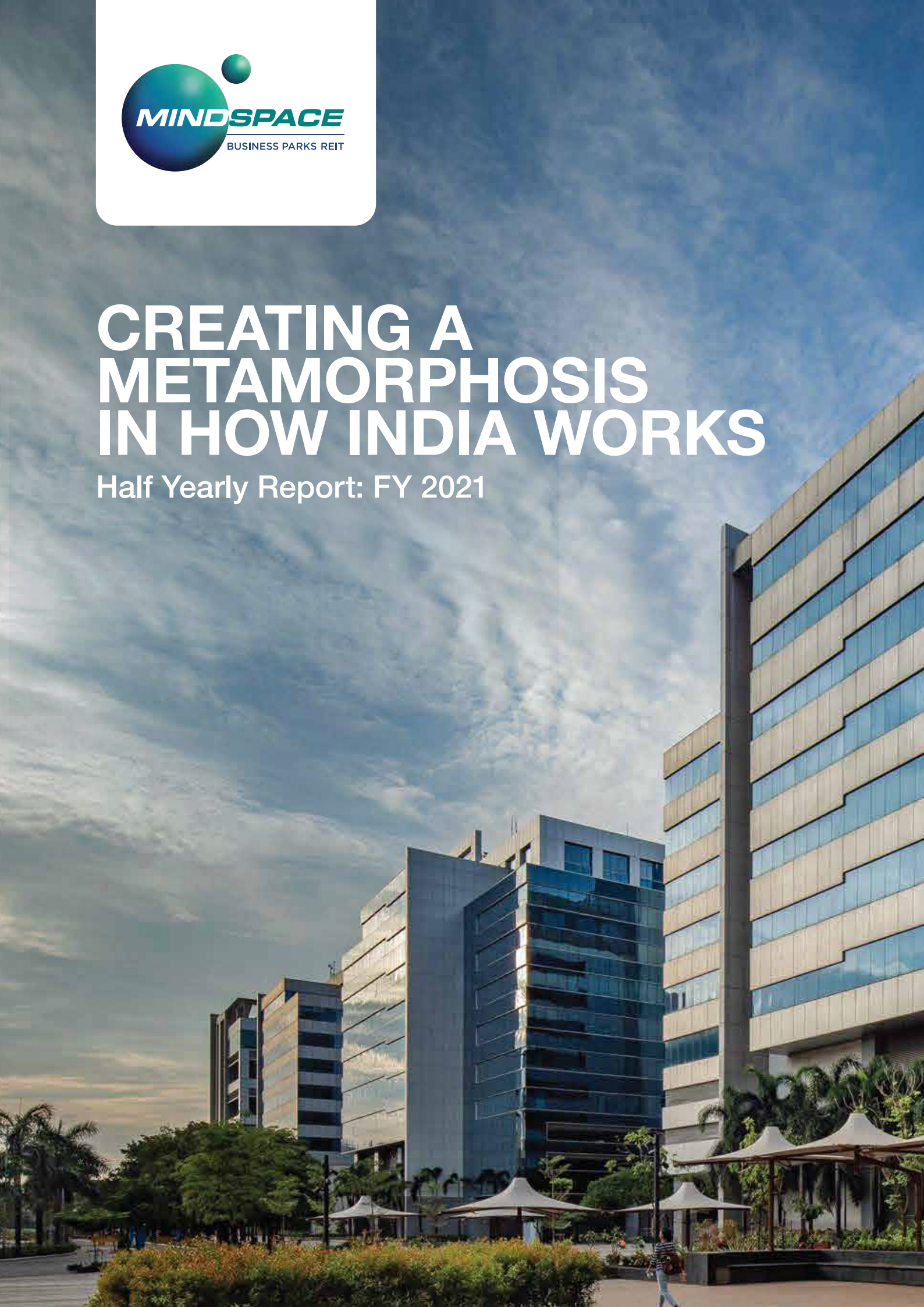




# CREATING A METAMORPHOSIS IN HOW INDIA WORKS

Half Yearly Report: FY 2021



## Information of the contact person

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Website: <https://www.kfintech.com/>

---

## Axis Trustee Services Limited

SEBI Registration No. IND000000494

Address - Bombay Dyeing Mills Compound,

Pandurang Budhkar Marg, Worli, Mumbai – 400 025. Tel: +91-22-6230 0451

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---

## Debenture Trustee

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SEBI Registration No. IND000000460

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# Information You Can Access

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One Of India's  
Largest Grade A  
Office Portfolios



Long Term Tenant  
Relationships



Stable Cash Flows  
with Strong  
Embedded Growth



Strong Corporate  
Governance



Sponsored by  
One of India's Largest  
Real-Estate Players



Robust Industry  
Fundamentals



# SECTION 1

# Executive Summary



## Sponsor Pedigree

Mindspace Business Parks REIT ("Mindspace REIT" or "We") operates one of the largest Grade-A portfolio in India with Total Leaseable Area of c. 29.5 msf. Mindspace REIT is sponsored by Cape Trading LLP and Anbee Constructions LLP, which are entities forming part of K Raheja Corp Group ("KRC group"). Mindspace REIT's quality portfolio is located in four key office markets of India, namely Mumbai Region, Hyderabad, Pune and Chennai. We believe the scale and quality of our portfolio gives us a distinct competitive advantage.

**4 Decades of Expertise**



**Pan India Presence**



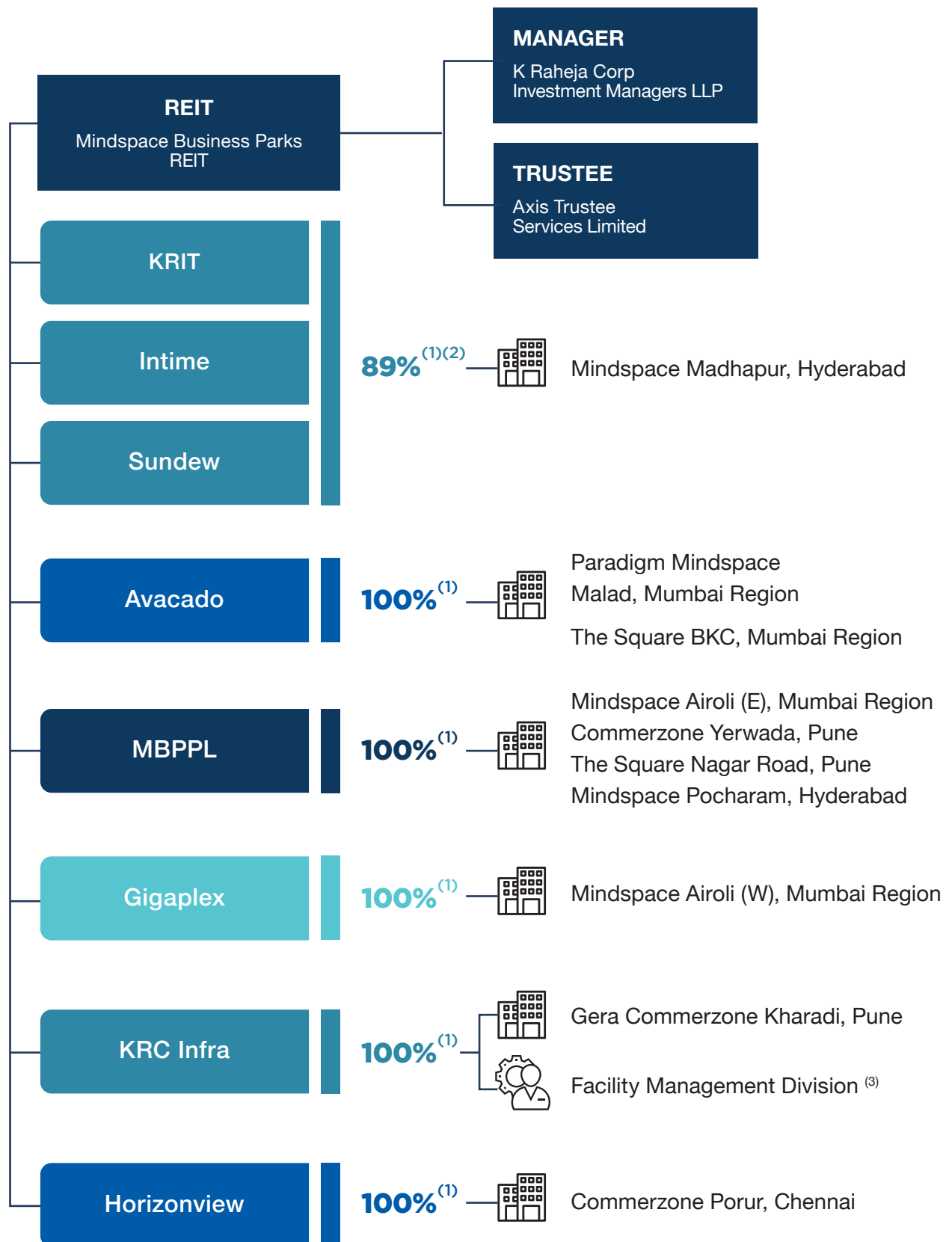
**Robust Corporate Governance**

KRC group is a success story spanning four decades and stands today as one of India's leading developers. KRC group's experience spans across developing and operating assets across office, hospitality, malls, residential and retail segments. KRC group has acquired and/or developed properties across various businesses of c. 29.3 msf of commercial real estate projects, as of September 30, 2020.



Office	Hospitality	Malls	Residential	Retail
Developed c. 29.3 msf	2,554 operational Hotel keys	6 operational malls	Developed residential projects across 5 cities	Operates 287 retail outlets across India

# Mindspace Business Parks REIT Structure



Note:

1. % indicates Mindspace REIT's shareholding in respective Asset SPVs.

2. 11% shareholding in these Asset SPVs is held by TSILC.

3. KRC Infra commenced facility management division with effect from October 01, 2020 under the brand name "CAMPLUS".



# Metamorphosing Workspaces

## Mindspace Business Parks REIT

NSE scrip code: MINDSPACE | BSE scrip code: 543217 | ISIN: INE0CCU25019

Mindspace REIT owns a quality office portfolio across four key office markets of India. With a Total Leasable Area of c. 29.5 msf (c. 23.9 msf completed | c. 2.0 msf under construction | c. 3.6 msf future development as of September 30, 2020), it is one of India's largest Grade-A office portfolios. Mindspace REIT comprises of five integrated business parks and five quality independent offices. These assets provide a community-based ecosystem that is curated to meet global standards of tenants, making us the preferred choice for both multinational and domestic corporations.

The portfolio is well diversified with 165+ tenants as of September 30, 2020 and no single tenant contributes more than 7% of the Gross Contracted Rentals<sup>(1)</sup>. Leading multinationals constitute c. 83.8% of the Gross Contracted Rentals<sup>(1)</sup> while Fortune 500<sup>(2)</sup> companies form c. 37.9% of our Gross Contracted Rentals<sup>(1)</sup>. The portfolio is stabilized with Same Store Committed Occupancy<sup>(3)</sup> of c. 94.7%. Occupancy of the portfolio stood at 87.1% as of September 30, 2020 vs 87.7% as of March 31, 2020. It has a WALE of 5.6 years, as of September 30, 2020, which provides long-term visibility to revenues.

## Portfolio Operates under 3 Marquee Brands



Note:

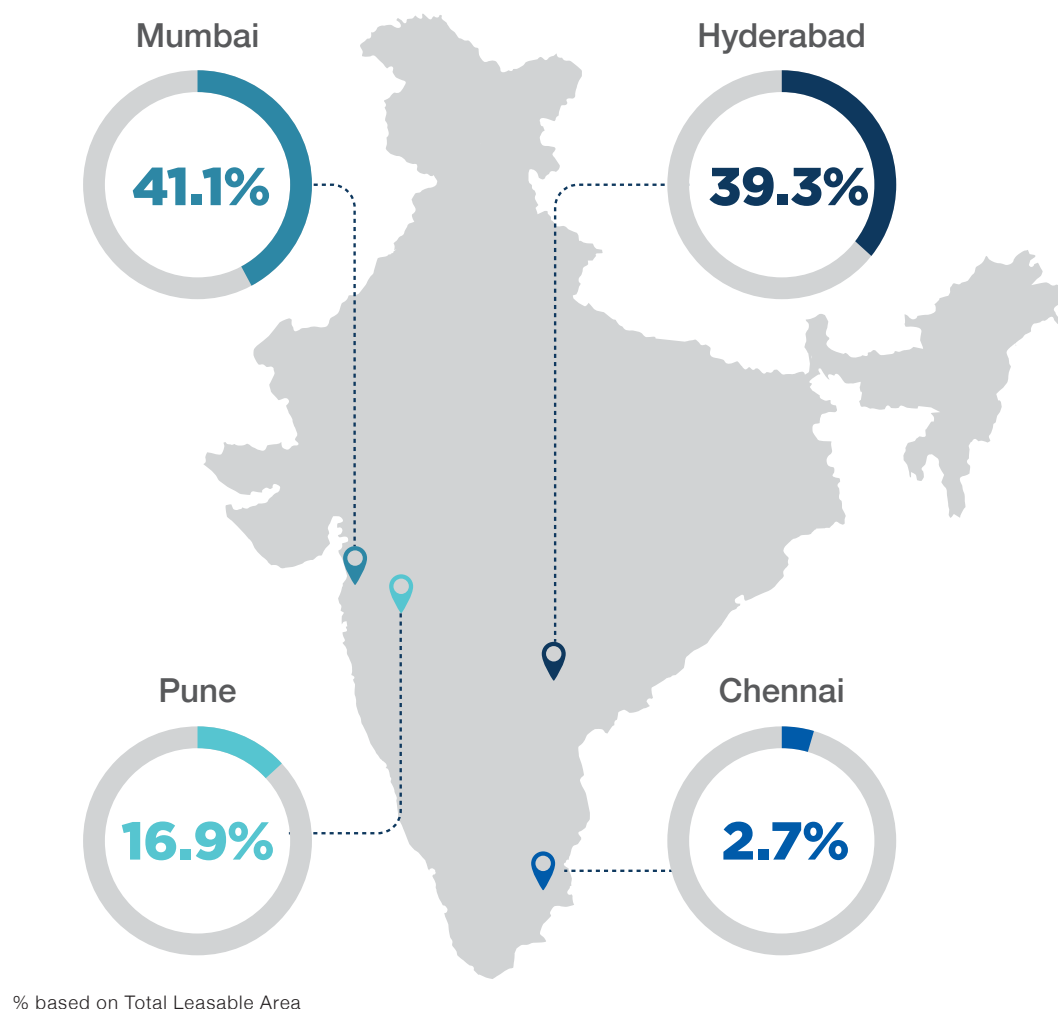
1. Gross Contracted Rentals for September 30, 2020

2. Fortune global 500 of 2020

3. September 2020 vs September 2019 on 19.9 msf Completed Area in September 2019

## Portfolio Overview

Portfolio is well diversified across four key office markets in India

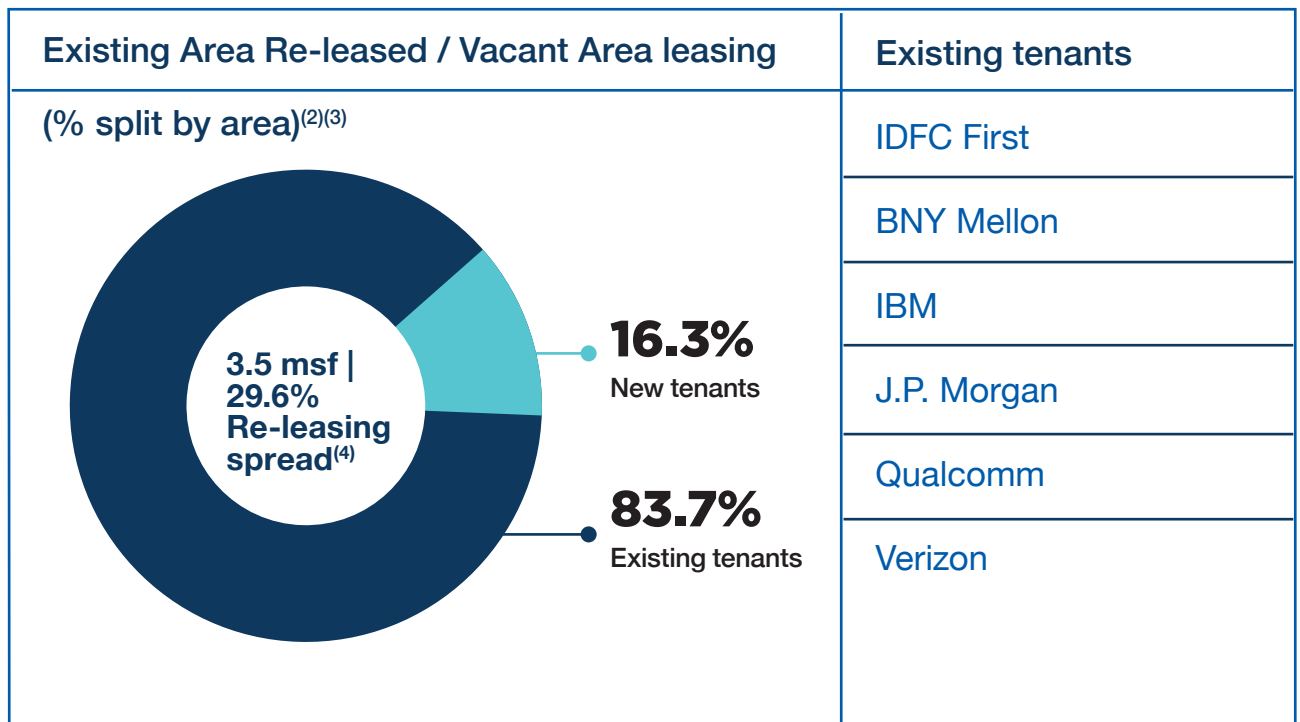
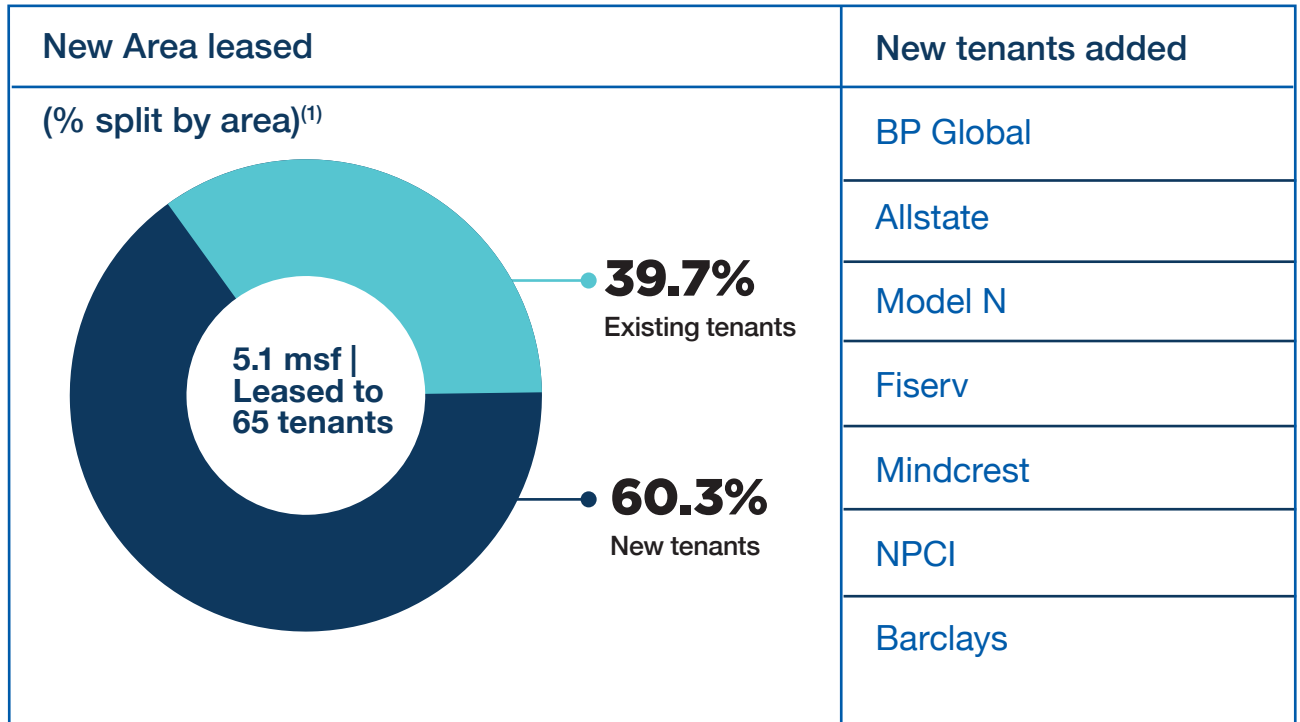


<b>c. 29.5 msf</b>	<b>94.7%</b>	<b>88.9%</b>
Total Leasable Area	Same Store Committed Occupancy	Committed Occupancy
<b>INR 54.4 psf</b>	<b>16.9%</b>	<b>5.6 years</b>
In-place Rent	Mark to Market Potential	WALE
<b>99.4%<sup>(1)</sup></b>	<b>94.0%</b>	<b>13.6%</b>
Collections of Gross Contracted Rentals (H1 FY 2021)	Market Value of Completed Assets	Net Debt to Market Value

Note: All figure as on September 2020  
1. As on October 31, 2020



We exhibit a strong traction to attract new tenants along with strong retention of existing tenants. We have leased c. 8.6 msf since April 2017 including c. 3.5 msf at 29.6% Re-leasing spread<sup>(4)</sup>.



Note:

1. For the period April 2017 – September 2020; includes Committed Area and Pre-leased Area

2. For the period April 2017 – September 2020; includes Committed Area

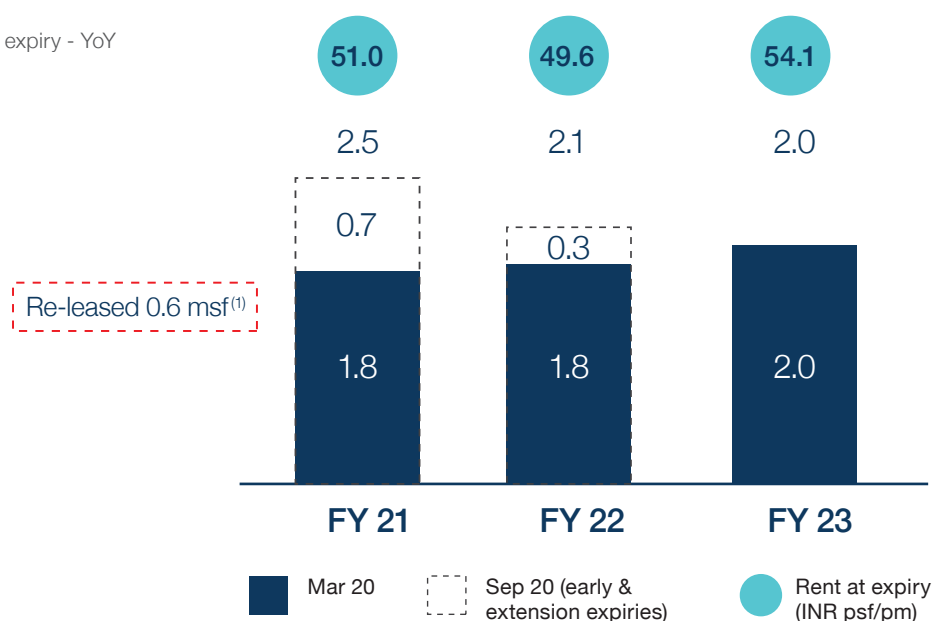
3. Not inclusive of the area remaining vacant at expiry

4. Re-leasing spread calculation includes spread on extensions and vacant area

## Lease Expiry Profile

We are in active discussions with existing and new tenants for Re-leasing / renewals. Tenant uncertainty over future lease commitments is likely to persist for few quarters.

Area expiry - YoY  
msf

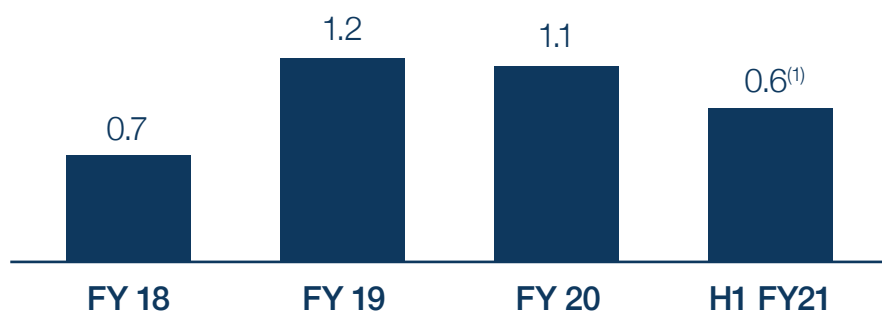


Expiries <sup>(2)</sup>	10.5%	8.8%	8.2%
-------------------------	-------	------	------

We have demonstrated strong track record of delivering Re-leasing spreads across parks.

Area Re-leased (since Apr 17)  
msf

Average Re-leasing Spread<sup>(3)</sup>: **29.6%**



Re-leasing Spread	37.7%	30.2%	23.1%	33.1%
-------------------	-------	-------	-------	-------

Note:

1. Includes leasing of vacant area as on 31 March 2020

2. Basis Completed Area as of 30 September 2020

3. Re-leasing spread calculation includes spread on extensions and vacant area

## Key Growth Drivers

Growth in NOI through embedded organic growth and inorganic growth via right acquisitions



Contractual rent escalations



Lease-up of vacant space



MTM opportunity on account of lease renewals



New construction within the portfolio to cater to tenant demand



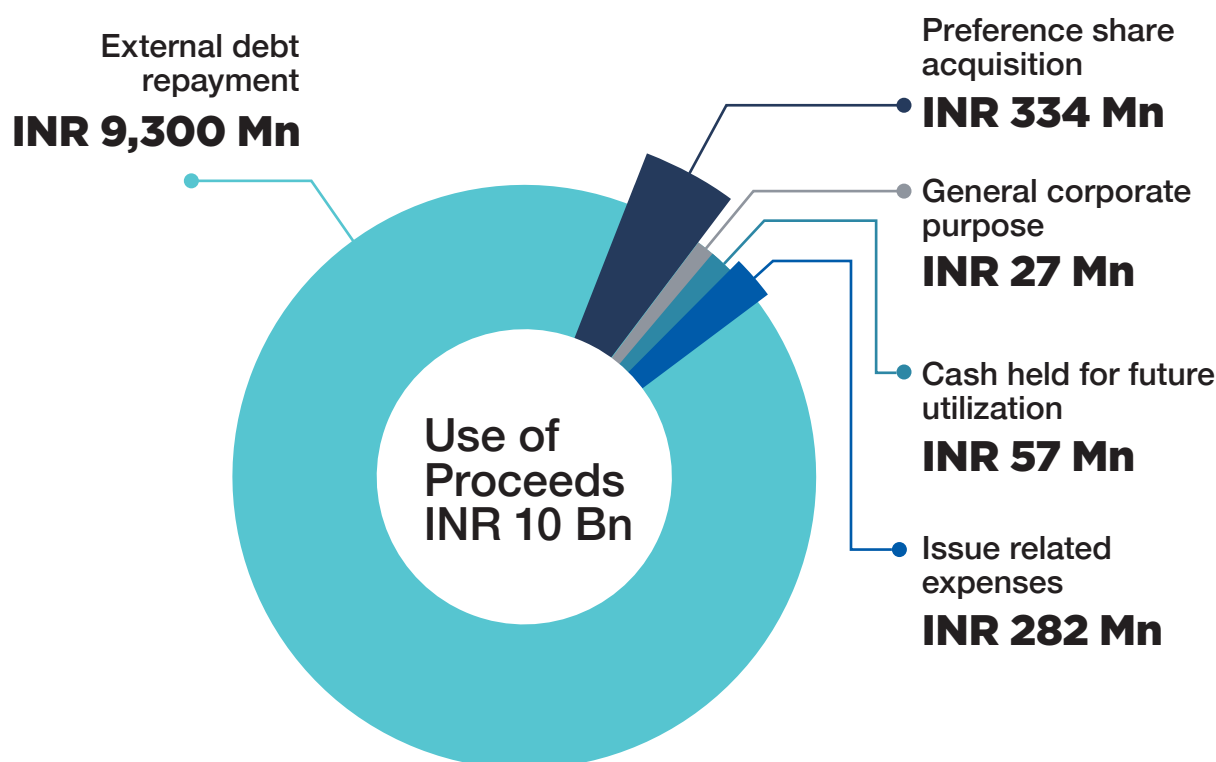
Acquisitions in identified strategic micro-markets



## Momentous Listing on the Indian Bourses

Investors exhibited confidence in a globally tested, resilient, annuity driven model

Mindspace REIT listed on NSE and BSE on August 7, 2020. Global and domestic marquee investors appreciated the inherent resilient business model resulting in successful listing despite a lockdown. Receiving an overwhelming response, in a turbulent market, from both institutional as well as non-institutional investors, our IPO book saw a ~13x subscription and our units were listed at INR 303.70 per unit on August 07, 2020, at around 10.5% premium to the offer price of INR 275 per unit. The IPO consisted of a fresh issue of INR 10 Bn and an offer for sale of INR 35 Bn from existing unitholders.



**INR 275**

Offer Price

**INR 303.7 p.u. 10.5%**

Listing Price

Listing Premium

**INR 45 Bn**

IPO Size

**INR 180 Bn**

Market Cap on Listing

**~13x**

Over-Subscription

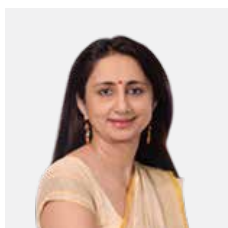
## Our Governing Board

Spearheading the metamorphosis



**Mr. Deepak Ghaisas (Chairman and Independent Member)**

- Director of Gencoval Strategic Services Pvt Ltd
- Chairman of Stemade Biotech Private Limited
- Serves as a member on the board of governors of IIT Kanpur and the chairperson on the board of governors of Indian Institute of Information Technology and Design, Jabalpur
- Chartered Accountant & Company Secretary



**Ms. Manisha Girotra (Independent Member)**

- Chief Executive Officer of Moelis India
- Former CEO and Country Head at UBS
- Director on the boards of Ashok Leyland Limited, Jio Payments Bank Limited and Naspers and a trustee of the Neurology Foundation and Trust
- Masters from Delhi School of Economics and undergrad from St. Stephens College



**Mr. Bobby Parikh (Independent Member)**

- Chartered Accountant and graduation from University of Mumbai
- Several years of experience in advising clients on business model identification, mergers and acquisitions, and business re - organization



**Mr. Alan Miyasaki (Non-Independent Member)**

- Senior MD & Head of Asia Acquisitions- The Blackstone Group
- Involved in a variety of real estate transactions in both the United States and Asia
- Responsible for the day-to-day management of the real estate group's investment activities in Asia
- Bachelors in Economics from The Wharton School



**Mr. Ravi C. Raheja (Non-Independent Member)**

- Group President at KRC group
- 23+ years of experience
- Key role in guiding the finance, corporate strategy & planning teams across divisions of the KRC group
- MBA from London Business School



**Mr. Neel C. Raheja (Non-Independent Member)**

- Group President at KRC group
- 21+ years of experience
- Owner/ President Management Program from Harvard Business School
- Chairman, India Chapter of APREA

## Key Highlights for H1 FY2021



### Operational

**c. 1.0 msf** Gross leasing

**33.1%** Re-leasing spread on 0.6 msf

**99.4%** Collections of Gross Contracted Rentals (as of October 31, 2020)

**94.7%** Same Store Committed Occupancy

**17** New tenants added such as BP Global, Mindcrest etc.



### Financial

**INR 6,584 Mn** H1 FY 2021 NOI; performance in line with projections

**INR 338.41** NAV per unit as on September 30, 2020

**13.6%** Net Debt to Market Value

**AAA / Stable** Mindspace REIT credit rating

**INR 5 Bn** Raised by way of Market Linked Debentures at 6.8%<sup>(1)</sup> p.a.

**8.1%<sup>(2)</sup>** Cost of debt (116bps reduction over March 2020)

Note:

1. G-Sec linked subject to terms of and conditions mentioned in the Information Memorandum dated September 28, 2020

2. Post utilization of MLD proceeds in October 2020



## Awards and Accolades for H1 FY2021



**'British Safety Council Covid-19 Assurance Statements'**  
*By British Safety Council*



**'Seal Environmental Sustainability Initiative Award for Mindspace Business Parks'**  
*By Seal*



**'Environment Friendly Commercial Space Award for Mindspace Business Parks'**  
*By Realty Plus Conclave & Excellence Awards*

Mindspace Airoli (West)

## A 'New Normal' with the Pandemic



The economic impact and temporary disruptions of the COVID-19 virus on countries worldwide and India cannot be overstated. The abrupt halt of urban activities led to a demand - supply market shock, its impact altering the operating landscape for economies world over.

Our business stood strong, with the management team leading from the front, ensuring the inherent strengths and fundamentals of the business are not compromised. Organizational competencies built over the years, cost optimization, a solid balance sheet, strong client relationships, long-term lease contracts, a clear road map - revisited regularly enabled Mindspace REIT emerge stronger and more resilient. As we are tiding the pandemic, our focus continues on business continuity. Our offices continue to remain open, ensuring seamless business activities within the mandates of government agencies. The gradual return to work that we are seeing today, bodes well for the commercial real estate industry.

### Key emerging factors benefiting Mindspace REIT



Preference of tenants to Grade A workplaces



Sponsor Credibility



Shift to campus styled environment



De-densification of occupancy



Young workforce yearning to return to work



Moderation in near-term supply

## Comprehensive Response to Covid-19



### Social Distancing

- Working with optimized staff
- Demarcation and signage
- Discourage social gathering



### Advance Technology & Prevention

- UV towers for disinfection
- Elevator touchless operation
- Installation of MERV8/13 filter



### Screening & Monitoring

- Usage of Aarogya Setu / Mindspace app
- Screening & self declaration
- Thermal scanning

### Disinfection & Sanitization

- Auto sanitizer dispensers at lobbies & entrances
- Sanitization mats at entrances

### Containment & Emergency Measures

- Paramedic, ambulance and helpdesk facility
- Isolation areas



Our efforts have been recognized by the internationally renowned British Safety Council with the Covid-19 Assurance Statement issued to our projects

## Projects

Mindspace Airoli West | Mindspace Airoli East | Mindspace Madhapur  
Commerzone Yerwada | Paradigm Mindspace Malad | The Square Nagar Road

## Parameters



Risk management  
& organizational  
context



Health and  
well being



Operational  
processes & risk  
assessment



Stakeholder  
engagement



Facilities and  
workspace  
engagement



## SECTION 2

# Our Business



# Key Focus Areas

We credit our success to the strategically identified focus areas, with the endeavor to deliver optimal value for each of our stakeholders.

