Management Discussion and Analysis

The discussion and analysis of our financial condition and results of operations that follow are based on our Audited Consolidated Financial Statements of Mindspace REIT and the Asset SPVs (together known as 'Mindspace Group') for the year ended March 31, 2024, prepared in accordance with Indian Accounting Standards and applicable REIT regulations.

Forward-looking Statement

This discussion contains forward-looking statements that describe our projections and expectations based on reasonable assumptions, past performance, and the projected movement of the global and Indian economy. Such statements can be generally identified by words like 'believe', 'plan', 'anticipate', 'continue', 'estimate', 'expect', 'may', 'shall', and other similar words. Such projections are subject to changes in risks and uncertainties related to the fluctuations in general economic and capital market conditions, including continued inflation, increasing interest rates, supply chain disruptions, labour market disruptions, dislocation and volatility in capital markets, and potential longer-term changes in tenant behavior based on the severity and duration of any downturn in the India or global economy. No forward-looking statement that we make will be updated or changed by us regardless of new information, upcoming events, or other factors.

All the financial numbers in this section have been rounded off to the nearest million unless otherwize stated.

Mindspace REIT Overview

Mindspace REIT specializes in the development and management of dynamic Grade A integrated business campuses, standalone office buildings, and state-of-the-art data centers. With a strategic presence across key office submarkets in the Mumbai Region, Hyderabad, Pune, and Chennai, Mindspace REIT offers a diversified portfolio encompassing five integrated business parks and five high-quality standalone offices. It holds one of the largest Grade A office portfolios in India with a total leasable area of 33.2 msf (26.3 msf completed; 4.4 msf under construction and 2.5 msf future development).

Mindspace REIT embraces the philosophy of 'Wellness at Work', cultivating a growth-oriented environment by offering curated amenities and green spaces that promote physical fitness, mental well-being, and work-life balance. Our parks stand out for their energy-efficient buildings and eco-friendly designs that encourage tenant engagement initiatives, thus making us the preferred partner for diversified tenants.

Tenant Profile

Our diversified portfolio of marquee tenants spans across industries, ensuring stability and resilience. This helps mitigate risk and enhances the overall strength of our portfolio.

With over 220 tenants, each contributing to the vitality of our parks, Mindspace REIT maintains a diversified tenant base. From industry giants like L&T, Barclays, BA Continuum, IDFC and Hitachi Energy to new-age firms such as Smartworks, our tenant roster reflects the trust and confidence placed in us by leading organizations.

As of March 31, 2024, our largest sectors by contribution to Gross Contracted Rentals were Technology, Financial Services, Engineering and Manufacturing, constituting 43%, 19.6%, and 9.6% respectively. A significant portion of our Gross Contracted Rentals comes from leading multinational corporations 69.2%, and Fortune 500 companies 33.0%, highlighting our marquee tenant base. More importantly, no single tenant holds sway over more than c.4.5% of our gross contracted rentals. During the fiscal year, we added 18 new tenants to our portfolio, further enhancing diversity and strengthening our market position.

Mindspace REIT continues to prioritize tenant partnerships through initiatives such as 'Table Talks'. Alongside this, our dedicated in-house facility management division ensures seamless operations, while our regular tenant engagement activities facilitate meaningful interactions and encourage feedback. Moreover, our commitment to creating green spaces and offering diverse amenities indicates our dedication to tenant well-being and enhancing their overall experience within our properties.

Charting Occupancy Growth Outlook

During FY24, Mindspace REIT demonstrated agility through its leasing prowess, securing leases for 3.6 msf of space. Across all our assets in Pune, BKC, and Malad, occupancy is nearly at full capacity, with almost 100% committed occupancy. Further more, our portfolio has rebounded impressively, achieving pre-COVID occupancy levels of c.96% in Madhapur, and c.99% in Airoli (non-SEZ). 6 out of 9 parks (excluding Mindspace Pocharam) have achieved committed occupancy of more than 96% as of 31 March 2024.

Capitalizing on the robust demand across our markets, we are proactively converting units in SEZ spaces to Non-Processing Areas (NPA). We have received the approval for converting c.0.4 msf to NPA. To address the escalating demand for Airoli Non-SEZ space, we have additionally filed for c.1.5 msf conversion to NPA. The transition to NPA entails certain costs, yet we view it as a strategic necessity to bolster occupancy rates and transform vacant spaces into revenue-generating areas.

Driving Portfolio Growth through Organic Development

With a positive outlook in the GCC office space demand, domestic companies' growth and the return to office, which is anticipated to bolster near to medium-term demand, we are strategically introducing supply in our micro-markets. We are developing projects of c.4.4 msf of total leasable area. Notable projects in the pipeline include redevelopment buildings at Mindspace Madhapur (c.3 msf), Building No. 4 at Commerzone Kharadi (1 msf), and a data center building at Mindspace Airoli West (0.3 msf), among others. Further, a mixed-use development (office and hotel) of c.0.8 msf is planned for development at Mindspace Airoli East Park. The hotel portion of the mixed use development is pre-leased to Chalet Hotels.

Enhancing our Offerings with 'Amenitized' Workplace

Our asset-enrichment endeavors include several initiatives aimed at enhancing the overall experience within our properties. These include the implementation of revitalized lobbies, expanded open spaces, and the addition of amenities within both buildings and parks. To enrich the dining and recreational offerings, we are incorporating well-distributed food and beverage spaces, revamping facades, utilizing energy-efficient lighting, installing signage, and integrating wall art. Our ongoing efforts include the development of an Experience Center, spanning c.130,000 sq ft, to cater to various lifestyle and business needs, and a modern club facility with top-notch amenities. Furthermore, the mixed-use development at Mindspace Airoli East, featuring over 250 keys and approximately 0.5 msf of office space, promises convenience and comfort for both occupants and visitors, thus elevating the park's appeal.

FY24 – Business and Performance

Mindspace REIT continued to remain resilient and record stable growth despite global headwinds. We achieved organic growth through a comprehensive approach of leasing, redevelopment initiatives and park upgrades, as well as strengthening the balance sheet with prudent capital management for future growth.

