

ASSAM ENTRADE LIMITED

Regd. Office: 16 Tara Chand Dutta Street (2nd Floor), Kolkata 700 073

CIN No. U20219WB1985PLC096557

GSTIN 09AAECA3423G1ZZ

PAN NO. AAECA3423G

Date: 23/06/2020

To,
The Manager-Listing
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001 .

Scrip Code: 542911

Dear Sir,

Sub: Disclosure of Material Impact of Covid-19 Pandemic on the Company

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, circular vide no. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 and circular vide no. CIR/CFD/CMD/4/2015 dated September 9, 2015, issued by the Securities and Exchange Board of India ("SEBI"), we wish to submit the disclosure of material impact of the COVID-19 pandemic on the operations and performance of the Company as "Annexure -A".

Kindly take the above information on your record and oblige.

Thanking You,

For Assam Entrade Limited
For ASSAM ENTRADE LIMITED

(Nishant Gupta)
Managing Director

Encl: As above

Disclosure of material impact of Covid-19 Pandemic on the Company

➤ **Impact of the Covid 19 Pandemic on the business:**

The SARS- Cov-2 virus responsible to COVID-19 continues to spread across the globe and India. It has contributed to a significant decline and volatility in global and Indian Financial Markets and a significant decrease in the economic activities. On March 11, 2020, the COVID-19 outbreaks declared as a global pandemic by the World Health Organization. On March 24, 2020, the Indian Government had announced a strict 21-day lockdown which kept on getting extended across the country with gradual and modest relaxations. With gradual relaxations being given by the Central Government, the office has been resuming working from 17th April, 2020 on gradual basis.

In accordance with the Reserve Bank of India guidelines relating to COVID-19 Regulatory Package, the Company granted a moratorium of three months on payments of installments and/or interest falling due between March 1, 2020 and May 31, 2020 to eligible borrowers. Till March 31, 2020, 98% of our loan book assets have been under moratorium. For such accounts where the moratorium is granted, the asset /Stage-wise classification shall remain stand still during the moratorium period. (i.e. the number of days past-due shall exclude the moratorium period for the purposes of asset classification).

➤ **Ability to maintain operations including the office spaces functioning and closed down:**

We have ensured that our employees, customers, and businesses are least impacted in these extraordinary times. During this lockdown period the Company implemented Work from Home (WFH) policy for all the administrative staffs and was quite successful in implementing the same.

Customers - We are proactively trying to service customers with every possible avenue. The team is actively in touch with customers via calls, emails, social media, and website. Our business team is reaching out to customers and educating them about the impact of moratorium and other policy decisions.

Businesses - The COVID-19 lockdown has not had any impact on our ability to render services to our customers or lenders. The Business and Credit teams are actively communicating with customers having high risk business profiles to jointly evaluate the best possible solution to mitigate the crises.

➤ **Schedule, if any, for restarting the operations:**

After the Government's relaxation pertaining to financial services on April 17, 2020, we have opened our Corporate Office at Kanpur and Registered Office at Kolkata with minimum employee strength. The office place has been sanitized and all necessary preventive measures like social distancing, temperature testing is being followed. We have kept hand sanitizers at various places in office and also kept masks at reception.

➤ **Steps taken to ensure smooth functioning of operations:**

In our efforts for the health and wellbeing of employees, steps have been taken to ensure efficient workplace; have moved meetings and trainings to virtual formats; frequent communication via emails and video calls to boost employee morale and create health awareness.

➤ **Estimation of the future impact of COVID-19 on its operations:**

The extent to which the COVID-19 pandemic will impact the Company's future results will depend on future developments, which are highly uncertain and the Company will continue to closely monitor the same.

➤ **Details of Impact of COVID-19 on the Company:**

1. **Capital and Financial Resources:** The Company has adequate capital and financial resources to run its business operations.
2. **Profitability:** The Company has recognized provisions as on March 31, 2020 towards its assets including loans based on the information available at this point of time including economic forecasts, in accordance with the Expected Credit Loss (ECL) method. The Company believes that it has considered all the possible impact of known events arising out of COVID 19 pandemic in the preparation of financial results.
3. **Liquidity Position:** The current liquidity position of the Company is comfortable and successfully meets its repayment obligations and other commitments.
4. **Ability to serve Debt and other Obligations:** The debt obligations are not applicable on the Company.
5. **Assets:** The economic disruption brought by the COVID 19 lockdown will have a severe impact on the income of the borrowers for several months depending on the intensity and spread of the outbreak. The RBI has provided a 3 month moratorium to provide a temporary reprieve but the ability to return to steady state operations depends on how quick the industry scales up production. This results in an increase in the credit risk. However, based on the past quarterly performance, the delinquencies are significantly under check and over dues are recovered through persistent efforts. Our major customers have good track record of consistent performance of sales and profitability. Therefore company feels secured for repayment obligations of its major customers. Hence, we are adequately protected at portfolio level and no impact on balance sheet is envisaged.
6. **Internal Financial Reporting and Control:** The Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively during post lock down period as well.

➤ **Existing contracts/agreements where non fulfillment of the obligations by any party will have significant impact on the listed entity's business:**

The Company at present do not foresee any difficulty in fulfillment of the existing contracts/agreements and obligations which may have any significant impact on the business of the Company.

We may like to state that the foregoing expressions are initial assessment of the situation and the final impact of any activities can only be assessed after the lockdown is over and the normal economic activities commences.

Thanking You,

For Assam Entrade Limited
For ASSAM ENTRADE LIMITED

(Nishant Gupta)
Managing Director

Place: Kanpur