## Maintaining Strong Tenant Relationships

- Diversified tenant base comprising of top MNCs and Fortune 500 companies
  - Tailored solutions designed by seasoned team placing the client needs at the core
  - Established partnerships with clients as they grew business in India
  - Facilities bench-marked to global standards ensuring tenant delight
- 

## Active Asset Management

- High standards for health and safety
  - Ecosystem that meets the needs of millennials
  - Constantly re-energized parks to meet the changing requirements
  - Driven by standard operating procedures across portfolio
- 

## Portfolio Growth

- Driven by embedded and inorganic growth opportunities
  - Development potential within portfolio with MTM opportunities
  - Acquisition strategy focused on long term growth and total return maximization
- 

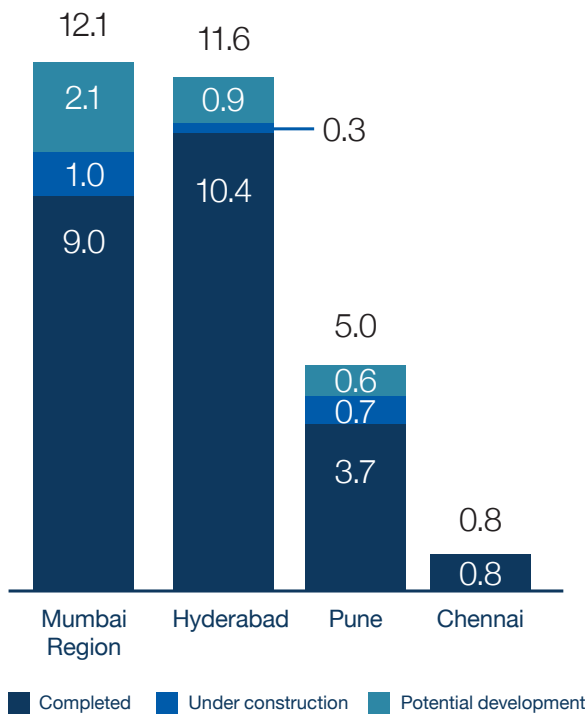
## Optimal and Efficient Capital Structure

- Strong credit profile with AAA credit rating from Crisil and ICRA
- Constant endeavour to raise debt at optimal cost via a mix of long term and short to medium term debt

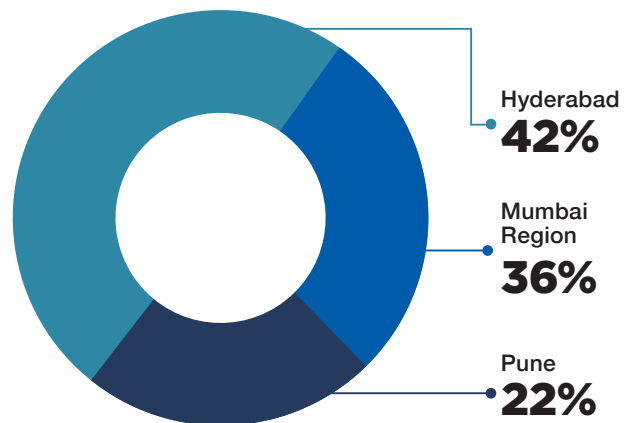
# Portfolio Overview

Well Diversified Portfolio across Four Key Markets of India

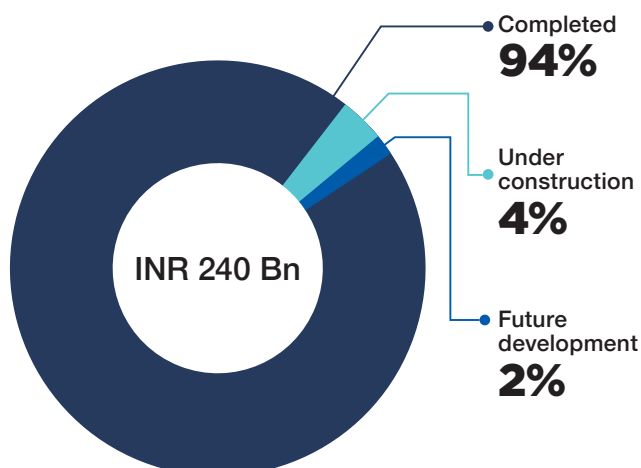
City wise Footprint in msf<sup>(1)</sup>



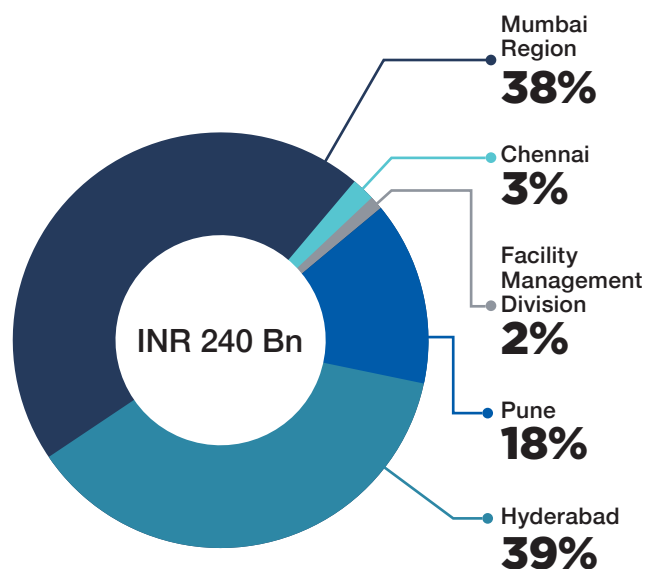
City wise split of Gross Contracted Rentals<sup>(1)</sup>



Completed Asset forming 94% of the Market Value<sup>(1)</sup>



Breakup of Market Value basis geography<sup>(1)</sup>



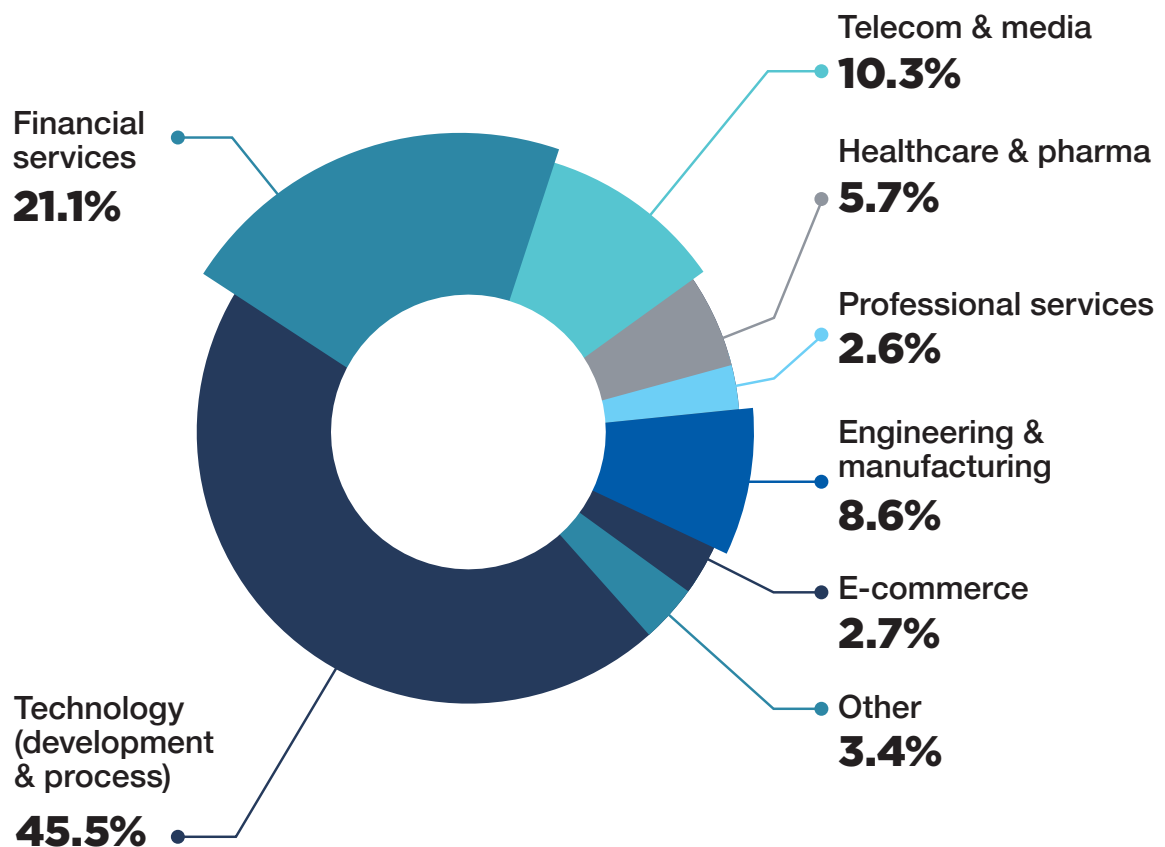
Note:  
1. As on September 30, 2020

## Our Discerning Tenant Mix

Tenants today seek offices in India, that are benchmarked to global standards. They prioritize credibility of the landlord, quality, amenities and facility management. Youth driven businesses with flexible work-hours drive the tenant to look for superior quality Grade-A office spaces that also rank high on safety. Tenants choose our integrated parks due to opportunities we offer for future expansion with a superior ecosystem. Today, it is our large-scale sustainable infrastructure, fortified with the best-in-class amenities, that stands out as a key differentiator amongst tenants.

Our tenants prefer to consolidate their office requirements with us, because of the long-standing relationship, the trust built over years, our large scale of assets, multi-location offerings and the future development potential within our business parks.

Diversified tenant mix across sectors<sup>(1)</sup>  
% split by gross contracted rentals



**0.9% Gross Contracted Rentals were from industries severely impacted by Covid 19<sup>(1)(2)</sup>**











Note:

1. As on September 30, 2020

2. Severely impacted industries include education, entertainment and events, food and beverage, co-working and hospitality



Top 10 Tenants Gross Contracted Rentals Contribution (40.7%)  
% of total Gross Contracted Rentals<sup>(1)</sup>

			Number of Parks where present
Accenture		7.4%	3
Qualcomm		5.1%	1
Cognizant		4.7%	2
Barclays		4.3%	2
L&T		4.1%	1
J.P. Morgan		3.7%	2
Wipro		3.1%	2
BA Continuum		2.8%	2
Amazon		2.7%	3
Schlumberger		2.7%	2

New entrant to top 10 on incremental leasing of 0.2 msf

Partner of choice for leading MNCs and Fortune 500 companies

Foreign MNCs	Top 10 Tenants	Fortune 500
<b>83.8%</b>	<b>40.7%</b>	<b>37.9%</b>
Share of foreign MNCs <sup>(1)(2)</sup>	Share of top 10 tenants in rentals <sup>(1)(2)</sup>	Share of Fortune 500 companies in rentals <sup>(1)(2)(3)</sup>

Note:

1. As on September 30, 2020

2. Represents share in Gross Contracted Rentals

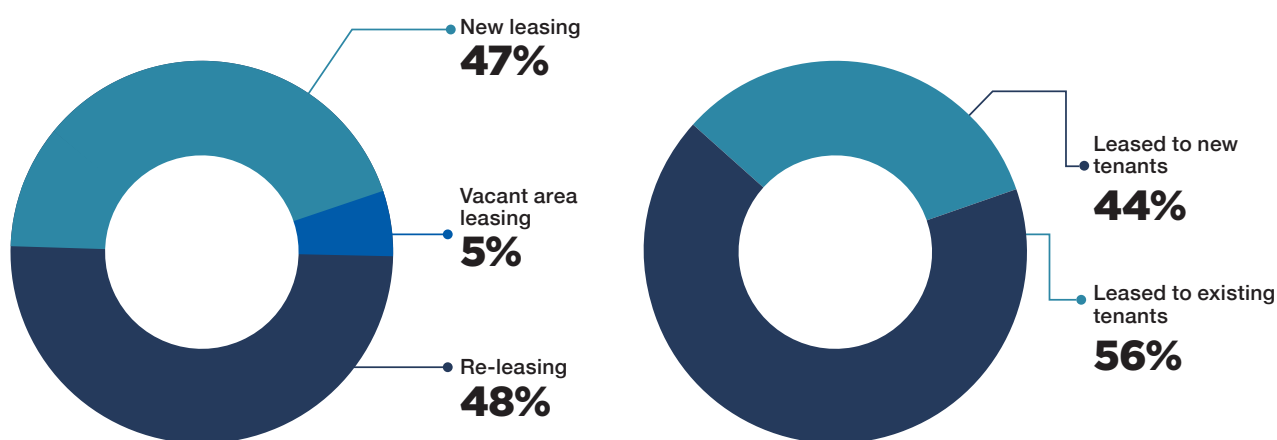
3. Fortune global 500 of 2020

# Highlights for H1 FY2021

## Leasing Highlights

From maintaining and fortifying Client relations through regular conversations, prompt service and curated relationship programs, we pride our teams for their ability to innovate and deliver to their ever-evolving requirements. The portfolio remained stable with 165+ tenants as on September 30, 2020. Mindspace REIT signed c. 1.04 msf leases across 17 tenants in H1 despite Covid-19 disruptions, which includes c. 0.48 msf of new leases at around market rents and c. 0.56 msf re-leased at 33.1% re-leasing spread.

Gross leasing: c. 1.4 msf



WALE on new leases  
**10 years**

Rent achieved(psf/pm)  
**INR 70**

## H1 FY 2021 – New area & Vacant area leasing

Assets	Location	Tenants	Leased (sf)
Commerzone Kharadi	Pune	BP Global	168,000
Commerzone Kharadi	Pune	Mindcrest	112,000
Mindspace Madhapur	Hyderabad	Mindtree	90,544
Mindspace Madhapur	Hyderabad	Model N	69,945
Mindspace Madhapur	Hyderabad	Verizon	46,280
Commerzone Porur	Chennai	NPCI	42,567
Mindspace Madhapur	Hyderabad	RealPage	6,285
<b>Total</b>			<b>535,621</b>

During H1 FY2021, we have successfully undertook Re-leasing and extensions of c. 0.5 msf to marquee tenants such as IDFC First, J. P. Morgan, Sutherland, BP Global amongst other tenants.

# Highlights for H1 FY2021

## Financial Highlights

We delivered a stable NOI growth driven by effective cost and revenue management.

**INR 7,855 Mn**    **INR 6,584 Mn**    **7.4%**

Revenue from Operations <sup>(1)</sup>	Net Operating Income	Annualised H1 FY2021 NOI growth <sup>(2)</sup>
--	----------------------	--

**83.8%**    **INR 33 Bn**    **INR 240 Bn**

NOI Margin	Net Debt	Market Value
------------	----------	--------------

## Asset wise Contribution of Revenue from Operations and NOI

Asset	Revenue from Operations (INR Mn)			NOI (INR Mn)		
	Q1 FY 2021	Q2 FY 2021	H1 FY 2021	Q1 FY 2021	Q2 FY 2021	H1 FY 2021
Mindspace Airoli (E)	900	887	1,787	717	703	1,420
Mindspace Airoli (W)	508	484	992	420	374	794
Mindspace Malad	194	203	397	169	185	354
<b>Mumbai Region</b>	<b>1,602</b>	<b>1,574</b>	<b>3,176</b>	<b>1,306</b>	<b>1,262</b>	<b>2,568</b>
Gera Commerzone Kharadi	136	252	388	103	225	328
The Square Nagar Road	187	177	364	156	152	308
Commerzone Yerwada	368	379	747	296	315	611
<b>Pune</b>	<b>691</b>	<b>808</b>	<b>1,499</b>	<b>555</b>	<b>692</b>	<b>1,247</b>
Mindspace Madhpur	1,525	1,599	3,124	1,339	1,405	2,744
Mindspace Pocharam	27	29	56	23	24	47
<b>Hyderabad</b>	<b>1,552</b>	<b>1,628</b>	<b>3,180</b>	<b>1,362</b>	<b>1,429</b>	<b>2,791</b>
Other <sup>(3)</sup>	-	-	-	(5)	(17)	(22)
<b>Total</b>	<b>3,845</b>	<b>4,010</b>	<b>7,855</b>	<b>3,218</b>	<b>3,366</b>	<b>6,584</b>

Note:

1. Excludes revenue from works contract service in Gera, Commerzone Kharadi

2. Annualised FY 2021 NOI = 2 X H1 FY2021 NOI

3. Others include Commerzone Porur recently completed in June 2020 & The Square BKC

# Highlights for H1 FY2021

## Debt Update

Our debt capital strategy involves embedding blend of short term and long term debt with mix of instruments to optimize our cost of borrowings and maturity profile.

**INR 33 Bn**

Net debt<sup>(2)</sup>

**13.6%**

Net debt to  
Market Value<sup>(2)</sup>

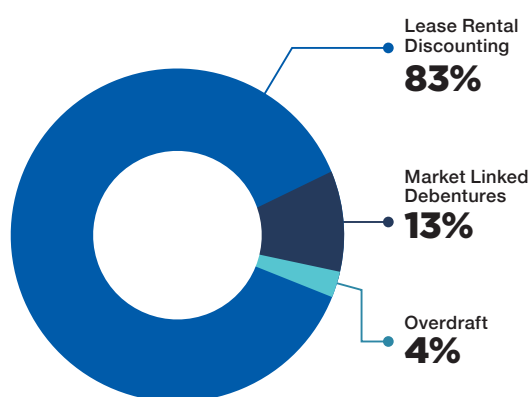
**INR 5.3 Bn**

Undrawn committed  
facilities<sup>(2)</sup>

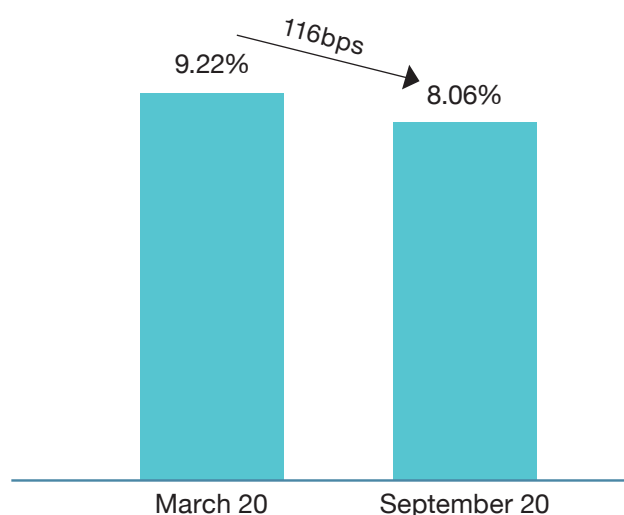
**AAA / Stable**

CRISIL / ICRA<sup>(1)</sup>

## Composition of debt Gross debt: INR 38 Bn



## Continuous Reduction in cost of borrowing



## Details of fund raising during H1 FY2021

- Successfully raised INR 5 Bn via issuance of Market Linked Debentures (MLDs)<sup>(3)</sup> at REIT Level
- Assigned rating of CRISIL PP – MLD AA+/Stable
- MLDs carry coupon at the rate of 6.80% per annum, subject to the terms of and conditions mentioned in the information memorandum dated September 28, 2020
- Listed on Wholesale Debt Market (WDM) Segment of BSE Limited on October 13, 2020

Footnote:

1. CRISIL assigned final rating on August 18, 2020 & ICRA on August 28, 2020

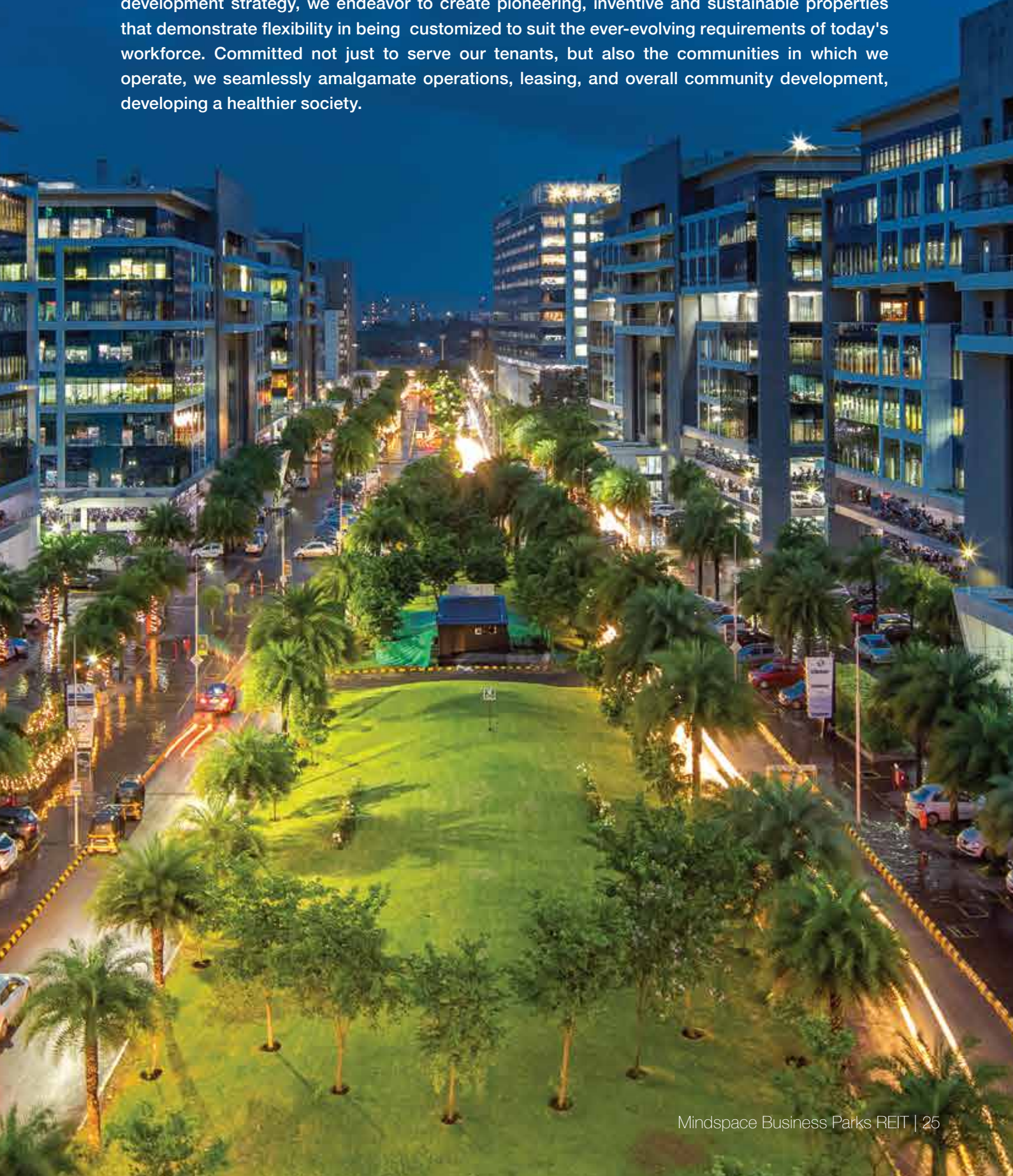
2. Net Debt and Market value as on September 30, 2020

3. G-Sec linked subject to terms of and conditions mentioned in the Information Memorandum dated September 28, 2020



# Our Assets

Our premium office spaces, span across c. 29.5 msf, in key urban Indian markets. Through our development strategy, we endeavor to create pioneering, inventive and sustainable properties that demonstrate flexibility in being customized to suit the ever-evolving requirements of today's workforce. Committed not just to serve our tenants, but also the communities in which we operate, we seamlessly amalgamate operations, leasing, and overall community development, developing a healthier society.









# Mindspace Madhapur, Hyderabad

Mindspace Madhapur is Hyderabad's largest Grade-A Business Park. It has received several accolades and recognitions including the IGBC Green Campus certification of Gold Rating in 2018 and a Five Star Rating from British Safety Council and OHSAS 18001:2007 Certification.

Key Asset Information, as of September 30, 2020

<b>2005</b> Commencement of Operations	<b>97.2</b> Land Size (Acres)	<b>10.6</b> Total Leasable Area (msf)	<b>10.0</b> Completed Area (msf)	<b>0.1</b> Under Construction Area (msf)
<b>0.5</b> Future Development Area (msf)	<b>21</b> Completed Buildings	<b>95.3%</b> Committed Occupancy (%)	<b>5.5</b> WALE (years)	<b>INR 91 Bn</b> Market Value



## Asset Overview

Mindspace Madhapur is located in the Madhapur micro-market, replete with sophisticated support services and amenities. Geographically well placed and well connected to the airport and other parts of the city via rail and road network, it offers an integrated business ecosystem. Connectivity of the micro-market has further improved with the recently opened Durgam Cheruvu cable bridge. The bridge is aimed to reduce travel time between Madhapur and Jubilee Hills by 15-20 minutes, strengthening the connect of HITEC city and the financial district with the rest of the city. Occupancy of the asset stood at 92.2% as of September 30, 2020.

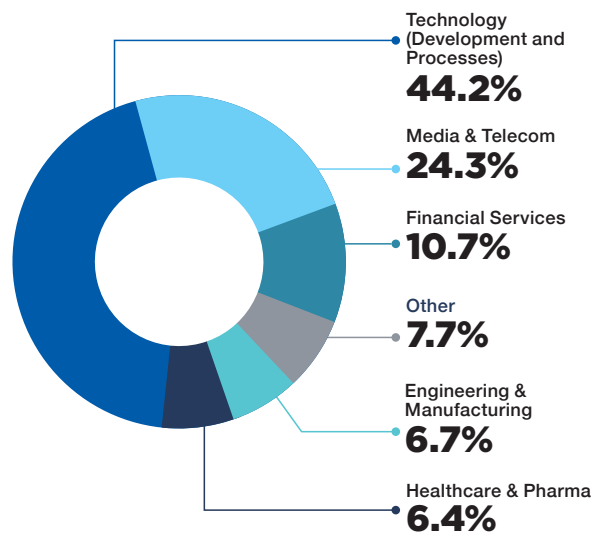
### Tenant Profile

As of September 30, 2020, Mindspace Madhapur houses 84 tenants and its top ten tenants accounted for 57.1% of its Gross Contracted Rentals.

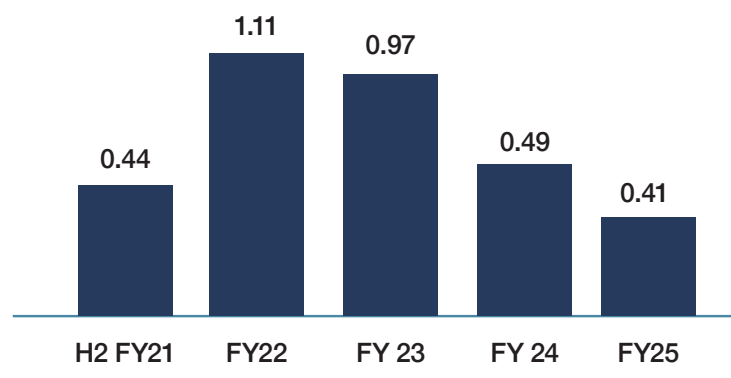
Qualcomm  
Cognizant  
Verizon  
IBM  
BA Continuum  
CSC  
Wipro  
UTC  
Amazon  
J.P. Morgan

### Sector mix basis

#### Gross Contracted Rentals<sup>(1)</sup>



### Lease expiry profile: Basis area expiry (in msf)



Note:

1. Gross Contracted Rentals as on September 30, 2020



## Mindspace Airoli East, Mumbai Region

Mindspace Airoli East is the largest business park in Mumbai Region. It has received several honors including the 'Best Sustainable Project of the Year – Commercial' by Golden Brick Award 2019 and ISO 9001 certification

Key Asset Information, as of September 30, 2020

<b>2007</b> Commencement of Operations	<b>50.1</b> Land size (Acres)	<b>6.8</b> Total Leasable Area (msf)	<b>4.7</b> Completed Area (msf)	<b>2.1</b> Future Development Area (msf)
<b>96.5%</b> Committed Occupancy (%)	<b>4.3</b> WALE (years)	<b>28</b> Number of Tenants	<b>INR 42 Bn</b> Market Value	



## Asset Overview

Mindspace Airoli East is considered a landmark that has transformed the commercial office space in Thane-Belapur Road micro market. Strategically located near Airoli Railway Station, it is a significant node of the IT corridor and is in close proximity to the upcoming international airport. Along with wide-ranging amenities, the Business Park is deemed distribution licensee of power and provides power at lower cost per unit consumed. Occupancy of the asset stood at 96.5% as of September 30, 2020.

The Business Park has received several honors including the 'Best Sustainable Project of the Year – Commercial' by Golden Brick Award 2019, ISO 9001 certification, the 'Most Environment Friendly Commercial Space of the Year' by Realty Plus Conclave and Excellence Award 2019, British Safety Council's Five Star Rating and 'Developer of the Year Commercial' by ET NOW at the Real Estate Awards 2018.

### Tenant Profile

Mindspace Airoli East houses 28 tenants. Its top ten tenants accounted for 87.1% of its Gross Contracted Rentals, as of September 30, 2020.

**L&T**

**Accenture**

**Cognizant**

**Syntel**

**Wipro**

**Citius**

**eClerx**

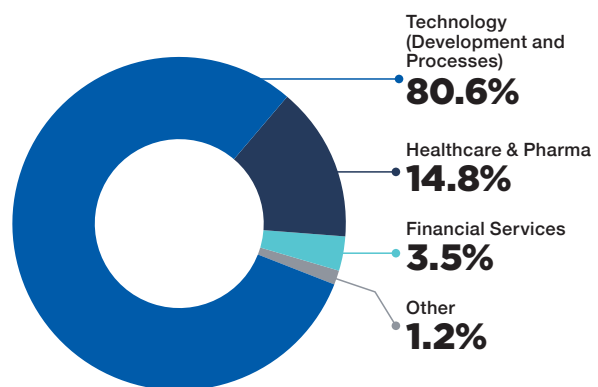
**Inventurus**

**Gebbs**

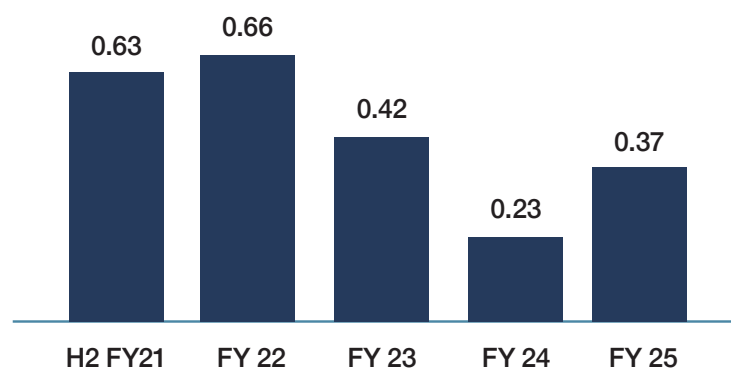
**DST Worldwide**

### Sector mix basis

#### Gross Contracted Rentals<sup>(1)</sup>



### Lease expiry profile: Basis area expiry (in msf)



Note:

1. Gross Contracted Rentals as on September 30, 2020



# Mindspace Airoli West, Mumbai Region

Mindspace Airoli West is the second largest business park in Mumbai region. It has received various awards and recognitions including 'Environment Friendly Commercial Space Award for Mindspace Business Parks' By Realty Plus Conclave & Excellence Awards, British Safety Council's Five Star Rating and OHSAS 18001:2007 Certification.

Key Asset Information, as of September 30, 2020

<b>2013</b> Commencement of Operations	<b>50.0</b> Land Size (Acres)	<b>4.5</b> Total Leasable Area (msf)	<b>3.5</b> Completed Area (msf)	<b>1.0</b> Under Construction Area (msf)
<b>72.3%</b> Committed Occupancy (%)	<b>7.4</b> WALE (years)	<b>27</b> Number of Tenants	<b>INR 35 Bn</b> Market Value	



## Asset Overview

Mindspace Airoli West is strategically located in the vicinity of Airoli Railway Station and is in close proximity to the upcoming international airport. The Business Park provides high quality infrastructure and amenities with superior support services. Business park provides in-house power as it is deemed distributor of power. This has enabled uninterrupted power supply at lower costs. Occupancy of the asset stood at 69.7% as of September 30, 2020.

It has received awards and recognitions including “Commercial Project of the Year” by Realty Plus Conclave and Excellence Awards 2019, British Safety Council's Five Star Rating and OHSAS 18001:2007 Certification.

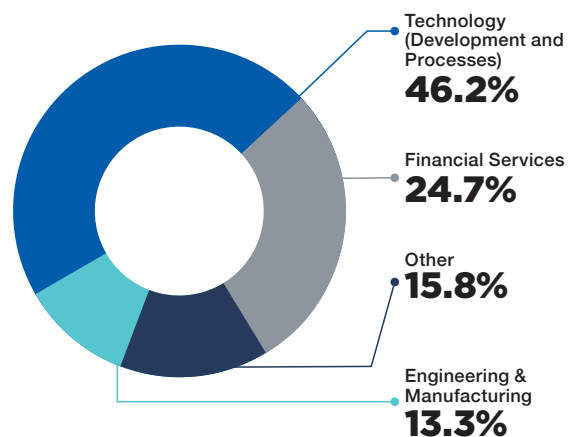
### Tenant Profile

Mindspace Airoli West houses 27 tenants. Its top ten tenants accounted for 93.9% of its Gross Contracted Rentals, as of September 30, 2020.

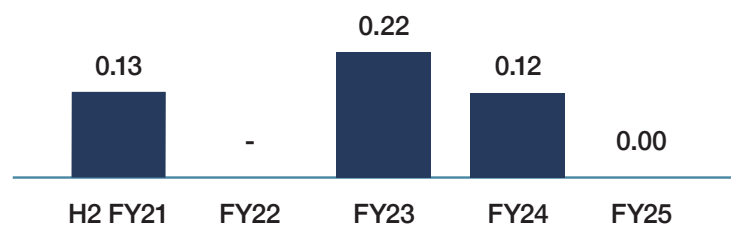
Accenture  
Worley Parsons  
Axis  
Here Solution  
UBS  
GeP  
Atos India  
Capgemini  
Alight  
IDFC First

### Sector mix basis

#### Gross Contracted Rentals<sup>(1)</sup>



### Lease expiry profile: Basis area expiry (in msf)



Note:

1. Gross Contracted Rentals as on September 30, 2020



## Commerzone Yerwada, Pune

Commerzone Yerwada is strategically located in established micro market of Pune. It has received numerous awards and recognitions including the British Safety Council's Five Star Rating, OHSAS 18001:2007 certification and 'Best Commercial Business Park' by Realty Plus Conclave and Excellence Award 2018.

Key Asset Information, as of September 30, 2020

<b>2010</b> Commencement of Operations	<b>25.7</b> Land Size (Acres)	<b>1.7</b> Total Leasable Area (msf) <sup>(1)</sup>	<b>1.7</b> Completed Area (msf)	<b>99.9%</b> Committed Occupancy (%)
<b>5.3</b> WALE (years)	<b>21</b> Number of Tenants	<b>INR 19 Bn</b> Market Value		



Note:

1. Total Leasable Area for these assets comprises only Asset SPVs' share of the asset.

## Asset Overview

Commerzone Yerwada is strategically located in eastern part of Pune.. It is in proximity to the railway station, Pune International Airport and the upcoming metro station. It offers enriched business spaces and is a sought after office address for those wanting to optimize onwork-life integration. Occupancy of the asset stood at 99.9% as of September 30, 2020.

It has received numerous awards and recognitions including the British Safety Council's Five Star Rating, OHSAS 18001:2007 certification and 'Best Commercial Business Park' by Realty Plus Conclave and Excellence Award 2018. The asset is currently 99.9% occupied by well-known technology, engineering and manufacturing and financial services tenants such as Schlumberger, UBS and BNY Mellon.

### Tenant Profile

Commerzone Yerwada houses 21 tenants and its top ten tenants accounted for 90.0% of its Gross Contracted Rentals.

**Schlumberger**

**Nvidia**

**UBS**

**BNY Mellon**

**TCS**

**TIBCO**

**Eduspark**

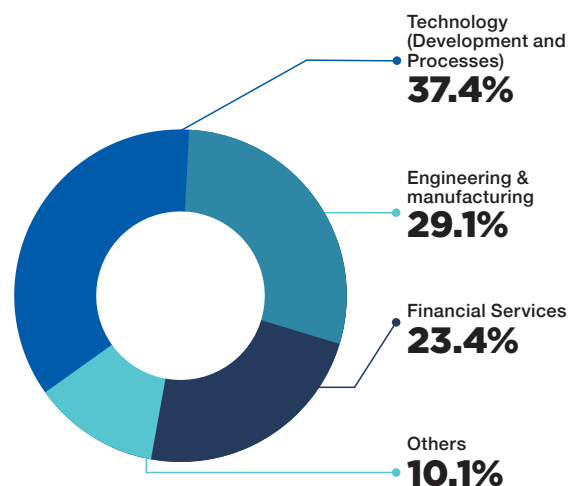
**AEGIS Ltd**

**KPMG**

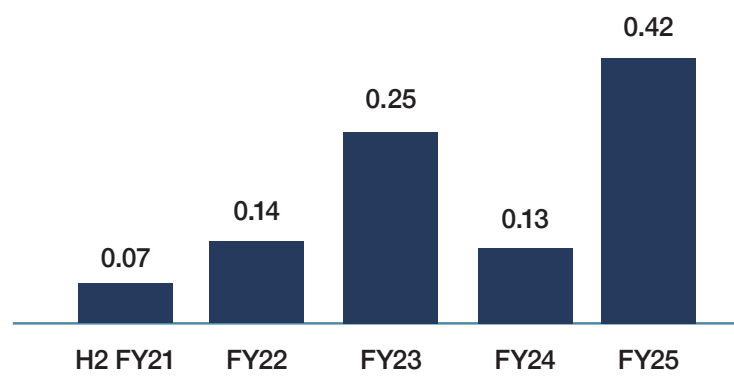
**DST Worlwide**

### Sector mix basis

#### Gross Contracted Rentals<sup>(1)</sup>



### Lease expiry profile: Basis area expiry (in msf)



Note:

1. Gross Contracted Rentals as on September 30, 2020



## Gera Commerzone Kharadi, Pune

Gera Commerzone Kharadi is state of art project in established micro market of Pune. It houses global capability centers of Barclays and Allstate.

Key Asset Information, as of September 30, 2020

**2017**

Commencement  
of Operations

**25.8**

Land Size  
(Acres)

**2.6**

Total Leasable  
Area (msf)<sup>(1)</sup>

**1.3**

Completed Area  
(msf)

**0.7**

Under Construction  
Area (msf)

**0.6**

Future Development  
Area (msf)

**2**

Completed  
Buildings

**93.1%**

Committed  
Occupancy (%)

**11.6**

WALE  
(years)

**INR 16 Bn**

Market Value



Note:

1. Total Leasable Area for these assets comprises only Asset SPVs' share of the asset.

## Asset Overview

Gera Commerzone Kharadi is strategically located within the secondary business district east micro-market of Pune, in proximity to the railway station, Pune International Airport and the upcoming metro station. Designed using the 'biophyllic' model, it focusses on the inherent connection between humans and nature, the central consideration when designing the project, where employee health and well-being has been kept at the core. Occupancy of the asset stood at 93.1% as of September 30, 2020.

