company has provided the facility to work from home (WFH) to all its office based employees, wherever practicable depending upon sensitivity of the corona virus breakout.

3. Steps taken to ensure smooth functioning of operations

The Company has moved at speed to support its multiple stakeholders including employees, maintain operations through crisis and attempted to pass through challenging times with minimal damage. The Company's utmost priority has been health, safety and well-being of its workforce. The Company had implemented strict protocols for safe operations even before a strict lockdown came into place. Guidelines had been issued to all the departments in the month of March 2020 itself for ensuring the health and safety of all its employees and workers.

When the production facility was resumed, a detailed briefing was provided to the workers for ensuring the social distancing and hygiene norms while working. Provisions of mask, sanitization materials, thermal scanning guns were made. Factory road, entrance areas and offices are being regularly sanitized. Sanitization and thermal screening of employees is conducted on a daily basis at the entrance of the factory gate.

The Company is in continuous touch with its vendors and customer, to bring the operations back on track to its normal.

4. Estimation of the future impact of Covid-19 on operations

The future impact on the business operations is difficult to assess at this point. Further, since the Company has been admitted into CIRP, the business of the Company has already taken a hit resulting in an uncertain future. Nonetheless, we are fully committed to working with the Government and our business partners to ensure that we overcome this crisis together. Even though the current situation is uncertain, we are confident and committed about our ability to manage the crisis and come out of it in a strengthened position.

5. Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact

Company is in touch with all stakeholders for streamlining business operations. The Company is well positioned to fulfil its obligations with respect to all the existing contracts and agreements. We do not foresee any material impact arising from non-fulfilment of obligation by any party in existing contracts or agreements.

6. Impact on the Financial Statements

The Covid-19 virus pandemic and the measures taken by the Central and State Government with a view to stop the Covid-19 spread by imposing heavy restrictions on free movement of people has hampered the day to day functioning of the Company. The Company is in process of finalisation of accounts. However, the impact of pandemic will only be realized and ascertained over the next few months.

The extent to which the Covid-19 pandemic will impact the Company's future financial results will depend on upcoming developments, which are highly uncertain, including, among other things, any new information concerning the severity of the Covid-19 pandemic and the actions to mitigate its spread as advised by local authorities.

In the event any impact is observed by the management of the Company in future in terms of the circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 issued by the SEBI read with Regulation 30 of LODR and Para B of Part A of Schedule III of LODR, the same shall be duly disclosed to the stock exchange by the Company.

You are requested to kindly take the above information on record.

VALUE INDUSTRIES LIMITED



Thanking You,

Yours faithfully,

For VALUE INDUSTRIES LIMITED

(Value Industries Limited is under corporate insolvency resolution process pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016 vide an order dated September 5, 2018. With effect from September 25, 2019, its affairs, business and assets are being managed by, and the powers of the board of directors are vested in, the Resolution Professional, Mr. Abhijit Guhathakurta, appointed by Hon'ble National Company Law Tribunal, Mumbai Bench, vide order dated September 25, 2019 which was published on the website of the Hon'ble National Company Law Tribunal, Mumbai Bench on September 27, 2019).

MAYANK BHARGAVA
COMPANY SECRETARY
ACS NO.: 46180