



## CADSYS (INDIA) LTD

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CIN: U72200AP1992PLC014558

To,

Date: June 17<sup>th</sup>, 2020

The Manager – Listing Department,  
The National Stock Exchange of India Limited – EMERGE,  
Exchange Plaza, NSE Building,  
Bandra Kurla Complex,  
Mumbai – 400 051.

NSE Symbol: CADSYS

ISIN No.: INE090Y01013

**Subject: Advisory on Disclosure of Material Impact of COVID-19 : As per SEBI Circular dated 20th May, 2020.**

Dear Sir/Ma'am,

Pursuant to SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20<sup>th</sup> May 2020 we are hereby submitting a brief note on the impact of COVID-19 on business prospective.

As the Lockdown restrictions were imposed in last week of March, the Company closed down the establishment and re-opened the premises on May 8<sup>th</sup> conforming to the social distancing rules, maintaining optimum standards of sanitization and hygiene. The Company started functionally partially with 33% capacity while adhering to the government guidelines of strict work timings. Keeping in view the current situation, the Company has enabled "Work from Home" facility to the employees and provided necessary training and support to adapt to the new working norms.

You are requested to kindly take the above information on your record.

Thanking You,

**For and on behalf of Cadsys (India) Limited**

*B. Shailaja*

**Babladi Shailaja**

Company Secretary and Compliance Officer  
Membership No. A42918



S. No.	Particulars	Impact
1.	Impact of the COVID-19 on business	<p>The facility was closed from March 21<sup>st</sup> and our teams did their best to enable "work from home" for the employees. The surveying and data collection had to be rescheduled due to strict social distancing norms and stay at home orders implemented stringently in some parts of the project sites,. As a result, we noticed a slack in the deliveries of the work orders.</p> <p>Currently as the restrictions got relaxed and situation fairly doing well, we were able to gain traction and the team is fully equipped to manage the projects and clear the deliveries in a phased manner.</p>
2.	Ability to maintain operations including the factories/ units/ office spaces functioning and closed down	<p>The management has taken all the necessary steps to comply with the new working guidelines laid down by the Government of India.</p> <p>It has been observed that, this pandemic has created a demand for stronger network connectivity to enable and implement remote working structure. Hence, the telecom and utility companies are progressing rapidly to meet this high customer demand. The company has been getting repeat work orders from the customers even during the pandemic as the telecom sector witnessed a sharp rise in the need for stronger connectivity. Our teams are fully prepared to take up the work orders as and when the projects are assigned by the customers.</p>
3.	Schedule if any for restarting the operations	The Company has resumed operations with limited workforce since May 8 <sup>th</sup> , 2020 adhering to the safety norms prescribed by the Government with partial workforce. However, some of the staff who travelled back to their home towns just before lockdown are unable to work due to interstate travel restrictions.
4.	Steps taken to ensure smooth functioning of operations	As mentioned above, the Company is taking reasonable precautions <i>inter alia</i> sanitization, social distancing, mandatory wearing of the mask, thermal check of temperature at the entrance, etc.
5.	Estimation of future Impact of the CoVID-19 on its operations	<p>As the Company and the world at large are facing this unprecedented situation, we are constantly monitoring the situation and evaluating apparent risk mitigation solutions.</p> <p>Though there is no concrete forecast of the impact on the business of the company, we are presuming that the business will pick up gradually.</p> <p>In the course of assessing the impact of the pandemic, the Company has been identifying potential business opportunities relevant in the current nature of business and has been engaging in understanding customer needs.</p>





Details of impact of CQVID-19 based on certain performance parameters:		
a.	On capital and financial resources	The company does not see any specific challenge in terms of its capital or financial resources". However, the profitability of the company will be impacted due to MHA stipulation to pay full and complete salaries to all the employees inspite of having negligible revenue during lockdown.The situation will vary and we are confident it will gradually improve.
b.	On Profitability	Even though we expect a strong business growth in the next coming months, due to the covid-19 and lock down for the two months, the revenue estimates will be affected. In addition, the MHA stipulation not to terminate employees and to continue to pay all the employees full salary in spite of having negligible revenue during lockdown will impact profitability.
c.	Liquidity Position	The Company has implemented reasonable cost saving options to maintain the liquidity in the company. We have been regularly following up on the receivables with the customers. As such the company has not faced liquidity issues.
d.	Ability to service debt and other financing arrangements	The company is taking prudent steps to control the operating and overhead costs and has taken proactive measures like availing additional moratorium and working capital from the bank, grants.
e.	Assets	No impact
f.	Internal Financial reporting and Control	Adequate Internal financial controls and reporting systems have been implemented and adhered to at all times.
g.	Supply Chain	Not applicable
h.	Demand for Services	As mentioned above, the pandemic has created a demand for the need to build stronger connectivity from the customers. The company's past experience and the longtime relationship with the customer has led to gaining repeat orders and we are constantly thriving to maximise and leverage our past experience to acquire new projects.
6.	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 significant impact or any material change noticed to the existing contracts and projects. The delay in deliveries has not impacted the contractual obligations as the management has been closely monitoring and constantly reporting the developments to the customer.

For any further details please visit : [www.cadsystech.com](http://www.cadsystech.com)

For any Investor relations query, please contact: **Shailaja Babladi**, Company Secretary and Compliance Officer - Email: [cs@cadsystech.com](mailto:cs@cadsystech.com)