As of September 30, 2020 three buildings in the asset are LEED Pre-Certified (of which one is Platinum certified and two are Gold certified). In addition, we distribute power to the tenants in our SEZ buildings.

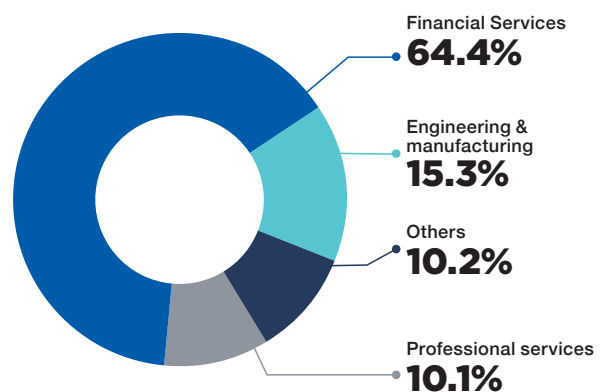
### Tenant Profile

Gera Commerzone Kharadi houses global MNCs. Barclays and Allstate have also set up their global capability centers. As of September 30, 2020 has let to 5 tenants

**Barclays**  
**Allstate**  
**BP Global**  
**UPS**  
**Mindcrest**

### Sector mix basis

#### Gross Contracted Rentals<sup>(1)</sup>



### Lease expiry profile

Gera Commerzone Kharadi has recently commenced operations and contractual expiries are starting only after FY 2025.

Note:

1. Gross Contracted Rentals as on September 30, 2020



# Paradigm Mindspace Malad, Mumbai Region

Paradigm Mindspace Malad is a Grade A asset located in Malad-Goregaon micro market of Mumbai region.

Key Asset Information, as of September 30, 2020

**2004**

Commencement  
of Operations

**4.2**

Land Size  
(Acres)

**0.7**

Total Leasable  
Area (msf)

**0.7**

Completed Area  
(msf)

**93.8%**

Committed  
Occupancy (%)

**2.7**

WALE (years)

**13**

Number of  
Tenants

**INR 9 Bn**

Market Value





## Asset Overview

Paradigm Mindspace Malad has transformed the Malad-Goregaon micro-market into an evolved urban precinct of Mumbai Region. It has excellent social infrastructure and is in close proximity to residential areas, the upcoming metro, as well as multiple suburban railway stations. Offering enriched business spaces with high quality design, robust infrastructure and superior support services, it is a much aspired for works-place. Occupancy of the asset stood at 93.8% as of September 30, 2020.

### Tenant Profile

As of September 30, 2020, Paradigm Mindspace Malad houses 13 tenants and its top ten tenants accounted for 99.3% of its Gross Contracted Rentals.

**J.P.Morgan**

**Tech M**

**Firstsource**

**BA Continuum**

**Travelex**

**NYVFX**

**Glocal Junction**

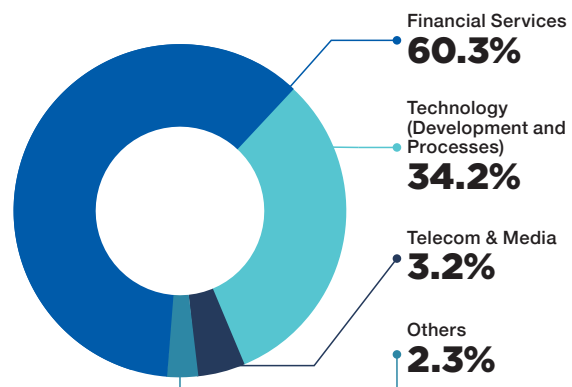
**Matrix**

**Zibanka**

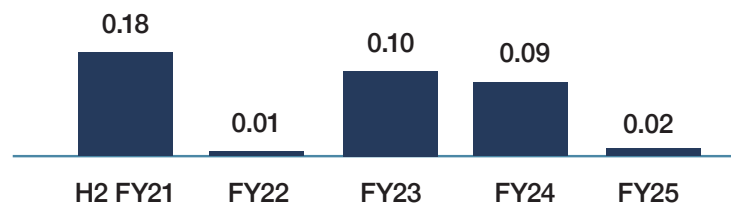
**Information IT**

### Sector mix basis

#### Gross Contracted Rentals<sup>(1)</sup>



### Lease expiry profile: Basis Area expiry (in msf)



Note:

1. Gross Contracted Rentals as on September 30, 2020

## The Square, Nagar Road, Pune

The Square, Nagar Road is a landmark Grade A asset in Pune which was transformed from a mall into an office park equipped with latest technology and collaborative workspaces.

Key Asset Information, as of September 30, 2020

<b>2015</b> Commencement of Operations	<b>10.1</b> Land Size (Acres)	<b>0.7</b> Total Leasable Area (msf)	<b>0.7</b> Completed Area (msf)	<b>100%</b> Committed Occupancy (%)
<b>4.3</b> WALE (years)	<b>5</b> Number of Tenants	<b>INR 8 Bn</b> Market Value		



## Asset Overview

The Square, Nagar Road is advantageously located within the eastern quadrant of Pune, in proximity to the railway station, Pune International Airport and the upcoming metro station. While one of its building has been an office premise since 2011, the other was converted from a mall into office in 2017. The ability to understand market demand and dynamics, and to re-purpose and seamlessly transform a mall into an aspired-for workspace that meets global standards has been an achievement. The campus is equipped with latest technology and collaborative workspaces that encourage creative thinking. Occupancy of the asset stood at 100% as of September 30, 2020.

### Tenant Profile

As of September 30, 2020, The Square, Nagar Road houses five tenants:

**Fiserv**

**Barclays**

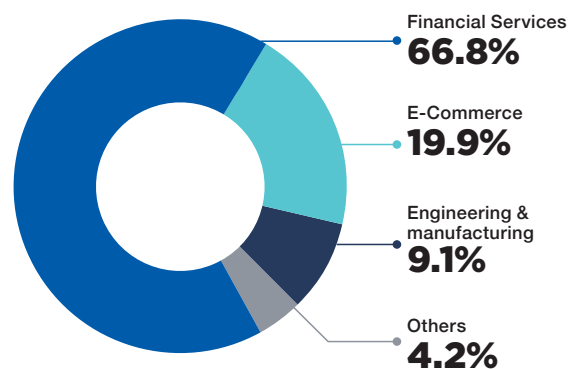
**Amazon**

**BP Global**

**PVR**

### Sector mix basis

#### Gross Contracted Rentals<sup>(1)</sup>



### Lease expiry profile

The Square, Nagar Road shall see contractual expiries of c. 0.18 msf and c. 0.04 msf in H2 FY21 and FY22 respectively.

Note:

1. Gross Contracted Rentals as on September 30, 2020



# Mindspace Pocharam, Hyderabad

Mindspace Pocharam is a Grade A independent office located in Hyderabad.

Key Asset Information, as of September 30, 2020

<b>2012</b> Commencement of Operations	<b>1.0</b> Total Leasable Area (msf)	<b>0.4</b> Completed Area (msf)	<b>0.2</b> Under Construction area (msf)	<b>0.4</b> Future Development Area (msf)
<b>92.4%</b> Committed Occupancy (%)	<b>1.8</b> WALE (years)	<b>1</b> Number of Tenants	<b>INR 3 Bn</b> Market Value	

## Asset Overview

Mindspace Pocharam located in micro-market of Hyderabad. It has been curated to offer a place where businesses converge to create a thriving, vibrant and energized work culture. Occupancy of the asset stood at 92.4% as of September 30, 2020.

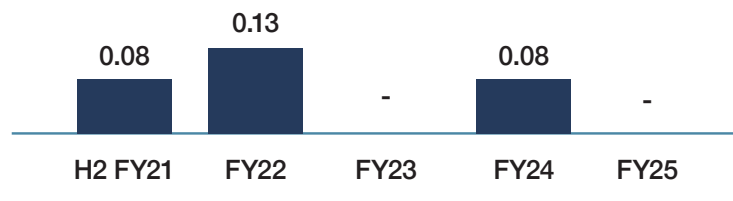
## Future Development

Mindspace Pocharam has potential to develop an additional 0.4 msf - this is part of the overall development plan, subject to planning and approvals.

## Tenant Profile

As of September 30, 2020, Mindspace Pocharam had one tenant, which belongs to the technology sector.

## Lease expiry profile: Basis area expiry (in msf)





## Commerzone Porur, Chennai<sup>(1)</sup>

Commerzone Porur was recently completed in June 2020 and is situated on 6.0 acres of land in Chennai, Tamil Nadu. It is the entity's flagship commercial offering purposefully located in the South West Chennai micro-market, which is close to the central business district and the Chennai International Airport. Its unique amenities and infrastructure see the incorporation of recreational, collaborative and wellness aspects that facilitate dynamic work-styles. As of September 30, 2020, the space in this recently completed asset is let to one tenant. The asset is currently unoccupied and we continue to engage in active discussion for further leasing.

Key Asset Information, as of September 30, 2020

**2017**  
Commencement  
of Operations

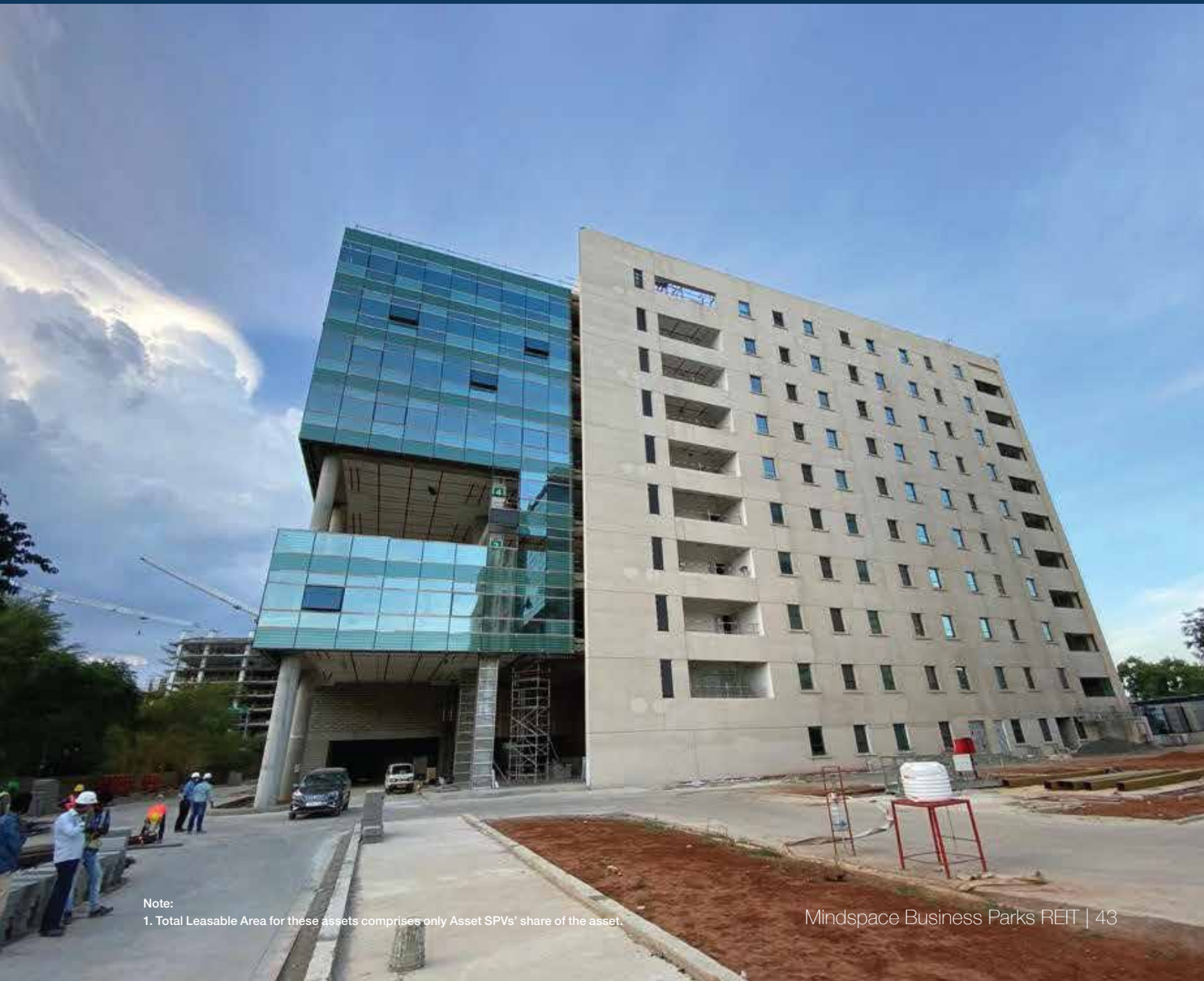
**6**  
Land Size  
(Acres)

**0.8**  
Total Leasable  
Area (msf)

**0.8**  
Completed Area  
(msf)

**5.3%**  
Committed  
Occupancy (%)

**INR 6 Bn**  
Market Value



Note:

1. Total Leasable Area for these assets comprises only Asset SPVs' share of the asset.



## The Square, BKC, Mumbai Region

The Square, BKC is an iconic, office building located in the sophisticated micro market of Bandra Kurla Complex (“BKC”). BKC has emerged as a city-center and Mumbai’s financial hub, which houses some of corporate headquarters of various large financial institutions including the headquarter of National Stock Exchange. Asset's proximity to domestic and international airports and excellent connectivity to the rest of the city only bolster the demand for this premium commercial offering. We continue to engage in active discussions for leasing of this asset. The asset is currently unoccupied and we continue to engage in active discussion for further leasing.

Key Asset Information, as of September 30, 2020

<b>2019</b> Year of Acquisition	<b>0.9</b> Land Size (Acres)	<b>0.1</b> Total Leasable Area (msf)	<b>0.1</b> Completed Area (msf)	<b>INR 4 Bn</b> Market Value
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# Update on Under Construction Assets and Upgrade

## Under Construction Assets

- In H1 FY2021, we have completed 0.8 msf area in Porur, Chennai in June 20
- Resumed construction activity for 1.7 msf ongoing on campus development projects and target to complete it by FY 2022
  - Workforce strength gradually increasing and stands at over 75% of pre-COVID strength
  - Health and safety measures & protocols in place to provide workers with a safe environment to work
- Discussions are ongoing for leasing of the projects
- We continue to re-energize our parks to give our tenants a vibrant ecosystem

## Recent Completions and Development Progress


**Chennai | Commerzone Porur**



0.8 msf Leasable area	June 20 Status of completion	43k sf Pre-leased
-----------------------	------------------------------	-------------------

Discussions ongoing for leasing of the balance area in the project

**Hyderabad | Mindspace Madhpur (B22)**



0.1 msf Leasable area	RCC completed, Finishes WIP
INR 142 Mn Balance cost	Estimated Completion (Sundew): Q4 FY21

Pre-leased to Chalet Hotels. Rent to Sundew shall commence from October 01, 2021


**Mumbai region | Mindspace Airoli, West (B9)**



1.0 msf Leasable area	INR 1,684 Mn Balance cost
RCC & Façade WIP	Estimated Completion: 0.40 msf Q4 FY21, 0.63 msf Q1 FY22

SEZ de-notification awaited. Pre-leased: 46k sf

**Pune | Commerzone Kharadi (B5)**



0.7 msf Leasable area	INR 2,149 Mn Balance cost
1st Floor shuttering WIP	Estimated Completion: Q3 FY22

Awarded IGBC Gold Pre-Certification  
Active on-going discussions on pre-leasing

## Re-energising Parks with Building and Infra Upgrade

### Mindspace Airoli East, Mumbai Region

Revamping the building's exterior façade

Re-energised lobbies

Renovation of entrance gate

Pedestrian connection under the podium

Lightings & signages

Refurbished hardscape & landscape

Before



After



### Mindspace Madhpur, Hyderabad

Revamping the building's exterior façade

Board Walk for seamless connectivity

Renovation of entrance gate

Refurbished food court

Vantagecafe

Refurbished streetscape

Current status



Final intent



Current status



Final intent





## Sustainability - Building Sustainable Edifices

Mindspace REIT has been championing several best practices and is at the hub of creating a measurable difference in the Indian sustainability story. Mindspace REIT has woven measures to reduce carbon footprint into the business parks right at the time of conceptualization. Today most of our buildings are either Gold or Platinum Green Building Certified (LEED/IGBC).



### Commitment to Climate Group's EV100 initiatives

We are proud to partner with The Climate Group's EV100 in its larger mission to halve global emissions by 2030. Our Business Parks have already started providing for EV charging stations and initiated using EV vehicles for transport within and in the vicinity of the business parks, with the endeavour to further upscale. Today the charging infrastructure includes 1,000+ charging points, across 45 buildings allow for charging 'free of cost'.

### PEER rating for licensee electric distribution company

Mindspace Business Parks, Airoli, Navi Mumbai became the first PEER rated project in Western India to achieve the operational efficiency through the maintenance of reliability, power quality and safety and energy efficiency.

### Water Conservation

Water conservation methods have resulted in 30% lower water usage. The estimated water saving per annum in the green business parks is 214 million gallons per annum.

### ISO Certification

We received ISO 9001: 2015 certification which specifies requirements for a quality management system to be followed meticulously.



### Organic farming

The highly efficient soil amendment that is produced by the effective dry waste composting plant has paved the way to the development of the Organic Farm that has been set up at Minspace Airoli (East) and Mindspace Malad. The farm sees high engagement from employees, who visit it to enjoy the varied flora. The farm also produces a variety of vegetables, medicinal plants and fruits.



### Power savings and shift towards renewables

We achieved total power savings of 54,343 MWh per annum with respect to ASHRAE 90.1 baseline building parameters. The last six months also saw a renewable capacity installation of 1.6 Mw at Mindspace, Madhapur Hyderabad which will offset 2,611 tonnes of CO2 annually.

#### Other best practices

- Integrating passive architecture design to soil erosion control
- Rain water harvesting, water efficient plumbing fixtures and waste water treatment
- Energy conserving electrical fixtures to rooftop solar PV
- Organic waste management
- Use of low emitting materials to building designs that ensure 30% extra fresh air

All the practices have enabled Mindspace REIT in receiving a 5 Star rating by British Safety Council in its Health and Safety Audit; along with being certified OHSAS 18001 for occupational health and safety management.

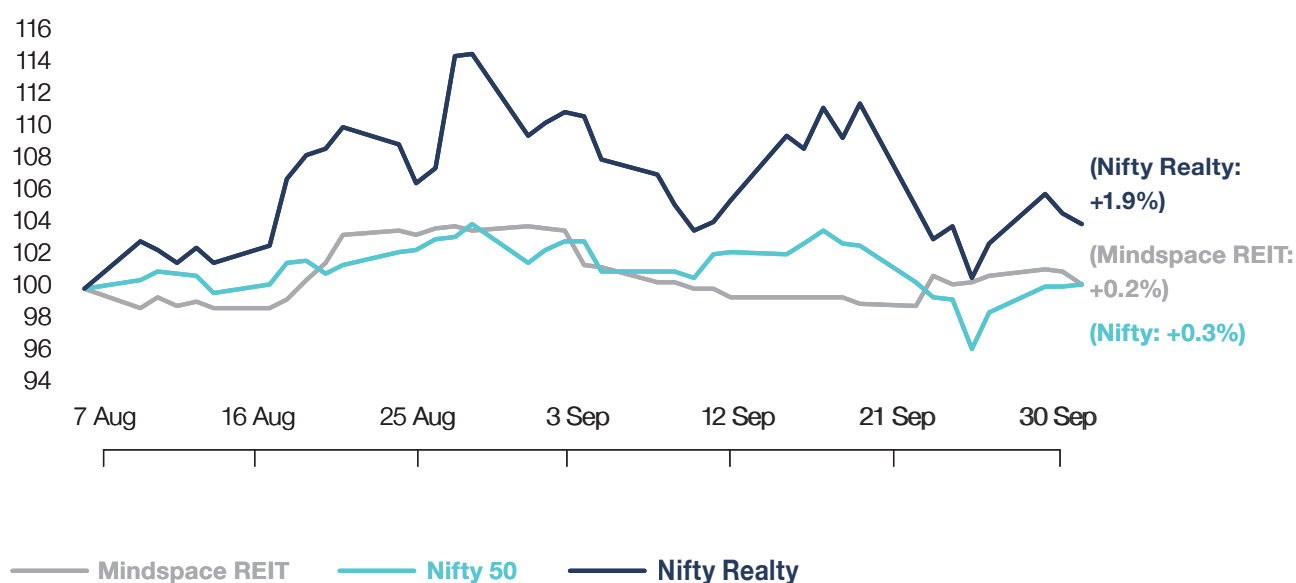
## Unit Price and Trading Statistics

Key Statistics	NSE	BSE
<b>Unit Price</b>		
Opening Price (INR)	302.00	304.00
Closing Price (INR)	304.28	304.51
52 Weeks High (INR)	317.00	316.40
52 Weeks Low (INR)	299.20	298.50
<b>Market Capitalisation</b>		
INR Mn	180,443	180,580
USD Mn	2,452	2,454
<b>Average Daily Trading Volume</b>		
Units	1,301,815	129,082
INR Mn	396	39
USD Mn	5	0.5
<b>Units</b>		
Total Outstanding	593,018,182	
Public Float	218,121,101	

Source: NSE, BSE as of September 30, 2020

## Stable Price Performance

Price movement of Mindspace REIT since listing <sup>(1)</sup>



Note:  
1. Rebased to 100



## Unit Holding Pattern as on September 30, 2020

The number of Unitholders of Mindspace REIT as on September 30, 2020 was 8,551. The detailed category wise break-down of the composition of the Unitholders as on September 30, 2020 is given below:

Category	Category of Unit holder	No. of Units Held	As a % of Total Outstanding Units
<b>(A)</b>	<b>Sponsor(s) / Manager and their associate/ related parties and Sponsor Group</b>		
<b>(1)</b>	<b>Indian</b>		
(a)	Individuals / HUF	76,340,444	12.87
(b)	Central/State Govt.	-	-
(c)	Financial Institutions/Banks	-	-
(d)	Any Other		
1	Trust	8,764,604	1.48
2	Bodies Corporates	289,792,033	48.87
	<b>Sub-Total (A) (1)</b>	<b>374,897,081</b>	<b>63.22</b>
<b>(2)</b>	<b>Foreign</b>		
(a)	Individuals (Non Resident Indians / Foreign Individuals)	-	-
(b)	Foreign Government	-	-
(c)	Institutions	-	-
(d)	Foreign Portfolio Investors	-	-
(e)	Any Other (Specify)	-	-
	<b>Sub-Total (A) (2)</b>	-	-
	<b>Total unit holding of Sponsor &amp; Sponsor Group (A) = (A)(1)+(A)(2)</b>	<b>374,897,081</b>	<b>63.22</b>
<b>B</b>	<b>Public</b>		
<b>(1)</b>	<b>Institutions</b>		
(a)	Mutual Funds	2,141,200	0.36
(b)	Financial Institutions/Banks	-	-
(c)	Central/State Govt.	-	-
(d)	Venture Capital Funds	-	-
(e)	Insurance Companies	-	-
(f)	Provident/Pension Funds	-	-
(g)	Foreign Portfolio Investors	107,973,800	18.21
(h)	Foreign Venture Capital Investors	-	-
(i)	Any Other (specify)		
1	Bodies Corporates	54,595,301	9.21
2	Alternative Investment Funds	9,163,800	1.55
	<b>Sub-Total (B) (1)</b>	<b>173,874,101</b>	<b>29.33</b>
<b>(2)</b>	<b>Non-Institutions</b>		
(a)	Central Government/State Governments(s)/President of India	-	-
(b)	Individuals	25,867,510	4.36
(c)	NBFCs registered with RBI	1,257,200	0.21
(d)	Any Other (specify)		
1	Trusts	15,200	0.00
2	Non-Resident Indians	593,400	0.10
3	Clearing Members	255,290	0.04
4	Bodies Corporates	16,258,400	2.74
	<b>Sub-Total (B) (2)</b>	<b>44,247,000</b>	<b>7.45</b>
	<b>Total Public Unit Holding (B) = (B)(1)+(B)(2)</b>	<b>218,121,101</b>	<b>36.78</b>
	<b>Total Units Outstanding (C) = (A) + (B)</b>	<b>593,018,182</b>	<b>100.00</b>





## SECTION 3

# Statutory Disclosures





## Statutory Disclosures

Details of all the disclosures as specified in Regulation 23 (4) are as mentioned below:

Sr. No.	Sections	Remarks/Page Nos.
1	Manager's brief report of activities of the REIT and summary of the audited stand alone and consolidated financial statements for the year of the REIT	6, 23, 110 to 223
2	Brief details of all the assets of the REIT including a break-up of real estate assets and other assets, location of the properties, area of the properties, current tenants (not less than top 10 tenants as per value of lease), lease maturity profile	19, 25 to 44
	Details of Under-Construction Assets, if any	45
3	Brief summary of the full valuation report as at the end of the year	224
4	Details of changes during the year pertaining to:	
	a. Addition and divestment of assets including the identity of the buyers or sellers, purchase/sale prices and brief details of valuation for such transactions	There has been no addition or divestment of assets in the half year ended September 30, 2020.
	b. Valuation of assets (as per the full valuation reports) and NAV	13 & 224 to 278
	c. Letting of assets, occupancy, lease maturity, key tenants, etc.	6, 22, 25 to 44
	d. Borrowings/ repayment of borrowings (standalone and consolidated)	137-138 & 192-193
	e. Sponsor, manager, trustee, valuer, directors of the Trustee/manager/sponsor, etc.	54
	f. Clauses in trust deed, investment management agreement or any other agreement entered into pertaining to activities of REIT	No Change
	g. Any other material change during the year	No Material Change
5	Update on development of under-construction properties, if any	45
6	Details of outstanding borrowings and deferred payments of REIT including any credit rating(s), debt maturity profile, gearing ratios of the REIT on a consolidated and standalone basis as at the end of the year	54, 138 & 193
7	Debt maturity profile over each of the next 5 years and debt covenants, if any	54
8	The total operating expenses of the REIT, including all fees and charges paid to the manager and any other parties, if any during the year	114 & 155
9	Past performance of the REIT with respect to unit price, distributions and yield for the last 5 years, as applicable	Listed on NSE & BSE on August 7, 2020 - Data from August 7, 2020 to September 30, 2020 disclosed; Page No. 49
10	Unit price quoted on the Designated Stock Exchanges at the beginning and end of the financial year, the highest and lowest unit price and the average daily volume traded during the financial year	
11	Details of all related party transactions during the year, value of which exceeds five per cent of value of the REIT assets	142 to 146, 216 to 221
12	Details of fund raising during the year, if any	9 & 24
13	Brief details of material and price sensitive information	Not applicable

14	Brief details of material litigations and regulatory actions [which are] pending, against the REIT, sponsor(s), manager or any of their associates and sponsor group(s) and the trustee], if any, as at the end of the year	55 to 103
15	Risk factors	104 to 108
16	Information of the contact person of the REIT	1

## Debt Maturity Schedule as on September 30, 2020

Description (INR Mn)	Sactioned Facility	Undrawn Facility	O/S Principal	Interest Rate (p.a.p.m)	Maturity Date <sup>(6)</sup>	Principal Repayment					
						H2 FY21	FY22	FY23	FY24	FY25 & beyond	Total
<b>At REIT Level<sup>(1)</sup></b>											
MLD <sup>(2)</sup>	5,000	-	5,000	6.60%	Apr-22	-	-	5,000	-	-	5,000
<b>At SPV Level</b>											
Term Loans - MBPPL <sup>(3)(6)</sup>	16,433	-	15,000	8.22%	Feb-33	453	1,061	1,205	1,373	10,907	15,000
Term Loans - Sundew <sup>(3)(6)</sup>	10,814	-	7,936	8.41%	Jan-35	131	304	394	482	6,624	7,936
Term Loans - Gigaplex <sup>(3)(4)</sup>	2,500	-	2,430	8.65%	NA	2,430	-	-	-	-	2,430
Term Loans - Avacado <sup>(3)(4)</sup>	3,600	-	2,200	8.65%	NA	2,200	-	-	-	-	2,200
Construction Finance - KRC Infra <sup>(3)</sup>	3,930	-	3,930	8.35%	May-21	1,600	2,330	-	-	-	3,930
OD / LOC <sup>(3)</sup>	6,798	5,338	1,461	8.64%	Feb-33	160	132	-	-	1,169	1,461
<b>Total</b>	<b>49,075</b>	<b>5,338</b>	<b>37,956</b>	<b>8.13%</b>		<b>6,974</b>	<b>3,826</b>	<b>6,599</b>	<b>1,855</b>	<b>18,701</b>	<b>37,956</b>

## Sponsor, Manager, Trustee, Valuer, Directors of the Trustee/ Manager/Sponsor etc.

Change in Sponsor Group - Inorbit Malls (India) Private Limited, Ivory Properties and Hotels Private Limited and K.Raheja Private Limited offered all their Units under offer for sale and do not hold any units as on September 30, 2020, due to which they have ceased to forming part of the Sponsor Group.

The below table indicates the change of Trustee/ Manager/ Sponsor/Valuer and change of Directors in Trustee/ Manager/ Sponsor for the half year ended September 30, 2020

Sr. No	Particulars	Nature of Change
1	Sponsor & Sponsor Group	No change in the Composition of Directors
2	Manager K Raheja Corp Investment Managers LLP	No change in the Composition of Directors
3	Trustee Axis Trustee Services Limited	No change in the Composition of Directors

Note:

1. Corporate Rating for Mindspace Business Parks REIT: "CCR AAA/Stable" by CRISIL, "[ICRA] AAA (Stable)" by ICRA
2. Fixed rate facility
3. Floating rate facility
4. Repaid on October 1, 2020
5. Maturity date is the maximum maturity date for all the loans SPV-wise
6. Multiple facilities, interest rate on blended basis

# Material Litigations and Regulatory Actions

Brief details of material litigations and regulatory actions as at the half year ended September 30, 2020

As required under Clause 15 of Schedule IV of the REIT Regulations, (i) all pending title litigation and title related irregularities pertaining to the Portfolio and (ii) details of all pending criminal matters, regulatory actions and civil/commercial matters against Mindspace REIT, the Sponsors, the Manager or any of their Associates, the Sponsor Group and the Trustee (collectively, "Relevant Parties") have been disclosed. Only such pending civil/ commercial matters against the Relevant Parties have been disclosed where amount involved are in excess of the materiality thresholds disclosed below. In addition to the above, other pending civil/ commercial proceedings by the Asset SPVs and Sponsor Group (excluding the Sponsors) which are considered material by the Manager, have been disclosed.

Further, all pending direct tax, indirect tax and property tax matters against the Relevant Parties have been disclosed in a combined manner.

Based on various relevant considerations, including the statutory filings with the relevant registrar of companies and legal and accounting advice received, it has been determined that control across KRC group entities is exercised only collectively (jointly, and not severally) by all the shareholders / interest-holders belonging to the KRC group, of the respective entity. However, solely for the purposes of disclosure herein, details of all LLPs/companies of the KRC group, where the Sponsor(s) is/are shareholder(s)/interest holder(s) (which, however, are controlled collectively and jointly by all KRC group shareholders/interest holders in such LLPs/companies) have been considered. Therefore, solely for the purpose of disclosures herein and no other purpose, including, applicable law relating to such other purpose, all pending criminal matters, regulatory actions and civil/ commercial matters against these entities where amount involved are in excess of the materiality thresholds set out herein have been disclosed. Further, all pending direct tax, indirect tax and property tax matters against these entities have been disclosed in a combined manner.

All disclosures are as of September 30, 2020.

## I. Material litigation and regulatory actions pending involving Mindspace REIT and the Asset SPVs

As of September 30, 2020, Mindspace REIT does not have any pending criminal matters or regulatory actions against it, or any material civil/ commercial litigation pending involving it.

For the purpose of pending civil/ commercial litigation against Mindspace REIT and the Asset SPVs, such matters where value exceeds ₹ 51.39 million (being 1% of the combined profit after tax of Mindspace REIT as of March 31, 2020) have been considered material and proceedings where the amount is not determinable but the proceeding is considered material by the Manager from the perspective of Mindspace REIT, have been disclosed. In addition to the above, pending civil/ commercial proceedings by Mindspace REIT or the Asset SPVs which are considered material by the Manager have been disclosed.



## A. Avacado

### *(i) Title litigation and irregularities*

1. Nusli N. Wadia ("Plaintiff") filed a suit ("Suit") before the Bombay High Court ("High Court") against Ivory Properties, Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja, Inorbit Malls, Avacado and others ("Defendants") pertaining to inter alia revocation of the registered agreements for sale of certain buildings, including the registered agreements executed in favour of Avacado for acquiring buildings viz. Paradigm constructed on demarcated portion of the land located at Mindspace Malad project, and demolishing of the building Paradigm located at Mindspace Malad project. The Plaintiff's claim with regard to Avacado is restricted to its transaction relating to Paradigm building constructed on the demarcated portion of land located at Mindspace Malad project and does not extend to the equity shares of Avacado or any other assets held by Avacado.

The Suit was filed inter alia alleging certain insufficient payment to the Plaintiff, breach and non-adherence of the project agreement of 1995 entered into between the Plaintiff and Ivory Properties in respect of certain land situated at Malad West and Kanheri, including the demarcated portion of the land on which building Paradigm is constructed in Mindspace Malad project ("1995 Agreement"), and pertaining to sale of certain buildings inter alia on ground of sale of such buildings to alleged related parties. The Plaintiff sought inter alia (i) orders of declarations and permanent injunctions relating to the termination of the 1995 Agreement, (ii) the termination of some of the registered agreements and memorandums of understanding entered between the Plaintiff, Ivory Properties and purchasers in respect of some of the buildings constructed on the demarcated portions of land in Malad (including the building viz. Paradigm located at Mindspace Malad project), (iii) demolishing of such buildings and (iv) damages from Ivory Properties, Mr. Ravi C. Raheja, Mr. Neel C. Raheja and Mr. Chandru L. Raheja to the extent of ₹ 3,509.98 million along with interest. A notice of motion was also filed by the Plaintiff seeking interim and ad-interim reliefs for inter alia appointment of receiver for buildings sold by the Plaintiff and Ivory Properties to various Defendants (including Avacado), restraining Ivory Properties and other Defendants (including Avacado) from alienating, encumbering or parting with possession of the building and restraining Ivory Properties and other Defendants (including Avacado) from dealing with (including renewal of leases / licenses) or creating fresh leases / licenses in respect of the buildings, and from receiving or recovering any sum in respect thereof by way of rent, license fee or compensation for occupation, or if received or recovered be directed to deposit the said rent, license fee or compensation to the High Court. No ad-interim relief was granted to the Plaintiff.

The Defendants filed replies inter alia stating that the Suit is barred by limitation and that the transactions under the registered documents are genuine and in accordance with the 1995 Agreement and that the Plaintiff had deliberately made false and defamatory comments to cause damage to the reputation of the Defendants inter alia to pressurize Ivory Properties and its directors into meeting the Plaintiff's demands for unjustifiable amounts beyond what is payable under the 1995 Agreement. Further, Ivory Properties has also filed a counter-claim for various reliefs relating to specific performance of the 1995 Agreement and refund of ₹ 16 million with interest paid to the Plaintiff, and in the alternative for payment of estimated damages of ₹ 6,091.40 million inter alia towards loss of profit from the balance development potential and ₹ 5,000 million along with interest for compensation towards defamation.

The High Court, by its orders dated September 19, 2013 and September 20, 2013, framed the issue of limitation under section 9A of the Civil Procedure Code, 1908, as a preliminary issue of jurisdiction and directed the Plaintiff to file affidavit of evidence. Aggrieved, the Plaintiff challenged the orders of the High Court by filing a special leave petition ("SLP") in the Supreme Court of India. The Supreme Court of India, by an order dated October 8, 2013, stayed further proceedings with regards to the Suit filed in the High Court, till further orders. Thereafter, the Supreme Court of India, by its order dated August 25, 2015, referred the SLP to a three-judge bench. Subsequently, the Supreme Court of India disposed of the SLP by an order dated December 12, 2018 as infructuous in view of deletion of Section 9A of Civil

Procedure Code by the Maharashtra Act 61 of 2018 with liberty to apply in case the need arises.

The Plaintiff filed an application before the Supreme Court of India to restore the original SLP by cancelling the order dated December 12, 2018 in view of further amendment the Code of Civil Procedure (Maharashtra Amendment) Act, 2018. By its judgment dated October 4, 2019, it was held by the three judge bench of Supreme Court of India that Section 9A of Civil Procedure Code by the Maharashtra Act 61 of 2018 cannot be decided as a preliminary issue as to jurisdiction. The Supreme Court of India has directed for the matters to be placed before the appropriate bench for consideration on merits. The notice of motion for interim relief and the Suit are pending for the final hearing before the High Court.

Separately, in relation to a transaction of divestment by the KRC group of their shareholding in respect of one of its group company, the Plaintiff, through his advocates & solicitors, had addressed certain letters, including to KRCPL, CCI and the merchant bankers acting in that transaction. The Plaintiff had also issued caution public notice dated October 1, 2016, cautioning the public about the risks and consequences in dealing with the suit property. The allegations and averments have been responded by KRCPL and the merchant bankers and the transaction of divestment was completed.

