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**June 13, 2020**

**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street Fort, Mumbai- 400 001  
**(Security Code: 503100)**

**The National Stock Exchange of India Limited**  
“Exchange Plaza” Bandra-Kurla Complex,  
Bandra East, Mumbai- 400051.  
**(SYMBOL: PHOENIXLTD)**

Dear Sir/Madam,

**Sub: Outcome and Call Transcript of Interaction with Analysts/Institutional Investors - Regulation 30 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)**

This is further to our letter dated June 11, 2020, wherein we had given an advance intimation of interactions with various Analysts/Institutional Investors via conference call to discuss general business update.

In compliance with the Regulation 30(6) read with Schedule III of the Listing Regulations, we hereby inform you that The Phoenix Mills Limited (“Company”) has concluded interaction with the Clients of HSBC Securities organised by HSBC Securities on Friday, June 12, 2020

The discussion covered general business update which was sent to the Stock Exchanges vide our letter dated June 11, 2020 and was also uploaded on the Company’s website:  
<https://www.thephoenixmills.com>.

We also enclose herewith Transcript of the aforesaid conference call and the same is also being uploaded on the Company’s website at: <https://www.thephoenixmills.com>.

Kindly take the same on record.

Thanking you,

Yours faithfully,

**For The Phoenix Mills Limited**

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**Gajendra Mewara**  
**Company Secretary**

**Encl: a/a**

**The Phoenix Mills Ltd. Conference Call by HSBC  
June 12, 2020**

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**Puneet Gulati:** Good morning, everybody. Thank you for coming online. We have with us the management of The Phoenix Mills Limited. We have Mr. Shishir Shrivastava, the Managing Director, Mr. Pradumna Kanodia who is the Director (Finance) and we also have Mr. Varun Parwal, Senior VP (Finance) and Mr. Pawan Kakumanu – Senior VP (Finance). So we will kick off this webinar without much ado. And as you know, the background is malls have been under lock-down for about two and a half months now. Phoenix Mills has just opened up some of its malls over last three days and we are here to discuss what they think of the opening response and what are they doing in terms of negotiation with their tenants and how the few months have been and what are the plans going ahead. So, Shishir the first question is for you, before we get into the details of COVID-19, if you can touch a bit upon how was it going for your portfolio just before the COVID-19 hit?

**Shishir Shrivastava:** Thank you Puneet and thank you for this platform to interact with our investors. And to jump right into your question. We saw a very strong year, until the end of February. From the middle of March is when we started seeing a bit of an impact on our malls and by the 25th of March, we received a directive from the government to close malls for the interim period. We saw some fantastic consumption numbers in our malls. I would say that across the portfolio, we were generally in the range of 12% to 20% growth in consumption from the previous year. This varied from mall to mall, our flagship property which is High Street Phoenix and Palladium, saw a consumption growth of 15% year-on-year in January and February. Palladium Chennai had seen a 24% growth, Phoenix MarketCity Pune had witnessed a 27% growth. Phoenix Market City Bangalore which was already at a very high number, performed in single digit growth. But generally we saw a fantastic year and Jan and Feb were really very good months. I would say on the commercial business side as well, We were witnessing an increase in our rental income by the end of this year compared to the previous year. The hotel The St. Regis, Mumbai outperformed as usual. I would say that in February itself, we saw revenue close to Rs. 31 crores for the month with occupancy close to 90% at an average room rate of close to Rs. 13,900. So, all these assets demonstrated a fantastic performance in the last year.

**Puneet Gulati:** So now, since Monday, you opened up a few malls. You can talk about what all have you opened up, how much of it has opened up and what has been the response so far?