Our key achievements for the year ended March 31, 2024 include:

Operational

- Committed Occupancy levels at 90.6% (excluding Pocharam)
- Total leasable area of the portfolio expanded by 1.2 msf primarily via new proposed on-campus developments
- Leased c.3.6 msf of which c.2.5 msf was re-leasing and c.1.1 msf was on account of new and vacant area leasing
- Average re-leasing spreads of 14.3 % on 3.4 msf of re-let space (includes vacant area leasing) achieved
- The average rent achieved on the c.3.6 msf leasing was ₹ 69 psf pm
- Increase in in-place rent by 5.8% to ₹ 69 psf per month primarily on account of contractual escalations, MTM realization via re-leasing of the area at a higher rent, leasing of a new area at market rent

Development

- Demolition of old buildings (Building 7 & 8) at Mindspace Madhapur through 'Implosion Technology' and commenced construction of New Building 8 of 1.6 msf
- Announced the mixed-use development (office and hotel) at Mindspace Airoli East of c.0.8 msf
- Received Board approval for initiating divestment of Mindspace Pocharam

Financial

- Generated NOI of ₹ 19 billion, registering a growth of c. 12% y-o-y (excluding one offs)
- Raised ₹ 14.9 billion through non-convertible debentures and commercial papers at attractive rates
- Distributed ₹ 11,362 million during the year, representing c.7% yield on IPO issue price
- The weighted average cost of debt stands at c.7.8%

Investor Relations

- Annualized Unitholder return of 12.4% since listing (as at March 31, 2024)
- Conducted 5 roadshows including retail roadshows
- Hosted analyst day highlighting growth initiatives

Awards and Recognition

- Received 9 Prestigious 'Sword of Honour' awards from the British Safety Council across seven business parks
- Ranked 1st in Asia and received 100/100 in Office Development Benchmark, earning the coveted title of 'Global Listed Sector Leader'

Evolving Business Dynamics

India's office sector is in a transformative phase, marked by the evolving dynamics of the modern workplace. The rising uptake of office space by domestic enterprizes, the expansion of Global Capability Centers (GCCs), and the government's SEZ reforms will significantly influence the commercial real estate landscape in India. This multi-factor arena signifies heralding a new era of growth and opportunity.

Rising Leasing Trend – Domestic Occupiers

Domestic companies surfaced as a new catalyst for the surge in office space demand in India recently. Such growth may be attributed to rapid governmental capital expenditure, growing consumption and urbanization supported by favourable demographics. Colliers' research suggested that during CY23, domestic companies accounted for half of the total leasing across the top six cities. It is anticipated that domestic firms will increasingly seek expanded office premizes to accommodate their expanding workforce and encourage collaboration, thereby amplifying the momentum within India's commercial real estate sector.

In our leasing portfolio, the share of domestic companies has increased from c.17% to c.31% in the last three years.

Favorable GCC Landscape in India

Compelled by India's growth story, the availability of an expansive talent pool, cost arbitrage and infrastructure upgrades in top cities, GCCs resumed their office leasing activities. Colliers' research illustrated that in the second half of 2023, GCC leasing reached its highest point since 2020, with a total 12.4 msf across the top six cities in India.

Notably, other than dominant technology and BFSI GCCs, there is growing interest in engineering, manufacturing and healthcare which further diversify the landscape. In Hyderabad – an office micro-market in which Mindspace REIT holds a significant position in office leasing – there are over 180 GCCs. Colliers India GCC Report noted that c. 24% of pan India GCC leasing between 2020-23 was executed in Hyderabad, second to Bengaluru's share of c.37%. Hence, with all favourable factors at play, we are actively leveraging our GCC leasing experience, and expanding our portfolio organically to meet the growing demand.

SEZ Reforms to Drive Occupancy Growth

The Indian Government's Department of Commerce notified amendments in SEZ rules at the end of Q3 FY24. The amendments permitted the demarcation of part of an SEZ area into Non-Processing Areas after repayment of certain tax benefits. Before the amendments, organizations with SEZ space were limited to de-notifying only the land parcel from SEZ to non-SEZ status. This process necessitated the complete vacating of the entire built-up area over the specified land parcel before initiating de-notification. Consequently, SEZ spaces experienced a gradual tenant exit, resulting in a decline in occupancy levels.

Due to the SEZ reform, developers can now convert SEZ processing areas into SEZ Non-Processing Area (NPA), earning an exemption from SEZ compliance. Such floor-wize demarcation will help leasing activities to meet the growing demand for NPA spaces.

We proactively capitalized on the new regulations, having already obtained approvals for approximately 0.4 msf of NPA conversion. Moreover, we have filed for an additional c.1.5 msf of space for NPA conversion.

The Resurgence of Return to Office

In contrast to the trends abroad, return to office has gained significant momentum in India. This transition has been embraced not only by domestic enterprizes and entities within the BFSI sector but also by GCCs in the country. Several large Indian IT firms have shifted to a five-day working week within office premizes. Currently, physical occupancy rates within our parks stand at approximately 70%. The post-COVID era has underscored the importance of having ample office space with the right amenities to attract talent and foster team collaboration, thus enhancing creativity and productivity. This strategic approach also helps mitigate potential risks such as data privacy and security, legal and compliance risks, lack of cultural alignment and in-person training and mentorship opportunities.

Risks and Concerns

Risks and concerns affecting our operations are captured in section 'Risk Factors' on page numbers 120 to 123.

Basis of Preparation of Consolidated Financial Statements

Please refer Basis of preparation stated in Consolidated financial Statements on page numbers 333 to 334.

Summary of Material accounting policies

Please refer Material Accounting Policies stated in Consolidated financial Statements on page numbers 334 to 350.

Principal components of consolidated statement of profit and loss

Our revenue from operations comprizes the following sources: (i) facility rentals; (ii) income from maintenance services; (iii) revenue from works contract services; (iv) revenue from power supply; and (v) other operating income.

Facility rentals

Revenue from facility rentals comprizes the base rental from our properties, income from car parking and others and certain Ind AS adjustments to reflect the impact of straight lining of leases and discounting of security deposits.

- Base rentals: Base rentals comprize rental income earned from the leasing of our assets
- Income from car parking and others: Primarily, includes income from car park, kiosks, signage, ATMs, promotional events, among others

Income from maintenance services

Income from maintenance services consists of the revenue that we receive or is receivable from tenants for the Common Area Maintenance (CAM) services provided as per the terms of agreement with the tenants, and also includes revenue from common area maintenance services provided to third parties, if any, located within the assets.

Revenue from works contract services

Revenue from works contract services includes revenue earned from providing the services of construction of building for the customer based on their specification and requirements pursuant to the works contract executed by KRC Infra with respect to the portion of land owned by the counterparty.

Revenue from power supply

Revenue from power supply includes income from supply of power to tenants within the notified SEZ as per the tariff regulations stipulated by Maharashtra Electricity Regulatory Commission (MERC).

Other operating income

Other operating income primarily includes (i) interest income from finance lease, which comprizes interest income from fit-out rentals where such leases are classified as finance leases. Leases are classified as finance leases when substantially all the risks and rewards of ownership is transferred to the lessee; (ii) income from sale of surplus construction material and scrap; and (iii) service connection charges for power supply and other charges and (iv) any compensation received from customer.

Interest income

Our interest income comprizes the following sources: interest income on (i) fixed deposits with banks; (ii) electricity deposits; (iii) income-tax refunds, and (iv) others.