Further, the Plaintiff, through his advocates, addressed a letter dated February 13, 2020, including to Mindspace REIT, the Manager, the Trustee, the Sponsors, Avacado, Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja, Ivory Properties and KRCPL, expressing his objection to the proposed Offer and any actions concerning the building at Paradigm Mindspace Malad. The allegations and averments made by the Plaintiff have been responded by parties concerned. No further correspondence has been received.

### ***(ii) Criminal matters***

There are no pending criminal matters against Avacado.

### ***(iii) Regulatory actions***

1. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against Avacado, Gigaplex, Intime, KRIT, MBPPL, Sundew, Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja, Chalet Hotels, Genext, Inorbit Malls, KRCPL, Stargaze, Shoppers Stop and others ("Parties"). Pursuant to the Warrant, the Income Tax Department carried out a search on November 30, 2017. The search covered various matters for which notices were already issued from time to time. The search was concluded on December 6, 2017 at the office and residence of the Parties. Pursuant to the search, the Income Tax Department issued notices to each of the Parties under Section 153A of the Income Tax Act, 1961, directing them to prepare and furnish true and correct returns of total income for assessment years from 2012-13 to 2017-18 within a stipulated timeline from the date of service of the notices and these returns have been furnished before the Income Tax Department. Further, the Income Tax Department issued notices under Section 142(1)/143(2) of the Income Tax Act, 1961 for assessment years 2012-13 to 2017-2018/2018-19, to the Parties seeking certain information. These details have been furnished before the Income Tax Department by the Parties from time to time.

Pursuant to the block assessment proceedings, Avacado received orders under Section 143(3) read with Section 153A of the Income Tax Act, 1961 for the assessment years of block assessment period (ranging from assessment years 2012-2013 to 2017-2018) and under Section 143(3) of the Income Tax Act 1961 for assessment years 2018-19, for an aggregate demand of ₹ 43.74 million. Avacado filed rectification applications and appeals which are pending before the relevant authority. Certain rectification applications have been processed by the relevant authority decreasing the aggregate demand to ₹ 33.10 million.

2. MPCB allegedly issued a show cause notice dated November 11, 2016 ("First SCN") to Avacado for alleged failure in obtaining no objection/ permission from the CGWA for extraction of ground water in respect of the Paradigm Mindspace project. MPCB served a show cause notice dated March 14, 2017 on Avacado, referring to the First SCN stating that the First SCN was issued pursuant to the directions given to MPCB and CGWB by the National Green Tribunal judgement dated January 11, 2016 and November 8, 2016 (in the matter of Asim Sarode V/s District Collector, Nanded and others, where Avacado was not a party) to jointly prepare a list of industries and infrastructure projects which require permission for extracting ground water and to issue directions for closure of such industries and infrastructure projects for whom the default persists. By letter dated April 6, 2017, Avacado responded to MPCB inter alia stating that (a) there is no requirement for Avacado to apply for or obtain NOC from CGWA, as Avacado does not appear in the list of industries and infrastructure projects which require permission for extracting ground water as published on the MPCB website; (b) Avacado does not withdraw ground water at the Paradigm Mindspace Malad project; and (c) the First SCN was not received by Avacado. No further correspondence has been received.

(iv) Material civil/commercial litigation

There are no other material civil/commercial litigation involving Avacado.

## B. Gigaplex

### *(i) Title litigation and irregularities*

1. Baburam Ramkishan Yadav ("Baburam"), president of Universal Education Society ("UES"), filed a suit and injunction application before the Court of Civil Judge (J.D.) Vashi at C.B.D. ("Civil Court Vashi") seeking injunction restraining Gigaplex from encroaching upon land admeasuring approximately 500 square meters on which a school is operated by UES ("Suit Property"), which is in the Mindspace Airoli West admeasuring approximately 202,300 square meters ("Larger Land").

Gigaplex denied the claims stating that inter alia Gigaplex was a lessee of MIDC in respect of the Larger Land, and that Baburam has illegally encroached upon about 250 square meters on the eastern boundary of the Larger Land. By its order dated August 20, 2018, the Civil Court rejected the injunction application ("Order"). Baburam has challenged the Order before the Court of District Judge Thane. The suit and appeal filed by Baburam are currently pending before the relevant courts.

Gigaplex filed a suit against UES and MIDC before the Court of Civil Judge (Senior Division) Thane at Thane ("Civil Court Thane"), inter alia for possession of 569.80 square metres or such area as may be found in unauthorized occupation of UES, damages of ₹ 10.80 million, mesne profits of ₹ 0.30 million per month till the recovery of possession and injunction to restrain from further trespassing on the land at Mindspace Airoli West. Subsequently, Gigaplex also filed an injunction application before the Civil Court Thane seeking, inter alia, a temporary injunction to restrain Universal Education Society, its trustees, office bearers etc. from trespassing and encroaching the Suit Property and the adjacent plot of land leased by MIDC to Gigaplex. In an interim application for injunction filed by Gigaplex, a status quo order was passed on July 26, 2019 by the Civil Court Thane. The status quo was continued by the Civil Court Thane till the final decision in the matter, through its order dated March 5, 2020, disposing of the injunction application. The suit is currently pending before the Civil Court Thane.

Baburam also filed a complaint before Rabale police station, Navi Mumbai, against a security guard in charge of Gigaplex for allegedly threatening him and damaging of a display board at the Suit Property. Baburam also issued a letter addressing the Commissioner of Navi Mumbai, the Police Commissioner of Navi Mumbai, the Chief Minister of Maharashtra and others, for harassment by security personnel of Gigaplex in the Suit Property. No action has been taken against Gigaplex in this regard.



**(ii) Criminal matters**

There are no pending criminal matters pending against Gigaplex.

**(iii) Regulatory actions**

1. The Joint Director of Industries, Government of Maharashtra ("JDI") had issued a letter of intent dated July 26, 2007 ("LOI") to B. Raheja Builders Private Limited (now, Gigaplex Estate Private Limited) for establishing and registering an IT software unit for 'Software Development'. Subsequent to the letter from JDI, MIDC, by its letter dated June 30, 2009, intimated Gigaplex to register as an IT Park, being a private developer. Thereafter, the JDI, by its letter dated May 16, 2016 ("JDI Letter"), sought clarification from Gigaplex in relation to non-registration of the IT software unit within the stipulated timeline and sought to initiate action against Gigaplex under the IT/ITES policy. Gigaplex was in the process of completing the endorsement of the lease deed dated November 1, 2007 executed with MIDC in relation to the Mindspace Airoli West project, for payment of stamp duty, which remained with the relevant revenue authorities for endorsement, for submission to JDI. The lease deed was endorsed by the revenue authorities on September 11, 2019. By its letter dated October 9, 2019 to the JDI, Gigaplex has responded to the JDI Letter inter alia stating that (a) the land was granted by MIDC under lease deed dated November 1, 2007 for proposed I.T. software unit (Software Development), but due to recession and other reasons, the erstwhile management of B. Raheja Builders Pvt. Ltd. decided to pursue development as private IT Park (instead of software development) with due approval of the Director Industry, IT, pursuant to the NOC issued by MIDC; (b) accordingly, Gigaplex has developed the land as private IT Park; and (c) Gigaplex also voluntarily approached the stamp authorities and paid the full stamp duty and registration fees in relation to the lease deed, and (d) the development of private IT Park was undertaken with due approval of Director of Industry (IT), Maharashtra and no benefit was received by it under the IT/ITES policy. No further correspondence has been received.
2. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against Gigaplex and others. For details, see "Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions". Pursuant to the block assessment proceedings, Gigaplex received orders under Section 143(3) read with Section 153A of the Income Tax Act, 1961 for the assessment years of block assessment period (ranging from assessment years 2012-2013 to 2017-2018) for an aggregate demand of ₹Nil. Gigaplex has filed rectification applications and appeals which are pending before the relevant authority. Certain rectification applications have been processed by the relevant authority granting an aggregate refund of ₹ 29.56 million. The assessment proceeding for the assessment year 2018-2019 is ongoing.
3. Maharashtra State Electricity Distribution Company Limited ("MSEDCL") filed a petition dated October 16, 2018 against Maharashtra State Load Despatch Centre, wherein electricity distribution companies in Maharashtra including, MBPPL and Gigaplex (which hold electricity distribution licenses) and others, were impleaded as parties, before Maharashtra Electricity Regulatory Commission ("MERC") seeking payment of alleged past dues, removal of anomalies and directions regarding over-drawal of electricity. Through its final common order dated September 26, 2019, MERC partly allowed MSEDCL's prayer against which MSEDCL and one of the electricity distributions companies have filed separate appeals before the Appellate Tribunal for Electricity ("APTEL"). Pursuant to an order dated December 18, 2019, the APTEL instructed that notices be issued to respondents in the appeal, including Gigaplex and MBPPL. By an order dated September 15, 2020, interim applications for condonation of delay in filing the appeals were allowed. The appeals are pending before the APTEL.

**(iv) Material civil/commercial litigation**

There are no other material civil / commercial litigation involving Gigaplex.

## C. Horizonview

### *(i) Title litigation and irregularities*

1. An enquiry notice was issued by District Revenue Officer, Thiruvallur ("DRO") and Additional District Judge to W.S. Industries (India) Limited ("WSIL"), an erstwhile owner of a land parcel admeasuring approximately 46.04 acres ("Suit Land") of which a portion admeasuring approximately 6.16 acres was acquired by RPIL. RPIL has granted development rights to Horizonview over such land in relation to the Commerzone Porur project. Horizonview is not a party to the proceedings.

The DRO issued an enquiry notice dated May 25, 2017 ("Notice") to WSIL calling for an enquiry to be conducted before the District Revenue Officer cum Additional District Judge at the District Collector Office on the basis of a complaint presented by P. Jeyapal S/o R. Perumalsamy ("Jeyapal") alleging that land have been handed over to WSIL on certain conditions, and instead of using the land for common purpose, WSIL has been using the land for commercial purpose. Aggrieved, WSIL has filed a writ petition before the Madras High Court against the DRO and Jeyapal, seeking directions for quashing the Notice. The Madras High Court, by its order dated June 5, 2017, has granted interim stay on proceedings under the Notice. The matter is currently pending before the Madras High Court.

2. Based on legal advice received, the following documents granting development rights in favour of Horizonview for the purposes of constructing an IT Park, have not been registered:
  - a. The development agreement, dated November 7, 2006, executed by RPIL, the owner of the land and Horizonview ("Development Agreement");
  - b. The award dated March 22, 2016, passed by the arbitrator in relation to disputes between RPIL and Horizonview in relation to the Development Agreement ("Award");
  - c. The letter dated May 18, 2017 executed between RPIL and Horizonview; and
  - d. The written arrangement dated February 20, 2019, executed by RPIL and Horizonview modifying the terms of the Development Agreement and the Award.

### *(i) Criminal matters*

There are no pending criminal matters against Horizonview.

### *(ii) Regulatory actions*

There are no other pending regulatory actions against Horizonview.

### *(iii) Material civil/commercial litigation*

There are no material civil/commercial litigation involving Horizonview.

## D. Intime

### *(i) Litigation*

There are no litigations in relation to the land held by Intime.

### *(ii) Criminal matters*

There are no pending criminal matters against Intime.

**(iii) Regulatory actions**

1. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against Intime and others. For details, see “Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions”. Intime has received notice dated November 27, 2019 under Section 153A of the Income Tax Act, 1961, to file its income tax return for assessment year 2008-09 within seven days from the date of service of notice and the return has been filed with the Income Tax Department and the assessment proceeding is ongoing. Pursuant to the block assessment proceedings, Intime received orders under Section 143(3) read with Section 153A of the Income Tax Act, 1961 for the assessment years of block assessment period (ranging from assessment years 2012-2013 to 2017-2018) and under Section 143(3) of the Income Tax Act, 1961 for the assessment year 2018-2019 for an aggregate refund of ₹ 226.18 million. Intime has filed rectification applications which are pending before the relevant authority.
2. For other pending regulatory actions against Intime, see “Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – KRIT– Regulatory actions”.

**(iv) Material civil/commercial litigation**

There are no material civil/commercial litigation involving Intime.

## **E. KRIT**

**(i) Title litigation and irregularities**

1. Softsol India Limited (“Softsol”) and others (“Petitioners”) have filed writ petition on February 8, 2013 in the Hyderabad High Court (“Court”) against KRIT (wrongly named as M/s. K Raheja Corporation) and others (“Respondents”) inter alia seeking declaration (a) that the allotment of land admeasuring approximately 4500 square yards (3763 square metres) (“Suit Land”) of land adjacent to Softsol’s plot is illegal and (b) for handover of the same to the Industrial Area Local Authority (“IALA”), being one of the Respondents, for developing the Suit Land as a common facility centre / area / park for general use by software companies. The Suit Land is part of the land admeasuring approximately 110 acres allotted by the Government of Andhra Pradesh to KRIT for the Mindspace Madhapur project.

By an ex-parte interim stay order dated February 11, 2013 (“Stay Order”), it was inter alia directed by the Court that, no construction activity shall be undertaken or continued over the triangular piece of 2 acres 40 cents of land earlier identified at the time of allotment as ‘Common Facility Centre’ in the software layout. IALA and APIIC have filed affidavits opposing the writ petition, confirming the allotment and rights of KRIT in the Suit Land, and for vacating the Stay Order. The matter is pending before the Court.

Greater Hyderabad Municipal Corporation (“GHMC”) had filed an application in the Court for clarification that the Stay Order does not preclude GHMC from acquiring a portion of 0.14 acres (approximately 567 square meters) for road widening. Subsequently, GHMC has acquired the portion of land and constructed the road.

**(ii) Criminal matters**

1. Sharmin Habib (“Complainant”) lodged a first information report (“FIR”) on October 10, 2017 with the Madhapur Police Station alleging that certain staff members of the Raheja Group (“Accused”) prevented the Complainant and a staff from entering the premises for conducting the business of a day care centre in the name of Kidz Paradiin Building No. 2.B, Mindspace Madhapur (KRIT), and harassed them. The concerned investigating officer has filed final report dated November 16, 2017 of the matter before the Metropolitan Magistrate, Kukatpally at Miyapur, Cyberabad (“Court”), stating inter alia that



while there was a rental dispute between the Complainant and the Accused which was pending in the Court, the particular incident was in relation to a regular security aspect of access in the IT Park being allowed on showing identity card, whereas Complainant tried to enter without showing identity card. The investigating officer also reported that the Complainant did not comply with the notices under Section 91 of the Criminal Procedure Code, and that no such incident had occurred as alleged by the Complainant. The investigating officer further recorded that the complaint was filed on completely flimsy grounds and filed the final report before the Court recommending closure of the case on basis of lack of evidence. The matter is currently pending.

### ***(iii) Regulatory actions***

1. The Comptroller and Auditor General of India ("CAG") had issued a report on public sector undertakings for the year ended March 2016 ("CAG Report") where certain audit observations were made with respect to certain public sector undertakings including: (a) a low rate of return on investments made by APIIC (now, TSIC) in KRIT; (b) allocation of the development and construction of complexes for IT and ITES companies to K. Raheja Corporation Private Limited by the erstwhile Government of Andhra Pradesh ("GoAP") without adopting a due tender process; (c) transfer of certain portion of land to non-IT/ITES sister companies of the KRC group, namely, Trion Properties Limited – Inorbit Malls and Chalet Hotels– Westin Hotel at a discounted price, in violation of GoAP directions dated August 11, 2003 and without prior consultation with APIIC, pursuant to the demerger of KRIT. KRIT responded to the observations under the CAG report by its letter dated September 21, 2017 submitting its issue-wise detailed explanations and explaining various factual inaccuracies in respect of the said observations under the CAG Report, denying the irregularities and deficiencies. No further correspondence has been received.
2. KRIT had proposed a rights issue of shares in which Andhra Pradesh Industrial Infrastructure Corporation ("APIIC") (now, TSIC) abstained from subscribing to the rights shares. Consequently, upon closure of the rights issue subscription by the other shareholders of KRC group, the stake of APIIC in KRIT reduced from 11%. Thereafter, upon demerger of certain undertakings of KRIT into Intime and Sundew, the APIIC's stake reduced in each of these entities instead of what it was initially at 11%. Such rights issue of shares was undertaken in compliance with applicable law and agreement between the parties, and after KRIT had waited over one year for APIIC to decide.

Subsequently, APIIC / GoAP disputed such dilution of their stake in KRIT, Intime and Sundew, which led to an inquiry by Vigilance and Enforcement Department of GoAP against the Government Officials and correspondingly, KRIT. APIIC issued a letter dated July 10, 2012 to KRIT, referring to a report of vigilance and enforcement department ("VED Report") in relation to the Mindspace Madhapur project. Subsequently, the equity stake of APIIC was restored to 11% in KRIT, Intime and Sundew together with compensating APIIC for any loss of corporate benefits in the intervening period. The VED Report alleged certain irregularities, which include alleging a financial loss to APIIC and GoAP pursuant to sale of the land to its sister concerns and sale of constructed area, at a nominal price, dilution of 11% equity stake of APIIC and loss of immovable asset base to APIIC due to the dilution of equity.

KRIT denied such irregularities, violations or financial loss caused to APIIC /GoAP. While denying the loss alleged by APIIC, KRIT, Intime and Sundew provided a joint undertaking dated February 14, 2014 to APIIC inter alia undertaking (i) to pay the amounts to APIIC in respect of APIIC's claim of losses, due to any differences in values pertaining to the sale transactions in Mindspace Madhapur project; (ii) that payments shall be made by KRIT within 30 days of receipt of such written demand from APIIC; and (iii) that KRIT shall be bound by the decision of APIIC and comply with the same within the stipulated timelines.

KRIT has further provided an undertaking dated October 24, 2016 to APIIC, inter alia undertaking to pay losses incurred by Government of Telangana /APIIC as per the VED Report and to maintain the agreed shareholding of the Government of Telangana or APIIC in KRIT, Intime and Sundew post

conversion of KRIT to public limited company and the Government of Telangana/ APIIC will not be required to infuse additional funds to maintain its equity stake in KRIT, Intime and Sundew.

While KRIT has attempted to make payments to the extent of the loss incurred by APIIC along with interest, by letter dated April 23, 2019, APIIC has confirmed to KRIT that it will be informed about the quantum of the amount to be paid, once the quantum of loss is determined by an independent third party appointed for such purpose. KRCPL, by way of its letter dated December 9, 2019, has undertaken that it shall assume any financial liability that KRIT, Intime or Sundew may incur in this behalf.

3. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against KRIT and others. For details, see “Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions”. Pursuant to the block assessment proceedings, KRIT received orders under Section 143(3) read with Section 153A of the Income Tax Act, 1961 for the assessment years of block assessment period (ranging from assessment years 2012-2013 to 2017-2018) and under Section 143(3) of the Income Tax Act, 1961 for assessment year 2018-2019, for an aggregate demand of ₹ 1,655.54 million. KRIT has filed rectification applications and appeals which are pending before the relevant authority.

#### ***(iv) Material civil/commercial litigation***

1. KRIT filed an arbitration application on September 21, 2015 before the Hyderabad High Court (“High Court”) against Premier Kinder Care Services Private Limited (“Premier”). KRIT prayed for appointment of sole arbitrator to resolve disputes between KRIT and Premier in relation to (a) the term sheet dated March 10, 2011 entered into between KRIT and Premier for grant of lease by the KRIT to Premier in respect of Unit No. 2 admeasuring 3171 sq. ft. in Building No.2B at Mindspace Madhapur (KRIT) (“Premises”); (b) failure of Premier in making payments of ₹ 11.42 million due on account arrears of rent, balance security deposit together with interest thereon and (c) to deliver the possession of the Premises to KRIT. The notice of the petition has been served on Premier by publication in newspapers, pursuant to the order of the High Court dated November 25, 2016. The High Court by its order dated March 11, 2020 allowed the application for appointment of sole arbitrator. The arbitrator has been appointed and the arbitration proceedings are pending.

## **F. KRC Infra**

#### ***(i) Title litigation and irregularities***

1. Ashok Phulchand Bhandari has instituted a civil suit against Balasaheb Laxman Shivle and 29 others (“Defendants”) alleging rights over a portion of land admeasuring approximately 0 hectares 44.15 ares (1.09 acres) (“Suit Land”), on which Gera Commerzone Kharadi is situated. KRC Infra is not a party to the suit and further, no summons from the Court have been received by KRC Infra till date. Gera Developments Private Limited, the original purchaser of the Gera Commerzone Kharadi land has also not been joined as a party to the suit.

A Special Civil Suit no. 2102 of 2010 is filed by Ashok Phulchand Bhandari against the Defendants before the Civil Judge, Senior Division, Pune (“2010 Suit”) with respect to the Suit Land seeking inter alia declaration, specific performance against the Defendants and a decree of permanent injunction restraining the Defendants from causing any construction or development on the Suit Land. Ashok Phulchand Bhandari has also challenged inter alia (a) the decree dated September 26, 2008 passed by the Civil Judge, Senior Division, Pune, wherein the suit filed in 2005 by Tanhubai Amruta Pathare, (wife of late Amruta Tukaram Pathare, being one of the erstwhile co-owners of a portion of the Suit Land), through her legal heirs, against Popat Amruta Pathare, one of the Defendants (“2005 Suit”), was

withdrawn on the basis of a compromise pursuis arrived at between the parties to the 2005 Suit and one of the Defendants; (b) registered partition deed / Vatanipatra dated September 15, 1993 pursuant to which Amruta Tukaram Pathare became entitled to a portion of land forming part of the Gera Commerzone land; and (c) will and testament dated January 19, 1995 executed by late Amruta Tukaram Pathare. Further, in view of the 2010 Suit, a notice of lis pendens dated April 10, 2015 was separately filed and registered by Ashok Phulchand Bhandari. The matter is currently pending.

2. The heirs of Balu Laxman Shivle have issued a notice to Gera Developments Private Limited in relation to claim over land admeasuring approximately 0 hectares 80.30 ares (1.98 acres) ("Disputed Land"), on which Gera Commerzone Kharadi is situated. No such notice has been received by KRC Infra.

By a notice dated July 16, 2016 ("Notice"), the heirs of Balu Laxman Shivle viz. (a) Shobha Balu Shivle, (b) Hrishikesh Balu Shivle, (c) Om Balu Shivle, claimed their share in an area in the Disputed Land, being the share of late Amruta Pathare ("Land Owner"). It was also alleged that the registered sale deed dated February 12, 1996 executed in favour of Gera Developments Private Limited was executed without the signatures and consent of the wife and daughter of the Land Owner and that they did not receive any consideration on account of sale of the Disputed Land. By letters dated August 20, 2016 and January 23, 2017, Gera Developments Private Limited has replied to the Notice denying all allegations. No further correspondence has been received.

3. Rahul Bhausaheb Pathare, one of the legal heirs of an erstwhile owner of a portion of land forming part of the Gera Commerzone Kharadi land, through his legal counsel, ("Claimant") has issued a notice dated December 14, 2019 ("Notice") to Gera Developments Private Limited, KRC Infra and others alleging claim over an undivided portion of two lands parcels admeasuring approximately 0 hectares 40 ares (0.98 acres) and 1 hectare 68.6 ares (4.16 acres), respectively, ("Disputed Lands"), on which Gera Commerzone Kharadi is situated.

The Claimant has alleged inter alia that (a) the Disputed Lands were the undivided property of the Hindu Undivided Family of Pathare family ("Pathare HUF"), and his consent / confirmation was not obtained for sale of the same in favour of Gera Developments Private Limited in the year 1996; (b) since the Claimant was a major at the time of execution of the sale deeds executed in the year 1996 in favour of Gera Developments Private Limited, his signature should have been obtained as a coparcener since, in the absence of any reason for sale of the Disputed Lands for the benefit of the Pathare HUF, the Karta of the joint family, Bhausaheb Kaluram Pathare (father of the Claimant), could not have executed the sale deeds on behalf of the joint family; (c) Gera Developments Private Limited has, through forgery, fraudulently added hand-written clauses, regarding right of way, to the sale deeds executed in its favour after the execution thereof; and (d) that the subsequent transactions in respect of the Disputed Lands, including inter alia sale of portions thereof in favour of KRC Infra, its mortgage by KRC Infra, leasing of buildings / premises constructed thereon in favour of various lessees, are illegal and not binding upon the Claimant, to the extent of his share in the Disputed Lands.

The Claimant has also sought to take legal action against the addressees (including KRC Infra) in the event (a) any further agreements / arrangements are entered into in respect of the Disputed Lands, and (b) of failure to revoke and cancel the deeds, documents and agreements executed inter se the addressees (including KRC Infra) to the extent of the Claimant's share in the Disputed Lands. KRC Infra, through its legal counsel, has by its letter dated December 24, 2019 sent an interim reply to the Notice inter alia denying the allegations made by the Claimant. KRC Infra, through its legal counsel, has by its letter dated June 29, 2020 sent a response to the Claimant stating inter alia that in absence of supporting documents received from the Claimant in support of his claim pursuant to the interim reply, the Notice stands withdrawn and his claim does not survive. No further correspondence has been received.

## **(ii) Criminal matters**

There are no pending criminal matters against KRC Infra.



***(iii) Regulatory actions***

1. A notice dated July 25, 2019 was issued by PMC to KRC Infra and Gera Developments Private Limited ("GERA") alleging non-compliance with certain provisions of the approval of reservation shifting dated October 3, 2016 issued by the PMC in relation to a cultural centre, parking and hospital area at Gera Commerzone Kharadi on the basis of a complaint received by PMC. GERA and KRC Infra have replied to the notice, by way of a letter dated August 14, 2019, refuting all allegations. The matter is currently pending.

***(iv) Material civil/commercial litigation***

There are no other pending material civil / commercial litigation involving KRC Infra.

## **G. MBPPL**

***(i) Title litigation and irregularities***

1. Shrimant Chhatrapati Udayan Raje Pratapsinh Maharaj Bhonsale ("Plaintiff") has filed a suit before the Civil Judge Senior Division Pune ("Civil Court") against Shri Mukund Bhavan Trust ("MBT"), its trustees, and the State of Maharashtra ("Defendants") for declaration of title and possession of lands in Yerwada, Pune admeasuring approximately 322.7 acres ("Suit Land"); including approximately 25 acres 27 gunthas (approximately 1,03,940 square meters) ("Commerzone Land") of land in which units (approximate 1.68 msf of leasable area as per lease deeds) in Commerzone Yerwada, one of our Portfolio, are situated. MBT, as the owner of 79.32 acres land ("MBT Land"), had executed a registered development agreement in 2004 with KRCPL with respect to the Commerzone Land. Commerzone Yerwada land, which includes the rights in demarcated portions of the Commerzone Land, was transferred from KRCPL to MBPPL pursuant to the scheme of arrangement sanctioned on September 7, 2017). Neither KRCPL nor MBPPL is joined as a defendant to the suit.

The Plaintiff is seeking, inter alia declarations and injunctions in his favour in relation to ownership and possession of the Suit Land and to set aside compromise decrees passed in (i) 1953 in Suit No. 152/1951; (ii) 1990 in Suit No. 1622/1988; and (iii) 2003 in Civil Appeal No. 787/2001; all in proceedings between MBT and the State of Maharashtra.

The Plaintiff also filed an application for temporary injunction which is pending. No interim or ad-interim relief has been granted to the Plaintiff. MBT applied to the Civil Court for rejection of the plaint filed by the Plaintiff on the grounds of limitation, which was rejected by order dated April 29, 2014. MBT filed revision petition against the said rejection order, in the Bombay High Court, which was dismissed on April 26, 2016. MBT filed SLP No.18977 of 2016 against the said dismissal order, which is pending before the Supreme Court of India.

The Plaintiff filed an application on March 9, 2015 in the Civil Court for amendment to the prayers in the suit, inter alia to limit the Plaintiff's claim for possession only with regard to vacant land in possession of the Defendants and lands alienated subsequent to the filing of the suit, and to seek compensation from MBT with regard to constructed units and alienated part of the Suit Land instead of seeking possession of the developed portion for which registered deed with regard to alienation were executed prior to the filing of the suit in 2009. The application for amendment of the plaint was rejected by the Civil Court by its order dated November 14, 2016. Aggrieved, the Plaintiff filed Writ Petition No. 4268/2017 in the Bombay High Court challenging the said order dated November 14, 2016, which is currently pending before the Bombay High Court.

Two applications made by third parties, being M/s. Mahanagar Developers and M/s. Mahanagar

Constructions for being joined as party defendants in the suit, were granted on November 14, 2016 by Civil Court. The Plaintiff challenged this order by filing Writ Petition No. 4415/2017 in the Bombay High Court. By a common order dated February 15, 2018 passed in the aforesaid two writ petitions (Nos. 4268/2017 and 4415/2017), the Bombay High Court requested the trial judge not to proceed in considering any interim application, till the adjourned date of hearing of these petitions. These matters are currently pending before the Bombay High Court.

The Plaintiff registered a notice of lis-pendens dated July 7, 2011 in respect of the Suit No.133/ 2009 and applied for mutation in the revenue records. Purshottam M. Lohia, a trustee of MBT and Panchashil Tech Park Private Limited (an entity claiming certain rights in survey No.191A Yerwada village) ("Panchashil") opposed the mutation, which opposition was rejected. Panchashil filed appeal before the District Superintendent of Land Records and relied on the government notification dated September 21, 2017 directing revenue authorities to remove or cancel all mutations entries in respect of notice of lis-pendens ("Notification").

2. Ravindra Laxman Barhate filed complaint and revenue proceedings against Shri Mukund Bhavan Trust ("MBT") and others in relation to the allotment and exemption order under the Urban Land Ceiling Act, 1976 in respect of the MBT Land (as mentioned in para 1 above).

A complaint was filed on November 27, 2015 by Ravindra Laxman Barhate with the Divisional Collector Pune and other authorities, against MBT and others (together, "Respondents") alleging tampering, cheating as also breach of terms and conditions by the Respondents inter alia with respect to order dated November 24, 2003 passed under Section 20(1) of the Urban Land Ceiling Act, 1976 in respect of the MBT Land at Yerwada, Pune ("ULC Order") and seeking action against the Respondents and cancellation of the ULC Order.

MBT filed a writ petition before the Bombay High Court, for quashing any enquiry / investigation on the basis of the said complaint filed by Ravindra Laxman Barhate. By order dated March 5, 2018, the Bombay High Court has restrained the Additional Collector from passing any order on this complaint until the next hearing date. Through its order dated January 6, 2020, the Bombay High Court inter alia restrained the State of Maharashtra and certain other respondents from passing any order pursuant to the complaint filed on November 27, 2015 until disposal of the writ petition. The matter is currently pending.

Ravindra Laxman Barhate also filed a Revenue Appeal No.1826/2015 before the Revenue Minister, State of Maharashtra ("Revenue Minister") against the Commissioner & Collector, Pune and MBT, challenging a report dated June 20, 2011 of the Divisional Commissioner, Pune ("Report") wherein MBT was stated to be the owner of the MBT Land(which include the demarcated portions of the land pertaining to Commerzone Yerwada); inter alia to set aside the Report, pass an order directing the relevant authorities to submit a new inquiry report and restrain the purchase-sale, construction on the disputed land. By way of order dated September 23, 2015, the Revenue Minister ordered that status quo be maintained as regards the record of the suit property.

MBT had filed a writ petition challenging the order dated September 23, 2015 passed by the Revenue Minister. Since the State Government of Maharashtra withdrew the said order dated September 23, 2015, stating that the pending proceedings will be heard by the Principal Secretary, Revenue Department, the said writ petition was disposed of by order dated October 28, 2015 as not surviving while keeping open all contentions of both the parties on merits. MBT challenged the said Order dated October 28, 2015 in the Supreme Court of India ("Court") inter alia on the ground of maintainability of such proceedings before the Principal Secretary, Revenue Department. By order dated January 21, 2016, the Supreme Court of India has stayed the proceedings pending before the Principal Secretary, Revenue Department. The matter is currently pending before the Court.

3. The Office of the Land Reforms Tribunal & Revenue Divisional Officer, Hyderabad ("Tribunal") had by

its letter dated August 11, 2009, sought certain information from Serene Properties Private Limited (now MBPPL) under Section 8(2) of the Andhra Pradesh Land Reforms (Ceiling on Agriculture Holdings) Act, 1973 ("APLRAC") in respect of the land at Mindspace Pocharam.

Serene has filed a reply on September 30, 2009. The authorized officer has filed a counter and Serene has filed a rejoinder dated August 29, 2012. Serene has stated that the land transferred in favour of MBPPL was notified for industrial use and has been declared as an SEZ and is not "land" covered under the APLRAC. The proceedings are pending before the Special Grade Deputy Collector and Revenue Divisional Officer, Ranga Reddy District. In September 2012, MBPPL also submitted to the Tribunal a copy of the order dated August 9, 2012, which was passed by the Hon'ble High Court of Andhra Pradesh ("High Court") in a similar matter (being Writ Petition No. 19300/2012 filed by Neogen Properties Pvt. Ltd.) wherein a stay was granted by the High Court until further orders. The matter is currently pending before the Tribunal.

4. A letter dated February 4, 2019 from the Office of Executive Engineer, BDD Zone No.4 was forwarded by an architect firm to MBPPL on February 11, 2019 wherein PMC sought clarifications regarding certain objections pertaining to the land at Commerzone Yerwada, regarding payment of ₹ 156.98 million consisting of ₹ 56.34 million principal of recoverable amount and ₹ 100.64 million on account of interest. MBPPL by way of its letter dated February 28, 2019 replied to PMC inter alia stating that the letter has been addressed to the incorrect recipient who is not a developer of the relevant portion of the land, and sought clarifications with respect to the contents of the letter and disputed the payment demand. Further, by way of its letter dated July 2, 2019, MBPPL requested for a reply to its letter dated February 28, 2019 and stated that it would be ready to pay amounts, if any payable, if and once the clarifications sought by it are provided.

#### ***(ii) Criminal matters***

1. Sharmin Habib ("Complainant") lodged a first information report ("FIR") on October 10, 2017 with the Madhapur Police Station alleging that certain staff members of the Raheja Group ("Accused") prevented the Complainant and a staff from entering the premises for conducting the business of a day care centre in the name of Kidz Paradise in Building No. 2.B, Mindspace Madhapur (KRIT), and harassed them. The concerned investigating officer has filed final report dated November 16, 2017 of the matter before the Metropolitan Magistrate, Kukatpally at Miyapur, Cyberabad ("Court"), stating inter alia that while there was a rental dispute between the Complainant and the Accused which was pending in the Court, the particular incident was in relation to a regular security aspect of access in the IT Park being allowed on showing identity card, whereas Complaint tried to enter without showing identity card. The investigating officer also reported that the Complainant did not comply with the notices under Section 91 of the Criminal Procedure Code, and that no such incident had occurred as alleged by the Complainant. The investigating officer further recorded that the complaint was filed on completely flimsy grounds and filed the final report before the Court recommending closure of the case on basis of lack of evidence. The matter is currently pending.

#### ***(iii) Regulatory actions***

1. Deputy Assessor and Collector (Indira Docks), Mumbai issued demand notice dated June 7, 2012 for payment of ₹ 0.4 million towards octroi for import of certain goods at Commerzone Yerwada project. MBPPL replied by way of its letters dated March 2, 2017, March 14, 2017 and March 22, 2017 stating, inter alia that it has made payments for the aforesaid goods. MBPPL received another demand notice dated March 21, 2018 in relation to the aforesaid payment of octroi. MBPPL replied by way of letter dated April 18, 2018 and reiterated that there is no liability to pay octroi in this case. No further correspondence has been received.
2. MBPPL has received several demand notices from the stamp duty and revenue authorities in relation



to alleged deficit payment of stamp duty aggregating to ₹ 10.18 million along with penalty in certain instances with respect to certain leave and license agreements / lease deed entered into by MBPPL, in its capacity as licensor/ lessor. MBPPL has from time to time responded to such demand notices inter alia stating that the liability for stamp duty on the documents was that of the respective licensee / lessees.

3. Ministry of Water Resources, River Development and Ganga Rejuvenation, Central Ground Water Board issued a show cause notice dated March 22, 2019 to MBPPL for non-compliance and contravention of the mandatory conditions of the NOC issued of ground water extraction for Commerzone Yerwada project and directed MBPPL to rectify the non-compliances. MBPPL has replied by way of its letter dated April 12, 2019 stating that it has initiated all actions required for compliance with the no-objection certificate and requesting withdrawal of the show cause notice dated March 22, 2019. No further correspondence has been received.
4. Assistant Engineer, Water Department, Pune issued four demand notices, all dated April 30, 2016 against Trion Properties Pvt. Ltd. (prior to demerger of mall and IT undertakings from Trion Properties Pvt. Ltd. to MBPPL) for water bills at The Square, Nagar Road project, for periods prior to March 30, 2005 for an amount aggregating to ₹ 1.22 million. In a hearing conducted by the Lok Adalat, Pune on April 8, 2017, the Lok Adalat ordered MBPPL to pay the minimum amount out of ₹ 1.22 million. MBPPL by way of its letter dated September 11, 2017 agreed to pay the minimum amount as ordered by the Lok Adalat. MBPPL submitted a letter wherein MBPPL requested for revised water bills and agreed to pay the outstanding (minimum) amount as per the said bills and further requested for closure of the water bills. No further correspondence has been received.
5. MPCB, pursuant to the meeting of its Consent Appraisal Committee ("CAC") held on December 12, 2017, issued a show cause notice dated June 5, 2018 to Trion Properties Pvt. Ltd. (prior to demerger of mall and IT undertakings from Trion Properties Pvt. Ltd. to MBPPL) in relation to certain non-compliances with environmental clearance for one commercial building (approximately 0.56 msf of leasable area as per lease deeds) forming part of The Square, Nagar Road project, and directed MBPPL to stop work on the project until a valid consent is obtained from it.