**Shishir Shrivastava:** So the Ministry of Home Affairs, the central government had published their directive to allow malls to open and then it became a state subject. The states of Karnataka and Uttar Pradesh were the two states that permitted mall openings where we have our existing assets. The

million square feet mall in Bangalore opened on the 8th of June and from the 8th the last three days that we've been open 8th, 9th, 10th and now 11<sup>th</sup>, so we have the numbers until the 10th and we saw some very promising numbers there we opened with of the permissible activities. As we know, multiplex, FEC, et cetera are not permitted. We saw about 71% of the stores opening with the others increasing. As we speak today, we have close to about 150 to 153 stores that are operating and we have confidence and now that we've received assurance from our other retailers that they are in, they are a couple of days from opening their stores. They were getting their operations and inventory in order. The daily sales that I'm talking about Bangalore mall, because that's a large mall, the Lucknow and Bareilly malls are smaller. So the big impact one is the Bangalore one. We have seen an increase of about 48% from the 8th of June till the 10th of June, in terms of the daily sales and consumption growth. Store count has increased by 26% in that period and we are seeing a trend where we are ramping up very quickly on consumption side as well. There are certain categories that have performed extremely well and demonstrated a 75% growth in these three days from the day they open to 10th of June.

**Puneet Gulati:** But on a normal run rate where are you still in terms of consumption. How low would it be? I know it's just a short period but still if you can give some color on different consumption categories?

**Shishir Shrivastava:** It's only been three days and I don't think a three day time period is enough to say that this is a trend that we are witnessing Puneet. So, I would say that if you were to ask me this question in 60 days of operation or 90 days of operation, then we'll understand if there's a change in trend, but we are seeing discretionary spend, has just picked up. That's an interesting one, because there are certain categories in the discretionary spend where we witnessed a very, strong increase in sales in the last three days from the day we opened. And spending is not limited to essentials. That's been our observation.

**Puneet Gulati:** Mr. Kanodia, this question is for you, while the malls have been shut can you run us through what has been the impact on the cash flows. What is the cash position now and debt position if you can?

**Pradumna Kanodia:** Hi, Morning Puneet. So, on the collection front till March, the collections were on course it was pretty normal. So, for the month of March the impact on a cash flow point of view was limited. But yes post the announcement of the lockdown by the government, the cash flows have been limited. If we break up our cash flows between our retail, commercial and residential development and the hotel, definitely the commercial stands out because they have been continuing to deliver strong collections over the past few months as well despite the lockdown and some of the offices not operating, still the collections have been strong. Malls continue to have a limited collection that's understandable and residential development has just begun it's sales again after three months of lockdown is now seeing a good traction in terms of collections and also how the business is looking at. From a cash and cash availability across the group as

on December we had around Rs. 710 crore of cash and cash equivalence available to us. This number probably has reduced slightly but since we are in the silent period, I will not give you exact numbers, but we are a very comfortably placed in terms of our current cash position not only to take care of our current operations requirement across the mall, it also takes care of our CAPEX across the developments that we are doing in three of our Cities where we have under development assets and also our Lucknow and Ahmedabad developers. So overall the cash flow is quite healthy, availability of funds is very, very strong and hopefully as the malls begin operations, at Bangalore and Lucknow already started and residential development has also started. We hope that this will pick up and will add to our existing strength

**Puneet Gulati:** Okay. And I would presume banks are still open to allow you to draw from your complete line?

**Pradumna Kanodia:** Yes, so while we have requested all the banks to allow us the moratorium which RBI has extended to the borrowers, and we have availed the benefit of that, at the same time whatever were the undrawn limits by way of overdraft facilities and all, none of the banks have put any restrictions around that and we have been able to freely draw down on that and just to give you a sense of that our Ahmedabad project which had the sanction of the construction finance loan from SBI allowed us the disbursement as late as last week, two weeks back from now. So we had not availed the pre-disbursement but in spite of all what has happened this year has given us the first disbursement two weeks back. So, all in all relationships cross banking fraternity is very strong and all our banks are honoring their commitment and we see no challenges on that front.

**Puneet Gulati:** What was your stance on the force majeure clause that many of the retailers are now trying to impose. And how are you handling that?

