M/s Navkar Corporation Ltd
Container Freight Stations & Rail Terminals

Date: 30th March, 2017

Department of Corporate Services,
BSE Limited,
1st Floor, New Trading Ring,
Rotunda Building,
PhirozeJeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Security Code – 539332

Department of Corporate Services,
National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kundra Complex,
Bandra (East),
Mumbai – 400 001

NSE Symbol – NAVKARCORP

Dear Sir,

Sub.: Outcome of the Board Meeting held on 30th March, 2017 – Disclosure under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the captioned subject, we hereby inform you that, the Board of Directors of our company at its meeting held today has:

1. Unanimously approved the Scheme of Amalgamation of Navkar Terminals Limited ('NTL' or 'Transferor Company') into Navkar Corporation Limited ('NCL' or 'the Company' or "Transferee Company") in accordance with the provisions of Section 230 to 232 of the Companies Act, 2013.

2. Took on record Independent Valuation Report dated March 30, 2017 submitted by M/s. Thakkar & Company, Chartered Accountants and Fairness Opinion issued by M/s. Choice Capital Advisors Private Limited, SEBI registered Category I Merchant Bankers.

3. Recommended and approved, subject to the approval of the shareholders of the Company, to vary the terms of the objects as stated in the prospectus dated August 29, 2015 issued by the Company in relation to its initial public offering and, accordingly, approved the Notice of Postal Ballot. A copy of the same shall be sent to you in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The detailed disclosure as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular CIR/CFD/CMD/4/2015 dated 9th September 2015 is enclosed as Annexure to this outcome.

We request you to take the same on your records.

Yours faithfully
For **Navkar Corporation Limited**

Hitesh Kumar Jain
Company Secretary

Encl.: As above

Annexure

a) **Name of the entities forming part of the amalgamation / merger, details in brief such as size, turnover etc.:**

The Scheme provides for amalgamation of Navkar Terminals Limited into Navkar Corporation Limited (the Scheme). Brief details of the companies as on 31st December 2016 are as follows:

Name of the Company	Turnover (Rupees in Lacs)	Paid Up Share capital (Rupees in Lacs)
Navkar Corporation Limited	Rs.25801.98	Equity: Rs.14260.80 Preference: Rs.230.00 **Total: Rs.14490.80**
Navkar Terminals Limited	Rs.793.71	Equity: Rs.5.00 Preference: Rs.99.79 **Total: Rs.104.79**

b) **Whether the transaction would fall within related party transaction? If yes, whether the same is done at "arm's length"**

Yes, Navkar Terminals Limited is a related party to the Company. The transaction is based on independent Fair Valuation of shares of each of the companies and will be subject to prior approval of shareholders, creditors of both the companies and the National Company Law Tribunal, Mumbai Bench.

c) **Area of business of the entities**

Name of the Company	Area of business
Navkar Corporation Limited	Container Freight Station (CFS) facilities, Cargo Handling, Cargo Storage and Logistics Services provider.
Navkar Terminals Limited	Inland Container Depots (ICD) facilities, Cargo Handling, Cargo Storage and Logistics Services provider.

d) **Rationale for amalgamation / merger**

I) Navkar Corporation Limited ('NCL' or the 'Company'), is a container freight station operator and provides cargo handling, cargo storage and other logistics services. It currently operates three container freight stations located in Panvel in Maharashtra. The equity shares of NCL are listed on the BSE Limited and National Stock Exchange of India Limited.

II) Navkar Terminal Limited (NTL), a wholly owned subsidiary of NCL, was incorporated on 13 September 2010. NTL has set up a inland container depot at Vapi. The said project has received approval from sectorial authority for commencement of operations in March 2016. Thereafter, NTL commenced commercial operations in April 2016.

III) The Management had initiated the aforesaid project under a separate wholly owned subsidiary to de-risk the flagship operating company of the Group during the set up stage. Now since the Group has successfully implemented the project and the commercial operations has been initiated it is imperative to consolidate the same with NCL.

IV) In order to achieve that it is proposed to amalgamate NTL with NCL by way of a scheme of amalgamation under section 230 to 232 of the Companies Act, 2013. The said restructuring is beneficial, advantageous and not prejudicial to the interests of the shareholders, creditors and other stake holders. Further the said structuring is in consonance with the global corporate re-

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engineering practices which intend and seek to achieve flexibility and integration of size, scale and financial strength.

V) Upon amalgamation, NCL shall achieve higher long-term financial returns, increased competitive strength, cost reduction and efficiencies, productivity gains, and logistical advantages, thereby significantly contributing to future growth. Apart from the various benefits/advantages stated and illustrated above, the following advantages shall also be enjoyed and realized by all the stakeholders :-

i. **Consolidation of business:** The amalgamation will enable NCL to consolidate similar businesses into a single company. This will enable NCL with an opportunity to provide services in a seamless manner to its customers. Further, this will also help NCL to demonstrate its capability and provide competitive advantages *vis-à-vis* its competitors.

ii. **Focused Management:** Consolidation of the business into a single consolidated entity which shall enable focused strategies, management, investment and leadership for the consolidated entity and further result into operational synergies;

iii. **Unlock shareholders value:** The proposed consolidation will create long term value for the shareholders by unlocking value since the business and profits will accrue to a single entity i.e. NCL;

iv. **Efficiency in Fund raising:** Increase in the net worth of NCL, which shall facilitate and provide adequate opportunities to mobilize the financial resources for the growth of the business and also streamline the process for fund raising;

v. **Reduction in number of Companies and Regulatory Compliance thereof:** Reduction of shareholding layers, overheads, facilitate administrative convenience and ensure optimum utilization of and resources.

e) Share Exchange Ratio

Equity Shareholders

Since NCL holds the entire equity share capital of NTL, on amalgamation, neither any consideration will be paid nor any shares shall be issued by NCL to NTL in consideration of or consequent upon the amalgamation and the equity shares of NTL held by NCL shall stand extinguished upon the Scheme becoming effective.

Preference Shareholders

The preference share capital of NTL comprises of 99,790 fully paid-up 6% Cumulative Redeemable Preference Shares of Rs. 100 each. Upon the Scheme becoming effective and upon amalgamation of NTL with NCL in terms of the Scheme, NCL shall, without any application or deed, issue and allot Preference Shares, credited as fully paid up, to the extent indicated below, to the preference shareholders of NTL:

1 (One) 6% Cumulative Redeemable Preference Shares of Rs. 100/- each, of NCL shall be issued and allotted for every 1 (One) 6% Cumulative Redeemable Preference Shares of Rs. 100/- each held in NTL

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f) **Pre and post shareholding pattern:**

Equity Shares Capital

Particulars	Pre-merger (% holding) of NCL	Post-merger (% holding) of NCL
Promoters & Promoter Group	72.86	72.86
Public	27.14	27.14

Preference Shares Capital

Particulars	Pre-merger (% holding) of NCL	Post-merger (% holding) of NCL
Promoters & Promoter Group	100.00	100.00
Public	0.00	0.00

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