

GARWARE MARINE INDUSTRIES LIMITED

Regd. Office : 102 Buildarch Wisteria, 1st Floor, Ram Maruti Road, Dadar (W), Mumbai - 400 028. Tel.: 91-22-24364024
Corp. Office : 101, Swapnabhoomi, 'A' Wing, S. K. Bole Road, Dadar (W), Mumbai - 400 028. Tel.: 91-22-24234000 Fax: +91-22-24362764
CIN NO: L42235MH1975PLC018481

26/05/2020

The Manager,
Corporate Services Department
BSE Limited,
25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai
Maharashtra- 400 001

SCRIP CODE: 509563

Subject: Disclosure of material impact of COVID-19 pandemic on the Company under Regulation 30 of SEBI (LODR) Regulations, 2015.

Dear Sir/Madam,

As per the Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020, read with Regulation 30 of SEBI (LODR) Regulations, 2015, the disclosures & information that the Company considers disclosing, subject to the application of materiality, is being enclosed herewith.

Kindly take the same on record.

Thanking You.

Yours Faithfully,

For Garware Marine Industries Limited

Sd/-

Pallavi P. Shedge
Company Secretary & Compliance Officer
A29787
Contact: 022-24234000

Encl: as above

Email: garware.marine@gmail.com / investorredressal@garwaremarine.com

Website: www.garwaremarine.com

PLEASE ADDRESS ALL COMMUNICATION TO THE COMPANY AND NOT TO INDIVIDUALS

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DISCLOSURE

In terms of Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we would like to inform you that the Government of India had issued the notifications for complete Lock down from 23rd March, 2020 onwards to contain spread of COVID-19 disease. We, as a responsible corporate entity, were utmost concerned about the health & safety of all our employees, repair/flying squad, stakeholders and their families. Accordingly, we extended our full support and cooperation to the said "lock down" and the registered office, corporate office (being located at Dadar, Mumbai, Maharashtra) and repair/flying squad activities were remain closed during the said period.

We would further like to inform you that with the permission of the State Administration Authority, the operations of the Company were resumed with limited manpower to ensure timely implementation of accounts and administration activities while most of the employees including key personnel continued to work from home during the said period.

Pursuant to Regulation 30(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, disclosures & information that the Company considers disclosing, subject to the application of materiality, given below:

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

Till 20th March, 2020 the business activities were running more or less on normal scale.

However, with the various restrictions imposed thereafter by the Government in respect to COVID 19 pandemic and further consequence of complete lock down announced by the Government of India, the operations of the Company (i.e. ship repairing) have come to a standstill, resulting in an adverse effect on the Company and its business.

This had a marginal impact on the performance of the Company for the quarter ended March, 2020.

As a result of complete lock down during the 01st quarter of F.Y. 2020-21, the revenue from operation from 01st April, 2020 till date is Nil.

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

As mentioned above the Company's main business activity viz. ship repairing is completely shut down.

The office staff including key personnel are working from home and connected to each other by means of available electronic infrastructure.

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Meanwhile few staff are allowed to attend the office on 1-2 working days of the week. The other office staff including key personnel and officers could not attend the office within the permissible limit due to lack of public transport and declaration as "Containment Zone" at their respective residential areas.

However, the Company's repair/flying squad which carry out repairs on Vessels are unable to visit any Vessels in view of closure of Mumbai Port and Nhava Sheva Port.

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

The Company will initiate its complete operations based on further order of Government allowing repair/flying squad and employees including key personnel and officers to attend its operation and administration duties. This will also be based on the premise that ports will be reopened and repair squads/workshops are allowed to Board Vessels. Meanwhile other activities connected to the business are operating through remote access.

4. Steps taken to ensure smooth functioning of operations:

We can only hope to regain the business activities in future when situation become stable, which we hope will begin from July, 2020 onwards, though it is too early to forecast the situation.

Meanwhile, the Company has taken all the necessary steps as recommended / stated in the guidelines /advisories issued by the Statutory Authorities pertaining to COVID-19 time to time.

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

The Company is not able to fulfil the requirements of its customers, as a result of reasons that are beyond the Company's control. As a result, the Company may not be able to meet its commitments timely. This may result in a "bleak" financial position during the current quarter which may continue for the next few quarters also.

6. Details of impact of COVID-19 on the Company:

The Company has faced the following impact on its business:

- a. The fortune of the Company is solely depend upon the ship repairing business. Consequent to the current situation revenue generation for the Company will fall to "NIL" or continue to abysmally low, till Ship repair activities resume once again and the industry achieves normalcy.

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- b. The impact on "Cash-flow" is that the Company's fixed costs will have to continue to be defrayed even though Income will fall drastically. This will result in the Company facing difficulties in defraying its expenses.
- c. However, the only positive is that the Company does not have any debt or borrowing outstanding from a bank or financial institution.
- d. The expectation of "Profitability" for the current quarter and possibly the next couple of quarters is negligible.
- e. **Internal Financial Reporting and Control:** The Company will intimate the impact of COVID19 pandemic on the business and its performance and financials, both qualitatively and quantitatively at its actuals to the extent possible and will disseminate the said information to the Stock Exchange.

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

There are no "Existing Contracts", where the non-fulfillment of which would have a significant impact on the Company's business.

8. Other relevant material updates about the listed entity's business:

Nil

Thanking You.

Yours Faithfully,

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