

To,

**The BSE Limited  
1st Floor, New Trading Ring  
Rotunda Building, P J Towers  
Dalal Street, Fort  
Mumbai-400001**

**Scrip Code: 952334**

**Sub: Disclosure of Material impact of COVID-19 Pandemic on the Company under Regulation 51 of SEBI (Listing obligations and Disclosure Requirements) Regulations,2015.**

Dear Sir / Madam,

Pursuant to SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20 May 2020, we hereby enclose Annexure 1 on the disclosure of material impact of Covid -19 pandemic on the Company.

We request you to take the information on record.

Yours faithfully

**For Chaitanya India Fin Credit Private Limited**



**Anand Rao  
Joint Managing Director  
DIN: 01713987**

**Date : July 31,2020  
Place: Bangalore**



**Annexure 1**

**DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDAMIC**

Pursuant to the SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20 May 2020 on disclosure of material impact of CoVID-19 pandemic are as follows:

<b>Sl No</b>	<b>Particular</b>	<b>Disclosure</b>
1.	<b>Impact of the CoVID-19 pandemic on the business</b>	<p>Initially COVID had a significant impact on our clientele due to lockdown; but since all our customers are from rural and semi-urban regions, the impact has considerably subsided. All our branches and offices have re-opened in April-May and are continuing normal operations. However, due to repetitive local lockdowns at each state and sealing off of quarantine areas, about 1/5th of our operations are getting impacted at any point of time. Since our operating model is predominantly physical and involves human interactions and cash transactions, it posed a big risk from this pandemic. In order to contain any spread and protect our employees and customers from getting infected, we are taking adequate precautions and protective measures. We have also enabled alternate modes of repayment involving digital and banking channels so that customers can safely and comfortably remit repayments without any risk of infection.</p> <p>Further, as per guidelines of RBI, we have extended moratorium to all our customers. However, majority of our customers have shown willingness to resume repayments, and about 80% are currently repaying their loans.</p>
2.	<b>Ability to maintain operations including the factories/units/of fice spaces functioning and closed down;</b>	We have been able to operate in all areas. The branches are closed only if the area comes under containment zones. All the field staff have been provided with masks, sanitisers and gloves for safety purposes.
3.	<b>Schedule, if any, for restarting the operations;</b>	We have restarted normal business operations in all non-lockdown districts from May 2020.





4.	<b>Steps taken to ensure smooth functioning of operations;</b>	We have started visiting the centres for collections. We are not insisting on full attendance. Wherever we are not able to reach the villages, the customers have been given option to pay through Phonepe/NEFT. Apart from this they can also deposit cash into our designated bank accounts directly. With regard to disbursements, we are not insisting customers to come to branches in order to prevent larger gathering of people. We are disbursing the loan amounts directly into the bank accounts
5.	<b>Estimation of the future impact of CoVID-19 on its operations;</b>	Our entire operations are focussed in rural and semi-urban India. Agriculture, dairy and livestock is one of the few businesses that has been immune to the pandemic, and about 2/3rd of our customers are into these occupations. The other occupations such as trade & services have also picked up since May, when lockdown was relaxed in most of the states. We anticipate that the impact on agriculture & allied activities would be minimal, and since monsoon has been satisfactory till now - it will help boost the kharif production. Most of our customers have resumed livelihood since early-May, and the impact of reverse migration has not been significant. We are also extending support to our customers by way of repayment moratorium as well as additional loans to help them resume livelihood. We have also educated our customers on COVID 19 and the risks associated with it so that they are able to conduct their business in a safe manner.
6.	<b>Details of impact of CoVID-19 on listed entity's</b>	
6.1	<b>Capital and financial resources;</b>	The Company has been adequately capitalised in the recent past. While the company assesses its impact on business and cash flows, due to low leverage and ability to access debt financing there are no material impact foreseen on its financial resources.
6.2	<b>Profitability;</b>	Our estimates suggest that we will be in positive operating profit by the end of current financial year.
6.3	<b>Liquidity position;</b>	Liquidity position is adequate to meet its current and near term obligations. The Company is able to raise funds frequently and from different sources like SIDBI, NABARD, private and PSU Banks, and have also availed facilities under special liquidity scheme and TLTRO undertaken by the RBI.
6.4	<b>Ability to service debt and other financing arrangements;</b>	The company has decided to not avail moratorium from its lenders since it has sufficient liquidity in its books and is able to service debt and other financial obligations on a timely manner.
6.5	<b>Assets;</b>	We expect that the delinquency level of our loan assets will slightly go up following the COVID /lockdown and its impact on customers' livelihoods. We have done scenario analysis of probable incremental loan loss, and have created adequate additional provisions which comfortably covers any additional loan loss. The company is also well capitalized.





6.6	<b>Internal financial reporting and control;</b>	The company is not making any changes to its existing internal financial reporting and controls
6.7	<b>Supply chain;</b>	We are a services entity, and supply chain is limited to loan delivery and collections only. There is minimal impact as we have been able to re-open almost all our branches.
6.8	<b>Demand for its products/services</b>	There is no material impact on demand of our products/services.
7.	<b>Existing contracts /agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business;</b>	Currently all the contracts / agreements entered by the company are operational. We have not received any intimation of termination of contracts / agreements as of date.
8.	<b>Other relevant material updates about the listed entity's business.</b>	We had extended moratorium to all our customers as part of COVID relief package. About 85% of our customers had opted for moratorium 1.0 till 31st May 2020. Further, about 20% of our customers have opted for moratorium 2.0 from 1st June to 31st August 2020.

**For Chaitanya India Fin Credit Private Limited**



**Anand Rao**  
**Joint Managing Director**  
**DIN: 01713987**



**Date: July 31, 2020**  
**Place: Bangalore**