Earlier, Trion Properties Pvt. Ltd. had obtained environment clearance on May 8, 2007 and consent to operate dated September 30, 2011 which was renewed from time to time. In the renewal of consent to operate application dated August 27, 2013, MPCB had specified the requirement for applying separately for environment clearance and consent to operate for additional construction area. By application dated March 17, 2017 Trion Properties applied for renewal of consent to establish for IT building and for correction of built-up area of the mall building.

By letter dated March 20, 2018, MBPPL (as the successor of Trion) referred to the observations requested the MPCB to grant the consent to establish and replied to the alleged non-compliances observed by the MPCB. MBPPL replied to the show cause notice by way of its letter dated July 6, 2018 stating that it had received amended environment clearance dated June 15, 2018 and complied with the other requirements and requested for withdrawal of the show cause notice and grant of renewed consent. Further, on August 18, 2018, the CAC requested for certain details for considering MBPPL's consent to establish application. MBPPL provided the requested details to the CAC on September 4, 2018. CAC in its meeting held on December 11, 2018 observed that MBPPL had applied for re-validation for consent to establish for remaining BUA for IT activity, and was operating IT activity without obtaining consent from MPCB, and deferred the case and requested MBPPL to provide a presentation along with the relevant documents. On January 19, 2019, CAC requested MBPPL to contact the concerned person for taking prior appointment of the chairman for the presentation.

MBPPL has made an application dated December 11, 2019 to MPCB to obtain consent to operate, for the IT building at The Square, Nagar Road. CAC issued a show cause notice dated August 17, 2020 as to why the application for consent to operate should not be refused, inter alia as environment clearance

was not in the name of the project and sought clarity and details inter alia relating to occupation certificate. By reply dated August 24, 2020, MBPPL provided the required clarifications and details, and requested for processing the application and issuing the necessary consent to operate. No further correspondence has been received.

6. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against MBPPL and others. For details, see “Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions”. MBPPL, Genext, KRCPL, Ravi C. Raheja, Neel C. Raheja, Mr. Chandru L. Raheja and Magna (now merged with Chalet Hotels) received a notice dated November 27, 2018 from the Income Tax Department in relation to certain transactions entered into by certain KRC group persons, including MBPPL. The aggregate amount involved in these transactions was ₹ 13,303.16 million. The Income Tax Department has sought an explanation as to why the relevant portion of the amount mentioned above should not be added to the income of the respective companies for the relevant assessment year during assessment years 2012-13 to 2017-18, being the block period of assessment. The aforementioned companies/ individuals have responded to the Income Tax Department through letters dated January 14, 2019 refuting the claims of the Income Tax Department. Pursuant to the block assessment proceedings, MBPPL received orders under Section 143(3) read with Section 153A of the Income Tax Act, 1961 for the assessment years of block assessment period (ranging from assessment years 2012-2013 to 2017-2018), for an aggregate demand of ₹ 12.94 million. MBPPL filed rectification applications and appeals which are pending before the relevant authority. Certain rectification applications have been processed by the relevant authority granting an aggregate refund of ₹ 387.28 million. The assessment proceeding for the assessment year 2018-2019 is ongoing.
7. The Collector of Stamps (Enforcement), Mumbai issued an interim demand letter dated December 18, 2017 and rectification order dated December 20, 2017 for deficit stamp duty aggregating to ₹ 333.28 million. By way of letter dated December 26, 2017, MBPPL expressed its disagreement with respect to determination of the amount of stamp duty for the demerger of certain undertakings of Trion Properties Pvt. Ltd. into MBPPL and stated that it will effect the payment of the disputed amount under protest and requested that the original order of the NCLT be returned to MBPPL duly endorsed, to enable MBPPL to make the payment and register the same. The amount of ₹ 333.28 million was paid under protest on December 27, 2017. No further correspondence has been received.
8. For other pending regulatory actions against MBPPL, see “Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Gigaplex – Regulatory actions”.

***(iv) Material civil/commercial litigation***

There are no other pending material civil / commercial litigation involving MBPPL.

## **H. Sundew**

***(i) Title litigation and irregularities***

1. The Office of the Land Reforms Tribunal Cum Deputy Collector & Special Grade Revenue Divisional Officer, Attapur (“Tribunal”) had, by letter dated August 27, 2009, sought information from Sundew under Section 8(2) of the Andhra Pradesh Land Reforms (Ceiling on Agriculture Holdings) Act, 1973 (“APLRAC”) in respect of the entire land parcel at Mindspace Madhapur (Sundew).

The Revenue Department of the Government of Andhra Pradesh forwarded a Memo dated September 5, 2009 for furnishing of certain information to the Government of Andhra Pradesh, including information requested by the aforesaid letter dated August 27, 2009. Sundew has filed a detailed response on September 30, 2009 stating that (a) the land was originally granted by the Government of

Andhra Pradesh to KRIT which was a joint venture company with APIIC, (b) the land was vested in Sundew by way of demerger order of the Andhra Pradesh High Court, (c) the land has been declared as an SEZ and is therefore exempt from the local laws; (d) the land was shown as a non-agricultural land in the master plan of Hyderabad and is therefore not “land” covered under the APLRAC. The Tribunal issued a final notice to Sundew in January 2012 requesting Sundew to submit a declaration for full and correct particulars of the lands held by Sundew. In September 2009, Sundew also submitted a copy of the order dated August 9, 2012, which was passed by the Hon’ble High Court of Andhra Pradesh (“High Court”) in a similar matter (being Writ Petition No. 19300/2012 filed by Neogen Properties Pvt. Ltd.) wherein a stay was granted by the High Court until further orders. The matter is currently pending before the Tribunal.

### ***(ii) Criminal Matters***

There are no pending criminal matters against Sundew.

### ***(iii) Regulatory actions***

1. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against Sundew and others. For details, see “Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions”. Sundew has received notice dated November 27, 2019 under Section 153A of the Income Tax Act, 1961, to file its income tax return for assessment year 2008-09 within seven days from the date of service of notice and the return has been filed with the Income Tax Department and the assessment proceeding is ongoing. Pursuant to the block assessment proceedings, Sundew received orders under Section 143(3) read with Section 153A of the Income Tax Act, 1961 for the assessment years of block assessment period (ranging from assessment years 2012-2013 to 2017-2018) and under Section 143(3) of the Income Tax Act, 1961 for the assessment year 2018-2019 for an aggregate refund of ₹ 384.93 million. Sundew has filed rectification applications which are pending before the relevant authority. Certain rectification applications have been processed by the relevant authority increasing the aggregate refund to ₹ 405.03 million.
2. For other pending regulatory actions against Sundew, see “Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – KRIT– Regulatory actions”.

### ***(iv) Material civil/commercial litigation***

1. Sundew filed an application before the then Andhra Pradesh Electricity Regulatory Commission (now Telangana State Electricity Regulatory Commission (“TSERC”) on March 10, 2014 requesting TSERC to take on record the ‘deemed distribution licensee’ status of Sundew for the development, operation and maintenance of SEZ at Madhapur, Hyderabad. TSERC passed an order dated February 15, 2016 (“TSERC Order”) identifying Sundew as a deemed distribution licensee for a period of 25 years with effect from April 1, 2016 subject to inter alia Sundew obtaining capital infusion from its promoters before March 31, 2016. Sundew filed an application dated March 16, 2016 (“Interlocutory Application”) before TSERC seeking modification of condition in respect of equity infusion and extension of time to comply with the same. TSERC passed an order dated August 4, 2016 directing compliance with TSERC Order and denying extension of time and also directed the existing licensee to continue the power supply till September 30, 2016. TSERC, by its letter dated September 22, 2016, has granted extension of time to continue power supply till the state transmission utility grants network connectivity and open access. Aggrieved, Sundew filed a petition (“Review Petition”) before TSERC on August 26, 2016, seeking inter alia review of the order dated August 4, 2016. Additionally, Sundew also filed an appeal to the Appellate Tribunal for Electricity (“APTEL”) challenging the TSERC Order and in relation to the conditions imposed by TSERC which was dismissed on September 27, 2019. The matter is currently pending before the TSERC with respect to the review petition filed by Sundew. Aggrieved by the order dated September



27, 2019, Sundew has also filed a civil appeal on November 15, 2019 before the Supreme Court of India. The matter is pending before the Supreme Court of India.

In addition to the above pending proceedings, Gigaplex and KRC Infra have been identified as parties in two separate labour proceedings filed in the year 2019 by certain trade unions before the labour courts and industrial courts/tribunals in Mumbai alleging unfair labour practices under the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1971 against certain workmen engaged by them. The matter is currently pending before the relevant courts/tribunals.

## **II. Material litigation and regulatory actions pending against the Sponsors**

As of September 30, 2020, the Sponsors do not have any pending criminal matters or regulatory actions against them, or material civil/ commercial litigation pending against them.

For the purpose of pending civil/ commercial litigation against the Sponsors, such matters where value exceeds ₹ 2.49 million (being 5% of the total revenue of each of the Sponsors, whichever is lower, as of March 31, 2020 as per their respective audited financial statements) have been considered material and proceedings where the amount is not determinable but the proceeding is considered material by the Manager have been considered.

## **III. Material litigation and regulatory actions pending involving the Sponsor Group**

With respect to the Sponsor Group (excluding the Sponsors), details of all pending criminal matters and regulatory actions against the Sponsor Group (excluding the Sponsors) and material civil/commercial litigation pending against the Sponsor Group (excluding the Sponsors) have been disclosed.

For the purpose of pending civil/ commercial litigation against the Sponsor Group (excluding the Sponsors), such matters where value exceeds ₹ 51.39 million (being 1% of the combined profit after tax of Mindspace REIT as of March 31, 2020) have been considered material and proceedings where the amount is not determinable but the proceeding is considered material by the Manager have been disclosed. In addition to the above, pending civil/ commercial proceedings by the Sponsor Group (excluding the Sponsors) which are considered material by the Manager have been disclosed.

### **A. Mr. Ravi C. Raheja**

#### ***(i) Criminal matters***

1. Nusli N. Wadia ("Complainant") lodged a first information report ("FIR") against Mr. Ravi C. Raheja, Mr. Neel C. Raheja and Mr. Chandru L. Raheja ("Accused"), inter alia alleging criminal breach of trust, cheating and misappropriating his funds, causing alleged losses aggregating to ₹ 40 million, arising out of one of the transactions in respect of the building constructed on a demarcated portion the lands situated at Malad West, Mumbai pursuant to an agreement entered into between the Complainant and Ivory Properties in 1995. Pursuant to the FIR, the Economic Offences Wing, Mumbai filed a charge sheet before the Additional Chief Metropolitan Magistrate, Esplanade Mumbai ("Court"). Thereafter, the Accused have been released on bail bond pursuant to the order dated October 18, 2013 by the

Additional Sessions Judge. The Accused have filed an application dated September 28, 2018 for discharge of charges. In an intervention application filed by the Complainant on January 16, 2019, the Court, by its order dated September 26, 2019, allowed the Complainant to assist the prosecution by filing written arguments and submission in the discharge application filed by the Accused. The Complainant has filed a writ petition in the Bombay High Court to squash the order dated September 26, 2019 rejecting the Petitioner's application to make oral submissions in the discharge application. The matter is currently pending before the Court. All three Accused have filed separate criminal revision application together with miscellaneous application for condonation of delay in the Sessions Court, Mumbai, challenging the Court's order dated September 26, 2019, allowing the Complainant to assist the prosecution by filing written arguments and submission in the discharge application filed by the Accused. The Sessions Court, Mumbai, has issued notice in the miscellaneous applications filed by the Accused.

2. The Metropolitan Magistrate, Vile Parle West, Mumbai ("Magistrate") issued summons dated September 11, 2018 to Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja and another, to appear before the Magistrate in relation to two different complaints. The summons relates to an alleged violation of signage license conditions by the Hypercity store at Goregaon West, Mumbai, in contravention of the provisions of the Bombay Municipal Corporation Act, 1888. Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja and another filed a petition before the Bombay High Court for quashing the summons issued by the Magistrate. The Bombay High Court, through an order dated October 29, 2018, has barred the Magistrate from taking any coercive action against Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja and another till date of the next hearing. The matter is currently pending before the Magistrate.

## ***(ii) Regulatory actions***

1. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against Mr. Ravi C. Raheja and others. For details, see "Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions". Mr. Ravi C. Raheja received a notice dated November 27, 2018 from the Income Tax Department in relation to certain transactions entered into by certain KRC group persons, including Mr. Ravi C. Raheja. For details, see "- Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – MBPPL – Regulatory Actions". Further, Mr. Ravi C. Raheja has received notice dated December 9, 2019 under Section 153A of the Income Tax Act, 1961, to file his income tax return for assessment year 2008-09 within five days from the date of service of notice and the return has been filed with the Income Tax Department. Pursuant to the block assessment proceedings, Mr. Ravi C. Raheja received orders under Section 143(3) read with Section 153A of the Income Tax Act, 1961 for assessment years 2008-2009, 2012-2013 to 2017-2018 and under Section 143(3) of the Income Tax Act, 1961, for assessment year 2018-2019, for an aggregate demand of ₹ 2.71 million. Mr. Ravi C. Raheja has filed rectification applications which are pending before the relevant authority. Certain rectification applications have been processed by the relevant authority granting an aggregate refund of ₹ 0.11 million.
2. The Assistant Director, Directorate of Enforcement, Mumbai ("ED") has on February 2, 2018 issued summons under Section 50 of the Prevention of Money Laundering Act, 2002, calling upon Mr. Ravi C. Raheja to attend before the ED and to give evidence, details and documents of land purchased at Pirangut, Pune. The land was purchased from Jay Agrotech Private Limited by Pact Real Estate Private Limited pursuant to sale deeds dated March 17, 2008 and July 4, 2008. Mr. Ravi C. Raheja is an erstwhile director of Pact Real Estate Private Limited and was not a director of Pact Real Estate Private Limited as on date of the summons. Mr. Ravi C. Raheja, in his reply dated February 10, 2018, has submitted the documents sought by the ED. After the information sought by ED was provided, there has been no further communications or requisitions for attendance or otherwise, from the ED, in that regard.
3. The Department of Labour, Government of Karnataka ("Labour Department") issued a show cause

notice dated December 6, 2019 addressed to Chalet Hotels and Mr. Ravi C. Raheja and Mr. Neel C. Raheja (in their capacity as directors of Chalet Hotels) for failure to submit compliance report in relation to inspection carried out by the Labour Department and sought to take action for violations of certain labour laws. Chalet Hotels submitted its response, by its letter dated December 24, 2019 and provided the requisite information. Thereafter, the Labour Department issued a further notice dated January 18, 2020 with respect to production of certain registers and documents for their inspection, which was submitted by Chalet Hotels. No further correspondence has been received.

### ***(iii) Material civil/commercial litigation***

1. Powai Developers, Mr. Ravi C. Raheja and another ("Petitioners") have filed a special leave petition ("SLP") before the Supreme Court of India against the State of Maharashtra and three others ("Respondents"). The SLP has been filed against the judgement dated September 3, 2014 passed by the Bombay High Court in respect of the applicability of the provisions of Section 3(1)(b) of the Urban Land (Ceiling and Regulation) Repeal Act, 1999. By an order dated December 15, 2014, the Supreme Court of India issued a notice and restrained the Respondents from taking any coercive steps. KRCPL is the sole proprietor of Powai Developers. The matter is currently pending before the Supreme Court of India.
2. Ivory Properties and Mr. Ravi C. Raheja have filed two separate writ petitions before the Bombay High Court ("Court") against the State of Maharashtra, Nusli N. Wadia and others, for inter alia quashing and setting aside (i) a notification dated July 20, 2007, a notice dated March 1, 2016 and a notice dated August 30, 2016 passed under the provisions of the Maharashtra Slum Areas (Improvement, Clearance and Development) Act, 1971 for acquiring property admeasuring approximately 7758 square meters. Nusli N. Wadia has also filed similar writ petition before the Court against the State of Maharashtra and Ivory Properties on similar grounds. The arguments have concluded in the writ petitions filed by Ivory and Nusli N. Wadia and are pending for orders; (ii) an order dated October 25, 2017 for acquiring property admeasuring approximately 8255.30 square meters, situated at Borivali. By an order dated November 26, 2019, the writ petition was disposed off as withdrawn with liberty to make representation to the State Government. Ivory Properties has filed its representation. Nusli N. Wadia had also filed similar writ petition before the Court against the State of Maharashtra and Ivory Properties on similar grounds. The writ petition filed by Nusli N. Wadia was dismissed with observation that the petitioner can always approach the Court after the notification under Section 14 is issued and leaving all contentions of the parties open.
3. Ivory Properties and Mr. Ravi C. Raheja ("Petitioners") filed a writ petition before the Bombay High Court ("High Court") against the State of Maharashtra and six others ("Defendants") inter alia seeking an order from the High Court for restraining the State of Maharashtra & others from enforcing the conditions of exemption order dated February 19, 1996 read with corrigendum thereto dated May 5, 1997 and June 23, 2004 in respect of the lands at Malad, Mumbai for which Ivory Properties has development and other rights under the 1995 Agreement. In similar proceedings filed before it, the High Court vide order dated September 3, 2014 ("Order") inter alia held that conditions of exemptions under section 20 of the Urban Land (Ceiling and Regulation) Act, 1976 remain enforceable and the pending writ petitions must be disposed of in light of the principles laid down in the said judgement and on merits and in accordance with law. Pursuant thereto, numerous special leave petitions ("SLPs") were filed before the Supreme Court of India challenging the Order. Supreme Court of India vide its order dated November 10, 2014 directed the State of Maharashtra & others not to take any coercive steps till final disposal of the matters before it. The Supreme Court disposed of the SLPs permitting the respondent (State) to implement the recommendations made in the report dated August 9, 2018 by the committee headed by Hon'ble Justice B.N. Srikrishna (retd.) with further clarification that if any of the categories of exemption was not covered in the report, it was open to such exemption holders to make representations to the Government.



4. Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja, Mrs. Jyoti C. Raheja, KRCPL, Ivory Properties, Palm Shelter, KRPL and 20 others filed an appeal ("Appeal") under Section 10F of the Companies Act, 1956 before the Bombay High Court ("High Court") against Aasia Properties Private Limited ("Aasia") and two others, against order dated September 19, 2006 ("Order") passed by the CLB, New Delhi in company petition 91/2005, which granted permission to Aasia, to appoint its nominee as a non-functional director on the board of Juhu Beach Resorts Limited. The Court vide an interim order dated November 21, 2008, stayed the order till the pendency of the Appeal. The matter is currently pending before the High Court.
5. Aasia Properties Private Limited ("Aasia") filed an appeal ("Appeal") under Section 10F of the Companies Act, 1956 before the Bombay High Court ("Court") against Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja, Mrs. Jyoti C. Raheja, KRCPL, Ivory Properties, Palm Shelter, KRPL and 20 others ("Respondents"), with respect to order dated September 19, 2006 passed by the CLB, New Delhi which dismissed the petition filed for declaring the transfer of 633 shares of Poonam Chand Shah/ Manjula P. Shah in favour of certain respondents as null & void, set aside subsequent transfers of such shares to other Respondents, subsequent rights issues of such shares be transferred to the Petitioners and other consequential reliefs. The matter is currently pending before the Court.
6. Shazad S. Rustomji and another ("Plaintiffs") have filed a suit before the Bombay High Court ("Court") against Ivory Properties, Mr. Ravi C. Raheja, Mr. Neel C. Raheja and others inter alia for declaring the deed of declaration dated October 25, 2011 executed and registered by Ivory Properties for submitting the building Serenity Heights under the Maharashtra Apartment Ownership Act, 1970 and the consequent formation of the Serenity Heights condominium, as illegal and void and not binding upon the Plaintiffs. The Court, in its order dated April 24, 2016, has refused to grant ad-interim relief to the Plaintiffs. Ivory Properties, Mr. Ravi C. Raheja and Mr. Neel C. Raheja have filed an application for rejection of the plaint on grounds that the present suit is barred by the law of limitation. The matter is currently pending before the Court.
7. Mr. Ravi C. Raheja and others ("Petitioners") have filed a writ petition before the Bombay High Court against State of Maharashtra and others ("Defendants"), for directing the Defendants for withdrawing the letter dated June 8, 2008 which gave retrospective effect to the notification dated June 9, 2008 amending Rule 22A of the Bombay Stamp Rule, 1939 and setting aside the aforementioned notification. The Petitioners have also sought a refund of stamp duty aggregating to ₹ 6.21 million along with interest. The matter is currently pending before the Bombay High Court.
8. Gopal L. Raheja and eight others ("Petitioners") have filed company petition before the CLB / NCLT, Mumbai ("CLB/NCLT"), against Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja and five others ("Respondents"), under Sections 397 and 398 of the Companies Act, 1956 inter alia alleging oppression and mismanagement by the Respondents in respect of the business and management of Asiatic Properties Limited. The matter is currently pending before the NCLT. Seacrust Properties Private Limited and Sandeep G. Raheja, the Petitioners, filed company applications against Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja and others for alleged violation of certain orders of the CLB/NCLT and alleged acts of perjury by making false statements. The company applications were dismissed by the CLB/NCLT vide its orders dated January 8, 2013 and February 7, 2013 ("Orders"). Aggrieved by the Orders, Seacrust Properties Private Limited and Sandeep G. Raheja have filed separate appeals before the Bombay High Court. The matters are currently pending before the Bombay High Court.
9. Tresorie Traders Private Limited has filed a company petition before the NCLT, Mumbai under sections 247(1A) and 250 of the Companies Act, 1956 against Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja and others inter alia for investigation in respect of the membership, financial interest and control over two companies i.e. Club Cabana Recreation Private Limited and Sai Park Estate Developers (India) Private Limited and for restricting the transfer, fresh issue, exercise of voting rights

and payment of dividend of the said companies. The matter is currently pending before the NCLT, Mumbai.

10. Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja and Mrs. Jyoti C. Raheja ("Plaintiffs/CLR") filed a civil suit before the Bombay High Court ("High Court") against Gopal L. Raheja, Sandeep G. Raheja, Durga S. Raheja, Sabita R. Narang and Sonali N. Arora ("Defendants/GLR").

The Plaintiffs and the Defendants were the persons primarily involved in the operation and management of the activities and businesses of the group known as K. Raheja Group in certain cities of Western and Southern India. However, certain disputes and differences arose between the CLR group and the GLR group that threatened the running of the business of the K. Raheja Group.

After attempts to amicably resolve and finally settle the disputes and differences between the two groups in order to avoid protracting the matter any further, GLR and CLR decided to split/partition entities and assets of the K. Raheja Group between them and accordingly a list indicating division of certain individual assets was executed in May 1995. On April 5, 1996 and November 16, 1996, further written agreements were executed wherein the manner, method and procedure of the division was agreed upon by the parties. Thereafter, on December 9, 1996, GLR and CLR groups made further confirmations to enable the division of certain assets in the agreed manner which was duly completed in respect of a portion of the assets, businesses and entities of the K. Raheja Group. The agreements and writings referred to above i.e. dated May 1995, April 5, 1996, November 16, 1996 and December 9, 1996 are collectively referred to as the "Family Arrangement Documents".

Further, apart from the entities, assets and businesses of the two groups which were divided as above, there are additional properties and entities, the separation and distribution of which remained unresolved due to the differences between the groups. The two groups had agreed to take steps to divide these undivided properties comprising various companies, partnership firms, trusts and also certain properties situated at Mumbai i.e. the "Mumbai Undivided Entities" and situated in South India i.e. the "Southern Undivided Entities" along with certain other residual properties (collectively referred to as the "Balance Properties"). Further, the distribution and ascertainment of the monies payable/receivable did not transpire and certain disputes again arose between GLR and CLR in respect of the division of the Balance Properties, the management of certain entities and other such disputes.

After various correspondences between the two groups over the course of more than two decades to amicably resolve the disputes, the present suit was filed by the Plaintiffs inter alia seeking enforcement/implementation of the family arrangement documents. The Plaintiffs have alleged that the arrangement was only partially implemented and inter alia alleged that certain arrangements were wrongly implemented. The Plaintiffs have further alleged that due to the inactivity in management of the undivided companies, the registrar of companies has struck-off and dissolved certain of these companies. The Plaintiffs have inter alia prayed for implementation of the Family Arrangement Documents, restoration of the companies that have been struck-off/dissolved, division of the companies situated in South India in the manner agreed by the parties and also for injunction restraining the Defendants from creating third party interests and/or encumbrances upon the properties that are the subject matter of the family arrangement. The Defendant nos.2 and 3 have filed their written statement on record along with a counter-claim inter alia praying for dismissal of the suit filed by the Plaintiffs and to fully implement the Family Arrangement Documents. The matter is currently pending before the High Court.

The GLR group also filed suits before the High Court pursuant to the family arrangement against the Plaintiffs alleging liability/obligation of the Plaintiffs to hand over certain title deeds, documents and papers and other assets belonging to the GLR group which are allegedly in the custody of the Plaintiffs and also seeking injunction for handover of the same to the GLvR group. The matters are currently pending before the High Court.

**The Mumbai Undivided Entities are as follows:500t**

<b>Partnership Firms</b>	<b>Limited Companies</b>
1. Alankar Enterprises	1. Canvera Properties Private Limited
2. Crystal Corporation & Everest Enterprises	2. Carlton Trading Private Limited
3. Crown Enterprises	3. Debonair Estate Development Private Limited
4. Evergreen Construction	4. Dindoshila Estate Developers Private Limited
5. Honey Dew Corporation	5. East Lawn Resorts Limited
6. Kenwood Enterprises	6. Fems Estate (India) Private Limited
7. K. Raheja Financiers & Investors	7. Hill Queen Estate Development Private Limited
8. K. R. Finance	8. Juhuchandra Agro & Development Private Limited
9. K. R. Properties & Investments	9. K. R. Consultants Private Limited
10. K. R. Sales Corporation	10. K. R. Developers Private Limited
11. Marina Corporation	11. K. Raheja Trusteeship Private Limited
12. Oriental Corporation	12. Lakeside Hotels Limited
13. Powai Properties	13. Nectar Properties Private Limited
14. R. M. Development Corporation	14. Neel Estates Private Limited
15. Ruby Enterprises	15. Oyster Shell Estate Development Private Limited
16. Satguru Enterprises	16. Peninsular Housing Finance Private Limited
	17. Rendezvous Estate Private Limited
	18. Raheja Hotels Limited
	19. Sea Breeze Estate Development Private Limited
	20. Sevaram Estate Private Limited
	21. S. K. Estates Private Limited
	22. Springleaf Properties Private Limited
	23. Suruchi Trading Private Limited
	24. Wiseman Finance Private Limited
<b>Association of Persons</b>	<b>Trusts / Charitable Trusts</b>
K. Raheja Investments & Finance	1. K. R. Foundation
	2. Raheja Charitable Trust
<b>Private Trusts</b>	
1. Lachmandas Raheja Family Trust	
2. L. R. Combine	
3. S. R. Combine	
4. Reshma Associates	
5. R. N. Associates	
6. R. K. Associates	
7. Various discretionary trusts (about 288 Nos.) Southern Undivided Entities	



Partnership Firms	Limited Companies
K Raheja Development Corporation	1. Mass Traders Private Limited
	2. K. Raheja Hotels & Estates Private Limited
	3. K. Raheja Development & Constructions Pvt Ltd
	4. Ashoka Apartments Private Limited
	5. Asiatic Properties Limited
<b>Trusts / Charitable Trusts</b>	
1. R&M Trust	
2. Raj Trust	

In relation to the above mentioned undivided entities, the Plaintiffs have been served with various notices issued by regulatory authorities in respect of certain non-compliance. These notices have been replied to in the capacity of shareholders as the family settlement has not been fully implemented. No further correspondence has been received. The Plaintiffs have resigned from their directorship in the undivided companies in which they were directors.

11. Sealtite Gaskets Private Limited and six others ("Petitioners") have filed company petition before the CLB / NCLT, Chennai under Sections 397, 398, 399, 402, 403 and 406 of the Companies Act, 1956 against Mr. Ravi C. Raheja, Mr. Neel C. Raheja and Mr. Chandru L. Raheja and four others ("Respondents") inter alia in respect of alleged oppression and mismanagement by the Respondents in respect of the business and management of K. Raheja Hotels and Estates Private Limited. By order dated February 2, 2017, the matter was transferred to NCLT, Bengaluru. The matter is currently pending before the NCLT, Bangalore.

12. Mr. Ravi C. Raheja and Mr. Neel C. Raheja ("Petitioners") have filed a writ petition before the Karnataka High Court at Bengaluru ("Court") against the Union of India and Registrar of Companies, Bengaluru ("RoC") ("Respondents") challenging the wrongful inclusion of their names in the list released by the RoC on its website in relation to the directors disqualified under the provisions of Section 164(2) the Companies Act, 2013, for the periods ending October 31, 2019 and October 31, 2020 in relation to non-filing of financial statements or annual returns for a continuous period of three financial years by K Raheja Hotels and Estates Private Limited (since the Petitioners were not directors of K Raheja Hotels and Estates Private Limited at the relevant time, having already resigned therefrom). By its order dated June 12, 2019 ("Order"), the Court has disposed of the writ petition filed by the Petitioners, along with a batch of several other writ petitions on the same matter and quashed the impugned list to the extent inter alia the disqualification of the Petitioners as directors was concerned. Pursuant to the Order, the Petitioners have filed a review application before the Court for issuing directions to the Respondents for deletion of the names of the Petitioners as directors of K Raheja Hotels and Estates Private Limited in the records of the Respondents, as was sought earlier in the writ petition. The Petitioners have filed a caveat on October 14, 2019 in anticipation of any appeal which the Respondents may file against the Order and subsequent adverse interim orders. The matter is currently pending before the Court. Further, the Petitioners through their reminder letter dated December 2, 2019 requested the administrator of K Raheja Hotels & Estate Private Limited to file requisite forms and ensure updates to the records of the RoC, in relation to resignation letters submitted by the Petitioners as directors of K Raheja Hotels & Estate Private Limited. The administrator, by letter dated December 26, 2019, stated that he was not in a position to accede to the aforementioned request unless relevant orders were granted in proceedings pending before the High Court, Karnataka and the CLB/NCLT to which the Petitioners have been impleaded as parties

13. Pratik Rameshchandra Shah, through his power of attorney holder, Sambhuprasad Kurjibhai Lakkad, has filed an appeal before the Nayab Collector, Prant Officer Court, Viramgam District, Ahmedabad against the order of the Deputy Mamlatdar dated May 27, 2018 ("Order") upholding the mutation entry made in the revenue records

pursuant to sale of certain land for alleged wrongful sale of the disputed land in Sachana (in Gujarat) to Sentinel Properties Private Limited, where Mr. Ravi C. Raheja and Mr. Neel C. Raheja were erstwhile directors. The Deputy Collector passed an order dated February 13, 2019 in favour of the petitioner against which Sentinel Properties Private Limited has filed an appeal before the Gujarat High Court. The Gujarat High Court, by order dated February 25, 2020, vacated the interim relief granted by it against the order passed by the Deputy Collector. Pratik Rameshchandra Shah has also filed a suit before the Principal Civil Court, Ahmedabad against Mr. Ravi C. Raheja, Mr. Neel C. Raheja and others ("Respondents") and has sought cancellation of the Order and stay on further dealing of the disputed land in Sachana (in Gujarat) by the Respondents. The matters are currently pending before the relevant forums.

14. For other pending material civil/ commercial litigation against Mr. Ravi C. Raheja, see "-Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Title litigation and irregularities".

## **B. Mr. Neel C. Raheja**

### **(i) Criminal matters**

For pending criminal matters against Mr. Neel C. Raheja, see "- Material litigation and regulatory actions pending against the Sponsor Group – Mr. Ravi C. Raheja – Criminal matters".

### **(ii) Regulatory actions**

1. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against Mr. Neel C. Raheja and others. For details, see "Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions". Mr. Neel C. Raheja received a notice dated November 27, 2018 from the Income Tax Department in relation to certain transactions entered into by certain KRC group persons, including Neel C. Raheja and the block assessment proceedings are ongoing. For details, see "- Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – MBPPL – Regulatory Actions". Further, Mr. Neel C. Raheja has received notice dated December 9, 2019 under Section 153A of the Income Tax Act, 1961, to file his income tax return for assessment year 2008-09 within five days from the date of service of notice and the return has been filed with the Income Tax Department. Pursuant to the block assessment proceedings, Mr. Neel C. Raheja received orders under Section 143(3) read with Section 153A of the Income Tax Act, 1961 for assessment years 2008-2009, 2012-2013 to 2017-2018 and under Section 143(3) of the Income Tax Act, 1961, assessment year 2018-2019, for an aggregate demand of ₹ 3.16 million. Mr. Neel C. Raheja has filed rectification applications and appeals which are pending before the relevant authority. Certain rectification applications have been processed by the relevant authority decreasing the aggregate demand to ₹ 0.33 million.
2. The Assistant Director, Directorate of Enforcement, Mumbai ("ED") has issued summons dated February 2, 2018 under Section 50 of the Prevention of Money Laundering Act, 2002, calling upon Mr. Neel C. Raheja to attend before the ED and to give evidence, details and documents of land purchased at Pirangut, Pune. The land was purchased from Jay Agrotech Private Limited by Pact Real Estate Private Limited pursuant to sale deeds dated March 17, 2008 and July 4, 2008. Mr. Neel C. Raheja is an erstwhile director of Pact Real Estate Private Limited and was not a director of Pact Real Estate Private Limited as on date of the summons. Mr. Neel C. Raheja, by his letter dated February 12, 2018, has submitted the documents sought by the ED. After the information sought by ED was provided, there has been no further communications or requisitions for attendance or otherwise, from the ED, in that regard.
3. The Enforcement Directorate, Delhi ("ED") had issued a summons on December 20, 2017 against "The Director, M/s Carlton Trading Company" under Section 50 of the Prevention of Money Laundering Act, 2002 ("PMLA") to appear before the ED and produce certain documents relating to consultancy / services provided by Advantage Strategic Consulting Private Limited ("ASCPL") and Chess Management Services Private Limited

("CMSPL") to Carlton Trading Company. A written reply was filed with the ED on January 5, 2018 by legal counsel to Mr. Neel C. Raheja on his behalf, as a shareholder and ex-director of Carlton Trading Private Limited ("CTPL"), inter alia that (i) the summons was addressed to the Director, Carlton Trading Company, Mumbai, with whom Mr. Neel C Raheja is not concerned, and therefore, the same appears to have been delivered to the office address of Mr. Neel C Raheja under a mistaken identity; (ii) Mr. Neel C Raheja was no longer a director of CTPL, and (iii) to the best of his knowledge, CTPL has not had any dealing either with ASCPL or CMSPL. A background of CTPL and resignation of its directors was provided to the ED along with copies of the memorandum of association/articles of association and other details relating to CTPL. A further similar summons dated July 13, 2018 was issued by the ED, pursuant to which Mr. Neel C. Raheja's legal counsel attended the office of ED on July 23, 2018 where the ED informed Mr. Neel C. Raheja's legal counsel, that the summons issued by ED was not for Mr. Neel C Raheja (as a detailed response had already been submitted on behalf of Mr. Neel C Raheja in relation to the previous summons, and that Mr. Neel C. Raheja's legal counsel, was not required for the hearing at all as the summons was not for Mr. Neel C Raheja). No further correspondence has been received thereafter.

4. The Assistant Director, Directorate of Enforcement, Mumbai has issued a notice in the year 2017 under section 37 of the FEMA calling upon Mr. Neel C. Raheja to furnish details and justification in respect of all foreign inward/outward remittances, with documentary evidences, sources of income, purpose for remittances and other related details, for the years 2005, 2007 and 2010. Mr. Neel C. Raheja has replied to the notice in the year 2017 furnishing the required details / information / documents and inter alia stated that the remittances were made in accordance with applicable FEMA regulations. By a subsequent letter, Mr. Neel C. Raheja referred to the aforesaid correspondence and stated that he had, through authorized representative, furnished the required details / information / documents, and understood that they were to the authority's satisfaction. He further requested to be informed in case of any further requirement or explanation, in the absence of which it would be understood that he has satisfactorily carried out the statutory compliances relating to closure of the matter. No further correspondence has been received.
5. For other pending regulatory actions against Mr. Neel C. Raheja, see "- Material litigation and regulatory actions pending against the Sponsor Group – Mr. Ravi C. Raheja – Regulatory Actions".