Other income

Our other income primarily comprizes: (i) gain on redemption of investments; (ii) Liabilities no longer required written back, (iii) miscellaneous income.

Expenses

Our expenses primarily comprize: (i) cost of work contract services (ii) cost of power purchased (iii) employee benefit expenses (iv) Management Fees (v) other expenses (vi) finance cost (vii) depreciation and amortization expenses.

Cost of work contract services

Cost of work contract services is the expenses incurred towards construction of a building, based on agreed specifications and requirements, pursuant to the works contract executed by KRC Infra with respect to the portion of land owned by the counter party.

Cost of power purchased

Cost of power purchased is cost incurred for purchase of power, transmission charges and related expenses with respect to supply of power to tenants within the notified SEZ.

Employee benefits expenses

Employee benefits expenses primarily include salaries and wages, contribution to provident and other funds, gratuity expense, compensated absences and staff welfare expenses.

Management Fees

Management Fees is the fees paid to the Manager in relation to the services provided under the property management services (net of the employee expenses directly incurred by the Asset SPVs) and support services agreement.

Other expenses

Other expenses primarily comprize property tax, electricity, water and diesel charges, business support fees paid to the KRC Group entities, rates and taxes, corporate social responsibility expenses, assets written off/demolished and business promotion, repairs & maintenance, revenue share, miscellaneous expense and provision for unbilled revenue and advertizement expenses.

Earnings before finance costs, depreciation and amortization, regulatory income/expense, exceptional items and tax (EBIDTA)

We have elected to present earnings before finance costs, depreciation and amortization regulatory income/expense, exceptional items and tax as a separate line item on the face of the statement of profit and loss.

EBITDA is generally defined as net profit before interest expense, taxes, exceptional items, depreciation and amortization. However, Ind AS 114 (Regulatory Deferral Accounts) requires the movement in all regulatory deferral account balances to be distinguished from other income and expenses. Hence, for the purpose of Consolidated Financial Statements, included in this Annual Report, net movement in regulatory deferral account balances has been disclosed separately in the Statement of Profit and loss after 'Profit before rate regulated activities and tax' and thus does not form part of EBITDA.

Depreciation and amortization expenses

Depreciation and amortization expenses comprize the depreciation of property, plant and equipment; depreciation of investment property; amortization of intangible assets and amortization of right of use of assets.

Finance costs

Finance costs primarily comprize: (1) interest expenses on borrowings from banks and financial institutions, debentures, bonds, (2) unwinding of interest expenses on security deposits, and (3) other finance charges. We capitalize borrowing costs in relation to under construction properties. Once construction is completed, the interest cost is charged to statement of profit and loss, causing an increase in finance costs.

Regulatory income/expense

As a deemed power distribution licensee in the SEZ area, some of our Asset SPVs charge tenants tariff on power consumption that is pre-approved by the state regulatory authority, Maharashtra Electricity Regulatory Commission (MERC). Accordingly, as per the Multi-Year Tariff (MYT) regulations, we file a tariff petition for the control period based on projected expenses and revenue during the period. MERC reviews the tariff petition and approves expenses and revenue in compliance with the tariff regulations. Subsequently, we submit our audited accounts to MERC to undertake a truing up process, wherein MERC compares the actual expenses and revenue with the approved expenses and revenue for the past year, and allows total revenue gap/(surplus) to be recovered in the succeeding years tariff. As a result, there is an increase/(decrease) in succeeding years tariff based on past years revenue gap/(surplus), and this change is referred to as impact on account of true-up. Such revenue gap/(surplus) for the past years is recorded as regulatory income/(expense) in the financials.

Tax expense

Tax expense comprizes: (1) current tax and (2) deferred tax charge (net)

The Indian Income Tax Act provides companies an option to discharge their income tax liability at a concessional rate of 25.17% (including cess and surcharge) subject to fulfilment of certain conditions which includes opting out of other applicable tax holiday claims/incentives/tax exemption and utilizing MAT credit ('New Tax Regime'). With respect to the Consolidated Financial Statements as of and for the year ending March 31, 2024, and for the year ending March 31, 2023, we have not opted for the New Tax Regime and continue to discharge our income tax liability as per the existing tax regime.

Comparison of financial numbers:

	FY24		FY23	
	Amount (₹ million)	Share (%)	Amount (₹ million)	Share (%)
Facility rentals	17,995	74.5%	16,047	69.9%
Maintenance services	4,392	18.2%	3,478	15.2%
Revenue from power supply(1)	639	2.6%	731	3.2%
Revenue from works contract services	655	2.7%	2,277	9.9%
Interest income from finance lease	228	0.9%	160	0.7%
Sale of surplus construction material and scrap	125	0.5%	83	0.4%
One time Compensation	133	0.6%	186	0.8%
Revenue from Operations(2)	24,167	100.0%	22,962	100.0%
Cost of work contract services	710	2.9%	2,181	9.5%
Direct Operating Expenses	4,498	18.6%	3,680	16.0%
Net Operating Income(2)	18,959	78.4%	17,101	74.5%

(1) Include Regulatory Income/(Expense) from the power business

(2) Represents 100% of the SPVs including minority interest in Madhapur SPVs

Revenue from operations increased by 5.2% from ₹ 22,962 million in FY23 to ₹ 24,167 million in FY24. Excluding revenue from works contract services the Revenue from Operations grew by 13.5% y-o-y. The increase of in revenue from operations in FY24 primarily on account of:

