

May 22, 2020

<b>National Stock Exchange of India Limited</b> Exchange Plaza BandraKurla Complex Mumbai - 400 050 Ph No: 2659 8452 Fax No: 2659 8237/38 Email: <a href="mailto:cmlist@nse.co.in">cmlist@nse.co.in</a> Scrip Code: SNOWMAN	<b>BSE Limited</b> Department of Corporate Services PhirozeJeejeebhoy Towers Mumbai - 400 001 Ph No: 22727 1233/34 Fax: 2272 1072/ 2037/2061/ 41 Email: <a href="mailto:corp.relations@bseindia.com">corp.relations@bseindia.com</a> Scrip Code: 538635
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Dear Sir/Madam,

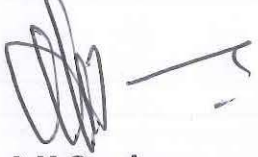
**Sub: Disclosure of material impact of COVID 19 pandemic under SEBI (LODR) Regulations, 2015**

Pursuant to regulation 30 of SEBI LODR and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, Please find enclosed herewith the disclosure of material impact of CoVID 19 pandemic on Snowman Logistics Ltd.

We request you to kindly take the aforesaid information on record.

Thanking you

**For Snowman Logistics Limited**



**A M Sundar**  
CFO, Company Secretary and Compliance Officer

**Encl: as stated above**



Corporate Office

**Snowman Logistics Ltd.**

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22 MAY 2020

Pursuant to regulation 30 of SEBI LODR and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, we wish to inform you the following;

**a. Impact of the CoVID-19 pandemic on the business;**

Snowman Logistics Limited is considered an 'essential services' as per the Ministry of Home Affairs (MHA). This classification has helped the Company operate all the warehouses optimally during the lockdown period. Hence the pandemic has not had any material adverse impact on the company's business so far. The core business segment of the Company is warehousing which contributed 62.70% of the top line and 100% of the PBT of 2019-20. This segment has not been impacted by Covid-19 fall out. Transportation which is the other segment has been impacted to some extent due to absenteeism of drivers. The situation is improving and we foresee normal operations in this segment too by the end of this quarter. Since the warehousing segment has outperformed during this period, the shortfall in transportation has been covered to some extent.

**b. Ability to maintain operations including the factories/units/office spaces functioning and closed down;**

The Company has taken conscious decision through balance uninterrupted operations and ensuring a safe working environment. To ensure this, critical staff have been asked to report to work at their locations. The Company has also made necessary arrangements to ensure that these staff are safe and comfortable at work.

The rest of the staff have been asked to work from home, thereby ensuring seamless operations, reporting and controls

**c. Schedule, if any, for restarting the operations;**

Since the Company's operations are fully functional, this question does not arise.

**d. Steps taken to ensure smooth functioning of operations;**

The Company has put in place strict monitoring process for Covid-19 ensuring the following

- Thermal Screening of all employees and visitors
- Sanitizing the premises and vehicles on regular basis
- Maintenance of social distancing at all work places
- Enforcing wearing of masks and regular cleaning of hands
- Regular update of the health of all the employees and their families
- Asking all employees to have Aarogya Setu App

The company has provided food and commuting facilities wherever necessary so that work at all locations can happen uninterrupted.

The Company has been regularly conducting awareness programs for all its employees.

All customers and vendors of the Company have been communicated about the measures taken by the Company through mails which includes even short films of the steps taken by the Company.

**e. Estimation of the future impact of CoVID-19 on its operations;**

As explained above, there has not been any material adverse impact on the Company's performance so far. We expect further improvements as states and countries are continuously announcing relaxations and taking steps to improve trade and commerce. We are also going ahead with our expansion plans and have started work on the same.

**f. Details of impact of CoVID-19 on listed entity's –**

- **capital and financial resources;**

The Company does not plan to raise any capital in the near future and hence there is no impact. Further the Company is very comfortably leveraged on the debt front and can raise further debt for expansion without any difficulty.

- **profitability;**

As mentioned earlier, the warehousing segment which brings in the profits is not impacted. The transportation segment which acts an enabler is marginally impacted but since it is a low margin business, the Covid impact on profits will not be material.

- **liquidity position;**

Collections from debtors has been impacted marginally with some of the customers requested for a deferred payment schedule which the company keeping in mind the long term relationship has accepted. We expect this coming back to normal within first quarter. The Company has been meeting all its financial obligations so far.

- **ability to service debt and other financing arrangements;**

The Company has availed a moratorium of 1 quarter from one of its lenders as matter of abundant caution. The Company has never in the past defaulted on any interest or loan payment and does not see any issue meeting future obligations too.

- **assets;**

None of the assets of the Company have been impacted or impaired by the Covid-19.

- **internal financial reporting and control;**

The Company has robust ERP system in place and all its locations are well networked. Even during the lockdown with a combination of critical staffs working from locations and all others working from home, all reporting systems worked seamlessly without any disruption.

- **supply chain;**

There has been no impact.

- **demand for its products/services;**

During the crisis, there has been increase in demand for warehousing space as customers prefers organized companies which are high safety and hygiene standards. We expect this to continue in the coming months too

- g. **Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business;**

The nature of the Company's business is of renting out warehousing and trucking space. All assets in this regard are owned by the Company and hence the question of non-fulfilment of obligation does not arise. The Company is in a position to honour all agreements with customers. In the case of vendors from whom the avails product or services, these are few in numbers and are not in any way impacted by the pandemic.

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