Ref: NCL/CS/2020-21/05 **Date: 30.05.2020**

To,
The Manager
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
BSE Code: 539332

To,
The Manger
Listing Department
National Stock Exchange of India Limited
"Exchange Plaza", C-1, Block G,
Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051
NSE Code: NAVKARCORP

Dear Sir,

Subject : Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Disclosure relating to impact of COVID–19 pandemic on the Company (" the Company")

Pursuant to the provisions of Regulation 30 Securities and Exchange Board of India (Listing Obligations & Disclosure Regulations), 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020, we hereby submitting disclosure of material impact of COVID-19 pandemic on the operations and performance of the Company.

We would like to intimate that the Company is engaged in Container Freight Stations ("CFS") and Inland Container Depot ("ICD") and we are complying with every circular/notification/guidelines etc. issued by Central, State Government and other regulatory authority as applicable to our logistics business. The logistic sector being the backbone of the economy, provides movement of essential goods, the shipping, ports, transportation and ancillary services. Hence it has been declared as essential services by the Central and State Government.

We would further like to intimate that though our business is covered in essential category as per the guidelines issued by Central and State Government, there are challenges in providing logistics services to customers in different zones. Following is the impact on our business due to COVID-19 pandemic:

Navkar Corporation Ltd

1. **Impact of Covid-19 Pandemic on Business**: COVID-19 is a global pandemic. It has affected everyone locally, nationally and globally. As we operate Container Freight Stations and an Inland Container Depot that handles import and export cargoes the global effect filters down to our business also. Containers with international cargoes need to be moved from and to Nhava Sheva port and delays and restrictions require us to face different challenges. The impact on the sector would be long-term, reflected in the decline in revenue due to the low utilization of assets/vehicles.

2. **Ability to maintain operations:** the Company is covered in essential services and in exempted category. However, Company is operating with 30% manpower capacity in CFS/ICD considering the safety of employees.

3. **Schedule, if any, for restarting the operations:** the company's operations are functional hence the question of restarting the business does not arise.

4. **Steps taken for smooth functioning of operations:** Health and safety of our employees, partners and customers is of the utmost priority to the company. The Company is taking necessary precautions like sanitization, providing masks, hand sanitizers, disinfectants and temperature checks for staff and essential visitors at all our facilities. We have obtained relevant approvals from local government authorities and ensured compliance with safety norms. We have provided IT infrastructure & connectivity to most of our staff to efficiently enable them to 'Work from Home' and minimize the spread of COVID-19.

5. **Estimation of the future impact of COVID- 19:** the impact on the sector would be long-term, reflected in the decline in revenue due to the low utilization of assets/vehicles and the Company is in process of analyzing business and revenue impact in future.

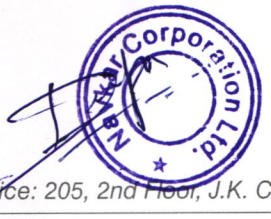
6. **Impact on-**

   - **Capital and Financial resources:** the Company is operating its business by optimum utilization of available financial resources and the Company will be able to meet all its present and future obligations in time bound manner. Further the company does not plan to raise capital in near future hence there is no impact.

   - **Profitability:** the profitability of the Company will be low as compared to previous years due to low recovery ratio and cost of fixed assets/expenses.

   - **Liquidity Position:** Collections from the debtors have impacted the Company slightly. However company is having surplus liquidity to meet all its financial obligation.

   - **Ability to service debt & other financing arrangements:** the Company has never defaulted on any interest / loan repayment. It is having sufficient liquidity and will able to meet all its present and future debt/loan/liability repayment in time bound manner.



- **Assets:** Shortage of labour as well as drivers have affected utilization of Assets/Vehicles of the company.

- **Internal financial reporting and control:** the Company has adopted designed process to conduct business including regulatory compliance, financial reporting in time, safeguarding of its assets, prevention and detection of frauds and errors etc. during the lockdown the company is working with minimum available staff and others working from home, so all the reporting systems are working smoothly.

- **Supply Chain**: CFS/ICD are playing an important role in supply chain of essential and non-essential goods. COVID – 19 has impacted both supply and demand side. As many export factories have closed this has brought down the movement of exports through our facilities. At the same time importers have not been able to come and clear their goods resulting in containers piling up inside the CFSs and ICD. Due to this pile-up of imports, additional operations are required to be done for CFS/ICD for extracting containers for delivery to importers. Shortage of labours as well as drivers to operate trucks for container handling and transportation has affected smooth evacuation from/to Nhava Sheva leading to increase in dwell time.

- **Demand for its Products/Services:** Demand for warehousing is increased as safe storage place of customer containers in this situation. However it has negatively impacted to demand of logistic services due to non-movement of containers (Non-essential goods) in different Zones.

7. **Existing Contracts and agreements where Non-fulfillment of any obligation by any party will have significant impact on the listed entity's business:** The Company is providing logistics services all the assets in this regards are owned by the company hence the question of non-fulfillment of any obligation does not arise. Further the Company is having some of the agreements with shipping lines/ logistics partners the company is looking at best available solutions in spite of challenges for fulfilling its obligations.

8. **Other relevant material updates about the listed entity's business.**
   Nil

Please take the above on records.

Thanking you,

Yours Faithfully,
For Navkar Corporation Limited

Deepa Gehani
Company Secretary