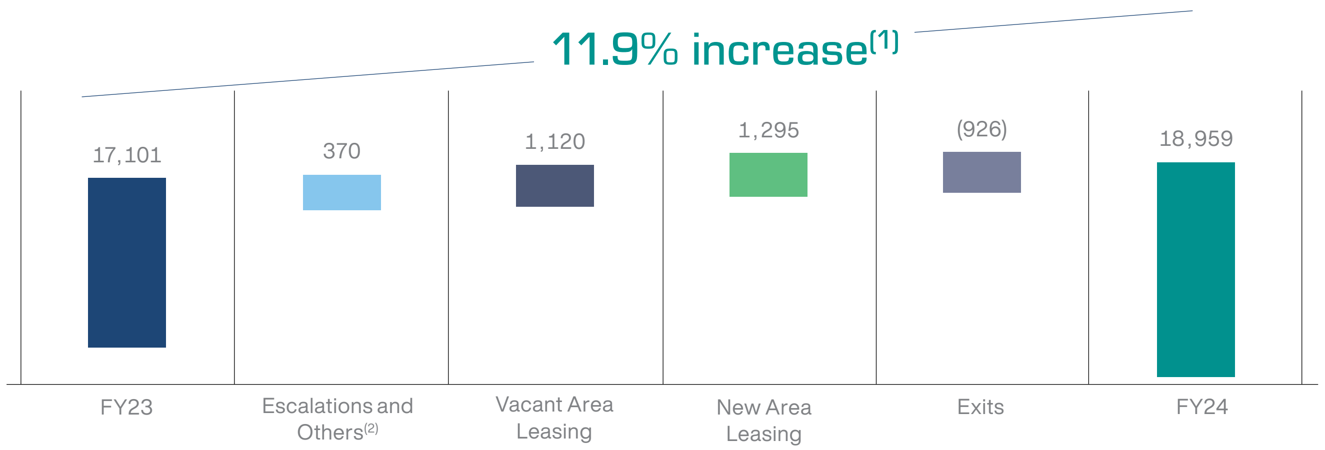
- an increase in facility rentals by 12.1% from ₹ 16,047 million to ₹ 17,995 million primarily due to escalations, increase in rentals from mark to market opportunity and lease up of new and vacant area
- an increase in income from maintenance services by 26.3% from ₹ 3,478 million to 4,392 million on account of increase in occupancy in our parks as well as increase in the expenses towards common area maintenance due to increase in physical occupancy as companies implemented back to office mandates
- One time compensation of ₹ 133 million received from tenant in FY24 on account of termination of letter of intent / lease deed during lock-in period.

During FY24, we achieved

- Gross leasing of c.3.6 msf
- New and vacant leasing of c.1.1 msf
- Contracted lease escalations on c.3.6 msf area
- Re-leasing spread of 14.3% over 3.4 msf area (incl. releasing and vacant area leasing)

Direct operating expenses (excluding cost of works contract services) increased in line with the increase in revenue from operations and maintenance services. The NOI Margin excluding works contract services is 80.9%.

Movement in NOI (in ₹ million)



(₹ mn)	Values
NOI for FY23	17,101
Escalations & Others[2]	370
Rent from Vacant Area	1,120
Rent from New Area	1,295
Exits	(926)
NOI for FY24[3]	18,959

[1] Growth % excludes one off net income / (expense) of ₹ 33 Mn in FY24 and ₹ 186 Mn in FY23

[2] Includes contractual escalations and downtime during re-leasing, Others primarily include reduction in Works contract Margin and Revenue share

[3] Represents 100% of the SPVs including minority interest in Madhapur SPVs

Movement in revenue from operations and NOI by assets:

Assets	Revenue from operations[1][2][3]			NOI[2][3]		
	FY24 (₹ million)	FY23 (₹ million)	Variance	FY24 (₹ million)	FY23 (₹ million)	Variance
Mindspace Airoli East	3,879	3,779	3%	2,913	2,841	3%
Mindspace Airoli West	3,451	2,552	35%	2,544	1,805	41%
Mindspace Malad	975	885	10%	856	784	9%
The Square BKC	431	611[4]	-29%	405	588	-31%
Mumbai Region	**8,736**	**7,826**	**12%**	**6,717**	**6,018**	**12%**
Gera Commerzone Kharadi	2,235	1,653[5]	35%	1,567	1,398	12%
The Square Nagar Road	868	700	24%	667	540	24%
Commerzone Yerwada	2,011	1,813	11%	1,550	1,421	9%
Pune	**5,114**	**4,166**	**23%**	**3,783**	**3,359**	**13%**
Mindspace Madhapur	8,837	8,315	6%	7,469	7,192	4%
Mindspace Pocharam	66	80	-17%	28	47	-40%
Hyderabad	**8,904**	**8,395**	**6%**	**7,497**	**7,239**	**4%**
Commerzone Porur, Chennai	723	265	173%	530	136	290%
Facility Management Division	1,424	1,134	26%	430	350	23%
Inter Company Eliminations	(1,390)	(1,101)	26%	-	-	NM
Total	**23,512**	**20,685**	**14%**	**18,959**	**17,101**	**11%**

NM = not meaningful

1. Asset-wize revenue from operations are prior to inter-company eliminations
2. FY24 revenue and NOI is post including Regulatory Income/ (Expenses).
3. Represents 100% of the SPVs including minority interest in Madhapur SPVs
4. Includes one time compensation of ₹ 186 Mn in FY23
5. Revenue in Gera Commerzone Kharadi is prior to revenue from works contract services

NOI came in higher at ₹ 18,959 million in FY24 as compared to ₹ 17,101 million in FY23 primarily due to following reasons:

- **Mindspace Airoli East:** Higher due to escalations over ~3.0 msf over FY23 and FY24 and higher power margin due to reversal of power income pursuant to MERC order in FY23, partially offset by exits
- **Mindspace Airoli West:** Higher primarily due to rent commencement from Building 10 and escalations on 1.7 msf in FY24
- **Mindspace Malad:** Higher primarily due to escalations in FY24
- **Mindspace Pocharam:** Lower on account of exits of 0.2 msf in FY24
- **Commerzone Yerwada:** Higher primarily on account of increase in gross rent pursuant to escalations over 1.2 msf over FY23 and FY24
- **The Square BKC:** Lower on account of one time compensation of ₹ 186 Mn received in Q3 FY23
- **Commerzone Porur:** Higher on account of increase in gross rent due to new area leasing of 0.8 msf over FY23 and FY24
- **Gera Commerzone Kharadi:** Higher on account of increase in gross rent due to new area leasing of ~0.6 msf, partially offset by higher works contract expense and revenue sharing provision in FY24
- **The Square Nagar Road:** Higher on account of new and vacant area leasing of ~0.3 msf over FY23 and FY24
- **Mindspace Madhapur:** Higher on account of vacant area leasing of ~1.6 msf and escalations, partially offset by exits of ~1.3 msf
- **Facility Management Division:** Additional NOI on account of higher CAM margin

Profit and Loss statement analysis

(₹ million)	For the year ended March 31, 2024 (Audited)	For the year ended March 31, 2023 (Audited)	% Variance
Revenue from Operations	24,292	22,821	6%
Interest Income	297	157	89%
Other Income	180	63	186%
Total Income	**24,769**	**23,041**	**7%**
Expenses			
Cost of work contract services	710	2,181	-67%
Cost of materials sold	1	15	-93%
Cost of power purchased	793	817	-3%
Employee benefits expense	298	285	5%
Trustee fees	2	5	-60%
Valuation fees	6	7	-14%
Insurance expense	106	87	22%
Audit fees	26	25	4%
Management fees	599	565	6%
Legal & professional fees	161	180	-11%
Other expenses	4,079	3,279	24%
Total Expenses	**6,781**	**7,445**	**-9%**
Earnings before finance costs, depreciation and amortization, regulatory income / expense, exceptional items and tax	**17,988**	**15,596**	**15%**
Finance costs	4,566	3,431	33%
Depreciation and amortization expense	3,827	3,554	8%
Profit before rate regulated activities, exceptional items and tax	**9,595**	**8,611**	**11%**
Add : Regulatory income/ (expense) (net)	(8)	205	-104%
Add : Regulatory income/(expense) (net) in respect of earlier periods	(117)	(64)	83%
Profit before exceptional items and tax	**9,470**	**8,752**	**8%**
Exceptional Items	(364)	(1,368)	-73%
Profit before tax	**9,106**	**7,384**	**23%**
Current tax	2,084	1,895	10%
Deferred tax charge / (income)	**1,410**	**2,404**	**-41%**
Profit for the period/year	**5,612**	**3,085**	**82%**
Profit for the period/year attributable to unit holders of Mindspace REIT	**5,250**	**2,836**	**85%**
Profit for the period/year attributable to non-controlling interests	**362**	**249**	**45%**