**Shishir Shrivastava:** So, let's address the legal point first. The force majeure clause, I would like to categorically state is not really in effect in this kind of an environment because contractually the force majeure only kicks in if there is a physical damage to the property, resulting in the store not being able to trade and not an account of any government action which results in a temporary closure or non-trading of the stores. Now, that's the legal point on this right, and we also noticed, we also realized that several retailers in middle of April and end of April, were trying to grapple with the situation, there was no end of this or there was no visibility of end in sight. There was no visibility of relaxations and reopening of their stores. And everybody was looking at ways and mean to be able to limit their outflows and their liabilities. I think over this period of time with active engagement with the retailers we have all understood that there is no point in arguing on this legal point which is contractually very, very well defined. But let's find solutions going forward. And you may be well aware that there is a High Court order as well on recent High Court order on, that rental payments during the period of lockdown are still payable, there is no write off on that. But again, I would like to move away from the legal point. The fact of the matter is, that our retailer partners have seen a cash flow crunch as has every other business globally and one has to find solutions to help them by this crisis. So what we

have, what we did do is, we have reduced our operating expenses so the CAM costs have come down drastically and we have passed that benefit on. Secondly on the rentals, we have given moratorium because we received a moratorium from the bank on our debt obligations, we have been able to allow a moratorium on the rent payable for the days of lockdown until the stores, until the mall reopens. So we have allowed that deferral for that little bit of a period of time and so this is the action that we've taken and also we've engaged with them. And the very fact that almost every brand has opened up their stores once the mall opened in Bangalore, that's testimony of the fact that they have the comfort that they will see sales and that in the event that there is any further cash crunch that they face, we will find the appropriate solution.

**Puneet Gulati:** But when do you expect these negotiations to complete and when should we see business comes back?

**Shishir Shrivastava:** So Puneet, it was our retail partners and us, we all understood and agreed that the best time to initiate these discussions is once we actually start seeing some consumption trends to see what we can do, I would say that once malls open and operate for 45 to 60 days, that's a better time for us to be able to take an educated and informed decision and not be trigger happy and take any decisions that and any decision that we may take will only be for a short term. For the period of lockdown and let's say for a few months thereafter, all of us had confidence that we are going to start seeing some significant consumption towards the fourth quarter of this year. And also through the festive season, I would say.

**Puneet Gulati:** Great. And there is this news where Reliance brands has given a termination notice to leave this mall. Have you experienced something like that from any of the other retailers of these?

**Shishir Shrivastava:** Well Reliance brands, Reliance retail have opened up all their stores in in our mall. I would not comment on the veracity of that news report and what has happened with the competitor. I genuinely don't know. So, I can't comment. I think we have a very long lasting and really stable relationship with these retailers. And again, as I mentioned earlier the fact that they have opened their stores in our mall is testimony to their comfort in the relationship and the fact that we will find reasonable solutions together.

**Puneet Gulati:** Okay. And there has also been a lot of news where retailers are asking the mall owners to move completely to revenue sharing model, is that something you are also seeing and what would be your stance on that. Not just on medium term but even on longer term basis?

**Shishir Shrivastava:** I don't see that there is going to be a long lasting effect if ever of going away with any minimum guaranteed rent. At the end of the day, even through the global financial crisis, there has always been a minimum rent payable, which in all fairness, even if you look at the minimum guaranteed rent that we have currently, it is a slight discount to fair market fixed rent. So, there is always at the end of the day, for any retailer to open a store elsewhere on a fixed rent would be much higher than the combination that we offer. So I don't expect this to be a long lasting

impact at all. Whatever support we provide, it should not exceed more than six months or there about including the lockdown period six to nine months at best. This can't be a general rule applied for all retailers. We are engaging and we will continue to engage with every brand on one-on-one basis and understand and see how their consumption pans out, how the sales pan out and find appropriate solution. So one solution doesn't work for all. It has to be customized for each.

**Puneet Gulati:**

I'll just pick up some questions which have been waiting and a lot of investors are asking is, also in the fact that some of the retailers are stressed, right. And if you can give some sense of what percentage of that will be in your mall portfolio and what is going to happen with them?

