CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED

Registered Office: # 145, 2nd Floor, NR Square, 1st Main Road, Sirsi Circle, Chamrajpet, Bangalore - 560018
Tel: 080-26750010, 080-26756767
CIN NO: U67190KA2009PTC049494

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

Dimple J Shah
Company Secretary
ACS No: A36349
eCSIN: EA036349A000113206
Bindu Amulya Apartment Flat No.408,
4th Floor, Anjananagar
Bangalore 560091

CHAITANYA INDIA FIN CREDIT PVT. LTD. BANGALORE

Date : 02.06.2020
Place: Bangalore

Chaitanya
Improving Lives....

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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:

Sl No	Particular	Disclosure
1.	**Impact of the CoVID-19 pandemic on the business**	Initially COVID had a significant impact on our clientele due to the ensuing lockdown, but since all our customers are from rural and semi-urban regions the impact has considerably subsided. We are majorly present in green zone districts and orange zone districts, and only a handful of our branches have been impacted by administrative restrictions. 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 had stopped meeting customers since the beginning of lockdown. We had also enabled alternate modes of repayment involving digital channels and banking channels so that customers can safely and comfortably remit repayments without any risk of infection. Further, as per guidelines of RBI, we had extended moratorium to all our customers. However, many of our customers have shown willingness to resume repayments. With gradual relaxation of lockdowns, we have resumed business in the green zones and then in the orange zones. Currently, almost all our branches and divisional offices have become operational.
2.	**Ability to maintain operations including the factories/units/office spaces functioning and closed down;**	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 the spread and protect our customrs and staffs, we had stopped meeting customers and doing any physical transaction since the beginning of lockdown. Further, as per guidelines of RBI, we had extended moratorium to all our customers, however some of our customers have been showing willingness to continue repayments. A very small percentage even paid us during the lockdown through digital payment modes. After the relaxation in lockdown from MHA, from 20th April, we have been able to open branches in gradual manner by abiding all the requirements of local authorities and state governments. With the gradual relaxation of lockdowns, we have resumed business in the green zones and in orange zones. Currently, almost all our branches and divisional offices have become operational.

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3.	**Schedule, if any, for restarting the operations;**	Company has started its operations with respect to customer visits, collection of loan repayments. However, yet to commence loan disbursal
4.	**Steps taken to ensure smooth functioning of operations;**	To ensure the smooth functioning of Operations we have taken following steps:- 1) Complying with all the Central, State, and local authorities guidelines, 2) Started operating in Green and Orange while have been limited in red and containment zones. 3) Modification of the collection processes to ensure that we avoid any gathering of members or villagers, 4) Gave an option to make digital payments for those who did not want moratorium, 5) Have been training all the staffs on maintaining the social distancing ,using mask, gloves and sanitiser, 6) We have provided all our staffs an extra allowance to procure mask, gloves and sanitizers
5.	**Estimation of the future impact of CoVID-19 on its operations;**	Our entire operations are focussed in rural and semi-urban India, and the impact to lives and livelihoods of our customers is considerably less than that of 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 and services have also picked up since May, when lockdown was largely relaxed in green and orange zone districts. We anticipate that the impact on agriculture & allied activities would be minimal, and our confidence is boosted by a good ravi harvest and substantial increase in kharif acreage along with favourable pre-monsoon showers, prediction of a normal monsoon, and strong support by state machineries by way of procurement, farmer assistance, DBT, and locust mitigation. Our field information suggests that most of our customers have resumed livelihood, and the impact of reverse migration has not been significant. We are also extending support to our customers by way of repayment moratorium, and additional loans to help them resume livelihood. We have also educated our customers on COVID 19, its symptoms, and the risks associated with it so that they are able to conduct their business in a safe manner.
6.	**Details of impact of CoVID-19 on listed entity's**	
6.1	**Capital and financial resources;**	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	**Profitability;**	The company is estimating to be profitable at an operating profit level i.e., before loan loss provisions during FY20-21. The profit after tax will depend on loan loss provision. The management will assess the

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		situation post moratorium period, on the loan loss of its micro finance loans
6.3	**Liquidity position;**	Liquidity position is adequate to meet its current and near term obligations. The Company is able to raise funds and is in the process of availing funding from SIDBI, NABARD, TLTRO and Guarantee schemes announced by RBI / Government
6.4	**Ability to service debt and other financing arrangements;**	The company has decided to not avail moratorium from its lenders and further confirms that it has the ability to service debt and other financing arrangements
6.5	**Assets;**	The impact on the assets of the company Ie., the micro finance loan portfolios is yet to be assessed. The management will assess the situation post moratorium period
6.6	**Internal financial reporting and control;**	The company is not making any changes to its existing internal financial reporting and controls
6.7	**Supply chain;**	The Company is a Service entity, and suppy chain is limited to service delivery only. There is minimal impact as the Company is able to re-open almost all branches.
6.8	**Demand for its products/services**	There is no material impact on demand of our products/services.
7.	**Existing contracts /agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business;**	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.	**Other relevant material updates about the listed entity's business.**	We had extended moratorium to all our customers as part of COVID relief package. About 85% of our customers have opted for moratorium till 31st May 2020.

For Chaitanya India Fin Credit Private Limited

Dimple J Shah
Company Secretary
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