### ***(iii) Material civil/commercial litigation***

1. Sandeep G. Raheja has filed a suit against Mr. Neel C. Raheja, Mr. Chandru L. Raheja and others before the Bombay High Court ("Court") in respect of a private family trust and removal of certain trustees therefrom and also for the dissolution, distribution and settlement of the accounts of the private family trust. The Court vide order dated November 16, 2006 had appointed an administrator, who subsequently resigned from his position and a new administrator has been appointed. The matter is currently pending before the Court.
2. For other pending material civil / commercial litigation against Mr. Neel C. Raheja, see "- Material litigation and regulatory actions pending against the Sponsor Group – Mr. Ravi C. Raheja – Material civil/commercial litigation" and "-Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Title litigation and irregularities".

## **C. Mr. Chandru L. Raheja**

### ***(i) Criminal matters***

1. The Dy. Superintendent of Police, Criminal Investigation Department ("CID") had issued letter dated June 9, 2008 to Mr. Chandru L. Raheja (in relation to a project of KRPL known as Raheja Woods) in connection with an investigation in Swargate Police Station, Pune, in respect of the ULC case No. 23 – WA, S. No. 222/1 ("ULC proceedings"). KRPL is not a party to the ULC proceedings, however KRPL has appeared before CID and also replied with a letter dated June 11, 2008 submitting the requisite documents. No further correspondence has been received.



2. For other pending criminal matters against Mr. Chandru L. Raheja, see “- Material litigation and regulatory actions pending against the Sponsor Group – Mr. Ravi C. Raheja – Criminal matters”.

(ii) Regulatory actions

1. The Chairman/Secretary of Jaldarshan Co-op. Hsg. Society Ltd. filed two applications in the year 2017 against M.R.Combine, Ram Narayana Sons Pvt. Ltd., S.M. Builders, Parmeshwar Mittal, Mr. Chandru L. Raheja, Lohtse Co-Op. Hsg. Soc. Ltd, K.F. Bearing Co. and others before the District Deputy Registrar, Co-op. Societies, Mumbai under Section 11 of the Maharashtra Ownership Flats (Regulation of the promotion of construction, sale, management and transfer) Act, 1963 in relation to deemed conveyance for conveying title to the society. The Registrar has issued notices dated January 30, 2018 and May 8, 2018. Mr. Chandru L. Raheja has received notice to file reply and/or appear before the Deputy Registrar. No further correspondence has been received.
2. Juhu Beach Resorts Limited has made a compounding application to the Registrar of Companies, Mumbai, for non-compliance of certain statutory filings required under Section 149(1)(a) of the Companies Act resulting from a technical error pursuant to the expiry of terms of two of its directors. Mr. Chandru L. Raheja is a director on board of Juhu Beach Resorts Limited. The matter has been referred to the e-governance cell of the Ministry of Corporate Affairs, New Delhi for further assistance in complying with the statutory filings and proceeding with the compounding application. Upon the required assistance being provided by the Ministry, Juhu Beach Resorts Limited has filed the requisite documents with the Registrar of Companies, Mumbai. No further correspondence has been received.
3. The Office of the Medical Officer of Health, MCGM, has issued an inspection report dated September 20, 2019 to Mr. Chandru L. Raheja, in his capacity as director of Juhu Beach Resorts Ltd. pertaining to carrying out the activity of eating house from the basement of J.W. Marriot Hotel, Juhu without license. Juhu Beach Resorts Ltd. has responded to the inspection report on November 25, 2019. No further correspondence has been received.
4. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against Mr. Chandru L. Raheja and others. For details, see “Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions”. Mr. Chandru L. Raheja received a notice dated November 27, 2018 from the Income Tax Department in relation to certain transactions entered into by certain KRC group persons, including Mr. Chandru L. Raheja. For details, see “- Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – MBPPL – Regulatory Actions”. Further, Mr. Chandru L. Raheja has received notice dated December 9, 2019 under Section 153A of the Income Tax Act, 1961, to file his income tax return for assessment year 2008-09 within five days from the date of service of notice and the return has been filed with the Income Tax Department. Pursuant to the block assessment proceedings, Mr. Chandru L. Raheja received orders under Section 143(3) read with Section 153A of the Income Tax Act, 1961 for assessment years 2008-2009, 2012-2013 to 2017-2018 and under Section 143(3) of the Income

Tax Act, 1961, assessment year 2018-2019 for an aggregate refund of ₹ 1.08 million.

5. The Assistant Director, Directorate of Enforcement, Mumbai has issued a notice in the year 2017 under section 37 of the FEMA calling upon Mr. Chandru L. Raheja to furnish details and justification in respect of all foreign inward/outward remittances with documentary evidences, sources of income, purpose for remittances and other related details, for the years 2009, 2011 and 2012. Mr. Chandru L. Raheja has replied to the notice in the year 2017 furnishing the required details / information / documents and inter alia stated that the remittances were made in accordance with applicable FEMA regulations. By a subsequent letter, Mr. Chandru L. Raheja referred to the aforesaid correspondence and stated that he had, through authorized representative, furnished the required details / information / documents, and understood that they were to the authority's satisfaction. He further requested to be informed in case of any further requirement or explanation, in the absence of which it would be understood that he has satisfactorily carried out the statutory compliances relating to closure of the

matter. No further correspondence has been received.

### ***(iii) Material civil/commercial litigation***

1. Gopal L. Raheja and three others ("Claimants") have filed an arbitration petition ("Petition") under section 34 of the Arbitration and Conciliation Act, 1996 ("Act") before the Bombay High Court ("Court") against Mr. Chandru L. Raheja, Ivory Properties, Casa Maria and others to set aside the award dated January 25, 2014 ("Award") passed by the single arbitrator, Justice Mr. Srikrishna (retd.). The Award did not grant any relief to the Claimant in respect of dissolution of the partnership firm K Raheja Development Corporation being one of the southern entities forming part of K Raheja southern division consisting of three groups being Gopal Raheja Group, Chandru Raheja Group & the Menda Group having 37.5%, 37.5% & 25. % respectively. The matter is currently pending before the Court.
2. Mr. Chandru L. Raheja, in his capacity as the attorney of Mr. Suresh L. Raheja, has filed a suit before the City Civil Court, Bombay ("Court") against Sultanath Shiraz and others ("Defendants") for specific performance of an agreement for sale executed by Mr. Suresh L. Raheja and some of the Defendants and has inter alia sought compensation of ₹ 0.55 million along with interest. The matter was dismissed by the Court pursuant to order dated April 20, 2019. An application has been made for restoring the matter before the Court.
3. KRPL and Mr. Chandru L. Raheja ("Petitioners") have filed a writ petition before the Bombay High Court ("Court") against the State of Maharashtra and others in respect of lands (Survey No. 22/1)\_ situated at Yerwada, Pune and inter alia challenging the recovery of amounts and the stop work notices issued to KRPL pursuant to Urban Land Ceiling Act, 1976, the Urban land (Ceiling and Regulation) Repeal Act, 1999 and notice dated August 26, 2003 requiring to pay premium. Pursuant to an order dated April 7, 2010, the Petitioners have been allowed to continue with the development of the aforesaid lands. The matter is currently pending before the Court.
4. For other pending material civil / commercial litigation against Mr. Chandru L. Raheja, see "- Material litigation and regulatory actions pending against the Sponsor Group – Mr. Ravi C. Raheja – Material civil/commercial litigation" and "- Material litigation and regulatory actions pending against the Sponsor Group – Mr. Neel C. Raheja – Material civil/commercial litigation".

## **D. Mrs. Jyoti C. Raheja**

### ***(i) Criminal matters***

There are no pending criminal matters against Mrs. Jyoti C. Raheja.

### ***(ii) Regulatory actions***

1. The Assistant Director, Directorate of Enforcement, Mumbai has issued a notice in the year 2017 under section 37 of the FEMA calling upon Mrs. Jyoti C. Raheja to furnish details and justification in respect of all foreign inward/outward remittances with documentary evidences, sources of income, purpose for remittances and other related details, for the years 2005, 2007 and 2010. Mrs. Jyoti C. Raheja has replied to the notice in the year 2017 furnishing the required details / information / documents and inter alia stated that the remittances were made in accordance with applicable FEMA regulations. By a subsequent letter, Mrs. Jyoti C. Raheja referred to the aforesaid correspondence and stated that she had, through authorized representative, furnished the required details / information / documents, and understood that they were to the authority's satisfaction. She further requested to be informed in case of any further requirement or explanation, in the absence of which it would be understood that she has satisfactorily carried out the statutory compliances relating to closure of the matter. No further correspondence has been received.
2. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against Mrs. Jyoti C. Raheja and others. For details, see "Material litigation and regulatory actions

pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions”. Further, Mrs. Jyoti C. Raheja has received notice dated December 9, 2019 under Section 153A of the Income Tax Act, 1961, to file her income tax return for assessment year 2008-09 within five days from the date of service of notice and the return has been filed with the Income Tax Department. Pursuant to the block assessment proceedings, Mrs. Jyoti C. Raheja received orders under Section 143(3) read with Section 153A of the Income Tax Act, 1961 for assessment years 2008-2009, 2012-2013 to 2017-2018 and under Section 143(3) of the Income Tax Act, 1961, assessment year 2018-2019 for an aggregate demand of ₹Nil.

***(iii) Material civil/commercial litigation***

1. For other pending material civil / commercial litigation against Mrs. Jyoti C. Raheja, see “- Material litigation and regulatory actions pending against the Sponsor Group – Mr. Ravi C. Raheja – Material civil/commercial litigation”.

## **E. Casa Maria**

***(i) Criminal matters***

There are no pending criminal matters against Casa Maria.

***(ii) Regulatory actions***

There are no pending regulatory actions against Casa Maria.

***(iii) Material civil/commercial litigation***

1. For other pending material civil / commercial litigation against Casa Maria, see “- Material litigation and regulatory actions pending against the Sponsor Group – Mr. Chandru L. Raheja – Material civil/commercial litigation”.

## **F. Genext**

***(i) Criminal matters***

There are no pending criminal matters against Genext.

***(ii) Regulatory actions***

1. Proceedings were initiated before the monitoring committee of the MCGM for monitoring the re-development in respect of the property owned by Capricorn Realty Limited situated at Mahalaxmi, Mumbai which is being developed by Genext. A recent issue relating to giving additional allowances to ex-mill-workers employed in the project was agreed and settled in the Monitoring Committee's Meeting held on June 6, 2018. The matter is currently pending with the Monitoring Committee in respect of the employment of more mill workers in place of the mill workers who have left, retired or have expired in relation to the remaining work in the project.
2. Genext received demand notices from time to time, from the Collector of Stamps, Enforcement – II (“Collector”) relating to stamp duty and penalty on various agreements entered into with various parties aggregating to approximately ₹ 208 million. Genext submitted its replies to the Collector against all these demand notices, inter alia pointing out that Genext is not a party to the said agreements, and is not liable for any amount. After the hearing

was held in these matters, no further communications / demands have been received from the Collector. Genext and KRCPL had also received a demand notice in 2014 from the Collector relating to stamp duty and penalty of approximately ₹ 55 million in respect of a deed of assignment dated August 6, 2007 between Genext and KRCPL. Genext submitted its reply inter alia stating that the document was duly adjudicated and accordingly the full stamp duty was paid thereon. After a hearing was held in the said case, no further communications / demands have been received thereafter.

3. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against Genext and others. For details, see “Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions”. Genext received a notice dated November 27, 2018 from the Income Tax Department in relation to certain transactions entered into by certain KRC group persons, including Genext. For details, see “- Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – MBPPL – Regulatory Actions”. Genext has received notice dated November 27, 2019 under Section 153A of the Income Tax Act, 1961, to file its income tax return for assessment year 2008-09 within seven days from the date of service of notice and the return has been filed with the Income Tax Department. Pursuant to the block assessment proceedings, Genext received orders under Section 143(3) read with Section 153A of the Income Tax Act, 1961 for assessment years 2012-2013 to 2017-2018 and under Section 143(3) of the Income Tax Act, 1961, assessment year 2018-2019, for an aggregate demand of ₹ 670.07 million. Genext has filed rectification applications and appeals which are pending before the relevant authority. The assessment proceeding for assessment year 2008-2009 are ongoing. Certain rectification applications have been processed by the relevant authority granting an aggregate refund of ₹ 164.93 million.
4. The Pest Control Officer at MCGM issued 23 notices to Genext between June 12, 2012 and June 20, 2019 with respect to water stagnation at its Vivarea project site at Mahalakshmi, Mumbai and other related infringements of the Mumbai Municipal Corporation Act, 1888. Genext has replied to MCGM stating that they have taken corrective measures and requested MCGM to conduct inspection in order to close the matter. In relation to two of such notices, Genext has paid fines. No further correspondence has been received.
5. Genext received letter dated August 17, 2018 vide email dated August 21, 2018, and November 30, 2018 from the MCA directing it to provide certain information relating to Genext’s compliance with its corporate social responsibility obligations for the financial year 2015-16. Genext has submitted the information to the MCA as requested. No further correspondence has been received.

### ***(iii) Material civil/commercial litigation***

1. Capricon Realty Limited has filed a special leave petition before the Supreme Court of India challenging the final judgment of the Bombay High Court dated August 21, 2017 (“Order”) passed in public interest litigation no.6/2016 in respect of the interpretation of the development control regulations of Greater Mumbai and the computation of the Floor-Space Index (FSI) liable to be granted. KRCPL has obtained the development rights of the subject matter lands from Capricon Realty Limited, and has further assigned the same to Genext. The Supreme Court of India vide its order dated November 27, 2017 has stayed the Order. The matter is currently pending before the Supreme Court of India.

## **G. Inorbit Malls**

### ***(i) Criminal matters***

1. Inorbit Malls along with others received a notice dated January 22, 2019 from the Sub-Inspector of Police, Madhapur police station, Hyderabad in relation to a criminal complaint filed by MD Ghouse Mohiddin against Trion, Inorbit Malls and others for allegedly committing fraud amounting to ₹ 2.5 million. Trion and Inorbit Malls replied to the notice on January 24, 2019 stating that there is no privity of contract between the Complainant and themselves. The matter is currently pending before the Madhapur police station, Hyderabad.



**(ii) Regulatory actions**

1. From time to time, various inspections have been carried out by Labour officers and inspectors in respect of compliances by the company with the labour laws, rules and regulations. Inorbit Malls has filed its replies and submissions in respect of such inspections from time to time.
2. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against Inorbit Malls and others. For details, see "Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions". Pursuant to the block assessment proceedings, Inorbit Malls received orders under Section 143(3) read with Section 153A of the Income Tax Act, 1961 for assessment years 2012-2013 to 2017-2018) and under Section 143(3) of the Income Tax Act, 1961, assessment year 2018-2019, for an aggregate refund of ₹ 94.75 million. Inorbit Malls has filed rectification applications and appeals which are pending before the relevant authority. Certain rectification applications have been processed by the relevant authority increasing the aggregate refund to ₹ 211.74 million.
3. Pursuant to the inspection report by Security Guards Board for Brihanmumbai and Thane District ("Board"), the Board issued a show cause notice dated October 13, 2014, in respect of the project at Vashi and alleged contraventions by Inorbit Malls under the provisions of the Maharashtra Private Security Guards (Regulation of Employment and Welfare) Act 1981 read with the Scheme of 2002. No further correspondence has been received thereafter.
4. Inorbit Malls received a notice dated November 4, 2018 from the Tahshildar under the Maharashtra Land Revenue Code in relation to alleged unauthorized excavation of minor minerals by Inorbit Malls. Inorbit Malls filed its written submissions on December 5, 2018 denying the allegations. Pursuant to a hearing before the Tehsildar, the matter was closed for passing of orders. The matter is currently pending before the Tahshildar.
5. A complaint was filed by Shamabai Govind Pilane on July 8, 2016, before the Municipal Commissioner, PMC alleging Inorbit Malls (Residential division) of undertaking illegal activities in relation to, inter alia, blocking of the road, changing topography of the land and attempting to erect fencing on the road which is sanctioned under Section 205 of the Bombay Provisional Municipal Corporations Act, 1949. There have been several letters sent by PMC to Inorbit Malls in this regard, from time to time. Inorbit Malls has responded to such letters denying the illegal activities alleged by the Municipal Commissioner. This matter is currently pending.
6. Several notices have been issued by the various stamp duty authorities to Inorbit Malls, in respect of deficit payment of stamp duty on certain agreements executed by Inorbit Malls aggregating to ₹ 1.40 million payable by Inorbit Malls and ₹ 0.42 million payable by the licensees. Inorbit Malls has submitted its replies from time to time inter alia denying the liability for stamp duty.
7. The BrihanMumbai Mahanagarpalika Corporation ("BMC") issued a letter dated January 10, 2020, to Inorbit Malls, pertaining to alleged unauthorised use of parking space, pursuant to an inspection by BMC and instructed Inorbit Malls to produce approvals/permissions obtained from competent authority within seven days of receipt of the letter. Inorbit Malls has, by letter dated January 15, 2020, responded to the letter stating that it was not illegally using open space as alleged by BMC. BMC, by letter dated January 28, 2020, replied stating that the said open space was marked for parking as per the latest approved plan and observed that Inorbit Malls has changed the location of recreation ground without obtaining permission of competent authority. BMC has further directed Inorbit Malls to restore/remove the unauthorized development as per the approved plan, failing which, the appropriate action shall be initiated against Inorbit Malls. No further correspondence has been received. The BMC, by its notice dated February 28, 2020 ("Notice") issued under section 55 of the Maharashtra Regional and Town Planning Act, 1966 ("MRTP Act") directed Inorbit Malls to remove the unauthorized development i.e. Dais, Fountain, Kids Zone in parking space, within 15 days (fifteen days) from receipt of this Notice and sought to remove the unauthorised work and take action under the MRTP Act against Inorbit Malls in case of any failure. Inorbit Malls, by its reply letter dated March 13, 2020, submitted that revised proposal has been submitted to BMC, in respect of deleting podium parking and showing layout R.G. on ground with water fountain, Kids Zone and dias, and further requested the BMC to withdraw the Notice.

By speaking order dated September 16, 2020 ("Order"), the BMC informed that for want of documentary evidence it is not proved that the work was authorised, and directed removal of the work. By reply dated September 19, 2020, Inorbit Malls inter alia submitted the copy of the completion certificate and plans issued by building and proposal department, showing that the parking tower has already been deleted and the recreation ground ("RG") is shown on ground with water fountain and kids zone, which is allowed as per the Development Control and Promotion Regulation 2034 in the RG area; and requested to review and withdraw the speaking order and provide an opportunity to appear and explain the matter. No further correspondence has been received.

8. The Municipal Corporation of Greater Mumbai ("MCGM") issued a notice dated January 29, 2020, to Inorbit Malls, observing that during an inspection, certain illuminated advertisement board was displayed in Inorbit Mall without appropriate permission from MCGM under the Mumbai Municipal Corporation Act, 1888. Inorbit Malls, by letter dated February 3, 2020, replied to the notice stating that the advertisement board was in relation to products offered in the mall premises and have been removed pursuant to completion of the promotion of the products. No further correspondence has been received.
9. The Municipal Corporation of Greater Mumbai ("MCGM") issued a notice dated February 14, 2020, to Inorbit Malls, observing that during an inspection, certain illuminated advertisement board was displayed in Inorbit Mall without appropriate permission from MCGM under the Mumbai Municipal Corporation Act, 1888. Inorbit Malls, by letter dated February 18, 2020, replied to the notice stating that the advertisement board was within the scope of the permit granted by the MCGM and was in relation to services available with many retailers in the mall premises for the benefit of general public visiting the mall premises and requested MCGM to withdraw its notice. No further correspondence has been received.
10. Inorbit Malls, along with Shri Dinesh Chandratre and others, through its constituted attorney Cavalcade Properties Private Limited ("Cavalcade") has filed an RTS Appeal bearing No. 119 of 2020 being aggrieved by the mutation entry No. 14839 dated July 19, 2019 thereby recording encumbrance in the other rights column on the VII XII in respect of land bearing Survey No. 27/1B+2+3 and 27/4 Village Mohammadwadi, Pune. The mutation entry was pursuant to the order dated March 18, 2013 in Case No. SR/300/12/2015 passed by the Tahsildar, Haveli under Section 48(7) of the Maharashtra Land Revenue Code, 1966 for unauthorized excavation of minor minerals to the tune of ₹1,01,52,223 as per the Panchnama carried out by the Talathi office, Mohammadwadi, Pune. The RTS appeal was also filed for quashing of order of attachment of immovable property dated June 1, 2019 and February 5, 2020. Inorbit Malls has also filed an application for granting stay in the matter till the appeal is disposed of. On March 2, 2020, Inorbit Malls filed an application seeking permission to pay 25% of the total amount (under protest) thereby seeking stay to the further proceedings till the matter is disposed of on merits. The said application was allowed and the Hon'ble Sub Division Officer, Haveli Sub Division Pune ("SDO") by its letter dated March 2, 2020 directed the Tahsildar to take action for accepting the said 25% payment in Government Treasury. On March 3, 2020 Cavalcade made the aforesaid 25% payment under protest in SBI Treasury Branch. On March 9, 2020, the SDO issued a stay order till the final disposal of the matter on merits. The matter is pending.
11. For other regulatory actions pending against Inorbit Malls, see "- Material litigation and regulatory actions pending against the Associates of each of Mindspace REIT, the Sponsors and the Manager, and entities where any of the Sponsors hold any interest/shareholding – Chalet Hotels – Material civil/commercial litigation".

### ***(iii) Material civil/commercial litigation***

1. Shoppers Stop has filed special leave petitions before the Supreme Court of India ("Court") against Government of India, Director General of Service Tax, Ministry of Finance Department, The Central Board of Excise and Customs and others in respect of order dated August 4, 2011 passed by the Bombay High Court in respect of levy of service tax for renting of immovable property. Inorbit Malls has been made party to the petitions. The matter is pending before the Court. A special leave petition has also been filed by Retailers Association of India (wherein licensees of Inorbit Malls are members) against the Union of India and others before the Court on similar grounds. Inorbit Malls is also a party to various special leave petitions filed by other licensees of Inorbit Malls. The matter is pending before the Court.

2. Wides Properties and Holdings has filed a special civil suit before the North Goa Civil Court against Inorbit Malls and others in respect of lands situated at Kadamba, Goa claiming that the property originally belonged to Arun Mambro's family who had agreed to sale it to the plaintiff. The plaintiff's application for temporary injunction was rejected in the year 2013. On June 11, 2019, the plaintiff filed an application to amend the plaint for adding certain additional grounds. The matter is pending for reply by Inorbit Malls and other defendants.
3. Inorbit Malls is involved in certain matters in relation to mutation of names upon the land records maintained by the government which are currently pending before their respective courts/authorities.
4. Arun Prabhu Mambro and others filed a special civil suit on against Inorbit Malls and 42 others before the North Goa – Civil Court, Panaji ("Goa Court") in relation to three adjoining parts and parcels of land located in revenue village Panelim and Parish of St. Peter ("Suit Property") claiming a right and interest over them and further alleging fraud committed by Mrs. Irene Barbosa in relation to manipulation of the land record to sell the Suit Property to Inorbit Malls. The plaintiffs have sought, among others, (i) declare the additions of names and boundaries of properties and revenue orders as null and void; and (ii) removal of the structures on the Suit Property. The matter is currently pending.
5. Dattaram Xavier Fernandes and others have filed a special civil suit before the North Goa Civil Court ("Court") against Inorbit Malls and others claiming tenancy over the lands situated at Kadamba, Goa and impugning Sale Deed dated October 9, 2006 executed in Inorbit Malls' favour. The matter is pending before the Court.
6. A suit was filed by Anjali Pandharipande and Uma Maindarkar before the Civil Judge, Junior Division Pune seeking, among others, declaration and injunction against Dineshchandra S Argade, Inorbit Malls, PMC through its Commissioner and City Engineer, PMC in relation to land bearing Survey No. 38/1C, located in Mohammadwadi, Pune. The matter is currently pending.
7. KRCPL ("Petitioner") has filed a special leave petition before the Supreme Court of India ("SLP") against the common judgement and order dated November 20 and 21, 2014 ("Impugned Judgement") passed by the Division Bench of the Bombay High Court in public interest litigation No. 131/2003 and No. 48/2004 ("PIL Proceedings"), which set aside the allotment certain plot with open spaces ("Leasehold Land") by CIDCO to the Petitioner and directed KRCPL to handover the possession of the Leasehold Land in its original condition. Pursuant thereto, the Supreme Court of India, vide its order dated January 22, 2015 had directed the parties to maintain status-quo. The SLP is currently pending before the Supreme Court of India. Also pursuant to the liberty granted under the Impugned Judgment, the Petitioner has applied to the State Government for regularization of the allotment of land. The matter is currently pending with CIDCO.
8. In relation to an application for formation of co-operative society by Proposed Raheja Vistas Premiere Building T13 Maxima Co-operative Housing Society Limited, through its chief promoter in respect of Building T13 constructed by Inorbit Malls, the Deputy Registrar, Co-operative Society, Pune ("Deputy Registrar") issued a notice under Maharashtra Ownership Flats Act (Regulation of the Promotion of Construction, Sale, Management and Transfer Act, 1963) requesting Inorbit Malls to appear for the hearing and file its written submission. Inorbit Malls has filed its objection in the matter. The matter is pending before the Deputy Registrar for final arguments.
9. Proposed Raheja Vistas Phase IV Building T5 and T6 Co-operative Housing Society Limited through its chief promoter Col. Kadur Malleshi ("Plaintiff") has filed a suit before the Civil Judge Senior Division, Pune ("Civil Court") against Inorbit Malls, (through its directors Mr. Ravi C. Raheja, Mr. Neel C. Raheja and others) ("Defendant"), for inter alia declaring the deed of declaration dated February 11, 2019 executed by Inorbit Malls as illegal, null and void and non-binding upon the Plaintiff and has sought cancellation of the deed of declaration and permanent injunction restraining the Defendants from executing any deeds, documents and things in respect of the suit property on the basis of the impugned deed of declaration. The Court granted an ad interim status quo with respect to holding of any general body meeting or voting in pursuance of the deed of declaration. By order dated February 4, 2020, the Court rejected Plaintiff's injunction application. Consequently, the Plaintiff filed an application inter alia seeking extension of status-quo until the appeal period which was

rejected by the Court. The matter is currently pending before the Civil Court.

10. Proposed Raheja Vistas Phase IV Building T5 and T6 Co-operative Housing Society Limited through its chief promoter Col. Kadur Malleshi ("Applicant") filed an application before District Deputy Registrar Co-operative Housing Societies against Inorbit Malls ("Respondent"), for formation of a co-operative society. On August 7, 2019, the Applicant filed an application for amendment thereby seeking addition of the names of Mr. Ravi C. Raheja, Mr. Neel C. Raheja and others in the matter as directors of Inorbit Malls. The said application for amendment was allowed vide an order dated October 1, 2019 ("Impugned Order"). Aggrieved by the aforementioned order, Inorbit Malls filed a revision application on November 1, 2019 for quashing and setting aside the Impugned Order, before the Divisional Joint Registrar, Co-operative Societies, Pune. The Applicant filed a pursis giving its no-objection to the revision application being allowed and the Impugned Order being quashed and set aside. The revision application was allowed on November 26, 2019. The Application for society formation was allowed on January 29, 2020 and the society was registered on January 31, 2020. Aggrieved by the said orders, Inorbit Malls filed an appeal and revision application in both the matters before the Divisional Joint Registrar, Pune and an interim stay was granted by the Divisional Joint Registrar in both the matters on March 2, 2020. Aggrieved, Raheja Vistas Phase IV Building T5 and T6 Co-operative Housing Society Limited filed a civil writ petition in the Bombay High Court which was disposed of on June 23, 2020. By separate orders dated July 31, 2020, the appeal and revision application filed by Inorbit Malls were allowed by the Divisional Joint Registrar, Pune. The Raheja Vistas Phase IV Building Nos. T5 and T6 Co-operative Housing Society Limited have challenged the said orders by filing two separate civil writ petitions ("CWP's") in Bombay High Court. By an order dated September 21, 2020, the Bombay High Court directed the petitioners to comply with the order dated June 23, 2020 pertaining to payment of maintenance by the petitioner and the individual members to respondent no.1 i.e. Inorbit Malls in the earlier civil writ petition within a period of one week. The CWPs are pending for hearing and compliance of the Order dated September 21, 2020.
11. For other pending material civil / commercial litigation against Inorbit Malls, see "-Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Title litigation and irregularities" and "- Material litigation and regulatory actions pending against the Associates of each of Mindspace REIT, the Sponsors and the Manager, and entities where any of the Sponsors hold any interest/shareholding – Chalet Hotels – Material civil/commercial litigation".

## H. Ivory Properties

### (i) *Criminal matters*

There are no pending criminal matters against Ivory Properties.

### (ii) *Regulatory actions*

1. In response to applications made by Ivory Properties in relation to certain environmental clearances and approvals for a project at Malad, Mumbai and in relation to certain environmental approvals and provision for treatment plants for the sewage generated from the project, MPCB issued notices dated May 28, 2015 and December 17, 2014 and October 3, 2015, to Ivory Properties. Ivory Properties has responded to the said notice. By reply dated July 6, 2015 to the notice dated May 28, 2015, Ivory Properties withdrew the application for consent to establish (as it was inadvertently made) inter alia as the plinth for a building was already completed before the MoEF notification dated July 7, 2004 providing for obtaining environment clearance. In reply dated December 30, 2014 to the notice dated December 17, 2014, Ivory Properties pointed out that the IT buildings referred by MPCB were completed in 2003, and provided details of the occupation certificates issued from 2001 to 2003. No correspondence has been received thereafter.

### (iii) *Material civil/commercial litigation*

1. Oasis Restaurant and Amber, Oscar & Minor Canteens have filed a suit before the Bandra Civil Court ("Court") against Ivory Properties and others for declaration as a tenant of the premises situated within the Shoppers



Stop building in Andheri West, Mumbai. The matter is currently pending before the Court.

2. Bhanumati Bhuta and Vasantben Bhuta filed commercial arbitration petitions before the Bombay High Court ("Court"), to quash and set-aside the above arbitral award dated February 14, 2017 whereby the specific performance of a development agreement and memorandum of understanding both dated April 19, 1995, as modified, was granted to Ivory Properties. Pursuant to order dated January 28, 2020, the commercial arbitration petitions have been allowed and the award dated February 14, 2017 and interim orders of the arbitrator have been set aside by the Court. Ivory Properties has preferred an appeal before the Division Bench of the Bombay High Court from the order dated January 28, 2020 and the same is pending.
3. Shoppers Stop has filed a special leave petition before the Supreme Court of India ("Court") against Government of India, the Director General of Service Tax, Ministry of Finance Department, of Revenue, the Central Board of Excise and Customs and others in respect of order dated August 4, 2011 passed by the Bombay High Court in respect of levy of service tax for renting of immovable property. Ivory Properties has been made a party to the matter. The matter is currently pending before the Court.
4. Radhakrishna Properties Private Limited ("Plaintiff") filed a suit before the Bombay High Court ("Court") against Ivory Properties ("Defendant") seeking specific performance of agreement to sub-lease dated April 6, 1995 executed by Ivory Properties in favour of the Plaintiff in respect of lands situated at Malad, Mumbai. Alternatively, the Plaintiff is seeking alternate compensation aggregating to ₹ 3,000 million. The Defendant has filed its written statement and counter-claim. The matter is pending before the Court.
5. For other pending material civil/commercial litigation against Ivory Properties, see "- Material litigation and regulatory actions pending against the Sponsor Group – Mr. Ravi C. Raheja – Material civil/commercial litigation", "- Material litigation and regulatory actions pending against the Sponsor Group – Mr. Chandru L. Raheja – Material civil/commercial litigation" and "-Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Title litigation and irregularities".

## I. Ivory Property Trust

### **(i) Criminal matters**

There are no pending regulatory actions against Ivory Property Trust.

### **(ii) Regulatory actions**

There are no pending regulatory actions against Ivory Property Trust.

### **(iii) Material civil/commercial litigation**

1. Manilal & Sons ("Manilal") has filed legal proceedings against Bombay Forgings Limited ("BFL") relating to lease of lands at Kalina, Mumbai.  
Ivory Property Trust has inter alia entered into memorandums of understanding to acquire from BFL its leasehold lands situate at Kalina, Mumbai (said Lands), pursuant to a rehabilitation scheme sanctioned by the Board of Industrial & Financial Reconstruction ("BIFR") in respect of BFL ("BIFR Scheme"). The landowner-lessor i.e. Manilal challenged the BIFR Scheme and transfer of said Lands under the BIFR Scheme in favour of Ivory Property Trust. Both the BIFR and the Appellate Authority for Industrial and Financial Reconstruction ("AAIFR") did not grant any relief to Manilal. Manilal has challenged the said orders of BIFR and AAIFR in a writ petition filed in the Bombay High Court ("High Court"). The High Court has directed that any changes brought about pursuant to the various orders passed shall be subject to the final decision in this petition. The matter is currently pending before the High Court.
2. Manilal had filed an eviction suit in the Small Causes Court, Bandra against BFL in respect of the lease of land at Kalina Mumbai which was decreed in favour of Manilal in 2007, and an enquiry was directed for mesne

Bandra. Appeal was admitted, execution of eviction was stayed and BFL was ordered to deposit interim mesne profits at the rate of ₹ 0.02 million per month. Manilal has filed Mesne Profits Proceeding in the Small Causes Court, Bandra against BFL claiming ₹ 294.6 million as arrears of mesne profits with 9% interest p.a. up to August 31, 2007; and further ₹ 6.2 million per month with 15% interest p.a. from September 1, 2007 till handing over possession. On March 14, 2020, the Small Causes Court, Bandra allowed Manilal's application to produce certified copy of case papers in relation to BFL's RAD Suit No.310 of 2017. On August 31, 2020, BFL filed revision application against the said order dated March 14, 2020. By letter dated April 12, 2007, Ivory Property Trust has agreed with BFL not to claim refund of ₹ 190 million paid by Ivory Property Trust to BFL, and also that any condition by the appeal court for stay of execution of decree including deposit of interim mesne profit, if any, ordered will be exclusive liability of Ivory Property Trust. BFL has also filed a suit in the Small Causes Court, Bandra, for declarations in respect of its leasehold rights/tenancy in the said Lands and other relief relating to renewal/ extension of lease of the said lands and for damages in the alternative aggregating to ₹ 200 million. The matters are currently pending in the Small Causes Court, Bandra.

3. A suit is filed before the Bombay High Court ("Court") by Matasons Estate Private Limited ("Plaintiff") against Bombay Forgings Private Limited and Ivory Properties ("Defendant") seeking specific performance of a development agreement for property situated at Kalina in Mumbai or compensation aggregating to ₹ 150 million along with interest of 18% p.a. The matter is currently pending before the Court.

## **J. KRCPL**

### **(i) Criminal matters**

1. Sunil Khare has filed a first information report dated March 3, 2013 with the Malawani Police Station, Mumbai against Anuj Prakash, general manager, of one of the hotels of KRCPL i.e. The Resort at Malad, Mumbai, for an incident at the hotel. The general manager applied for and has been granted bail. The matter is currently pending before the Sessions Court, Borivali.

### **(ii) Regulatory actions**

1. K Raheja Corp and Genext had received a demand notice from the Collector relating to stamp duty and penalty of approximately ₹ 55 million in respect of a deed of assignment dated August 6, 2007 between Genext and K Raheja Corp. Genext submitted its reply inter alia stating that the documents were duly adjudicated and accordingly full stamp duty was paid. After hearing was held in the said case, no further communications / demands have been received thereafter. K Raheja Corp had also received a demand notice from the Collector relation of stamp duty and penalty approximately of ₹ 50 million in respect of a deed of assignment dated August 6, 2007 between IDBI, K Raheja Corp and others. Genext submitted its reply inter alia stating that the documents were duly adjudicated and accordingly full stamp duty was paid. After hearing was held in the said case, no further communications / demands have been received thereafter.
2. Certain investigative proceedings have been initiated by the Superintendent of Police, Anti-Corruption Branch, Goa ("ACB") against unnamed persons under the Prevention of Corruption Act, 1988 in respect of allotment of SEZ lands by Goa Industrial Development Corporation to SEZ developers. Pursuant to the intimation dated March 14, 2013 received from the ACB in connection with enquiry, KRCPL's representative has appeared before the ACB. No further correspondence has been received. As recorded in the orders of the Supreme Court of India in the certain civil appeals, some of the SEZ developers including KRCPL have surrendered the SEZ lands to Goa Industrial Development Corporation ("GIDC"). In the Government of Goa Cabinet note in July 2018 (obtained through an application made under the Right to Information Act, 2005), it was noted that the FIR filed by GIDC, pursuant to which the investigative proceedings were initiated by the ACB, was proposed to be withdrawn as no cause existed. It also stated that the Council of Ministers may resolve to approve, amongst others, the proposal to close the vigilance and other matters in view of settlement. Subsequently, the amounts have been refunded by GIDC to KRCPL together with interest.

3. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against KRCPL and others. For details, see “Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions”. KRCPL received a notice dated November 27, 2018 from the Income Tax Department in relation to certain transactions entered into by certain KRC group persons, including KRCPL. For details, see “- Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – MBPPL – Regulatory Actions”. Further, KRCPL has received notice dated December 9, 2019 under Section 153A of the Income Tax Act, 1961, to file its income tax return for assessment year 2008-09 within five days from the date of service of notice and the return has been filed with the Income Tax Department. Pursuant to the block assessment proceedings, KRCPL received orders under Section 143(3) read with Section 153A of the Income Tax Act, 1961 for assessment years 2008-2009, 2012-2013 to 2017-2018) and under Section 143(3) of the Income Tax Act, 1961, assessment year 2018-2019, for an aggregate demand of ₹ 712.65 million. KRCPL has filed rectification applications and appeals which are pending before the relevant authority. Certain rectification applications have been processed by the relevant authority decreasing the aggregate demand to ₹ 68.68 million.
4. The registrars of companies issued two notices dated March 29, 2017 and September 4, 2018 for striking/removal of the name of Powai Developers Private Limited from the register of companies. No further correspondence has been received.
5. The Tax Recovery Officer-11 has vide three separate letters one dated May 28, 2018 and two other dated June 6, 2018 addressed to the secretary / chairman / property manager of Raheja Vistas, project of Powai Developers (sole proprietary concern of KRCPL), informed them of the attachment of three flats of Raheja Vistas which belong to customers who have purchased these flats from Powai Developers. The Tax Recovery Officer-11 has further stated that the transfer of ownership of the same would be subject to payment of outstanding arrears of taxes of ₹ 320 million along with applicable interest thereon which is due from the flat purchasers. Powai Developers has responded to the letters. No further correspondence has been received.
6. KRCPL received an email dated December 4, 2018 from the MCA directing it to provide certain information relating to KRCPL's compliance with its corporate social responsibility obligations for the financial year 2015-16. KRCPL has submitted the information to the MCA as requested. No further correspondence has been received.
7. For other regulatory actions against KRCPL, see “Material litigation and regulatory actions pending against the Associates of each of Mindspace REIT, the Sponsors and the Manager, and entities where any of the Sponsors hold any interest/shareholding – Chalet Hotels – Regulatory Actions”.

### ***(iii) Material civil/commercial litigation***

1. Bharat Petroleum Corporation Limited (“BPCL”) filed a suit before the Bombay High Court (“Court”) against KRCPL and three others (“Defendants”) seeking specific performance of agreement dated December 5, 1952 and a declaration that sale made in favour of KRCPL be declared null and void, and further seeking damages aggregating to ₹ 100 million. The matter is currently pending before the Court. The Defendants have filed a mesne profit proceeding suit before the Bandra Small Causes Court against BPCL for determining the mesne profits, wherein the claim of KRCPL as per a valuation report is made for ₹ 76 million. The matter is currently pending before the Bandra Small Causes Court.
2. Arthur D'Souza (“Applicant”), the owner of a land adjoining the land of KRCPL, made an application to the District Collector, Bandra, Mumbai (“District Collector”) claiming title over certain portion of KRCPL's land bearing CTS No.119-G in village Tungawa in Mumbai. The District Collector passed orders dated May 26, 2009 and June 6, 2009 in favour of the Applicant. KRCPL preferred an appeal to the Additional Commissioner against the said orders. The Additional Commissioner, by his order dated February 17, 2010, upheld the orders passed by the District Collector. Aggrieved, KRCPL has preferred an appeal against the order of the Additional Commissioner before the Revenue Minister, Mantralaya. The matter is currently pending before the Revenue Minister, Mantralaya.

3. KRCPL and Indian Cork Mills Limited have filed a suit before the Bombay High Court against Sir Mohammed Yusuf Trust and others inter alia disputing the various claims made by the defendants and for declaration of the plaintiff's ownership of the certain land in village Tungawa at Mumbai. Further, in respect of the portions of the aforesaid lands, numerous proceedings and appeals before various revenue authorities have been filed between the parties. In the writ petition filed by KRCPL, by orders dated February 12, 2013 & order dated March 8, 2013 pending hearing excluding the disputed area of four acres and 11 gunthas bearing CTS No.119-G in village Tungawa in Mumbai claimed by the respondents, the Bombay High Court permitted KRCPL to continue development construction without any hindrance in the remaining area.
4. Sir Mohammed Yusuf Trust and four others ("Plaintiffs") filed two separate suits before the Bombay High Court ("Court"), against KRCPL and two others ("Defendants"), seeking declarations that the Plaintiffs are the owners of land admeasuring 4 acres and 11 gunthas bearing CTS No.119-G and about eight acres bearing CTS No. 119F in village Tungawa in Mumbai. The Plaintiffs have further sought from the Defendants, demolition of the buildings constructed on the portions of land. In the alternative, the Plaintiffs are seeking damages aggregating to ₹ 15,000 million. In the second subsequent suit, in addition to the relief claimed in the first suit, the Plaintiffs have added various societies formed of the flat purchasers as party defendant and have sought injunction restraining execution of conveyances in favour of such societies of the flat purchasers. No relief has been granted to the Plaintiffs till date. The matter is currently pending before the Court.
5. Nakka Venkat Narsaiah ("Plaintiff") has filed a suit against Raheja Mind Space Corp and others ("Defendants") before the Additional Junior Civil Judge, Ranga Reddy District ("Civil Court"), inter alia for possession of land admeasuring 150 square yards, bordering the land of KRCPL. KRCPL has filed a written statement. The Civil Court has passed an interim order restraining the Defendants from alienating the land in favour of third parties. The matter is currently pending before the Civil Court.
6. KRCPL agreed to acquire a property situated at Mahalaxmi, Mumbai under an agreement dated June 30, 2017 as per the provisions contained therein, in respect of which a suit has been filed before the Bombay City Civil Court ("Court") by Modern India Limited against Belvedere Court condominium, Arun Bewoor and others in respect of right of way. Another suit has been filed before the Court by Arun Bewoor and others against Modern India Limited ("Modern") and others claiming that the deed of covenant granting right of way to Modern was a gratuitous license and that defendant no.1 was not entitled to carry on construction on the Plot D other than textile mill thereon, beyond the height of 4th floor from ground level. The matter is currently pending. Modern has filed an application to conduct an inquiry by the Court and to pass appropriate orders against defendant no.1 for making false statement on oath thereby having committed perjury. The same is pending
7. Maharashtra Rajya Mathadi & Gumasta General Kamgar Sanghatana and one other ("Petitioners") have filed a writ petition against KRCPL, Chalet Hotels and others before the Bombay High Court alleging that certain workers have not been assigned the work of loading and unloading of the building and construction material at the site at Powai and unregistered workers continue to work at the site. The matter is pending before the Bombay High Court.
8. For other pending material civil / commercial litigation against KRCPL, see "- Material litigation and regulatory actions pending against the Sponsor Group – Genext – Material civil/commercial litigation", "- Material litigation and regulatory actions pending against the Sponsor Group – Mr. Ravi C. Raheja – Material civil/commercial litigation", "- Material litigation and regulatory actions pending against the Associates of each of Mindspace REIT, the Sponsors and the Manager, and entities where any of the Sponsors hold any interest/shareholding – Chalet Hotels – Material civil/commercial litigation", "- Material litigation and regulatory actions pending against the Sponsor Group – Inorbit Malls – Material civil/commercial litigation" and see "-Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Title litigation and irregularities".



## K. KRPL

### *(i) Criminal matters*

1. For criminal matters pending against KRPL, see “-Material litigation and regulatory actions pending against the Sponsor Group – Mr. Chandru L. Raheja – Criminal matters”.

### *(ii) Regulatory actions*

1. The MCGM, vide several letters addressed to KRPL, has demanded the handing over of Flat No. 102 on the first floor of the building known as “Rosemary” of Rosemary Correa Co-operative Housing Society Limited (“Rosemary CHSL”), Mumbai (“Premises”), contending it to be reserved as a municipal library and called upon KRPL to furnish the relevant papers. KRPL has responded to MCGM, stating that the Premises is to be run as a library by the owner for public in general and that the library will be open for public-use after completion of on-going repair work. However, the MCGM sealed the Premises on March 14, 2019. KRPL has called upon MCGM to forthwith restore possession of KRPL of the Premises and to remove the seal from the Premises at the earliest. Further the MCGM, by its letter dated July 27, 2019, to KRPL, threatened to register a FIR against KRPL for alleged trespassing in the Premises. KRPL is in process of responding to the letter dated July 27, 2019.
2. The Pest Control Officer at MCGM has issued 37 notices to KRPL between 2016 and June 13, 2019 in respect of water stagnation at KRPL's project site at Worli, Mumbai and other related infringements of the Mumbai Municipal Corporation Act. KRPL has replied to MCGM stating that they have taken corrective measures and requested MCGM to conduct inspection in order to close the matter. No further correspondence has been received.
3. The issues of levy of premium/transfer fees/lease tenure/enhanced lease rent etc. relating to Brihanmumbai Mahanagarपालिका (“MCGM Estates”) two municipal leasehold properties acquired by KRPL are sub-judice before the Bombay High Court (“Court”) in various petitions filed by various lessees and other parties. KRPL is not a party to such proceedings and has not filed any petition in court in this respect. MCGM Estates had raised demands on KRPL for transfer premium and penalty and transfer fee relating to the assignments of the said properties at Worli in favour of KRPL which was paid without prejudice & subject to all rights & contentions of the parties. KRPL has filed undertaking dated October 19, 2015 and July 16, 2015 with MCGM to abide by the final outcome in writ petition no.1251/2014 (“Writ Petition”) and any other proceedings from time to time in relation to the issues of levy of premium / transfer fees / lease tenure / enhanced lease rent. The writ petition is currently pending with several other similar matters before the Court.
4. The MCGM has issued a letter dated April 8, 2018 addressed to KRPL, in pursuance of letter dated March 12, 2018 (wrongly dated March 12, 2010) received by them from Association of Engineering Workers in respect of unpaid dues to labour/workers of Metal Box India Limited (“MBIL”) and for issuance of stop work notice of further construction of building situated at Worli, Mumbai. MBIL was the predecessor in title of KRPL. KRPL has issued letter dated May 14, 2018 responding to MCGM, denying all the allegations and informing that MBIL had deposited the entire gratuity dues of ex-workers. KRPL had also filed caveats in the Bombay City Civil Court and Bombay High Court for being given notice of any application for ad-interim orders in any proceeding that may be filed, which were renewed from time to time. Arun Kachare and Association of Engineering Workers filed a writ petition against State of Maharashtra, MCGM, MBIL and others before the Bombay High Court seeking, inter alia, in respect of alleged labour dues payable by MBIL and relating to alleged requirement of labour NOC for development of MBIL, and sought relief relating to the development approvals in respect of the suit property. Since relief was sought relating to development approvals with respect to the suit property, KRPL joined as a respondent in the matter. KRPL has inter alia contended that it is the title holder of the suit property, having acquired assignment of the lease pursuant to BIFR/AAIFR proceedings and is not a closed company or liable for any dues of the workers of its predecessor in title i.e. MBIL. The matter is pending before the Bombay High Court.

5. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against KRCPL and others. For details, see “Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions”. Pursuant to the search, the Income Tax Department issued notices each dated January 23, 2019 in pursuance of provisions of section 153C r.w.s. 153A of the Income Tax Act, 1961 directing KRPL to prepare and furnish true and correct returns of its total income for assessment years from 2012-13 to 2017-18 (“Period of Investigation”) by January 31, 2019 and these returns have been furnished before the Income Tax Department by KRPL. KRPL received a notice dated February 25, 2019 from the Income Tax Department in relation to certain transactions entered into by KRPL with Hypercity Retails India Ltd (“HRIL”) which is a subsidiary of Shoppers Stop wherein HRIL has booked profit of ₹ 1,751.52 million. KRPL is in process of responding to the notice appropriately to the Income Tax Department. Further, the Income tax department issued notices under section 142(1) of the Income Tax Act, 1961 for assessment year 2012-13 to 2018-19 to furnish certain details. The details called for are being furnished from time to time. Pursuant to the block assessment proceedings, KRPL received orders under Section 143(3) read with Section 153A of the Income Tax Act, 1961 for assessment years 2012-2013 to 2017-2018) and under Section 143(3) of the Income Tax Act, 1961, assessment year 2018-2019, for an aggregate refund of ₹ 54.15 million. KRPL has filed rectification applications and appeals which are pending before the relevant authority.

### ***(iii) Material civil/commercial litigation***

1. For civil / commercial litigation involving KRPL, see “- Material litigation and regulatory actions pending against the Sponsor Group – Mr. Ravi C. Raheja – Material civil/commercial litigation” and “-Material litigation and regulatory actions pending against the Sponsor Group – Mr. Chandru L. Raheja – Material civil/commercial litigation”.

## **L. Palm Shelter**

### ***(i) Criminal matters***

1. The Senior Police Inspector, Santacruz Police Station (“Police Station”) pursuant to a complaint dated April 21, 2016, filed by Claud Fernandez (“Complainant”) against certain third parties under Sections 420 and 34 of the Indian Penal Code, 1860, had issued a letter dated July 20, 2016 to Palm Shelter Estate Development Private Limited (now Palm Shelter Estate Development LLP) (“PSEDPL”) to appear before the police station on July 23, 2017. Certain agreements were entered into between the Complainant, certain family members of the Complainant and PSEDPL, for the handover and re-development of four flats in a building property. The Complainant filed a suit before the Bombay City Civil Court, due to disputes arising between the family members and the Complainant, where PSEDPL was made a defendant to the suit. Consent terms were filed between the parties to the suit which allowed PSEDPL to develop the property. PSEDPL had later transferred its development rights along with all benefits and obligations in the property to Parvesh Constructions Private Limited. Authorized representatives of PSEDPL appeared before the Police Station to provide requested information and documents and filed their deposition on the matter. There has been no correspondence between the parties in the present matter. The matter is currently pending.

### ***(ii) Regulatory actions***

There are no pending regulatory actions against Palm Shelter.

### ***(iii) Material civil/commercial litigation***

1. For civil / commercial litigation involving Palm Shelter, see “- Material litigation and regulatory actions pending against the Sponsor Group – Mr. Ravi C. Raheja – Material civil/commercial litigation”. In addition to the above pending proceedings, Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja, Genext, KRPL and

KRCPL have been identified as parties in certain labour proceeding filed by certain trade unions before the labour courts and industrial courts/tribunals alleging unfair labour practices under the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1971 against certain workmen engaged by them. The matter is currently pending before the relevant courts/tribunals.

## **IV. Material litigation and regulatory actions pending against the Manager**

As of September 30, 2020, the Manager does not have any regulatory actions or criminal matters pending against it, or material civil/ commercial litigation pending against it. For the purposes of pending material civil/commercial litigation against the Manager, such matters where value exceeds ₹ 0.14 million (being 5% of the total revenue of the Manager as of March 31, 2020 as per the respective audited financial statements) have been considered material and proceedings where the amount is not determinable but the proceeding is considered material by the Manager have been considered.

## **V. Material litigation and regulatory actions pending against the Associates of each of Mindspace REIT, the Sponsors and the Manager, and entities where any of the Sponsors hold any interest/shareholding**

As of September 30, 2020, the Associates of the Manager (to the extent that such Associates are not the Sponsor Group) and the Associates of the Sponsors (excluding members of the Sponsor Group) do not have any pending regulatory actions or criminal matters against them, or material civil/ commercial litigation pending against them.

With respect to the Associates of the Manager (to the extent that such Associates are not the Sponsor Group), the Associates of Mindspace REIT (to the extent that such Associates are not the Asset SPVs and members of the Sponsor Group), the Associates of the Sponsors (excluding members of the Sponsor Group) and entities where any of the Sponsors hold any interest/shareholding (excluding the Asset SPVs and members of the Sponsor Group), details of all pending criminal matters and regulatory actions against such entities and material civil/commercial litigation against such entities have been disclosed.

For the purpose of pending civil/ commercial litigation against such entities, such matters where value exceeds ₹ 51.39 million (being 1% of the total combined profit after tax of Mindspace REIT as of March 31, 2020) have been considered material and proceedings where the amount is not determinable but the proceeding is considered material by the Manager have been disclosed.

### **A. Chalet Hotels**

#### ***(i) Criminal matters***

1. Maria Ninitte Noronha ("Complainant") lodged a first information report dated November 6, 2007 ("FIR") against Prashant Gerald Nazereth, partner of Pebbledrops Events, on the grounds of forgery, cheating and dishonestly inducing delivery of property. Renaissance Mumbai Convention Centre Hotel received a notice dated October 12, 2007 from the Complainant claiming that the advance consideration amount of ₹ 1 million paid to the hotel by Pebbledrops Events was fraudulently obtained by Prashant Gerald Nazereth from her and further demanded it to be refunded. In pursuance of the FIR, Chalet Hotels was named as an accused in a final report prepared by the police. Chalet Hotels deposited ₹ 1 million with the Bandra police station pending conclusion of the trial. Subsequently, the Complainant filed an application in February 2008 before the Additional Chief Metropolitan Magistrate, Bandra ("Metropolitan Court") for withdrawing the amount deposited by Chalet Hotels

of the trial. Subsequently, the Complainant filed an application in February 2008 before the Additional Chief Metropolitan Magistrate, Bandra ("Metropolitan Court") for withdrawing the amount deposited by Chalet Hotels to which Chalet Hotels has filed its reply dated March 26, 2008, denying the claim. The matter is currently pending before the Metropolitan Court.

2. Hitesh Nandlal Ramani lodged a first information report dated December 14, 2015 at the Powai police station, Mumbai against one of Chalet Hotels' employee of its hotel, Renaissance Mumbai Convention Centre Hotel, and its swimming pool lifeguard, on the grounds of causing death by negligence and endangering life or personal safety of his daughter. The Powai police station has filed its final report dated November 25, 2016 before the Metropolitan Magistrate, Andheri ("Metropolitan Court"). The matter is currently pending before the Metropolitan Court.
3. The State of Maharashtra (Excise Department) filed proceedings before the Metropolitan Magistrate Court, Bandra ("Metropolitan Court") against Saumen S. Shah, representative of the guests, Kailash B. Pandit employee of Chalet Hotels' hotel, Renaissance Mumbai Convention Centre Hotel, and Shivkumar S. Verma a consultant, alleging service of liquor without adequate permission within the hotel premises on January 10, 2018. A writ petition has been filed before the Bombay High Court by Kailash Pandit for quashing the matter. The matter is currently pending before the Bombay High Court.
4. Abhimanyu Rishi lodged a first information report dated May 3, 2008 at the Powai police station, Mumbai against Prashant More, an employee of one of Chalet Hotels' hotel, Renaissance Mumbai Convention Centre Hotel and other employees on alleging assault and injury by hotel staff. The Powai police station has filed its final report dated April 21, 2009 before the Andheri Metropolitan Magistrate Court ("Court"). The matter is currently pending before the Court.
5. Mohammad Altaf Abdul Latif Sayyed lodged a first information report dated May 15, 2018 with the Powai police station, Mumbai against two of the employees of one of Chalet Hotels' hotel, Renaissance Mumbai Convention Centre Hotel alleging theft of his personal property. The matter is being investigated by the police and there has been no further correspondence or update on same.

## ***(ii) Regulatory actions***

1. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against Chalet Hotels and others. For details, see "Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions". Chalet Hotels received a notice dated November 27, 2018 from the Income Tax Department in relation to certain transactions entered into by certain KRC group persons, including Chalet Hotels. For details, see "- Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – MBPPL – Regulatory Actions". Further, Chalet Hotels has received notice dated December 9, 2019 under Section 153A of the Income Tax Act, 1961, to file its income tax return for assessment year 2008-09 within five days from the date of service of notice and the return has been filed with the Income Tax Department. Pursuant to the block assessment proceedings, Chalet Hotels received orders under Section 143(3) read with Section 153A of the Income Tax Act, 1961 for assessment years 2008-2009, 2012-2013 to 2017-2018) and under Section 143(3) of the Income Tax Act, 1961, assessment year 2018-2019 for an aggregate refund of ₹ 80.38 million. Chalet Hotels has filed rectification applications and appeals which are pending before the relevant authority. Certain rectification applications have been processed by the relevant authority increasing the aggregate refund to ₹ 224.50 million.
2. The Directorate General of Goods and Service Tax Intelligence Pune Zonal Unit ("DG") has issued a notice dated June 15, 2018 addressed to Chalet Hotels in relation to an investigation being conducted



by the DG in respect of alleged evasion of service tax by M/s Starwood Hotels & Resorts India Private Limited, Gurgaon, operator of The Westin Hyderabad Mindspace Hotel. Chalet Hotels submitted letter dated March 22, 2019 to the DG. No further correspondence has been received.

3. The Directorate of Revenue Intelligence issued a show-cause notice dated November 29, 2018 ("DRI Show Cause Notice") directing Chalet Hotels to show cause as to why duty amounting to ₹ 195.18 million and ₹ 23.14 million should not be recovered in relation to import of goods against SFIS Scrip/License and the post-export service benefits availed by Chalet Hotels. Chalet Hotels filed a writ petition dated December 24, 2018 before the Gujarat High Court challenging DRI Show Cause Notice. The Gujarat High Court through an ex-parte interim order stayed the effect of the DRI Show Cause Notice. The Gujarat High Court, by its order dated March 2, 2020, dismissed the writ petition, on the basis of the statement recorded on behalf of DRI that DRI shall not proceed further with the DRI Show Cause Notice till the SFIS Scripts are held to be invalid or put under suspension. Further, pursuant to directives under the DRI Show Cause Notice, show cause notice dated July 4, 2019 was issued by CGST & Central Excise Division, Bhopal in relation to utilisation of SFIS benefits by Chalet Hotels for purchase of glass and a demand to make payment of excise duty of ₹ 0.3 million. Replies on behalf of Chalet Hotels and a former director of Chalet Hotels, have been submitted on September 23, 2020 with CGST & Central Excise Division, Bhopal. The matter is currently pending.
4. Chalet Hotels received a notice from the MCGM dated December 7, 2018 in relation to alleged misuse of the municipal recreation ground by JW Marriott Mumbai Sahar. Chalet Hotels replied to the notice on December 19, 2018 informing MCGM of its proposal to hand over 20% of the recreation ground to the MCGM in terms of Development Control & Promotion Regulations 2034 for Greater Mumbai. Further, Chalet Hotels received MCGM approval on May 7, 2019 and April 9, 2019 for its proposal in relation to the recreational ground. The formal handover of the recreation ground is in process. Chalet Hotels received further correspondence from the MCGM alleging misuse of the municipal recreation ground by JW Marriott Mumbai Sahar which Chalet Hotels has denied.
5. A demand notice dated February 9, 2018 has been issued by the Tehsildar Thane, addressed to the guest (event organiser) and one of Chalet Hotels' hotel i.e. Four Points by Sheraton Navi Mumbai, Vashi demanding the payment of ₹ 0.40 million (inclusive of interest) as entertainment tax. Chalet Hotels has replied vide letter dated April 24, 2018 denying the claim and have provided the supporting documents. No further correspondence has been received.
6. A demand notice dated December 19, 2016 was issued by the Bruhat Bengaluru Mahanagar Palike ("BBMP") addressed to Magna, now merged into Chalet Hotels, demanding payment of amount aggregating ₹ 256.78 million towards outstanding property tax for the period 2008-2009 to 2015-2016 (inclusive of interest/penalty). Magna vide reply dated January 1, 2017 denied the claim of BBMP. No further correspondence has been received.
7. A notice dated February 8, 2018 was issued by the Central Bureau of Investigation (Bank Security and Fraud Cell) ("CBI") addressed to Magna, now merged into Chalet Hotels, calling upon Magna to produce certain documents and information required and to appear in person, in the case bearing no. RC 10(E)/2017 dated July 27, 2017, filed by CBI against Shiva Kumar Reddy director of Kaveri Telecom Infrastructure Limited and others. Chalet Hotels has appropriately responded to CBI. No further correspondence has been received.
8. A show cause notice dated August 9, 2017 has been issued by the Director General of Foreign Trade imposing a penalty with interest on Magna, now merged into Chalet Hotels, for failing to return the terminal excise duty refund for ₹ 0.17 million. Chalet Hotels has filed its reply denying the alleged liability. No further correspondence has been received.
9. MCGM has issued a stop work notice dated June 4, 2018 addressed to Chalet Hotels in respect of alleged unlawful development and construction in Andheri, Mumbai. Chalet Hotels has issued a reply

dated June 6, 2018 to the MCGM denying their claims and have submitted the requisite documents along with the reply. No further correspondence has been received.

10. The Office of Additional Director General of Foreign Trade issued certain recovery notices for the recovery benefits granted, aggregating to ₹ 9.10 million ("Impugned Recovery Notices") on the basis that Magna, which has now merged with Chalet Hotels is ineligible to avail the benefits under the Served From India Scheme which were granted earlier to Magna. A writ petition was filed before the Karnataka High Court at Bengaluru ("Court") challenging the Impugned Recovery Notices. The Court has granted a stay on the impugned recovery notices and the matter is currently pending before the Court.
11. The Regional Provident Fund Commissioner had passed an order dated December 14, 2012 ("Order") on the basis of guidance issued by the Central Board of Trustees, Employees Provident Fund Organization in relation to certain dues of the employees of its hotel i.e. Renaissance Mumbai Convention Centre Hotel aggregating ₹ 3.77 million assessed by the Petitioner as payable by Chalet Hotels. Chalet Hotels filed an appeal before the Employees Provident Fund Appellate Tribunal, New Delhi ("Tribunal") challenging the Order which was set aside by the Tribunal on July 21, 2014. Aggrieved, the Central Board of Trustees, Employees Provident Fund Organization filed a writ petition before the Bombay High Court, against Chalet Hotels, challenging an order of the Tribunal. The matter is currently pending before the Bombay High Court.
12. The CIDCO issued an order dated December 1, 2014, directing KRCPL to discontinue use of a plot in Vashi ("Open Space") and vacate the land under Open Space, being used as entry and exit points for Four Points by Sheraton Navi Mumbai, Vashi, and residential apartment ("Hotel") of Chalet Hotels and Inorbit Malls, on the ground that it does not form part of the allotment by CIDCO to the KRCPL and the permission given vide CIDCO letter dated October 6, 2004 was given without due authority. Aggrieved, KRCPL filed a writ petition before the Bombay High Court ("Court"). The Court vide its order dated January 16, 2015 directed both parties to maintain status quo. The matter is currently pending before the Court.
13. The Director of Revenue Intelligence has issued an investigation notice dated January 22, 2020 to Chalet Hotels, requiring Chalet Hotels to furnish information and documents relating to SEIS scrips for the financial year 2016-17 till date. Through its reply dated January 27, 2020, Chalet Hotels has submitted the requisite information and documents. No further correspondence has been received.
14. For other regulatory actions against Chalet Hotels, see "Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – KRIT– Regulatory actions" and "- Material litigation and regulatory actions pending against the Sponsor Group – Mr. Ravi C. Raheja – Regulatory Actions".

### ***(iii) Material civil/commercial litigation***

1. Chalet Hotels filed a writ petition ("Writ Petition") before the Karnataka High Court at Bengaluru ("Court") challenging the cancellation of the height NOC dated October 28, 2011 issued in relation to a residential building ("NOC") by Hindustan Aeronautics Ltd. ("HAL"), responsible for issuing the height NOC and for directing HAL to permit construction up to maximum height which does not adversely affect aircraft operations as may be determined by an aeronautical study to be conducted by Airport Authority of India /ICAO, and ancillary reliefs (including an amended relief for re-validating the NOC for a further period). The NOC was issued for the development of a 17 floor residential building complex with a height of up to 62 meters on Chalet Hotels' land at Koramangala Industrial Layout, Bengaluru. At the time of cancellation of the NOC, five wings with 17 floors had been constructed with a height of up to 62 meters and more than 200 flats therein had been marketed by Chalet Hotels. The Court passed an interim order dated October 23, 2013 ("Interim Order") restricting Chalet Hotels from modifying and developing the building above 40 meters from ground level and

selling premises to third parties in respect of any portion of the building above 40 meters. Several customers of Chalet Hotels, as also certain neighbouring residents, have got themselves impleaded as Respondents in the Writ Petition.

By a subsequent detailed judgement and order dated July 31, 2014 ("Order"), the Court directed the aeronautical study to be conducted by Airport Authority of India ("AAI"). HAL's writ appeal to challenge the Order was dismissed by the Division Bench of the Court on September 3, 2015 inter alia with a direction for expediting the hearing of the writ petition and to decide the matter uninfluenced by the observations in the Order. By a further order dated November 5, 2015, the Court clarified that the aeronautical study was to be carried out in accordance with the notified parameters of HAL Airport and Notification SO 84(E) dated January 14, 2010. Accordingly, AAI conducted the study and filed its report on January 27, 2016, in effect confirming that the full height of the then completed building-wings was permissible as it does not adversely affect aircraft operations. HAL has filed objections to the aeronautical study report of AAI, inter alia alleging that it is a unique defence airport carrying out test flying. Chalet Hotels has also inter alia submitted that it had no motive or any additional area to gain, as the project has sufficient land to absorb and construct the entire FAR sanctioned for 17 floors - 62 meters in a horizontal structure of 10 floors - 40 meters.

By judgement and order dated May 29, 2020, the Court disposed of the Writ Petition, inter alia allowing the Writ Petition in part and quashed the cancellation of the height NOC by HAL (in so far as cancellation of NOC for construction upto 62 meters above ground level, so that the top of the structure when erected shall not exceed 932 meters Above Mean Sea Level ("AMSL"), and remanding the matter to HAL for re-survey of site AMSL within a time bound manner; and thereafter based on the re-survey report, proceed further in accordance with law. Further, HAL has been prohibited from taking any precipitative action, and Chalet Hotels has been prohibited from putting further construction and modifying/ altering or selling or agreeing to sell or entering into agreements with third parties in respect of any portion of building/property. The Court rejected as premature, the prayers for permitting Chalet Hotels to construct upto a height which does not adversely affect aircraft operations (as determined by an aeronautical study) and to revalidate the NOC for a further period of 5 years; and granted liberty to the Company to file necessary application at the appropriate time, keeping all contentions with regard to aeronautical study open. In relation to the said order, HAL filed a caveat and also an appeal, which are pending before the Court.

Further, certain communications were also exchanged between HAL and Bruhat Bengaluru Mahanagara Palike ("BBMP") and Chalet Hotels between 2013 and 2017, wherein Chalet Hotels inter alia updated BBMP regarding the writ petition and furnished an undertaking to BBMP not to make a further vertical expansion / modification, alteration or development above 40 meters. Chalet Hotels vide letter dated January 16, 2017 requested BBMP for an extension of the validity period of the building sanction plan for the project. Regarding its customers, Chalet Hotels had executed MoUs for a provisional reservation of a right to purchase various apartments, providing them with an option right; as also executed and registered agreements for sale with a few customers. The issue relating to NOC cancellation by HAL has been the subject of various communications between Chalet Hotels and the customers from inception till date, including a mitigation program which is continuing up to October 31, 2020. Some customers have exited the project, and continuing customers are being paid goodwill compensation pursuant to the mitigation program. Subsequent to the COVID-19 pandemic, few customers have requested for exit and/or sought details of amounts payable to them on exit. As a matter of abundant caution, Chalet Hotels has also registered the project under RERA on a without prejudice basis.

2. Iris Trout has filed a suit against Marriott International Inc., Marriott Hotels India Private Limited, Chalet Hotels, KRCPL and certain other defendants in the Superior Court of Middlesex County, New Jersey, USA on November 5, 2018 for failure to maintain premises in a safe condition resulting in personal injury at The Westin Hyderabad Mindspace Hotel. The matter is currently pending before the Superior Court of Middlesex County, New Jersey, USA. A settlement demand from Iris Trout for an amount of

\$1.25 million has been received. The matter is pending.

3. For other details material civil/ commercial litigation against Chalet Hotels, see “- Material litigation and regulatory actions pending against the Sponsor Group – KRCPL – Material civil/commercial litigation”.

## **B. JT Holdings**

### ***(i) Criminal matters***

There are no pending criminal matters against JT Holdings.

### ***(ii) Regulatory actions***

1. Development Commissioner, Visakhapatnam SEZ, Government of India, Hyderabad (“Development Commissioner”) has issued a show cause notice dated February 9, 2018 to JT Holdings for non-compliance of certain provisions of the Special Economic Zones Rules, 2006 (“SEZ Rules”) pertaining to construction of minimum up area specified in the under the SEZ Rules within a period of ten years from the date of notification of a SEZ and the Foreign Trade (Development & Regulation) Act, 1992 (“FTDR Act”). JT Holdings has replied to the show cause notice denying any default under the FTDR Act. No further correspondence has been received.

### ***(iii) Material civil/commercial litigation***

1. Campaign for Housing & Tenurial Rights (CHATRI) has filed a writ petition against the Government of Andhra Pradesh, Andhra Pradesh Industrial Infrastructure Corporation (now known as Telangana State Industrial Infrastructure Corporation), Hyderabad Urban Development Authority, the Andhra Pradesh Housing Board, JT Holdings, Stargaze and others (“Respondents”) before the Andhra Pradesh High Court (now known as Telangana High Court) for declaring the allotment of forest land by the Government of Andhra Pradesh and certain other Respondents as unconstitutional and illegal and has sought the review all the allotments of land made by the Government of Andhra Pradesh and certain other Respondents in the last 10 years by way of sale/lease. The matter is currently pending before the Telangana High Court.
2. Forum for a Better Hyderabad has filed a writ petition against the Government of India, Ministry of Environment & Forest, JT Holdings, Stargaze and others (“Respondents”) before the Andhra Pradesh High Court (now known as Telangana High Court) for declaring the action of the Government of India, Ministry of Environment & Forest and certain other Respondents in diverting forest land in violation of the provisions of the Constitution of India, Forest (Conservation) Act, 1980 the Forest Act, 1980 and Wildlife Protection Act 1972, among others. The matter is currently pending before the Telangana High Court.
3. The Office of the Land Reforms Tribunal Cum Deputy Collector & Revenue Divisional Officer, Ranga Reddy East Division (“Tribunal”) had, by letter dated August 11, 2009, sought certain information from JT Holdings under Section 8(2) of the Andhra Pradesh Land Reforms (Ceiling on Agriculture Holdings) Act, 1973 (“APLRAC”) in respect of its land at Raviryal Village. JT Holdings has filed a detailed response stating that the land was granted by APIIC (who had acquired the property from the Government of Andhra Pradesh), and been declared as an SEZ; and is therefore not “land” covered under the APLRAC. The authorized officer filed counter dated April 10, 2012 and JT Holdings filed a rejoinder on September 10, 2012. JT Holdings also submitted a copy of the order dated August 9, 2012, which was passed by the Hon’ble High Court of Andhra Pradesh (“High Court”) in a similar matter (being Writ Petition No. 19300/2012 filed by Neogen Properties Pvt. Ltd.) whereas a stay was granted by the High Court until further orders. The matter is currently pending before the Land



Reforms Tribunal cum Revenue Divisional Officer, Ranga Reddy East Division.

## C. Shoppers Stop

### *(i) Criminal matters*

There are no pending criminal matters against Shoppers Stop.

### *(ii) Regulatory actions*

1. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against Shoppers Stop and others. For details, see “Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions”. Pursuant to the block assessment proceedings, Shoppers Stop received orders under Section 143(3) read with Section 153A of the Income Tax Act, 1961 for assessment years 2012-2013 to 2017-2018 and under Section 143(3) of the Income Tax Act, 1961, assessment year 2018-2019, for an aggregate demand of ₹ 102.06 million. Shoppers Stop has filed rectification applications and appeals which are pending before the relevant authority.

### *(iii) Material civil/commercial litigation*

1. South Delhi Municipal Corporation (“SDMC”) conducted an inspection on April 10, 2017 and sent a demand notice to Shoppers Stop demanding ₹ 0.74 million per month towards damages for putting on advertisement without any permission from the competent authority (“Notice”). Shoppers Stop filed a writ petition before the Delhi High Court (“Court”) against the Notice. The Court disposed of the writ petition and directed SDMC to consider the representation of Shoppers Stop for deciding the matter. The demand of ₹ 0.74 million per month was subsequently affirmed by SDMC, pursuant to which Shoppers Stop filed another writ petition before the Court. The Court passed an order on February 18, 2015 in favour of Shoppers Stop on grounds that SDMC did not have jurisdiction to demand damages. Aggrieved by the order, SDMC has filed a special leave petition before the Supreme Court of India. The matter is current pending before the Supreme Court of India.
2. Shoppers Stop has filed a special leave petition before the Supreme Court of India against the Union of India (“Respondent”) challenging Section 65(90a) of the Finance Act, 1994, whereby, the Government of India has notified the activity of leasing being a service and consequently making it amenable to levy of service tax, resulting in arrears of service tax of approximately ₹ 360 million. The Supreme Court of India, in its interim order dated October 14, 2011, has directed Shoppers Stop to deposit 50 % of the arrears towards service tax and furnished surety for the balance 50%. Shoppers Stop has deposited the entire arrears under protest. The matter is currently pending before the Supreme Court of India.

## D. Stargaze

### *(i) Criminal matters*

There are no pending criminal matters against Stargaze.