**Shishir Shrivastava:**

I would say a bulk of our malls have brands which are part of groups and many of those groups have not really seen stress. While they're seeing a cash flow issue, there's not really a significant balance sheet issue. It's unfortunate, but it's true that some of the smaller retailers, standalone brands may not survive through this crisis if it goes beyond another six months. So clearly that's there, but coming back to your question, as I mentioned we have several of group brands, which are within our malls and not many of them have a serious balance sheet issues. I don't think that we're going to see much of an impact because of that. And of course, the fact is that these malls have been the best performing malls and the stores in these malls have been the best performing stores unless they decide to shut shop altogether. I don't see any reason why we won't be able to work with them or they won't want to have a place in our malls. I would like to also mention here, that as you may be aware, we have a million square feet mall in Lucknow, which we had just completed and was likely to commence trading in the middle of March. And we deferred the opening of that mall. We are now planning to and many of the retailers have almost completed the cutouts, they were in the final stages of finishing and they are now, many of them have recommenced their works in preparation to open their stores there. So that is I would say, a very very positive sign on part of retailers that they do want to open stores at our malls, they believe that these will be their best performing stores in the portfolio.

**Puneet Gulati:**

So on that, one of the main reasons your malls have been best performing malls because you do a lot of work on social activity on engagement, all that is going to be a little tough in the social distancing environment. Any thoughts on what are you going to do about that?

**Shishir Shrivastava:**

So it's quite clear Puneet that, our concern also remains that demand continues to be high. Consumers wants to come into our mall and we ourselves are going to have to impose certain restrictions to adhere to social distancing norms, which is going to reduce the number of footfalls coming into the mall. So, one of the things that we are doing is, we are reducing the marketing activities, but all of this is in the short term. Let's understand that this is all in the short term and we are looking at it on a month to month basis. But I would say that we are going to be reducing the marketing initiatives which are going to drive huge footfalls to the mall. We are going to cut down on that, for some period because we also have a responsibility.

To not have hordes of people coming into our mall and violating the social distancing norms that have been put in place.

**Puneet Gulati:** But you don't see it as a long term change of consumer behavior or change of behavior in this mall could be run?

**Shishir Shrivastava:** I don't, see let's understand Puneet that our malls have undoubtedly become social hubs right. And we are the social hubs of urban India. In urban India, really people don't have much of an opportunity, nor do we have the infrastructure for leisure and entertainment and therefore, malls have become the popular choice. If we feel that human beings are going to now start distancing themselves for the long term, I don't think that that's going to happen, there is an inherent need to step out, to socialize, to see some sense of normalcy return to how things were before March. And therefore, that gives me to believe that this is not a long term effect. We are going to find our own ways to deal with the crisis and get back to as much of normalcy as possible in the shortest possible time. But of course, we will have to maintain all the protocols and ensure that we remain healthy. So we are going to find that solution. Just to add one more point. I also would like to mention here that our malls are safe and controlled environment, right. We have to ensure deep sanitization to ensure, ventilation and to ensure social distancing norms and maintain a certain density within the space. So it's a controlled environment and therefore, coming to a mall to shop is probably much, much, much safer than going on the high street to shop. And consumers also realize that and recognize that and we have so many open spaces in our mall that act as a buffer, and it gives you enough room to avoid overcrowding.

**Puneet Gulati:** Sir, you talked about the controlled environment. Mr. Kanodia how much does it cost to maintain this controlled environment? Will that significantly increase your CAM charges or, and will retailers be willing to share that cost or will you have to bear it largely on your own?

**Pradumna Kanodia:** It's not just because of the COVID that we maintain the kind of comfort and the safety that is required for any of our customers who visits our mall. The enhanced features that we are adding to take care of the current situation is not going to cost too much in terms of an operating cost and given the size of our malls, which are a million square feet plus the ability to absorb an additional incremental costs, which could be in the range of 10 to Rs.15 lakh a month is negligible compared to the kind of comfort and the reassurance that we offer to the retailer. So, it's both the retailers as well as the mall owners who stand to work towards this and the cost is going to be very limited from that point.