Our consolidated revenue from operations and Profit for FY24 stood at ₹ 24,292 million and ₹ 5,612 million, respectively.

Cost of Work Contract Services

Cost of work contract services of ₹ 710 million is the expenses incurred towards construction of a building for Gera Developments Private Limited in Gera Commerzone Kharadi, Pune.

Cost of Power Purchased

Cost of power purchased has decreased by ₹ 24 milllion.

Employee Benefits Expenses

Employee benefits expenses primarily include salaries and wages, contribution to provident and other funds, gratuity expense, compensated absences and staff welfare expenses has increased by ₹ 13 million.

Management Fees

Management Fees which is paid to Manager as a percentage of lease rent, license fees, car park charges, any other compensation and fitout rentals, increased by ₹ 34 million in line with the increase in aforementioned revenue streams.

Other Expenses

Other expenses has increased from FY23 to FY24, primarily due to

- ₹ 364 million increase in repairs & maintenance
- ₹ 151 mn decrease in assets written off /demolished
- Business promotion expenses increase by ₹ 102 million
- Revenue share provision of ₹ 156 million

Financial Resources

As of March 31, 2024 our cash and cash equivalents stood at ₹ 3,250 million. Cash and cash equivalents primarily consist of balances with banks in current accounts, deposit accounts with original maturity below three months and cash on hand. Our undrawn facilities stood at ₹ 9,155 million. Our other bank balances and fixed deposits stood at ₹ 4,430 million. We maintain a strong liquidity position consisting of cash and treasury balances.

Summary of cash flow statement

Particulars (₹ millions)	FY 24 Consolidated	FY 23 Consolidated
Net cash generated/(used in) from operating activities	15,265	13,930
Net cash (used in) / generated from investing activities	(14,587)	(7,506)
Net cash generated used in financing activities	(1,635)	(4,563)
Net increase/(decrease) in cash and cash equivalents	**(957)**	**1,861**
Cash and cash equivalents at the beginning of the period/year	2,843	982
Cash and cash equivalents at the end of the period / year (Net of book overdraft)	**1,886**	**2,843**
Cash and cash equivalents comprizes of		
Cash on hand	3	3
Balance with banks		
- on current accounts	3,195	3,176
- in escrow accounts	52	3
Deposit accounts with less than or equal to three months maturity	-	880
Cash and cash equivalents at the end of the period / year	**3,250**	**4,062**
Less : Bank overdraft	(1,364)	(1,219)
Cash and cash equivalents at the end of the period / year (Net of book overdraft)	**1,886**	**2,843**

Cash Flow form Operating Activities

Net cash generated from operating activities for FY24 was ₹ 15,265 million. Our profit before tax was ₹ 9,106 million, which was adjusted for non-cash and items relating to financing and investing activities, primarily for finance costs amounting to ₹ 4,566 million, depreciation and amortization expenses amounting to ₹ 3,827 million. Our changes in working capital primarily comprized an increase in trade payables of ₹ 379 million, an increase in trade receivables of ₹ 530 million, a decrease in other inventories of ₹ 28 million, increase in other non-current and current assets (including financial assets) of ₹ 341 million, an decrease of other non-current and current liabilities (including financial liabilities) and provisions amounting to ₹ 31 million. In addition, we paid direct tax (net of refund) of ₹ 1,924 million.

Cash Flow from Investing Activities

Net cash used in investing activities was ₹ 14,587 million for FY24, primarily comprising interest received of ₹ 75 million which was primarily offset by expenditure incurred on investment property and investment property under construction, including capital advances, net of capital creditors, property, plant and equipment and intangible assets of ₹ 10,832 million, primarily with respect to Mindspace Airoli West, Gera Commerzone Kharadi, Mindspace Madhapur (Sundew) and Commerzone Porur, and net investment in fixed deposits of ₹ 3,873 million.

Cash Flow from Financing Activities

Net cash utilized in financing activities was ₹ 1,635 million for FY24, primarily comprising proceeds from debt raized net of payment of ₹ 15,107 million which was offset by finance costs paid of ₹ 4,561 million, distribution to unitholders and dividend to Non-Controlling Interest holder (including tax) of ₹ 12,107 million and expenses incurred towards the issue of non-convertible debentures of ₹ 61 million.

Capital Expenditure and Capital Investments

Capital expenditure comprizes additions during the financial year to property, plant and equipment, capital work-in progress, investment property, intangible assets and investment property under construction. During FY24, we incurred capital expenditure of ₹ 10,832 million, primarily for the construction activity at Mindspace Airoli West, Gera Commerzone Kharadi, Mindspace Madhapur (Sundew) and Commerzone Porur and re-energizing out assets via upgrades and infrastructure upgrades. Our capital commitments (net of advances) as at March 31, 2024 was ₹ 9,681 million towards construction and upgrade of our assets.

Liquidity and Capital Resources

Overview

Our low leverage and robust credit profile offer adequate headroom for future growth.

For the year ended March 31, 2024, we,

- Raized ₹ 14.9 billion in fixed cost debt from financial institutions at Mindspace REIT and via issuance of NCDs and CPs bearing coupon ranging between 7.67% to 7.95% on p.a.p.m. basis
- Repaid ₹ 4.9 billion via issuance of variable coupon NCD at MBPPL level
- We successfully repaid ₹ 2 billion worth NCD (NCD Tranche 1) on the maturity of the said debenture.
- We strategically increased our exposure to fixed cost debt to c.55.6% of our total outstanding debt.
- Debt raized during the year was predominantly used for refinancing existing debt and to fund capital expenditure
- Availed new loan sactions of ₹ 9,850 Mn including Overdraft lines during FY24

Our weighted average cost of borrowings stood at 7.6% at the end of March 2023. It has increased by c.20 bps to 7.8% at the end of March 2024. The corresponding numbers for March 2022 and March 2021, were 6.6% and 7.1%, respectively. The Reserve Bank of India has hiked policy rates by 250 bps in the current cycle, however, we were able to limit the impact of hikes on account of strategic repayment of high cost debt, increasing share of fixed cost borrowings and negotiating with banks to lower spreads/ interest rates. All of these were possible on account of our AAA credit ratings profile, low leverage, robust financial performance and portfolio occupancy.

