

Godrej Properties Limited
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CIN: L74120MH1985PLC035308

August 05, 2020

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Limited

Exchange Plaza,
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East)
Mumbai – 400 051

Ref: **Godrej Properties Limited**

BSE - Script Code: 533150, Scrip ID - GODREJPROP
BSE- Security ID 782GPL20 – Debt Segment
NSE - GODREJPROP

Sub: Disclosure of material impact of COVID-19 pandemic on the Company

Dear Sir/Madam,

Please refer our letter dated March 24, 2020 intimating temporary suspension of operations at the construction sites, in light of the heightened concern on spread of Corona virus and pursuant to the directives of the Indian Government.

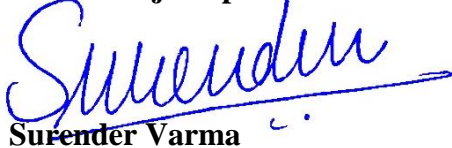
The details as required under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/ 4/2015 dated 9th September, 2015 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020 are given in Annexure I.

This is for your information.

Thank you,

Yours truly,

For Godrej Properties Limited



Surender Varma

Company Secretary & Chief Legal Officer

Encl. as above



Annexure 1

SN	Particulars	Information
1.	<ul style="list-style-type: none"> • Impact of the CoVID-19 pandemic on the business; & • Expected quantum of loss/damage caused: 	<p>The most significant impact of Covid-19 is the reverse migration of workers which will impact construction activities across the country. This is expected to cause project execution delays and working capital issues for financially weak developers.</p> <p>While the start of FY21 has been muted due to the lockdown and its subsequent toll on economic activity, we believe customers would eventually return to the market in the second half of the financial year to partially mitigate the demand impact in earlier quarters. While we do expect the demand to catch up within the year, we believe the customers would expect relaxed payment plans. We also expect some increase in customer outstanding owing to the pessimistic liquidity environment.</p> <p>With operations resuming in the construction sites located in the non-containment zones in accordance with the directives issued by the Central, State Government and Local Administration Guidelines, the Company expects to see improved business from second half of FY 2021.</p>
2.	<ul style="list-style-type: none"> • Factory/unit where the Lockdown has impacted • Ability to maintain operations including the factories/ units /office spaces functioning and closed down; 	<p>The Operations at most of the construction sites were completely closed. The Company has adopted work from home policy during the lockdown period across all the offices.</p> <p>The Company has restarted operations with reduced workforce since June 2020, adhering to strict safety norms prescribed by Government of India. The Company has adopted 'Work from Home' in offices located pan-India. Laptops/Digital connectivity and e-mail for remote access was granted to all concerned employees to ensure that they are able to work from home effectively.</p>
3.	Schedule, if any, for restarting the operations;	In line with respective state Government and local administration's guidelines, the construction activity has begun on 90% sites with 42% workforce strength of pre-covid times.
4.	Steps taken to ensure smooth functioning of operations;	<ul style="list-style-type: none"> • In addition to the sites, the Company had started its operations with permitted employees' strength at Head Office, Zonal, Regional Office and at site office in a phased manner as per the Government & local administration's guidelines. • Upon re-starting of the operations, necessary guidelines related to health and hygiene of the

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		<p>employees were adhered to mainly covering cleanliness, hygienic living environment, frequent sanitisation and social distancing norms</p> <ul style="list-style-type: none"> • The Employees Health Insurance scheme was enlarged to cover Covid 19 cases • Daily visits of Doctors and regular health check-ups are done at sites •
5.	Estimation of the future impact of COVID-19 on its operations;	<p>While the industry at large may be adversely impacted by this pandemic and the resultant slowdown during the recovery phase, the Company's healthy balance sheet and project pipeline will help maintain operational momentum in the quarters ahead. The favorable government reforms is expected to improve governance in the sector, increase transparency and bring about consolidation amongst real estate players.</p> <p>The Company remains positive about the long-term direction of the sector on back of higher consumer confidence and increasing affordability due to declining interest rates and stagnant real estate prices.</p>
6.	Details of impact of COVID-19 on listed entity's –	
	Capital and Financial Resources;	<p>The Company is operating its business by optimum utilization of available resources. The major portion the financials resources are Company's capital and Banking facilities resources, which are adequate to run its business. The recent fund raising by issue of NCDs has strengthen the balance sheet at an ideal time to help deliver on our growth strategy. The Company's healthy balance sheet and project pipeline will help maintain operational momentum in the months ahead.</p>
	Profitability and cash flow;	<p>During the June quarter the consolidated profit of the Company is negative as due to the lockdown, there was very limited construction during the quarter and as a result no new projects achieved revenue recognition.</p> <p>Cash collections which depend on construction milestones were also impacted. This led to an accounting loss and negative operating cash flow for the quarter</p>
	Liquidity Position;	Liquidity position of the Company is comfortable
	Ability to service Debt and other Financing Arrangements;	With sufficient undrawn bank limits and the cash reserves, the Company is in comfortable position to meet debt servicing obligations
	Assets;	The Company has made necessary adjustments to the carrying amounts of its assets by recognizing provisions, where necessary, as required under IND

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		<p>AS considering the impact of COVID-19.</p> <p>The Company, going forward, will review the provisions considering the impact of COVID-19 at the end of each quarter, till the uncertainty relating to COVID-19 exists.</p>
	Internal Financial Reporting and Control;	Required Internal Financial Reporting and Control Systems are in place.
	Supply Chain;	There is short term impact in supply chain due to restricted commercial activities across various states, however the Company has been working on making the supply chain more efficient as lockdown restrictions are eased
	Demand For its Products/Services;	The Company has delivered higher booking value during the quarter ended June 30, 2020 as compared to corresponding quarter of previous year.
7.	Existing contracts / agreements where non fulfilment of the obligations by any party will have significant impact on the listed entity's business;	The Company also does not foresee any significant impact on the business due to non-fulfilment of the obligations by any party
8.	Whether loss/damage covered by insurance or not including amount;	The impact of COVID-19 is not covered under our existing Insurance policies.
9.	Other relevant material updates about the listed entity's business	The Company has been regularly updating all material information about its operations to the Stock Exchanges.