**Puneet Gulati:** Okay. So, is it possible to quantify these cost, Rs.15 lakh per mall and what was it otherwise?

**Shishir Shrivastava:** May I take that Pradumna?

**Pradumna Kanodia:** Yes.

**Shishir Shrivastava:** See, if we look at normal operating expenses in any event, we were using the best quality of cleaning materials and chemicals, et cetera. So the frequency of sanitization that we may have increased to some extent. Yes, there is the cost of sanitizers for every guest who walks into our mall. We provide hand sanitizer stations all at different locations. So that would be a nominal incremental cost. But aside from that, as Mr. Kanodia mentioned, we were in any case following best practices of cleaning and the best equipment and material for cleaning. I don't think that the CAM expenses are likely to move up because we've taken several measures to reduce CAM expenses. And the cost of all of this may not be even more than Rs.1 per square feet on the GLA per month. So, I don't expect us to have an increased CAM expense. We have put, I would say we have installed some CAPEX items like thermal imaging camera, et cetera, UV disinfections for the baggage screening and disinfection in the baggage screening x-ray machine. So, we've made some changes or minor tweaks, some changes to our air conditioning system to increase the fresh air intake, et cetera to adhere to the prescribed standards that are out there. But that again has not been a high cost item at best we may have spent maybe a million and a half on each of the larger malls in that. So the cost is nominal and I don't expect operating expenses to go up either.

**Puneet Gulati:** Can we talk a bit about the growth malls you have five new malls under construction, has the work stalled there or is there any change in terms of design, et cetera?

**Shishir Shrivastava:** No, as I mentioned out of the five malls, Lucknow a million square feet mall, Phoenix Palassio is ready to commence operations. We have started work there just to refresh and retailers are finishing their stores there. So, I would expect that sometime in July, We would be ready to open that mall but we'll take that decision shortly. The project at Ahmedabad has progressed significantly as Mr. Kanodia mentioned earlier this month, late last month, we've also drawn down some bank debt to progress with construction activities. We have which leaves us with three malls. The million square feet malls at Hebbal in Bangalore, Wakad at Pune and one in Indore. Indore as we are aware was a partially constructed mall that we had acquired and we have recommenced work there at site. We have recommenced work at Hebbal in Bangalore and also at Wakad in Pune. All of these projects are well funded by equity. We have so far not drawn down any construction finance and for the next two quarters at least we will be, next two to three quarters we will be able to fund the construction activities from the equity without further drawing down the debt. Even going forward, we believe that with an LTV of 55% or there about, getting financial closer by way of debt is not going to be an issue. Also, we believe from our, and this has been our learning from our experience of 2008 to 2009, that when the world was going through a crisis, a lot of malls that were being built, those projects were halted or stopped. However, we continued to build. So in 2011 and 2012, when demand was at its peak and there was no supply we were the first to hit the market. And we had a first mover advantage. We believe that this is going to be a repetition of the same story again, many projects have been stopped, halted or I would just say that many malls are not being built and you may be well aware of several of our competitors, malls that are not going to continue on



that part. And they're looking at changing that. So we believe that in three years and three and a half years when our malls in Hebbal, Bangalore, Hebbal, Wakad and Indore start getting ready, the demand will be high and we will have that first mover advantage again.

**Puneet Gulati:** Sir you also mentioned the competitors obviously are facing a bit of it, then what are your thoughts on consolidation and would you look to acquire some of these partly built malls as well?

**Shishir Shrivastava:** So Puneet at present until we have, I would say until we have visibility we are going to give ourselves six to nine months before we look at any further expansion beyond what we are already building out. If there are consolidation opportunities and we believe that they're likely to be coming going forward, we will explore them on a one-on-one basis. But we don't have an aggressive acquisition plan for the moment.

**Puneet Gulati:** Okay. Would you still be tilted towards greenfield as you have been historically in the past, or you think brownfield will be more effective now?

**Shishir Shrivastava:** Well, it all depends on the pricing. And brownfield mall still have to meet our specifications, we're not going to go and acquire a property that we believe is not designed well enough or not to our design specifications and standards. There are many malls that have been built in the past which have not performed because there are fundamental design flaw. But it all depends on the numbers. Our experience has been that greenfield projects really give you fantastic returns. But on the flip side, we've also seen brownfield opportunities like Lucknow and Indore where we acquire them at, I would say at attractive pricing, which demonstrate very good return so we will be opportunistic in this situation and look at opportunities on a one on one basis.

**Puneet Gulati:** Okay, great. And given that you're going ahead with all construction, Mr. Kanodia if you can talk a bit about where would the debt level be at the end of the year?

