

KPL/2020-21/BSE  
04.06.2020



<b>Bombay Stock Exchange Ltd.</b> 1 <sup>st</sup> floor New Trading Ring Rotunda Building P.J.Towers Dalal Street, Fort MUMBAI – 400 001  Scrip Code : 530299	<b>National Stock Exchange of India Ltd.</b> Exchange Plaza, 5 <sup>th</sup> floor Plot No., C/1 G Block Bandra Kurla Complex Bandra (E) MUMBAI – 400 051  Scrip Code : KOTHARIPRO
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Sub : DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC

Dear Sir,

Pursuant to SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, please find enclosed herewith disclosure on material impact of COVID-19 pandemic on the Company.

The above is for your information and record.

Kindly acknowledge receipt.

Thanking you,

Yours faithfully,  
for **KOTHARI PRODUCTS LTD.**

A handwritten signature in blue ink, appearing to read 'Raj Kumar Gupta', is written over the typed name.

**(RAJ KUMAR GUPTA)**  
**CS & COMPLIANCE OFFICER**  
FCS – 3281

Address :  
"Pan Parag House  
24/19, The Mall,  
Kanpur

Encl: a/a

NOTE ON MATERIAL IMPACT OF COVID – 19 PANDEMIC ON THE COMPANY

The unprecedented and uncertain nature of the coronavirus pandemic has nudged the global economy into a recessionary phase, and India, the 5th largest economy in the world, has not been insulated from this shock. We also greatly impacted with this roughly 7-8 weeks lockdown across the Globe and given the global scope of the current pandemic, we see massive disruption not only to our business but also to our overall relationships with our bankers, buyers and suppliers.

IMPACT ON TRADE AND LIQUIDITY

The company is engaged in international trade and there has been a slowdown in the global markets due to fall in demand, resulting from fall in discretionary expenses, economic activities, stalling of projects, disruption in transportation etc. Though the company could continue its trading activity during the lock down period, there is fall in both demand as well as supply side. The company therefore is anticipating a fall in its topline as well as profits for the quarter. In addition to the same, there has been significant volatility in the exchange rates since end of March 2020, which has added to the uncertainty moreso in view of the fact that the company's exposure is high given the nature of business. The impact of COVID-19 on receivables (both export as well as domestic) is being assessed and the impact of the same will be more visible in the months to follow.

IMPACT ON REAL ESTATE SEGMENT

The company has substantial stake in real estate and commercial as well as residential spaces independently as well as through its subsidiaries/associates. Whereas some projects got completely stalled during the lockdown period, some were able to restart partially. Further the impact on rentals, realisability and valuations will also be visible only in the coming months and depends on how quickly the economic activity bounces back.

For KOTHARI PRODUCTS LTD.



(RAJ KUMAR GUPTA)  
CS & COMPLIANCE OFFICER

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