

October 8, 2020 (भारत सरकार का उपक्रम)

Ref: IFL/Sect/BSE/2020-21/453

The General Manager,  
Deptt. of Corporate Services,  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001

Dear Sir/Madam,

**Sub: Disclosure of material impact of pandemic of Corona virus (Covid19) under Regulation 51 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015**

With reference to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84/ dated May 20, 2020 regarding advisory on disclosure of material impact of Covid-19 pandemic on listed entities under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find attached the required information.

This is for your information and record please.

Thanking you

Yours truly,  
For IFCI Factors Limited

  
Mani Dey Sadh  
Company Secretary

encl: as above

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

The Company continues to assess on a regular basis the impact of COVID-19 pandemic on its business operations and safeguards taken during the present Covid-19 are enumerated as below:

### **Initiatives undertaken during Lockdown Period**

To prevent spread of Corona Virus (Covid-19), the Company had followed the system of work from home' for all staff during the lockdown period in compliance with directions of Government of India (GOI). Staff working from home were provided with Laptops with secured VPN access. Thereafter, the office has been opened with senior officers and other staff joining the office on rotation basis, as per the Govt. & statutory guidelines from time to time.

### **Steps taken to ensure smooth functioning of operations**

The Company as of now is working with 100% physical attendance. During the pandemic, the Company had followed the system of 'work from home' for all staff during the lockdown period in compliance with directions of GOI. Staff working from home were provided with Laptops with secured VPN access. Thereafter in April 2020 onwards after the NBFC activities were declared as essential activities, the offices have been opened, as per the Govt. & statutory guidelines issued from time to time, for senior officers and other staff have joined the office on rotation basis maintaining a physical attendance about 33%.The Company has taken necessary steps for ensuring safety and well-being of its human resources viz, undertaking proper and frequent sanitization, maintaining social distancing at every place, compulsory wearing of mask at all times, thermal screening of employees at the offices entrance and use of 'Arogya Setu App'. Further, the Company is ensuring productive use of financial resources for core business activities by vastly using digital means of communication for its functions, meetings etc. All the discretionary expenses like travel etc are curtailed.

### **Internal Financial Reporting and Control**

There is no impact on internal financial controls due to the COVID-19 situation. The IT systems are effective in ensuring smooth working of the staff from office and home when needed.

### **Impact on Capital and Financial Resources**

As per the internal assessment of the company, there will not be any significant impact on the Company's capital and financial resources.

### **Profitability**

The COVID-19 pandemic effect on the profits will be reflected in the financials of the company during FY 2020-21, based on the final extension / moratorium of credit cases and the revival of the industry leading to recovery in stressed cases.

### **Liquidity Position**

Liquidity position is comfortable at this juncture, though recovery from standard assets has been affected by the moratorium granted in line with RBI circular. The Company has engaged the service of arranger to procure fund at a lower cost.



### **Ability to service debt and other financing arrangements**

The ability to service its debt and financial obligations is adequate.

### **Assets**

Demand for funds from good eligible borrowers has an impact on the off take of credit. The cash flows from standard cases have been impacted to some extent, on account of moratorium being granted. Further, the recovery from NPA estimated during this period has been lower as legal proceedings have been delayed as also the promoters are not forthcoming with settlement proposals.

