

Date: June 2, 2020

The Manager
Listing Department
BSE Limited
P.J. Towers
Dalal Street
Mumbai – 400 001

Dear Sir,

Sub: Disclosure of material impact of COVID–19 pandemic on listed entities under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Re: Company Scrip Code 952525

Pursuant to Regulation 51 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, we wish to make the following disclosures in view of the Covid-19 pandemic and its impact on our business operations on the basis of materiality:

Sr.No	Particulars	Details
1	Impact of the CoVID-19 pandemic on the business	The continuing lockdown in the entire country has impacted the operations of the Company. However the overall impact of COVID-19 on the operations of the Company cannot be assessed at this stage as the situation is constantly evolving and it will depend on future developments which is highly uncertain.
2	Ability to maintain operations including the factories/units/office spaces functioning and closed down	The Company has effectively implemented Business Continuity Plan (BCP) including 'Work From Home' for all employees ensuring business continuity. Necessary IT Infrastructure such as remote access to critical systems, IT help-desk etc. have also been made available to avoid disruption of business.
3	Schedule, if any, for restarting the operations	In line with Central / State Governments directives and guidelines issued by Local Bodies, the Company has commenced operations at most of the branches across India in a phased manner from May 18, 2020.
4	Steps taken to ensure smooth functioning of operations	Key steps taken by the Company to ensure business continuity are as under: <ol style="list-style-type: none"> 1. A core Business Continuity Planning team consisting of the senior management as well as representatives from all the branches of the Company have been constituted under the existing BCP policy. 2. 'Work from Home' made mandatory for all employees.



Avanse Financial Services Ltd.
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		<p>3. Secured access has been given to all core applications so that all the employees working from home has access over Internet/ VPN, as applicable. Detailed SOP is also circulated for installation of VPN for ensuring smooth access to core systems.</p> <p>4. Detailed SOP to ensure smooth process from on-boarding to Sanction & Disbursement of loans.</p> <p>5. Detailed strategy has been prepared for follow-up for collections, payment collection & MIS updation.</p> <p>6. Customers have been given the following options for making timely payments:</p> <ul style="list-style-type: none"> • Payment Gateways – Payments made through Company’s website. • Virtual Accounts – Payments made through NEFT / RTGS / IMPS. • NACH registered accounts – Direct debit from bank accounts registered under NPCI facility. • Field collection, only where Travel is permitted by Government.
5	Estimation of the future impact of CoVID-19 on its operations	As stated earlier, overall impact of COVID-19 on the operations of the Company cannot be assessed at this stage as the situation is constantly evolving and it will depend on future developments which is highly uncertain.
6	Details of impact of CoVID-19 on:	
	A. Capital and financial resources	Despite the lockdown and its effect on credit flows, the Company is in a position to raise funds in the form of bank loans and is also exploring other means of raising funds.
	B. Profitability	Due to COVID 19, there has been an impact on the profitability in FY20 and there may be an impact in the current financial year as well.
	C. Liquidity position	The Company has a strong ALM position with positive mismatch across all buckets and a comfortable liquidity position of ~Rs.750 crore (post repayment of all our obligations for March '20).
	D. Ability to service debt and other financing arrangements	Due to the strong ALM position, the Company is in a comfortable position to honour all its commitments including to our lending partners for the 6+ months from March '20.
	E. Assets	The Company contemplates that there could be potential impact on the assets growth as compared to



		expectation during the period of COVID 19.
	F. Demand for its products/services	Lockdown across the country have led to deferment/reduction in the business. However, in near future the Company expect an increase in demand for upskilling in education.
7	Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business	Basis RBI's circular dated May 22, 2020, the Company will be extending moratorium on loans to our eligible customers which would have short term impact on collections.

.This is for your information and records.

Thanking you

Yours sincerely,
For Avanse Financial Services Limited

Rakesh Dhanuka
Company Secretary

c.c.:
Catalyst Trusteeship Limited
 (Formerly known as GDA TRUSTEESHIP LIMITED)
 GDA House, Plot No. 85, Bhusari Colony (Right)
 Paud Road, Pune – 411038



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