

# Winmore Leasing And Holdings Limited

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3.06.2020

Metropolitan Stock Exchange of India Ltd.  
4th Floor, Vibgyor Towers, Plot No C 62,  
G Block, Opp Trident Hotel,  
Bandra Kurla Complex, Bandra (E),  
Mumbai - 400098

Dear Sirs,

## **Sub: Impact of COVID-19 pandemic on the Company's Business Activities**

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 and Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find below disclosure about the impact of Covid-19 pandemic on the Company.

### **DETAILS ON IMPACT OF COVID-19**

#### **a) Impact on the Company's Leasing and Investment activities:**

The Company's business segments include Leasing and Investments. Presently, the Company's Leasing Activities continues to be stable and its Investment Activities remains sluggish, as the impact of pandemic on the financial markets is well known.

#### **b) Impact on the Business activities of its Subsidiary: Copy Attached as Annexure A**

Due to on – going lockdown situation, we are unable to submit signed copy of this intimation.

Kindly take the above information on record.

Thanking you,

Yours faithfully,

For **Winmore Leasing & Holdings Limited**

Sd/-

**D L Pawar**

**CFO & Manager**

**Contact No.: 022 22837658**

**Enlc.: a/a**

## Annexure A

### **Material Impact of COVID-19 pandemic on the Company's Subsidiary viz West Pioneer Properties (India) Private Limited (information disclosed pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020)**

#### **1. Impact of the COVID-19 pandemic on the business:**

The construction activities at our Residential Tower and the Mall were shut down due to the COVID-19 pandemic and the consequent complete Lockdown effective from March 23, 2020. The functioning at Corporate Office, Mall and the residential Towers construction site have been adversely affected.

With the real estate sector already reeling under the adverse impact of liquidity crunch, a high inventory overhang and subdued demand conditions, the COVID-19 outbreak is expected to further worsen the situation in the sector, with slowdown in sales and collections and project execution activity, in the near term.

The pandemic is significantly impacting the business operations and the future growth plans of the Company by way of closure of supply chain, disruption of availability of construction material, reduced sales booking, deferment of installment (collections) from customers, unavailability of labour force etc.

The Retail Industry is worst affected due to lockdown. Pursuant to enforcement of stringent measures, shopping centres, hospitality, retail, tourism etc. are worst affected due to lockdown. Zero footfalls are resulting in lower sales, but overheads have increased for deploying specially trained personnel, extensive sanitization, increased customer frisking etc. This will result in a huge pressure on viability of shopping centres due to delay in collection of license fees from the retailers.

Rental cash inflow has come down to almost zero since the closure of the mall although we continue to bill for fixed rentals and common area maintenance expenses as per agreements with the retailers. Meanwhile, debt servicing and interest payment obligations remain constant. Expenses for sanitization and disinfection will go up due to COVID-19 preventive safety maintenance.

However, the implementation of the extension of moratorium on term loan instalments for a period of six months, announced by the RBI, will provide some temporary relief in case of overall cash flows during this period.

In the present situation, it is difficult to ascertain, in quantitative terms, the overall impact of the outbreak.

#### **2. Ability to maintain operations including the factories/units/office Spaces functioning and closed down:**

Pursuant to the guidelines and directives issued by the Ministry of Home Affairs, Government of India and the State Government Authorities, the Company had temporarily closed its offices and the residential site. The Mall was kept operational with full upkeep and security and few retailers like Big Bazar and the online delivery by some of the restaurants were functional at the mall. Effective from May 9/10,2020 the company has started monsoon preparation at its Mall and construction activities have started, with very limited/ permitted way and with the available workforce, adhering to the prescribed safety norms.

The Company implemented Working from Home for all the employees working at the offices, wherever possible. The Company has also filed the CCOVID-19 return with the ROC, Maharashtra.

We are gearing up for opening our operations at the mall in accordance with the guidelines issued by the authorities.

### **3. Schedule, if any, for restarting the operations**

Operations were going on at the mall for the retailers like Big Bazaar and the online deliveries by some of the restaurants, and the mall is being cleaned and routine maintenance work is being done. All the retailers' goods lying at the mall were being secured by our security.

The construction activity will be slowly scaled up to normal level in a phased manner based on the directives issued by the authorities from time to time. The Company expects construction activities to gradually reach optimum levels depending upon the availability of workforce.

### **4. Steps taken to ensure smooth functioning of operations**

The Company always recognizes its workforce as its valuable asset, and has taken a series of pro-active and preventive measures to ensure the safety and health of all its work force and a safe workplace for them, with appropriate social distancing norms and high standards of hygiene. The Company has also taken various prescribed steps such as thermal screening of all its employees and visitors at the entry gate, sanitizing the premises on regular basis, enforcing wearing of masks, asking all employees to have 'Aarogya Setu' App installed on their mobiles and to continuously follow guidelines, as prescribed by the Central or State Government, from time to time. 'Work from home' option also continues for certain categories of employees.

### **5. Estimation of the future impact of COVID-19 on operations**

The temporary suspension of construction activities and the reduced level of operations at the mall are likely to have significant additional financial impact, the extent of which is not quantifiable at this moment. Moreover, there is acute shortage of labour though we do hope the business situation will normalise soon once the situation comes under control. It is too early to assess the future impact of COVID-19 with reasonable certainty.

### **6. Details of impact of COVID-19 on Company's: capital and financial resources; profitability; liquidity position; ability to service debt and other financing arrangements; assets; internal financial reporting and control; supply chain; demand for products/services**

In this evolving situation, the overall financial impact or the duration thereof cannot be predicted with any reasonable certainty. The capital and financial resources, profitability and liquidity are likely to be adversely impacted due to COVID- 19 lockdown and impact of the same will be ascertained once the lockdown is opened in Mumbai.

The interest and Principal installments for all loans have been shifted forward by six months as per the RBI notifications in this behalf on 27<sup>th</sup> March 2020 and 23<sup>rd</sup> May 2020. There is no impact on the assets of the Company. The Company has a strong Internal Audit framework in place to ensure operational efficiency, risk management and internal financial reporting and control.

The Company has near term visibility of supply of all regular building materials through established and dependable suppliers. All vendors' and suppliers' payments are being rescheduled. The pandemic will certainly impact the purchasing power of prospective

customers/ buyers, which in turn, add up to the already stagnated demand that shall affect the growth and the financials of the Company.

**7. Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the business;**

The Company does not foresee significant impact in respect of its existing contracts and agreements where the non-fulfilment of obligations by any party would lead to any material financial claim by or against the Company.

The retailers at the mall and the customers for the residential project have all stopped paying their dues since April till date. The company has made collections of Rs.1.20 cr approximately during this period.

The Company ensures that all its commitments are honoured in agreed and amicable time frame and as per agreed mutual interest of the parties.

**8. Other relevant material updates about the business of the Company**

The Company shall keep its stakeholders informed as and when any material developments take place having significant impact. As the current environment is very dynamic and resultant situation is evolving, the business operations are highly influenced by the decisions taken by the Government and Regulators, from time to time. Accordingly, any material change in the business operations and its impact will be updated from time to time.

The subsidiary Westfield Entertainment Pvt Ltd had an MOU for sale of its land at Nashik. Due to the COVID-19 pandemic, the payments against the land as scheduled were disrupted. The Company is engaging with the buyer for commencement of work and payments as the lockdown opens up.

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