**Pradumna Kanodia:** So, just to take a clue from what Shishir was saying about our ongoing construction under the CPPIB and Phoenix platform. The three large developments are currently all funded by equity, and they have the ability to sustain their construction, ongoing construction for at least another three quarters. And if at all, there will be a requirement of debt towards the end of fourth quarter of FY21. As we were close to around Rs. 4,600 crore of debt as on December, the number is not likely to increase significantly over the next two to three quarters. Apart from the small increase that we will see for Lucknow, where we take the drawdown in the fourth quarter of FY20 and some bit of the drawdown that we have done for Ahmedabad. Since we've got the moratorium of principal repayment this year, the principal repayments will be less than the normal. So, our ability to in a normal course the debt has actually gone down. But in the current scenario, it may remain at the current numbers without significantly upwards over the next six to nine months times.

**Puneet Gulati:** Okay, that's helpful thank you so much. And if you can, talk a bit about your Palladium expansion any update on the approval?

**Shishir Shrivastava:** Puneet we lost you for a moment, may I request you to repeat your question.

**Puneet Gulati:** Yes. So, there was a plan to expand the High Street Phoenix by almost one, one and a half million square feet any update on the approval there?

**Shishir Shrivastava:** So we had submitted our layout plans for approval, but because of the crisis, the officers at MCGM had been really, really caught up in that. Once business resumes to normal, we will have clarity on when we will get that approval.

**Puneet Gulati:** There's anything that you want to comment on the residential side, that seem to be moving very slow. Any plans to monetize, accelerate?

**Shishir Shrivastava:** Correct, so Puneet as you're aware, in the luxury project called Kessaku. We had five towers and we had received the occupation certificate for all five towers. We sometime in the middle of last year, we embarked on the journey of resizing apartments, which because they were luxury apartments, many of them were, the ticket size was very high because these were 7,000, 8,000 square feet apartments. So we started looking at resizing them to reduce the ticket size, and the resize product is now ready to launch. And we have started the initial soft launch and in the coming weeks. We are going to go out a little more aggressive on our marketing plan there. Having said that, the last week has been very, very promising. Once lockdown was lifted in the last week alone, we've seen close to about 35, 36 visits to the site by prospective buyers, who are very, very keen and rather I would say they're very, I would say they really like this reconfigured apartment of 2.5, 3,000 square feet there about. So the outlook is good. The demand is picking up it's not really only bargain hunters who are out there, there are people who are really seeing this as a great value at this point in time and we remain positive. I think in the next 90 days we will have some we'll be able to report some interesting facts on how sales are progressing once we launch this new product.

**Puneet Gulati:** And any comment on the labor issues that you're facing both under mall side and on the residential side?

**Shishir Shrivastava:** Are you talking about construction labor Puneet?

**Puneet Gulati:** Yes, construction labor.

**Shishir Shrivastava:** Yes, there is. I would say that there is the migrant labor. There has been a migrant labor movement where people have gone back to their home cities, home town and that has been an issue, but the fact is also that the contractors that we have appointed, don't have too many active projects in this present time. And they are being able to divert labor there. But yes, the

ideal strength will probably take another 45 days to come back to site. There is also you know, it's also unfortunate but many of these migrant laborers don't have any source of income and for them survival is also key, right. So this is an opportunity, we started construction the day we got the permissions from the local authorities to commence construction at these sites, because we saw that it's important for people to be able to make their livelihood as well. And since we had the funds allocated for these projects we restarted these. And we also ensured that within the labor camps there is deep cleaning, sanitization all the necessities are provided food, et cetera is being provided so we work with our contractors in ensuring they have safety, health and hygiene as well.

**Puneet Gulati:** Okay. Can you also comment a bit on your hotel business. What is the occupancy right now and what kind of cash losses you might end up incurring in this period. If you want to share?

