

# Ananya

## FINANCE FOR INCLUSIVE GROWTH PRIVATE LIMITED

17<sup>th</sup> June 2020

Bombay Stock Exchange Limited,  
P.J.Towers,  
Dalal Street,  
Mumbai – 400 001.

Dear Sir,

Sub: Disclosure in terms of Regulation 51(1) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 – Material Impact of COVID-19 Pandemic

Respected Sir/Madam,

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020, Please find attached herewith disclosure on material impact of COVID-19 pandemic on the Company.

You are requested to please take the same on record.

Thanking you,

Yours faithfully,

For, Ananya Finance for Inclusive Growth Private Limited,



Lavina Parikh  
Company Secretary and Compliance Officer

### DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC

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

The outbreak of the COVID pandemic and consequent lockdown has impacted the business of the company in terms of collection of existing loan instalments, new loan disbursements and field-monitoring visits.

The company has, in line with RBI's Circular number RBI/2019-20/ 186 DOR.No.BP.BC.47/21.04.048/2019-20, dated March 27, 2020 titled 'Covid-19 – Regulatory Package', under a Moratorium policy approved by the Board of Directors of the company, extended the moratorium to all eligible customers for a period upto 3 months with regards to the principal repayments falling due between March 1, 2020 and May 31, 2020.

The company did not get the moratorium benefit from all its lenders and this moratorium-mismatch led to some pressure on the company's cash flows. However, given that the company had adequate liquidity available at the start of the pandemic, it was able to meet all its debt repayment commitments on time.

The company has also been able to meet its fixed overhead expenses including payments to any MSME suppliers without any delays.

#### 2. Estimation of the future impact of Covid-19 on Business Operations: -

Due to nationwide lockdown for more than two months, the revenue, collection and profitability of the Company have been impacted. Given the dynamic nature of pandemic situation the exact extent of impact would depend on the duration of the pandemic, the impacts of actions of governments and other authorities, the responses of businesses and consumers in different industries and the associated impact on the global economy.

However, the management has done a client-wise assessment of possible impact of the COVID pandemic and Significant Increase in Credit Risk based on delayed payments metrics observed along with an estimation of potential stress on probability of defaults and exposure at default. Accordingly, as a matter of prudence, the company has measured additional impairment loss allowance on loans and other assets and increased its impairment provision from Rs.5.6 Cr to Rs.10.4 Cr which is ~3.9% of its loan assets, which is adequate in the view of the company considering the current information available.

In line with the RBI guidelines, the extension of moratorium does not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification. The company continues to recognize interest income and interest expenses during the moratorium period.

The Company will continue to monitor the situation and assess any material impact it may have on its financial and liquidity position.

#### 3. Ability to maintain operations including office functioning: -

Due to the COVID pandemic and the nationwide lockdown imposed by the Government of India the offices of the company remained closed from 25<sup>th</sup> March 2020. However, the



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company implemented its Business Continuity Plan and made preparations to Work-from-Home for all its staffs which helped in maintaining smooth functioning of routine tasks of most departments. The Company has resumed its office from 08<sup>th</sup> June 2020 with taking all the precautionary measure and safety guidelines as advised by the State Govt. and Central Govt. The Company is taking utmost care of its staff by adhering to social distancing norms, timely sanitisation of office premises, mandatory mask wearing and taking update from the staff members regarding their health condition on a weekly basis.

#### 4. Capital and Financial resources / Liquidity position:

The company is well capitalized with its Tier I CAR being 41%. The company has adequate liquidity to meet its debt obligations and committed operating costs for another six months even assuming zero collections from its loan receivables. The company has been servicing all its debts on time.

#### 5. Assets:

The Company has stopped fresh disbursements till further notice and efforts are made to monitor portfolio by assessing impact on liquidity and solvency of each partner. The fixed assets of the company are not affected and all are in working condition.

#### 6. Internal Financial Reporting and Control:

The company has been able to continue to make financial and other reporting to its internal and external stakeholders and meet the regulatory / statutory filing deadlines on time.

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

There is no impact or non- fulfilment of any contract or agreements

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

There is no other material update which is required to be disclosed. Any further update regarding the same will be intimated to BSE separately.

Thanking you,

Yours faithfully,

For, Ananya Finance for Inclusive Growth Private Limited,



Lavina Parikh  
Company Secretary and Compliance Officer

