

Balaxi Ventures Limited

June 01, 2020

To,
Listing Department,
National Stock Exchange of India Limited.
Exchange Plaza, Plot No C/1, G Block, Bandra Kurla Complex,
Bandra (E), Mumbai-400051

Stock Code: **BALAXI**

Sub: Disclosure on impact of COVID-19 pandemic;

Dear Sir/Madam,

Pursuant to the Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 and SEBI Circular SEBI/HO/CFD/CMDI/CIR/P/2020/84 dated May 20, 2020, we are hereby submitting the following disclosure on impact of COVID-19 pandemic on the company.

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

The company and its subsidiary sourced Pharmaceutical formulations, Builders' hardware and FMCG products from various suppliers located in India, China and Portugal under our own brand name.

The major markets of the company are Angola in Africa, Dominican Republic and Guatemala in Central America. The sales are routed through exclusive distributors of the company.

The distributors are maintaining stock of our products for ready availability on the ground in these markets. The reorder levels for various products are determined based on the sales in these markets and the products are replenished on a monthly basis. The stocks, sales, reorder levels and monthly orders are all completely monitored by the company at regular intervals.

The impact of COVID-19 on the different verticals of the company are summarized below;



Registered Office:

Plot No.409, H.No. 8-2-293, Maps Towers, 3rd Floor, Phase-III,
Road No. 81, Jubilee Hills, Hyderabad, Telangana, India - 500096.
CIN: L25191TG1942PLC121598
Phone: +91 40 23555300 | Email: info@balaxiventures.in
Website: www.balaxiventures.in

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i. PHARMACEUTICAL SEGMENT;

• On Secondary Sales front;

There was a sharp jump in the sales of pharmaceuticals products in all these markets during the month of March and although sales in the month of April were normalized, we were in stock out position on ground for 80% of our top selling products by end of April, which impacted sales during the month of May.

• On Primary Sales front;

Several orders of the company to be dispatched from China in second half of January and February were delayed due to the lockdown in China and these orders were dispatched in the month of March and April.

The same was the case with products sourced from India. Orders to be dispatched in March have been delayed due to the lockdown in India and were dispatched in the month of April & May. We are expecting normalcy in timely dispatch of goods from the second half of June 2020.

ii. HARDWARE SEGMENT;

There has not been any major impact on the hardware business.

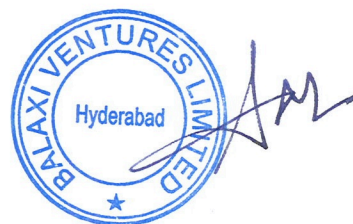
iii. FMCG SEGMENT:

This segment is experiencing very sluggish demand due to the lockdown. We are expecting this sector to improve from July onwards.

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

We were able to maintain normal office functioning during the lockdown in India.

3. Schedule, if any, for restarting the operations; Not Applicable



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4. Steps taken to ensure smooth functioning of operations;

All advisories and guidelines issued by the Ministry of Health Affairs (MHA) have been duly followed.

5. Estimation of the future impact of CoVID-19 on its operations;

This point has been covered in the Point No 1 above.

6. Capital and financial resources;

There has been no impact on the company. We are well capitalized and is a debt free company.

7. Profitability;

Profitability of the company is not impacted.

8. liquidity position;

Liquidity of the company is not impacted.

9. Ability to service debt and other financing arrangements;

The company is debt free.

10.Assets;

None of the assets of the Company have been impacted or impaired by the Covid-19.

11. Internal financial reporting and control;

The Company has a robust ERP system in place and hence none of the operations were impacted. Even during the lockdown, all reporting systems worked seamlessly without any disruption.



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12. Supply chain;

There have been some delays in the supply chain due the lockdown, as mentioned in point No.1 above.

13. Demand for its products/services;

This point has been covered in the Point No 1 above.

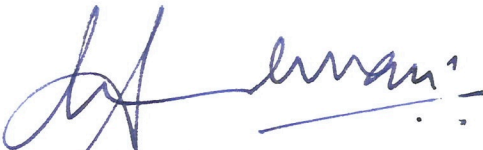
14. Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business;

NIL

15. Other relevant material updates about the listed entity's business; NIL

We request you to kindly take the same on record.

Yours Sincerely,
For, **Balaxi Ventures Limited,**



Ashish Maheshwari
Managing Director
DIN: 01575984

