

To,

Date: 26.05.2020

BSE Limited
P.J. Towers, Dalal Street
Mumbai - 400001

Dear Sir/Madam,

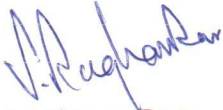
Subject: - Disclosure of material impact of Covid—19 pandemic on the Company

Pursuant to Regulation 30 of LODR Regulations read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, please find enclosed herewith the disclosure of material impact of CoVID-19 pandemic on the operations and performance of the Company.

This is for the information and records of the Exchange, please.

Yours sincerely,

For City Online Services Limited



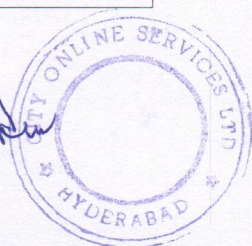
S.Raghava Rao
Managing Director
DIN:01441612



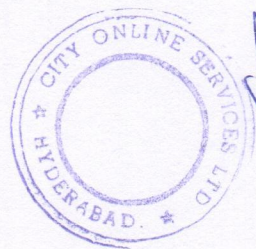
MATERIAL IMPACT OF COVID-19 PANDEMIC ON OPERATIONS AND PERFORMANCE OF THE COMPANY

Sl. No	Particulars	We are an Internet Service Provider
1	Impact of the CoVID-19 pandemic on the business;	Our Operations were never shutdown our staff started monitoring with remote access. Few maintenance staff for each data center have worked during the lockdown.
2	Ability to maintain operations including the factories/units/office spaces functioning and closed down;	<p>I. We are pleased to inform that we are now operating in with alternate day shifts for some staff.</p> <p>II. We are observing full compliance to the conditions of operations stipulated to avoid any infection due to COVID-19;</p> <p>III. We do not have any migrant labour employed in our company;</p> <p>IV. We do not have any physical despatches or stock receipts except for normal functioning. However for upgrades and new customer services we have some equipment movement which is very less. This we are handling with disposable gloves;</p> <p>V. Our Head Office and Registered Office located in Hyderabad have started working since May 7th.</p>
3	Schedule, if any, for restarting the operations;	We had already resumed work in our Offices with Partial staff in office and partial staff remotely. Services to our existing customers is never interrupted during all the phases of COVID-19 till date.
4	Steps taken to ensure smooth functioning of operations;	<p>We are taking necessary preventive measures like social distancing, , providing masks and sanitization facility to all workers etc. to avoid any infection due to COVID-19;</p> <p>All our staff are local and we are not facing any issue of migrant labour.</p>
5	Estimation of the future impact of CoVID-19 on its operations;	We have lost most of our clients in the hospitality industry , commercial Malls and Restaurant chains , Digital theatres etc. We plan to cover up the business in home broadband sector which needs investments .we are planning to get additional funds from the bank under MSME promotional schemes. If we can get the funds soon we can recover our lost business early.
6	Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business;	Most of our Contracts with telecom providers are for one year term .But we lost our clients as explained (5) . So we succeeded in downgrading or cancellation with some telecom operators and still negotiating with others for the same.

(Signature)



7	Details of impact of CoVID-19 on listed entity's - o capital and financial resources;	With existing financial resources it will take time to recover from the lost sale. If banks extend credit facilities as per the new guidelines we can expand the broadband triple play business and recover and enhance the business from existing status.
	Profitability;	Profitability for the Quarter 1 (April, 2020 to June, 2020) FY21 expected to be affected due to lockdown and sales lost. However it is expected to improve from Quarter 2 (July, 2020 to Sept, 2020) FY21 onwards, if pandemic of covid- 19 controlled then we can see the normal revenues and profitability in F Y 2021-22 .
	liquidity position;	We have conserved resources to maintain liquidity position in the company. We are pursuing with our customers for improving our receivables to overcome the liquidity crunch
	ability to service debt and other financing arrangements;	Company is capable to service all debts as and when due. The Company is paying its lenders as per due date and has not availed any moratorium.
	assets;	Company will assess further CAPEX requirements once situation improves and will arrange necessary funding.
	internal financial reporting and control;	Internal financial reporting and control are fully functioning.
	supply chain;	We have not observed any major supply chain issues and it is expected to normalize post lockdown.
	demand for its products/services	Demand in triple Play Consumer market has improved due to work from home requirement and high internet usage however corporate sector demand is currently low expected to improve post lockdown.



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