**Shishir Shrivastava:** So, the hotel at Agra, the District Magistrate had circulated an order for all hotels to be shutdown. So these the hotel was shut down in March itself and we took several steps to ensure that our expenses get reduced, hugely. So barring the fact that we are running the air conditioning in the hotel for a short duration every day just to ensure that our property doesn't get damaged, we have reduced operating expenses significantly, because there is no income there. And this would, I don't think that this is going to be a huge cash burn for us. We expect to open this hotel now that it's permitted, but we're just waiting for this off peak season to go by. So by August, September, we are currently planning to open the hotel. We've also undertaken, the St. Regis in Mumbai, continues to house guests between March and now, anywhere between 30 to 50 rooms have been occupied. We had to shut down all other facilities, we are providing meals in a specific restaurant and clearly there are no other. There are no social events. There is no income coming from there either. But we have rationalized costs again over there. We have reduced our manpower expenses. We've worked with Marriott on reducing costs, for the period that people are sitting at home. We have taken measures to reduce the resource deployment at the hotel. We've deferred, non-critical upgrades. Energy conservation has been a big thing and we've reduced the cost there as well. I would say that for the month of April, May and June we would have seen a cash burn or OPEX loss of about maybe Rs.2.5 to 3 crore per month not more than that. It would be on the lower side but not more than that. And in the Agra hotel it would be maybe less than Rs. 35-40 lakh not more than that.

**Puneet Gulati:** I think we have a connectivity issue we can't see Puneet, the screen has frozen. So, Puneet again we lost you for the last 40 seconds. So we didn't hear the question.

**Puneet Gulati:** Yes. So a lot of questions are coming in, which is since the people trying to understand what percentage of footfall are you currently witnessing in last three days versus pre-COVID period. If there is some number around that you may want to share?

**Shishir Shrivastava:** So the relevant mall to talk about is the Bangalore asset alone because that's the only large size mall that's operating. In terms of footfalls on the day we opened, we saw close to about 2800, 2900 people. On the 9th of June, we were close to 3,700 odd people who came. So this is on the footfall side. We've averaged between 250 to 300 cars per day coming into the mall. I would say that for a weekday, this would probably be one fourth of what we were witnessing earlier. But let's also understand Puneet that we have put certain measures in place to restrict density. So, I don't think the issue is on a consumer mindset it's our restrictions on how many people we will allow into the mall at any given point in time. That is impacting the number of people in the mall. Clearly, that's a social distancing norm measure that we have implemented.

**Puneet Gulati:** So, 25% roughly compared to pre COVID and would consumption be similar as well?

**Shishir Shrivastava:** Consumption would also be closer to I would think, yes, somewhere in that range, I would guess. I think consumption numbers are still yet to get crystallized from the retailer end. Because we get data in a couple of days after sales happened, but my guess would be somewhere in that range 17 to 20%.

**Puneet Gulati:** Great and if you can also talk a bit about how you view the shutdown period in any potential upgrade that you could have done on the mall, hotel side and how you use that time to build further strategy, can you give us some?

**Shishir Shrivastava:** So Puneet our malls, have seen a frequent and continuous upgrade over the last several years, so that has been, there has been no upgrade planned during this period in any case. So, it's not that we had to keep on hold any upgrade. Having said that, our focus has also been cash conservation at this present time because we did not have visibility now at least we have visibility on the mall opening. So, we did not have visibility on how long it's going to take for our malls to be shut. So keeping that theme of cash conservation in mind and Mr. Kanodia has also explained what is our cash books today. We have while we've undertaken preventive maintenance as on schedule, we have kept on hold certain banquet upgradation that we had planned at our hotel. But that again was not a very significant or major upgrade. We were considering undertaking the all-day dinner through a complete renovation which we've presently kept on hold, the design work has continued. So, we will be ready to start this at whenever we choose to.

**Puneet Gulati:** Okay, that's helpful. And there were also some plans of rejigging portfolio acquiring new assets, maybe selling some, any progress that you can talk about?

**Shishir Shrivastava:** I'm sorry Puneet you'll have to clarify that, I didn't quite understand your question.

**Puneet Gulati:** Earlier you had said that you would intend to build one mall a year right, so on those fronts any new acquisition that you moved any closer to or any monetization that you may be thinking in the current scenario any thoughts there?

**Shishir Shrivastava:** So Puneet we had yes, our stated goal was that between now until FY24 every year we would be opening a new mall and we seem to be on track for that because these are all projects that are under development. Beyond 2024 also, we wanted to deliver a million square feet every year and we were in, rather we were in conversations on certain land acquisition for our greenfield project, et cetera which is currently on hold. In terms of any monetization of sale of any asset or partial sale of any asset. No, we have not, we've not progressed on any of those ideas.