In the upcoming financial year, there are 4 NCDs and MLDs at REIT and SPV levels to the tune of ₹ 13.5 billion that are coming up for repayment.

Debt Maturity Schedule

Weighted average maturity of debt profile stands at c.5.2 years with 28.4% and 2.4% of debt due for repayment in FY25 and FY26 respectively.

Description (₹ Mn)	Fixed/ Floating	Total Facility	Undrawn Facility	Principal O/S	Interest Rate (p.a.p.m.)	Wt. Avg. Maturity (Years)	Principal Repayment						
							FY25	FY26	FY27	FY28	FY29	FY30 & Beyond	Total
At REIT Level													
MLD	Fixed	3,750	-	3,750	6.5%	0.1	3,750	-	-	-	-	-	3,750
NCD (Tranche 2)	Fixed	750	-	750	6.6%	0.1	750	-	-	-	-	-	750
NCD (Tranche 3)	Fixed	5,000	-	5,000	6.3%	0.8	5,000	-	-	-	-	-	5,000
NCD (Tranche 4)	Fixed	5,000	-	5,000	7.9%	3.3	-	-	-	5,000	-	-	5,000
Green Bond	Fixed	5,500	-	5,500	8.0%	2.0	-	-	5,500	-	-	-	5,500
NCD (Tranche 6)	Fixed	5,000	-	5,000	7.7%	2.3	-	-	5,000	-	-	-	5,000
NCD (Tranche 7)	Fixed	5,000	-	5,000	7.9%	2.7	-	-	5,000	-	-	-	5,000
CP	Fixed	1,446	-	1,446	7.7%	0.2	1,446	-	-	-	-	-	1,446
NCD (Tranche 8)	Fixed	3,400	-	3,400	7.8%	3.0	-	-	3,400	-	-	-	3,400
At SPV Level													
TL/LRD - MBPPL	Floating	12,830	1,912	8,853	8.5%	7.7	3,571	420	483	538	593	3,248	8,853
TL/LRD - Sundew	Floating	4,813	1,442	2,511	8.0%	11.9	151	169	184	213	234	1,561	2,511
NCD - Sundew	Fixed	4,000	-	4,000	6.1%	0.2	4,000	-	-	-	-	-	4,000
TL/LRD - KRIT	Floating	2,550	-	2,519	8.3%	11.7	92	112	152	176	208	1,779	2,519
TL/LRD - KRC Infra	Floating	9,690	-	8,554	8.4%	9.8	575	697	851	973	1,102	4,356	8,554
TL/LRD - Horizonview	Floating	4,500	1,884	2,601	8.2%	13.4	43	62	89	122	174	2,111	2,601
TL/LRD - Gigaplex	Floating	3,300	950	2,031	8.4%	6.5	73	92	166	189	209	1,301	2,031
TL - Avacado	Floating	3,000	-	2,852	8.6%	10.3	99	118	145	178	201	2,111	2,852
OD/LOC	Floating	4,476	2,967	1,146	8.4%	8.6	283	21	23	25	27	766	1,146
Total		84,005	9,155	69,914	7.8%	5.2	19,833	1,691	20,993	7,416	2,749	17,233	69,914
Repayment (%)							28.4%	2.4%	30.0%	10.6%	3.9%	24.6%	100.0%

Corporate Rating for Mindspace Business Parks REIT: 'CCR AAA/Stable' by CRISIL Ratings, '[ICRA] AAA (Stable)' by ICRA

MLD – Market Linked Debentures

NCD – Non-Convertible Debentures

TL – Term Loan

LAP – Loan Against Property

Note: As on March 31, 2024

- **Credit Rating of ₹ 3.75 billion long-term principal protected market-linked debentures:** 'CRISIL PPMLD AAA/Stable' by CRISIL Ratings Limited
- **Credit Rating of ₹ 5.0 billion and ₹ 4.0 billion non-convertible debentures at REIT level and SPV level, respectively:** Dual ratings of 'CRISIL AAA/Stable' by CRISIL Ratings Limited and '[ICRA] AAA (Stable)' by ICRA Limited for both facilities at REIT and SPV level. Both facilities are fixed rate in nature.
- **Credit Rating of ₹ 0.75 billion nonconvertible debentures at REIT level:** 'CRISIL AAA/Stable' by CRISIL Ratings Limited. Facility is fixed rate in nature.
- **Credit Rating of ₹ 5.0 billion non-convertible debentures at REIT level:** Dual rating of 'CRISIL AAA/Stable' by CRISIL Ratings Limited and '[ICRA] AAA (Stable)' by ICRA Limited. Facility is fixed rate in nature.
- **Credit Ratings of ₹ 5.5 billion non-convertible debentures at REIT level:** Dual rating of 'CRISIL AAA/Stable' by CRISIL Ratings Limited and '[ICRA] AAA (Stable)' by ICRA Limited. Facility is fixed rate in nature.
- **Credit Ratings of ₹ 7.0 billion Commercial papers at REIT level:** Dual rating of 'CRISIL A1+' by CRISIL Ratings Limited and '[ICRA] A+' by ICRA Limited. CPs to the tune of ₹ 1.5 billion are outstanding as of March 31, 2024.
- **Credit Rating of ₹ 5.0 billion non-convertible debentures at REIT level:** Dual rating of 'CRISIL AAA/Stable' by CRISIL Ratings Limited and '[ICRA] AAA (Stable)' by ICRA Limited. Facility is fixed rate in nature
- **Credit Rating of ₹ 5.0 billion non-convertible debentures at REIT level:** Dual rating of 'CRISIL AAA/Stable' by CRISIL Ratings Limited and '[ICRA] AAA (Stable)' by ICRA Limited. Facility is fixed rate in nature
- **Credit Rating of ₹ 3.4 billion non-convertible debentures at REIT level:** Dual rating of 'CRISIL AAA/Stable' by CRISIL Ratings Limited and '[ICRA] AAA (Stable)' by ICRA Limited. Facility is fixed rate in nature

Key Ratios

Our loan to value ratio was low at 21.1% as on March 31, 2024. We have undrawn committed facilities of ₹ 9.2 billion, which further augments liquidity. This provides us enough headroom for meeting the growth needs in the portfolio

Details of significant changes in key financial ratios (Consolidated)

Particulars	FY24	FY23
NOI Margin	81%	82%
Loan to value* (%)	21.1%	17.9%
Gross debt to NOI	3.7 times	3.2 times
Net debt to NOI	3.3 times	2.9 times
Return on net worth	3.76%	1.98%

* Adjusted for minority interest

Off-Balance Sheet Arrangements

We do not have any material off-balance sheet arrangements.