**Puneet Gulati:** Okay, that's helpful. I think that's about it. Let me just check if there are any more questions. Anything else that you want to add, Mr. Kanodia just one thing out of curiosity, banks or RBI have cut rates quite a bit, have you seen any benefit of that coming to your loan book?

**Pradumna Kanodia:** See, there is always a lag behind what RBI does and what the bank does. But having said that most of our loans are floating rate loans, but they have reset periods over different periods of time. So resets happen either every 6 months or every 9 months or 12 months. So as in when the resets are happening, we're definitely seeing a fair bit of reduction coming in. So our average cost of borrowing today would be around 9.1% or 9.12% across the entire portfolio. So there is a little bit of benefit, but the true benefits will come over the next 6 to 8 months.

**Puneet Gulati:** Yes, so great. Shishir you also talked about limiting the footfall in the initial year to comply with social distancing. How do you gradually intend to increase this footfall at the same time maintaining social distancing, any plan that you have laid down?

**Shishir Shrivastava:** No Puneet, it's not like an on off switch, one has to be conscious of how things are panning out in each city. And, what are the directives that one continues to keep receiving from the local authorities and we will continue to comply with the local administration. So for example, in Lucknow there has been currently there was, and that's the only place in the city of Lucknow that the local administration has given a directive on having a certain number of people per square feet of covered area, which roughly translates in our small mall, you can have some 700 people in it, at any given point in time. So we are, while we were trying to understand the logic behind that we are complying with that. So we are maintaining restrictions outside the mall on how many people can come in. And we continue to engage on social media channels and social media platforms, educating people, educating consumers on how we are operating, what we've done for their health and safety. And what are the other measures that are implemented. And we are going to continue to communicate through these channels and undertake any marketing initiatives once we see that, there is some kind of an opening or other relaxation that we can, and from the local administrations and we will comply with that.

**Puneet Gulati:** Okay. If you can, the last question that I have at this point of time is, you have 30 to 60% of your portfolio up for renewal. How was the rental negotiations roughly to go on?

**Shishir Shrivastava:** So, in the last few months Puneet, we have engaged with our retailer partners and on the basis of the existing commercials, we have extended the contracts by anywhere between 6 to 12 months. We all understand that unless there is some kind of visibility on how the business looks. Neither they nor us can take an informed decision on what the new terms are going to be. So for the present, we've extended the existing contracts for a period of 6 to 12 months. In few cases, we have been able to get an escalation as well, on the highest side, maybe a 15% escalation on the minimum guarantee rent or a percent or two on the revenue share side. But that's a very small number in general we have extended the contract 6 to 12 months on existing terms.

**Puneet Gulati:** I just got another question, what is the regulations around the fact that if there are some COVID cases found, if COVID cases found in your mall does it necessitate a shutdown of mall for extended periods or is it a short period?

**Shishir Shrivastava:** So, okay, I want to also mention here that we have made Aarogya Setu one of the mandatory requirements for any visitor to the mall that they need to have that app on there and this has been largely been recommended by all government authorities as well. There is no regulation specific to a mall but if we were to draw parallel from any public spaces, for example we have seen COVID cases in some hotel in Mumbai, I wouldn't name that one. But there has been a case, there were cases seen there. There is no regulation that they will shut the operation. But what they do is they do contact tracing, they find out who from the staff has come in contact with that individual and that person may have to be in quarantine for 14, 15 days and they have gone through the process of disinfecting that particular floor in the hotel where such a case was found. And business continues thereafter. So the protocol is clear. That is no regulation that will require business to be shut down. But the protocols are in place on contact tracing and as well as on I would say disinfecting, quarantine of people who come in contact. You are on mute again Puneet.

**Puneet Gulati:** Okay, great. Thank you so much that's all from our side. Thank you Shishir, thank you Pradumna, thank you Varun and Pavan for being on the call and answering all the questions patiently. Thank you all the participants for listening, if you have any questions, please reach out to us we'll help you get all the answers.

**Shishir Shrivastava:** Thank you very much.

**Pradumna Kanodia:** Thank you.