Distributions

NDCF of Mindspace REIT is based on the cash flows generated from its assets and investments. In terms of the REIT Regulations, not less than 90% of the NDCF of each of the Asset SPVs is required to be distributed to Mindspace REIT, as the case may be, in proportion of their shareholding in the Asset SPVs, subject to applicable provisions of the Companies Act 2013. NDCF to be received by Mindspace REIT from the Asset SPVs may be in the form of dividends, interest income, principal loan repayment or proceeds of any capital reduction or buyback from the Asset SPVs, sale proceeds out of disposal of investments if any or assets directly held by Mindspace REIT or such other form as may be permitted by the REIT Regulations.

The Manager is required to declare and distribute at least 90% of the NDCF of Mindspace REIT as distributions (REIT Distributions) to the unitholders. Such distributions are to be declared and made for every quarter of a financial year. The first distribution was made upon completion of the first full quarter post the listing of Units, i.e., for the quarter ending December 31, 2020. Further, in accordance with the REIT Regulations, distributions need to be made within 15 days from the date of such declarations.

For FY24, we declared a distribution of ₹ 11,362 million, or ₹ 19.2 per unit comprising ₹ 17.29 per unit as dividend and ₹ 1.91 per unit as interest & other income payment. On an annualized basis, based on the issue price of ₹ 275 per unit, the distribution yield stood at 7%.

Tax Implications of Distributions

As per provisions section 115UA of the Income Tax Act, 1961, income distributed by REIT is taxable in the hands of the unitholders in the same manner and proportion as the underlying income stream received by the REIT.

Taxability of income based on residential status

Residential status of unitholders	Nature of income	Tax rates
Resident unitholders	Interest income	At applicable rates*
	Rental income	At applicable rates*
	Return of Capital	To be adjusted from cost of acquisitions of units
	Qualified dividend income	Tax-exempt (Refer note below)
	Disqualified dividend income	At applicable rates* (Refer note below)
	Other income taxable in hands of REIT	Tax-exempt
Non-resident unitholders	Interest income	5%++
	Rental income	At applicable rates**
	Qualified dividend income	Tax-exempt (Refer note below)
	Disqualified dividend income	At applicable rates** (Refer note below)
	Other income taxable in hands of REIT	Tax-exempt

* The income shall be subject to deduction of tax at source

** Non-resident unitholders may seek to avail beneficial provisions under the applicable Double Taxation Avoidance Agreement ('DTAA') that India may have entered into with their respective country of residence

++ tax rate subject to applicable surcharge and cess.

Note: Taxability of income in the nature of dividend distributed by REIT to unitholders is dependent on the taxation regime adopted by the SPV(s). which distributes the dividend to REIT. If the SPV(s) has not opted for a concessional corporate tax rate under section 115BAA of the ITA ('Qualifying SPV') dividend received from such Qualifying SPV ('Qualified Dividend') and distributed by REIT is exempt in the hands of the Unitholders. Any dividend other than Qualified Dividend distributed by REIT ('Disqualified Dividend') is taxable in the hands of the Unitholders.

Asset-wize gross asset value, along with key assumption

Asset	Discount Rate (%)	Discount Rate under construction / Future (%)	Cap Rate (%)	Market Rent	Completed (₹ Mn)	U/C & Future Dev. (₹ Mn)	Total Value (₹ Mn)	% of Total (%)
Mindspace Airoli East	11.75%	13.00%	8.00%	61.95	45,424	2,100	47,524	15.9%
Mindspace Airoli West	11.75%	13.00%	8.00%	58.85	44,930	3,091	48,021	16.1%
Mindspace Malad	11.75%		8.00%	96.60	11,329	0	11,329	3.8%
The Square, BKC	11.75%		7.75%	288.75	4,917	0	4,917	1.6%
Mumbai Region					**106,600**	**5,191**	**111,791**	**37.4%**
Gera Commerzone Kharadi	11.75%	13.00%	8.00%	85.05	23,995	7,320	31,315	10.5%
The Square, Nagar Road	11.75%	13.00%	8.00%	77.52	9,230	0	9,230	3.1%
Commerzone Yerwada	11.75%		8.00%	78.00	18,259	0	18,259	6.1%
Pune					**51,484**	**7,320**	**58,804**	**19.7%**
Mindspace Madhapur[1]	11.75%	13.00%	8.00%	74.55	95,024	12,717	107,741	36.1%
Mindspace Pocharam[2]	11.75%		8.00%	-	900	587	1,488	0.5%
Hyderabad					**95,925**	**13,305**	**109,229**	**36.6%**
Commerzone Porur	11.75%		8.00%	66.15	11,363	0	11,363	3.8%
Chennai					**11,363**	**-**	**11,363**	**3.8%**
Facilities Management Business	11.75%	13.00%	13x		6,437	1,107	7,545	2.5%
Portfolio Total					**271,809**	**26,923**	**298,732**	**100.0%**

Note:

[1] The Market Value of Mindspace Madhapur is with respect to 89.0% ownership of the respective Asset SPVs that own Mindspace Madhapur

[2] There has been a change in valuation methodology for Mindspace Pocharam

Balance & Planned Capital Expenditure as of March 31, 2024

Assets	Building	Region	Area (msf)	Pending CAPEX (₹ million)	Estimated Completion
Under Construction Projects				**18,103**	
Commerzone Kharadi	Building 4	Pune	1.0	1,777	Q3 FY25
Mindspace Madhapur	Building 1	Hyderabad	1.3	5,944	Q4 FY26
Mindspace Madhapur	Building 8	Hyderabad	1.6	7,870	Q4 FY27
Mindspace Madhapur	Experience Center	Hyderabad	0.1	950	Q1 FY26
Mindspace Airoli (East)	High Street Retail	Mumbai Region	0.05	115	Q1 FY25
Gigaplex	Building 8	Mumbai Region	0.3	1,025	Q4 FY25
Others				422	
Recently completed				**517**	
Future Development Projects				**4,813**	
Mindspace Airoli (East)				4,733	
Others				80	
Upgrade Capex				**4,091**	
Fit-out & General Development				**846**	
Total				**28,370**	

NAV

KZEN Valtech Private Limited, has been appointed as the independent valuer by the Governing Board of the Manager, K Raheja Corp Investment Managers LLP (ie. prior to conversion of LLP) on March 14, 2023. In addition, Jones Lang La Selle (JLL), has been appointed by the Governing Board as an independent consultant to carry out industry and market research. As per the independent valuation exercize carried out, our portfolio is valued at ₹ 298,732 million with 91.0% of value in completed assets, underpinning Mindspace Business Parks REIT's asset quality as of March 31, 2024. NAV of the portfolio stood at ₹ 380.5 p.u.

Statement of Net Assets at Fair Value

Sr. No.	Particulars	March 31, 2024 (₹ in million)
A	Fair Value of Real Estate Assets[1]	298,732
B	Other Assets at Book Value	11,175
C	Other Liabilities at Book Value	(84,236)
D	Net Assets Value (A+B-C)	225,671
E	No. of Units (Mn)	593
	NAV	380.5

Note:

1. Includes Real Estate & Facility Management Division

Contingent liabilities and Capital Commitments

In ₹ million	As at March 31, 2024	As at March 31, 2023
Claims not acknowledged as debt in respect of		
- Income - Tax matters excluding interest	963	966
- Service - Tax matters	368	367
- Customs duty matters	34	34
- Stamp duty	65	65
Stamp Duty and Registration Fees	221	-
Total	**1,651**	**1,434**

Occupancy Growth

Our Non-SEZ portfolio has achieved pre-covid occupancy levels with six out of our nine parks having committed occupancy levels exceeding 95%. As we navigate the evolving landscape of workplace dynamics, the resurgence of in-office operations, coupled with the continued growth of the GCC sector, serves as a robust driver for leasing expansion across our portfolio. Furthermore, recent reforms in SEZ regulations are expected to further mitigate any remaining vacancies.

Growing the Portfolio

Within our portfolio, we are strategically positioned to leverage embedded opportunities that promize substantial growth organically. With an area under development totaling 4.4 msf, including future developments amounting to 2.5 msf, we are poized for expansion. At Mindspace Airoli East Park, a composite structure spanning 0.8 msf announced, presenting a mixed-use development encompassing both office and hotel spaces. Additionally, significant redevelopment initiatives are underway at Mindspace Madhapur, encompassing c.3.0 msf. These organic porftfolio growth initiatives resulted in total leasable area of 33.2 msf up from 32.0 msf at the end of FY23.

Our portfolio demonstrates growth potential, underpinned by both organic development and opportunity to acquire the sponsor assets through the Right of First Offer arrangement. The sponsor boasts of a continuous prospective development pipeline of c.15 msf. Moreover, alongside our sponsor assets, we are actively exploring third-party inorganic opportunities to further augment our growth trajectory. These initiatives underscore our strategic foresight and determination to capitalize on emerging market trends while delivering sustained value to our stakeholders.

Human Resource

We are proud to announce that for the third consecutive year, we have been certified as a Great Place to Work. This recognition reaffirms our commitment to fostering a supportive and inclusive workplace culture. Gender diversity is a cornerstone of our hiring approach, and we're proud to report that women now comprize 37% of our managerial workforce, ranking among the highest in our industry. Our initiatives, such as Shikhar and Sheroes, have empowered employees to ascend to leadership roles within the organization, showcasing our dedication to talent development and diversity. Moreover, our 'Reach Out' initiative focusing on mental health and well-being has provided invaluable support to our employees. To dissolve hierarchical boundaries and foster open communication, we have initiated 'Coffee with CEO' sessions, facilitating meaningful dialogue between our leadership and staff. Additionally, our 'Outbound Programs' have strengthened team cohesion and personal connections through engaging outdoor activities. Lastly, CEO-led 'Townhalls' have offered insights into our achievements and shared our vision for the organization's future, ensuring transparency and alignment across all levels of the organization. These initiatives collectively underscore our unwavering commitment to nurturing a positive work environment and empowering our employees to thrive professionally and personally.

Internal Control Systems

Mindspace REIT has internal control systems commensurate with its size, scale and complexity to manage its operations, financial reporting, and compliance requirements. These systems have been designed to provide reasonable assurance with respect to recording and providing reliable financial and operational information in timely manner, prevention and detection of fraudulent practices, compliance with applicable laws, safeguarding assets from unauthorized use, executing transactions with proper authorization, and ensuring compliance with internal policies. The Manager has clearly articulated roles and responsibilities for all functional heads. Functional heads are responsible to ensure compliance with the applicable laws, policies and procedures laid down by the Manager.

The systems, standard operating procedures, and controls are implemented and reviewed by the leadership team.

Based on the findings, process owners undertake corrective measures in their respective domains, thereby strengthening the controls. Deloitte Haskins & Sells LLP, who are our statutory auditors, audited the financial statements for each of the Asset SPVs as at March 31, 2024. They have expressed an unqualified opinion on the effectiveness of each Asset SPVs' internal controls over financial reporting as of March 31, 2024.

Industry Structure and Developments

Industry Structure and Developments affecting our operations are captured on pages 70 to 77 of annual report

Outlook

India's resilient leasing momentum is propelled by its tech ecosystem, characterized by significant offshoring and R&D activities spanning various sectors. The convergence of a skilled talent pool, cost efficiency, and quality real estate is fostering a sustained growth trajectory. Despite global headwinds, the country's office markets have been minimally affected, underscoring the resilience of India's commercial landscape.

GCCs now account for c.36% of all occupied Grade A stock across top seven cities, underscoring the pivotal role of tech offshoring across diverse sectors propelling demand within the country's office market. This sustained trend is anticipated to maintain India's office markets as among the most growth-oriented globally. Moreover, recent SEZ reforms, enabling floor-wize conversion to non-processing area (NPA), are poized to enhance occupancy levels, further bolstering market dynamics. With robust occupancies and a surge in enquiries, there is a positive outlook for rental growth in the near future.

Coupled with rental growth, leasing surge and rising domestic and GCC occupiers, our gross leasing recorded 3.6 msf helping our committed occupancy rising to 90.6% (excluding pocharam non-core asset). Our in-place rent have grown by 5.8% annually from ₹ 65.2 psf pm to ₹ 69 psf pm.

REITs have continued to receive support of Government and Regulator. Recent policy reforms under the existing SEZ Act to convert floor-wize SEZ processing areas to Non-Processing Areas helping to ramp up our occupancies further by leasing the vacant SEZ spaces in our parks.

REITs are a stable asset class drawing interest from a broader spectrum of investors in both equity and debt markets. Our unitholder base has surpassed 60,000, marking a remarkable 7.7x growth since our listing in August 2020, with expectations for continued expansion in the years ahead. To bolster this momentum, we conducted retail roadshows aimed at educating retail investors about REITs as an attractive investment option, further enhancing our outreach and engagement efforts.

With prudent financial and debt management, our low LTV would help us to explore the inorganic growth opportunities.

With our seasoned management team's expertize and pragmatic approach, we navigate the growth-oriented office market, creating long-term value for our unitholders.