### *(ii) Regulatory actions*

1. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of

the Income Tax Act, 1961 against Stargaze and others. For details, see “Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions”. Pursuant to the block assessment proceedings, Stargaze received orders under Section 143(3) read with Section 153A of the Income Tax Act, 1961 for the assessment years of block assessment period (ranging from assessment years 2012-2013 to 2017-2018), for an aggregate refund of ₹ 0.02 million. Stargaze has filed rectification applications which are pending before the relevant authority. The assessment proceeding for the assessment year 2018-2019 is ongoing.

2. Development Commissioner, Visakhapatnam SEZ, Government of India, Hyderabad (“Development Commissioner”) has issued a show cause notice dated February 9, 2018 to Stargaze for non-compliance of certain provisions of the Special Economic Zones Rules, 2006 (“SEZ Rules”) pertaining to construction of minimum built-up area specified in the under the SEZ Rules within a period of ten years from the date of notification of a SEZ and the Foreign Trade (Development & Regulation) Act, 1992 (“FTDR Act”). The Development Commissioner has sought to take action against Stargaze. Stargaze has replied to the show cause notice denying any default under the FTDR Act. No Further correspondence has been received.

### ***(iii) Material civil/commercial litigation***

1. For other pending material civil/commercial litigation against Stargaze, see “- Material litigation and regulatory actions pending against the Associates of the Sponsors - JT Holdings - Material civil/commercial litigation”.

2. The Office of the Land Reforms Tribunal Cum Deputy Collector & Revenue Divisional Officer, Ranga Reddy East Division (“Tribunal”) had, by letter dated August 11, 2009, sought certain information from Stargaze under Section 8(2) of the Andhra Pradesh Land Reforms (Ceiling on Agriculture Holdings) Act, 1973 (“APLRAC”) in respect of its land at Raviryal Village. Stargaze has filed a detailed response stating that the land was granted by APIIC (who had acquired the property from the Government of Andhra Pradesh), and 170.40 out of 250 acres been declared as an SEZ; and is therefore not “land” covered under the APLRAC. The authorized officer filed counter dated July 23, 2012 and Stargaze filed rejoinder dated August 29, 2012. Stargaze also submitted a copy of the order dated August 9, 2012, which was passed by the Hon’ble High Court of Andhra Pradesh (“High Court”) in a similar matter (being Writ Petition No. 19300/2012 filed by Neogen Properties Pvt. Ltd.) whereas a stay was granted by the High Court until further orders. The matter is currently pending before the Land Reforms Tribunal cum Revenue Divisional Officer, Ranga Reddy East Division.

In addition to the above pending proceedings, Chalet Hotels has been identified as a party in seven separate labour proceedings filed by certain trade unions and employees before the labour /industrial courts and high court in Mumbai alleging unfair labour practices under the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1971, for failure to assign certain workers at its project, recognition of trade unions and termination of services. The matters are currently pending before the relevant courts.

## **VI. Material litigation and regulatory actions pending against the Trustee**

As of September 30, 2020, the Trustee does not have any pending regulatory actions, criminal matters or material civil/commercial litigation pending against it. For the purpose of pending material civil/commercial litigation against the Trustee, matters involving amounts exceeding ₹ 9.12 million (being 5% of the profit after tax of the Trustee for Financial Year 2020) have been considered material.

## VII. Tax Proceedings

As on September 30, 2020, there are no direct, indirect or property tax matters against the Sponsors, the Manager and the Trustee. Details of all direct tax, indirect tax and property tax matters against the Relevant Parties (other than the Sponsors and the Manager), as of September 30, 2020 is set forth:

Nature of case	Number of cases	Amount involved (in ₹million) (to the extent quantifiable)
<b>Mindspace REIT and Asset SPVs</b>		
Direct tax	39	994.61
Indirect tax	19	823.56
Property tax	1	0.26
<b>Total</b>	<b>59</b>	<b>1,818.43</b>
<b>Sponsor Group (excluding the Sponsors)</b>		
Direct tax	29	1,513.53
Indirect tax	2	167.24
Property tax	11	43.46
<b>Total</b>	<b>42</b>	<b>1,724.23</b>

**Associates of Mindspace REIT (excluding the Asset SPVs), Associates of the Sponsors (excluding the Manager, the Asset SPVs, their respective Associates and the Sponsor Group), Associates of the Manager (to the extent that such Associates are not the Sponsor Group) and entities where any of the Sponsors hold any interest/shareholding**

Nature of case	Number of cases	Amount involved (in ₹million) (to the extent quantifiable)
Direct tax	18	1,364.29
Indirect tax	18	653.16
Property tax	11	469.41
<b>Total</b>	<b>47</b>	<b>2486.86</b>

Notes:

The direct tax matters are primarily in the nature of demand notices and/or orders issued by the income tax authorities alleging non/short deduction of TDS, computation of taxable income on account of certain additions/disallowances, deduction of tax incentive and classifications of income resulting in additional demand of TDS/income tax. Such matters are pending at the relevant appellate authorities including income tax appellate tribunals and high courts.

The indirect tax matters are primarily in the nature of demand notices and/or orders issued by indirect tax authorities alleging irregularities in payment of indirect taxes on identified transactions and irregular availment of CENVAT credit of service tax. Such matters are pending before different indirect tax authorities and courts, including indirect tax appellate tribunals.

The Asset SPVs, the Sponsor Group and Associates of Sponsors (excluding the Sponsors Group) and

entities where any of the Sponsors hold any interest/shareholding (excluding the Asset SPVs and members of the Sponsor Group), have, with an intention to settle some of the service tax disputes and avail the benefit of reduced tax liability, interest and penalty waiver, opted for the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019.

In some instances, the applications have been rejected by the authorities and some of the entities have filed, or in the process of filing, writ petitions before Bombay High Court in relation to such matters.

In addition to the above, the Asset SPVs, the Sponsor Group and Associates of Sponsors (excluding the Sponsors Group) and entities where any of the Sponsors hold any interest/shareholding (excluding the Asset SPVs and members of the Sponsor Group), are in receipt of notices, intimations, letters, enquiries, etc., in connection with the assessment (regular, best judgment, scrutiny, etc.) procedures prescribed under the applicable indirect tax legislations (state value added tax and entry tax legislations, central sales tax, the Finance Act 1994, customs legislation) and Income Tax Act, 1961 read with the relevant rules and regulations prescribed thereunder. All requisite information, records, documents, returns, payment challans, submissions and declarations sought by the tax authorities have been provided from time to time. As of the date of this Final Offer Document, the assessment proceedings are pending finalisation.

Amount involved in connection with tax proceedings includes, in addition to the tax/duty demanded, the penalty levied under the direct and indirect tax laws to the extent explicitly quantified. Interest has not been included.



# Risk Factors

Sr. No.	Particulars
1	<p>COVID-19 has caused a material decline in general business activity and demand for real estate transactions, and if this persists, it would adversely affect our ability to execute our growth strategies, including identifying and completing acquisitions and expanding into new markets. Factors related to the COVID-19 pandemic, or a future pandemic, that could have an adverse impact on our financial condition, results of operations and cash flows, primarily include:</p> <ul style="list-style-type: none"> <li>- a complete or partial closure of, or other operational issues at, one or more of our properties;</li> <li>- tenants' inability to pay rent on their leases, in part or full or our inability to re-lease space that is or becomes vacant;</li> <li>- slowdown in getting lease commitments for new spaces;</li> <li>- any impairment in value of our properties;</li> <li>- an increase in operational costs; and</li> <li>- the extent of construction delays on our under-construction properties due to work-stoppage orders, disruptions in the supply of materials, shortage of labour, delays in inspections, or other factors</li> </ul>
2	<p>Distributions to Unitholders will be based on the net distributable cash flows available for distribution. Our ability to make distributions to the Unitholders may be affected by several factors including</p> <ul style="list-style-type: none"> <li>• business and financial position of Asset SPVs, debt servicing requirements of Asset SPVs,</li> <li>• construction and leasing of under construction area, applicable laws and regulations, which may restrict the payment of dividends by the Asset SPVs or other distributions.</li> </ul>
3	<p>The REIT Regulations impose certain restrictions on our operations, including maintaining a specific threshold of investment in rent generating properties and conditions on availing debt financing. These conditions may restrict our ability to raise additional funds as well as limit our ability to make investments.</p>
4	<p>Real estate markets are cyclical in nature, and a recession, slowdown or downturn in the real estate market as well as in specific sectors, such as technology, where our tenants are concentrated, increase in property taxes, changes in development regulations and zoning laws, availability of financing, rising interest rates, increasing competition, adverse changes in the financial condition of our tenants, increased operating costs, disruptions in amenities and public infrastructure and outbreaks of infectious disease such as COVID-19, among others, may lead to a decline in demand for our Portfolio, which may adversely affect our business, results of operations and financial condition.</p>
5	<p>A significant portion of our revenues are derived from a limited number of tenants. Any conditions that impact these tenants could adversely affect our business, results of operations and financial condition. We are required by the terms of the lease deeds, grant documents or sale deeds with certain statutory authorities to lease a proportion of our Portfolio to tenants from the IT and ITeS sectors. Some of the assets are large and contribute significantly to our revenue from operations resulting in asset concentration.</p> <p>Assets are primarily located in four key office markets and select micro markets within these office markets resulting in market and micro market concentration.</p>

- 6 Our title to the land where the Portfolio is located may be subject to legal uncertainties and defects, which may interfere with our ownership of the assets and result in us incurring costs to remedy and cure such defects. Any failure or inability to cure such defects may adversely affect the Portfolio including the rentals, which may also impact returns for the Unitholders.

- 7 Existing lease/license agreements are subject to risks including (i) non-renewal upon expiration, (ii) delay or failure in making rental payments by the lessees/licensees, (iii) premature termination, (iv) failure to re-lease or re-license the vacant space and our dependence on rental income may adversely affect our profitability, our ability to meet financial obligations and to make distributions to our Unitholders.

- 8A We may be unable to renew leases or license arrangements, lease or license vacant area or re-lease or re-license area on favourable terms or at all, which could adversely affect our business, results of operations and cash flows.

- 8B By letter dated 11th September, 2020 to Horizonview, TNRERA stated that only real estate projects which are proposed to be let out on rent alone are not required to be registered with TNRERA and all other real estate projects whether allotted as freehold or leasehold are to be registered with TNRERA; therefore Horizonview is directed to register the Commerzone Porur project under section 3 of the RERA, before executing/registering lease deed with prospective lessees.

Horizonview is in the process of filing a reply/ appeal, as applicable, for inter alia re-iterating and clarifying the factual and legal position on grounds including that (i) the premises in the project are not contemplated to be allotted as freehold or leasehold; (ii) Horizonview is merely letting out premises on rent; (iii) the rights granted/ proposed to be granted by Horizonview are in the nature of a tenancy for a specified period; (iv) letting out of premises on rent by Horizonview will be governed by the provisions of the Tamil Nadu Regulation of Rights and Responsibilities of Landlords and Tenants Act, 2017 ["TNRRLTA"], which will apply to the letting out/leasing of premises by Horizonview in Commerzone Porur; (v) Horizonview and its tenants will be complying with Section 4 of TNRRLTA by filing the form with the Rent Authority, as specified in the First Schedule of the said Act; the RERA Act does not include rental projects, lease / leave and License deals; and therefore, as the premises in the Commerzone project are to be let out/leased on periodical rent by Horizonview, and not to be allotted or sold (as freehold or leasehold) as contemplated of RERA, registration of Commerzone Porur project is not required under Section 3 of RERA. Further, this position has also been confirmed by MahaRERA in its FAQs published on its website.

Any delay in clarification and resolution of the issue with TN RERA, may result in Horizonview having to resort to legal remedies in respect of such clarification. Any unfavourable outcome may attract the provisions relating to registration under RERA and affect our ability to register the lease agreements with our tenants in this project.

- 9 Due to a variety of factors, including competitive pricing pressure in our markets, changing market dynamics including demand supply, a general economic downturn and the desirability of our properties compared to other properties in our markets, we may be unable to realize our estimated market rents across the properties in our Portfolio at the time of future leasing.

- 10 Valuation is an estimate and not a guarantee, and it is dependent upon the accuracy of the assumptions as to income, expense and market conditions. Further, the valuation methodologies used to value our Portfolio involve subjective judgments and projections, which may not be accurate. Valuation methodologies will also involve assumptions and opinions about

future events, which may turn out to be incorrect. Further, valuations do not necessarily represent the price at which a real estate asset would sell, since market prices of assets can only be determined by negotiation between a willing buyer and seller. As such, the value of an asset forming part of our Portfolio may not reflect the price at which such asset could be sold in the market, and the difference between value and the ultimate sales price could be material.

11	We have certain contingent liabilities, which if they materialize, may adversely affect our results of operations, financial condition and cash flows. For details, see “Note 47 to Notes to accounts of Condensed Consolidated Financial Statements for the quarter and half year ended September 30, 2020”
12	Any appeal against the order of the Karnataka High Court dated 12th June, 2019 in a Writ Petition quashing the list of disqualified directors issued by the Ministry of Corporate Affairs or any adverse orders in the pending review petition or any subsequent adverse developments, may affect the ability of Mr. Ravi C. Raheja and Mr. Neel C. Raheja (designated partners of the Manager) to continue as designated partners of the Manager and directors on board of certain Asset SPVs, which may have an adverse effect on our business and reputation.
13	There are outstanding litigations, title irregularities and regulatory actions involving the Asset SPVs, which may adversely affect our business, results of operations and cash flows. For details, see “Brief details of material litigations and regulatory actions as at the half year ended September, 30, 2020” in this report.
14	Our business and results of operations are subject to compliances with various laws, and any non-compliances may adversely affect our business and results of operations.
15	Any non-compliance with, and changes in, environmental, health and safety laws and regulations could adversely affect the development of our properties and our financial condition.
16	Any delay, failure or inability on part of Asset SPVs to obtain, maintain or renew all regulatory approvals that are required for their respective business, may adversely impact our development and business.
17	For our assets located on land leased from MIDC and MMRDA, the relevant Asset SPVs are required to comply with the terms and conditions provided in the respective lease agreements with such government bodies. Any non-compliance by the Asset SPVs of the respective lease agreements with such government bodies or by the tenants of the terms of the lease deed executed with them, may result in the action by the regulatory authorities, including revocation/termination of lease, demolition of the construction or payment of fines. In the event that our leases are revoked, not renewed or terminated prematurely, it could have an adverse impact on the Asset SPVs and in turn adversely affect our business, financial condition and results of operations.
18	Inability to access infrastructure, certain logistical challenges in new markets and our relative inexperience with newer markets, may prevent us from expanding our presence in new markets in India which may adversely affect our business, results of operations and cash flows.
19	We have entered and may enter into several related party transactions, which could involve conflicts of interest. The Manager may face conflicts of interests in choosing our service providers, and certain service providers may provide services to the Manager, the Sponsor Group on more favorable terms than those applicable to us.

20	<p>Some of our assets are located on land notified as SEZs and the Asset SPVs are required to comply with the SEZ Act and the rules made thereunder.</p> <p>The income tax benefits available to SEZ developers have been withdrawn for the SEZs which have commenced development after March 31, 2017, while for their tenants/units, income tax benefits are available on income earned by them on account of the exports from the SEZs, provided they commence operations in the SEZs on or before March 31, 2021, if necessary approvals have been received by March 31, 2020. This may result in SEZs becoming less attractive for tenants in the future.</p> <p>Further, some of our Asset SPVs have made applications for de-notifying certain land parcels notified as SEZs and hence they will be eligible to avail lower fiscal incentives than what were previously available to them, which may adversely affect our business, results of operations and financial condition.</p>
21	<p>Due to various regulatory and other restrictions, we may not be able to successfully meet financing requirements for completion of construction of Under Construction Area, construction of Future Development Area and for refurbishments, renovation and improvements beyond our current estimates</p>
22	<p>Our inability to raise adequate finances may adversely affect our business, results of operations and cash flows. Liquidity in the credit market has been constrained due to market disruptions, including due to the COVID-19 pandemic, which may make it costly to obtain new lines of credit or refinance existing debt. As a result of the ongoing credit market turmoil, we may not be able to refinance our existing indebtedness or to obtain additional financing on attractive terms. Further, adverse economic conditions could negatively affect commercial real estate fundamentals and result in lower occupancy, lower rental rates and declining values in our Portfolio and in the collateral securing any loan investments we may make.</p>
23	<p>Our ability to make distributions to Unitholders could be adversely affected if expenses increase due to various factors. Also, any adverse tax changes or withdrawal of tax benefits may adversely affect our financial condition and results of operation.</p> <p>Any maintenance or refurbishment may result in disruption of operations and it may not be possible to collect the full or any rental income on area affected by such renovations and refurbishment of our assets.</p>
24	<p>The restrictive covenants under the financing agreements, entered or to be entered into with various lenders or investors, from time to time, include or could include, among others, obtaining prior consent of the lenders (i) for change in the capital structure, (ii) for amendment of constitutional documents, (ii) for declaration of dividends/ distribution of profits in case of defaults, (iii) for incurring further indebtedness against the security provided, and (iv) for providing surety or guarantee to any third party. These or other limitations may adversely affect our flexibility and our ability to make distributions to our Unitholders.</p>
25	<p>We are not fully insured against some business risks and the occurrence of accidents that cause losses in excess of limits specified under our policies, or losses arising from events not covered by our insurance policies, such as damage caused to our property and equipment due to war, which could adversely affect our business and results of operations. While we believe that we have industry standard insurance for our Portfolio, if a fire or natural disaster substantially damages or destroys some or all of our assets in the Portfolio, the proceeds of any insurance claim may be insufficient to cover any expenses faced by us, including rebuilding costs.</p>
26	<p>Under the REIT Regulations, a REIT is required to hold assets acquired by it for a period of three years from the date of purchase and in case of under-construction properties or under-construction portions of existing properties acquired by it, three years from the date of</p>



their completion. Additionally, any sale of property or shares of Asset SPVs exceeding 10% of the value of the REIT assets will require prior approval of the Unitholders. These factors could have an adverse effect on our business, financial condition and results of operations.

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| 27 | Any disagreements with our collaborators or joint venture partners or any delay or failure to satisfy the terms and conditions set-out in the binding agreements with such collaborators or the joint-venture partners, may adversely impact our business and operations. |
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| 28 | We do not own the trademarks or logos for “Mindspace”, “Mindspace Business Parks”, “K Raheja Corp”, “Commerzone” “CAMPLUS” and “The Square” that are associated with our Portfolio. Further, we do not own the trademark or logo for “Mindspace Business Parks REIT” and “Mindspace REIT”. These trademarks and logos are licensed to our Asset SPVs, the Manager and us, as applicable, by the Sponsors or Sponsor Group entities who are either the registered owners of these trademarks and logos or have made applications for registered ownership some of which are pending. We may not be able to prevent infringement of the trademark, and a passing off action may not provide sufficient protection. Accordingly, we may be required to litigate to protect our trademark and logo, which could be time consuming and expensive and may adversely affect our business and results of operations. |
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| 29 | Our Asset SPVs may, in the future be exposed to a variety of risks associated with development of an Integrated IT Township, which may adversely affect our business, results of operations and financial condition. |
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| 30 | Land is subject to compulsory acquisition by the government and compensation in lieu of such acquisition may be inadequate. Additionally, we may be subject to conditions of use or transfer of land wherever such land is subject to orders under the Urban Land (Ceiling and Regulation) Act, 1976. |
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## SECTION 4 A

# Standalone Financial Statements



# Review Report

## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS

To  
The Governing Board,  
K. Raheja Corp Investment Managers LLP (The "Investment Manager")  
(Acting in capacity as the Investment Manager of Mindspace Business Parks REIT)

1. We have reviewed the accompanying unaudited Condensed Standalone Interim Financial Statements of MINDSPACE BUSINESS PARKS REIT (the "REIT"), which comprise the unaudited Condensed Balance Sheet as at September 30, 2020, the unaudited Condensed Statement of Profit and Loss, including other comprehensive income, the unaudited Condensed Statement of Cash Flow for quarter and six months ended September 30, 2020, the unaudited Condensed Statement of changes in Unitholders' Equity for the six months ended September 30, 2020 along with summary of the significant accounting policies and select explanatory notes (together hereinafter referred as the "Condensed Standalone Interim Financial Statements").
2. The Condensed Standalone Interim Financial Statements, which is the responsibility of the Investment Manager and approved by the Governing Board of the Investment Manager, have been prepared in accordance with the requirements of SEBI (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 (the "SEBI circular"); recognition and measurement principles laid down in the Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with the SEBI circular, including any guidelines and circulars issued thereunder. Our responsibility is to issue a report on the Condensed Standalone Interim Financial Statements based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Investment Manager's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Condensed Standalone Interim Financial Statements have not been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting", as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with the SEBI circular, including any



guidelines and circulars issued thereunder, has not disclosed the information required to be disclosed including the manner in which it is to be disclosed in terms of the SEBI circular, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Nilesh Shah**  
Partner  
Membership No.: 49660  
UDIN: 20049660AAAACU4242

Mumbai, November 11, 2020

# MINDSPACE BUSINESS PARKS REIT

## RN:IN/REIT/19-20/003

### Condensed Standalone Balance Sheet

(All amounts in Rs. million unless otherwise stated)

	Note	As at 30 September 2020 (Unaudited)	As at 31 March 2020 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Financial assets			
- Investments	4	153,103	-
- Loans	5	10,108	-
- Other financial assets	6	0	-
Other non-current assets	7	3	-
<b>Total non-current assets</b>		<b>163,214</b>	<b>-</b>
<b>Current assets</b>			
Financial assets			
- Cash and cash equivalents	8	4,746	0
Other current assets	9	4	-
<b>Total Current assets</b>		<b>4,750</b>	<b>0</b>
<b>Total assets</b>		<b>167,964</b>	<b>0</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Corpus	10	0	0
Unit Capital	11	162,839	-
Other Equity	12	65	(49)
<b>Total Equity</b>		<b>162,904</b>	<b>(49)</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Borrowings	13	4,972	-
- Other financial liabilities	14	2	-
<b>Total non-current liabilities</b>		<b>4,974</b>	<b>-</b>
<b>Current liabilities</b>			
Financial liabilities			
- Trade payables	15		
- total outstanding dues of micro and small enterprises; and		-	-
- total outstanding dues of Creditors other than micro and small enterprises.		8	-
- Other financial liabilities	16	59	49
Current tax liabilities (net)	17	2	-
Other current liabilities	18	17	-
<b>Total current liabilities</b>		<b>86</b>	<b>49</b>
<b>Total equity and liabilities</b>		<b>167,964</b>	<b>0</b>

See the accompanying notes to the Condensed Standalone Financial Statements

1 - 33

As per our report of even date attached.

for Deloitte Haskins & Sells LLP  
Chartered Accountants  
Firm's registration number: 117366W/W-100018

Nilesh Shah  
Partner  
Membership number: 49660

Place: Mumbai  
Date: 11 November, 2020

for and on behalf of the Governing Board of  
K Raheja Corp Investment Managers LLP  
(acting as the Manager to Mindspace Business Parks REIT)

Neel C. Raheja    Vinod N. Rohira    Preeti N. Chheda  
Member            Chief Executive Officer    Chief Financial Officer  
DIN: 00029010    DIN: 00460667            DIN: 08066703

Place: Mumbai  
Date: 11 November, 2020

**MINDSPACE BUSINESS PARKS REIT****RN:IN/REIT/19-20/003****Condensed Standalone Statement of Profit and Loss**

(All amounts in Rs. million unless otherwise stated)

	Note	For the quarter ended 30 September 2020  (Unaudited)	For the quarter ended 30 June 2020  (Unaudited)	For the half year ended 30 September 2020  (Unaudited)	From 18 November 2019 to 31 March 2020 (Audited)*
<b>Income and gains</b>					
Interest	19	125	-	125	-
Other Income	20	4	-	4	-
<b>Total Income</b>		<b>129</b>	<b>-</b>	<b>129</b>	<b>-</b>
<b>Expenses</b>					
Valuation expenses		6	-	6	-
Audit fees		1	1	2	1
Insurance expenses		0	-	0	-
Trustee fees		1	-	1	-
Legal and professional fees		(1)	3	2	25
Other expenses	21	(1)	1	0	23
<b>Total expenses</b>		<b>6</b>	<b>5</b>	<b>11</b>	<b>49</b>
<b>Earnings/(loss) before finance costs, depreciation, amortisation and income tax</b>		<b>123</b>	<b>(5)</b>	<b>118</b>	<b>(49)</b>
Finance costs	22	2	-	2	-
Depreciation and amortisation expense		-	-	-	-
<b>Profit/ (loss) before tax</b>		<b>121</b>	<b>(5)</b>	<b>116</b>	<b>(49)</b>
<b>Tax expense:</b>	23				
Current tax		2	-	2	-
Deferred tax		-	-	-	-
		2	-	2	-
<b>Profit/ (loss) for the period</b>		<b>119</b>	<b>(5)</b>	<b>114</b>	<b>(49)</b>
<b>Items of other comprehensive income</b>					
Items that will not be reclassified subsequently to profit or loss					
- Remeasurements of defined benefit liability, net of tax		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>119</b>	<b>(5)</b>	<b>114</b>	<b>(49)</b>
<b>Earning per unit (refer Note 24)</b>					
Basic		0.29	Not Applicable	0.56	Not Applicable
Diluted		0.29	Not Applicable	0.56	Not Applicable
See the accompanying notes to the Condensed Standalone Financial Statements	1- 33				

\*Since Mindspace REIT was registered pursuant to a trust deed dated 18 November 2019, the management has provided the information in Condensed Standalone Statement of Profit and Loss with effect from said period i.e. 18 November 2019 for the period ended 31 March 2020. Consequently, the information for corresponding quarter and half year ending 30 June 2019 and 30 September 2019 have not been presented.

As per our report of even date attached.

for Deloitte Haskins & Sells LLP  
Chartered Accountants  
Firm's registration number: 117366W/W-100018

Nilesh Shah  
Partner  
Membership number: 49660

Place: Mumbai  
Date: 11 November, 2020

for and on behalf of the Governing Board of  
K Raheja Corp Investment Managers LLP  
(acting as the Manager to Mindspace Business Parks REIT)

Neel C. Raheja    Vinod N. Rohira    Preeti N. Chheda  
Member            Chief Executive Officer    Chief Financial Officer  
DIN: 00029010    DIN: 00460667            DIN: 08066703

Place: Mumbai  
Date: 11 November, 2020

**MINDSPACE BUSINESS PARKS REIT****RN:IN/REIT/19-20/003****Condensed Standalone Statement of Cash Flow**

(All amounts in Rs. million unless otherwise stated)

	For the quarter ended 30 September 2020 (Unaudited)	For the quarter ended 30 June 2020 (Unaudited)	For the half year ended 30 September 2020 (Unaudited)	From 18 November 2019 to 31 March 2020 (Audited)*
<b>Cash flows from operating activities</b>				
<b>Profit/ (loss) before tax</b>	<b>121</b>	<b>(5)</b>	<b>116</b>	<b>(49)</b>
<b>Adjustments:</b>				
Interest income	(125)	-	(125)	-
Net gains/(losses) on financial assets at fair value through profit or loss	(3)	-	(3)	-
Gain on redemption of mutual fund units	(1)	-	(1)	-
Finance costs	2	-	2	-
<b>Operating cash flows before working capital changes</b>	<b>(6)</b>	<b>(5)</b>	<b>(11)</b>	<b>(49)</b>
<b>Changes in:</b>				
Increase in Other non current assets	(3)	-	(3)	-
Increase in Other current assets	(4)	-	(4)	-
Decrease in Other current financial liabilities	(54)	3	(51)	49
Increase in Other current liabilities	17	-	17	-
Increase in Trade payables	6	2	8	-
<b>Cash (used in)/ generated from operation</b>	<b>(44)</b>	<b>(0)</b>	<b>(44)</b>	<b>0</b>
Income taxes paid, net	-	-	-	-
<b>Net cash generated / (used in) from operating activities</b>	<b>(44)</b>	<b>(0)</b>	<b>(44)</b>	<b>0</b>
<b>Cash flow from investing activities</b>				
Loans given to SPVs	(10,292)	-	(10,292)	-
Loans repaid by SPV	184	-	184	-
Purchase of Investments (Preference shares)	(334)	-	(334)	-
Investment in mutual fund	(4,600)	-	(4,600)	-
Proceeds from Redemption of mutual fund	4,601	-	4,601	-
Proceeds from Redemption of Preference shares	337	-	337	-
Investment in fixed deposits	(100)	-	(100)	-
Maturity proceeds of fixed deposits	100	-	100	-
Interest received	125	-	125	-
<b>Net cash (used in) investing activities</b>	<b>(9,979)</b>	<b>-</b>	<b>(9,979)</b>	<b>-</b>
<b>Cash flow from financing activities</b>				
Proceeds from issue of units	10,000	-	10,000	-
Collection towards Offer For Sale	35,000	-	35,000	-
Payment to Sponsor Group and Blackstone entities in respect of Offer For Sale	(34,973)	-	(34,973)	-
Expenses incurred towards Initial Public Offering	(254)	-	(254)	-
Proceeds from Issue of Non-convertible debentures	5,000	-	5,000	-
Non-convertible debentures issue expenses	(4)	-	(4)	-
<b>Net cash generated from financing activities</b>	<b>14,769</b>	<b>-</b>	<b>14,769</b>	<b>0</b>



**MINDSPACE BUSINESS PARKS REIT****RN:IN/REIT/19-20/003****Condensed Standalone Statement of Cash Flow**

(All amounts in Rs. million unless otherwise stated)

	For the quarter ended 30 September 2020 (Unaudited)	For the quarter ended 30 June 2020 (Unaudited)	For the half year ended 30 September 2020 (Unaudited)	From 18 November 2019 to 31 March 2020 (Audited)*
<b>Net increase in cash and cash equivalents</b>	<b>4,746</b>	<b>(0)</b>	<b>4,746</b>	<b>0</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>4,746</b>	<b>0</b>	<b>4,746</b>	<b>0</b>
<b>Cash and cash equivalents comprise:</b>				
Cash on hand	-	-	-	-
Balances with banks				
- in current accounts**	4,617	0	4,617	0
- in escrow accounts	34	-	34	-
Fixed deposits with original maturity less than 3 months	95	-	95	-
<b>Cash and cash equivalents at the end of the period (refer note 8)</b>	<b>4,746</b>	<b>0</b>	<b>4,746</b>	<b>0</b>

Note: The Trust has issued Units in exchange for investments in SPVs during the period ended 30 September 2020. The same has not been reflected in Standalone Statement of Cash Flow since these were non-cash transactions. (refer note 11(iii))

See the accompanying notes to the Condensed Standalone Financial Statements. 1-33

\*Since Mindspace REIT was registered pursuant to a trust deed dated 18 November 2019, the management has provided the information in Condensed Standalone Statement of Cash Flow with effect from said period i.e. 18 November 2019 for the period ended 31 March 2020. Consequently, the information for corresponding quarter and half year ending 30 June 2019 and 30 September 2019 have not been presented.

\*\*Rs. 4,600 million were invested in Axis Overnight Fund by Mindspace REIT on 29 September 2020, redeemed on 30 September 2020 and proceeds were received on 1 October 2020.

As per our report of even date attached.

for Deloitte Haskins & Sells LLP  
Chartered Accountants  
Firm's registration number: 117366W/W-100018

Nilesh Shah  
Partner  
Membership number: 49660

Place: Mumbai  
Date: 11 November, 2020

for and on behalf of the Governing Board of  
K Raheja Corp Investment Managers LLP  
(acting as the Manager to Mindspace Business Parks REIT)

Neel C. Raheja	Vinod N. Rohira	Preeti N. Chheda
Member	Chief Executive Officer	Chief Financial Officer
DIN: 00029010	DIN: 00460667	DIN: 08066703

Place: Mumbai  
Date: 11 November, 2020

**MINDSPACE BUSINESS PARKS REIT****RN:IN/REIT/19-20/003****Condensed Standalone Statement of changes in Unit holder's Equity**

(All amounts in Rs. million unless otherwise stated)

		Amount
<b>A. Corpus</b>		
Balance as on 18 November 2019*		-
Corpus received during the period**		0
Balance as on 31 March 2020		0
<b>Balance as on 1 April 2020</b>		<b>0</b>
Additions during the period		-
<b>Closing balance as at 30 September 2020</b>		<b>0</b>
**Corpus received during the period Rs. 10,000		
<b>B. Unit Capital</b>		<b>Amount</b>
Balance as on 18 November 2019*		-
Units issued during the period		-
Balance as on 31 March 2020		-
<b>Balance as on 1 April 2020</b>		<b>-</b>
Add : Units issued during the period		163,080
Less : Issue expenses		(241)
<b>Closing balance as at 30 September 2020</b>		<b>162,839</b>
<b>C. Other equity</b>	<b>Retained Earnings</b>	<b>Retained Earnings</b>
<b>Particulars</b>		
Balance as on 18 November 2019*	-	-
Loss for the period	(49)	(49)
Other comprehensive income for the period	-	-
<b>Balance at 31 March 2020</b>	<b>(49)</b>	<b>(49)</b>
<b>Balance as at 1 April 2020</b>	<b>(49)</b>	<b>(49)</b>
Profit for the period	114	114
Other comprehensive income for the period	-	-
<b>Balance at 30 September 2020</b>	<b>65</b>	<b>65</b>

\*Since Mindspace REIT was registered pursuant to a trust deed dated 18 November 2019, the management has provided the information in Condensed Standalone Statement of changes in Unit holder's Equity with effect from said period i.e. 18 November 2019 for the period ended 31 March 2020. Consequently, the information for corresponding quarter and half year ending 30 June 2019 and 30 September 2019 have not been presented.

As per our report of even date attached.

for Deloitte Haskins & Sells LLP  
Chartered Accountants  
Firm's registration number: 117366W/W-100018

Nilesh Shah  
Partner  
Membership number: 49660

Place: Mumbai  
Date: 11 November, 2020

for and on behalf of the Governing Board of  
K Raheja Corp Investment Managers LLP  
(acting as the Manager to Mindspace Business Parks REIT)

Neel C. Raheja    Vinod N. Rohira    Preeti N. Chheda  
Member            Chief Executive Officer    Chief Financial Officer  
DIN: 00029010    DIN: 00460667    DIN: 08066703

Place: Mumbai  
Date: 11 November, 2020

# MINDSPACE BUSINESS PARKS REIT

RN:IN/REIT/19-20/003

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

### 1. Mindspace REIT background

Mindspace Business Parks REIT ('Mindspace REIT') was settled on 18 November 2019 at Mumbai, Maharashtra, India as a contributory determinate irrevocable trust under the provisions of the Indian Trusts Act, 1882, pursuant to a trust deed dated 18 November 2019. Mindspace REIT was registered with SEBI on 10 December 2019, at Mumbai as a REIT pursuant to the REIT Regulations having registration number IN/REIT/19-20/0003. The Trust's principal place of business address is at Raheja Tower, Level 8, Block 'G', C-30, Bandra Kurla Complex, Mumbai - 400 051.

Anbee Constructions LLP (ACL) and Cape Trading LLP ('CTL') are the sponsors of Mindspace REIT. The Trustee to Mindspace REIT is Axis Trustee Services Limited (the 'Trustee') and the Manager for Mindspace REIT is K Raheja Corp Investment Managers LLP (the 'Manager').

The objectives and principal activity of Mindspace REIT is to carry on the activity of a real estate investment trust, as permissible under the REIT Regulations, to raise funds through the REIT, to make Investments in accordance with the REIT Regulations and the Investment Strategy and to carry on the activities as may be required for operating the REIT, including incidental and ancillary matters thereto.

Mindspace REIT acquired the Special Purpose Vehicles ('SPVs') by acquiring all the equity interest held by the Sponsor Group and Blackstone entities in the SPVs on 30 July 2020. In exchange for these equity interests, the above shareholders have been allotted 55,66,54,582 Units of Mindspace REIT on 30 July 2020 which were valued at Rs. 275 each.

Mindspace REIT went public as per its plan for Initial Public Offer of Units after obtaining the required approvals from the relevant authorities. The Units were allotted to the successful applicants on 4 August 2020.

All these Units were subsequently listed on the Bombay Stock Exchange Limited. (BSE) and National Stock Exchange of India (NSE) on 7 August 2020.

Accordingly, the equity interest in each of the below SPVs have been transferred from the respective shareholders to the Mindspace REIT.

1. Mindspace Business Parks Private Limited (MBPPL)
2. Gigaplex Estate Private Limited (Gigaplex)
3. Sundew Properties Limited (Sundew)\*
4. Intime Properties Limited (Intime)\*
5. K. Raheja IT Park (Hyderabad) Limited (KRIT)\*
6. KRC Infrastructure and Projects Private Limited (KRC Infra)
7. Horizonview Properties Private Limited (Horizonview)
8. Avacado Properties and Trading (India) Private Limited (Avacado)

\*Remaining 11% of ownership interest in Intime Properties Limited, K. Raheja IT Park (Hyderabad) Limited and Sundew Properties Limited is owned by Andhra Pradesh Industrial Infrastructure Corporation (APIIC)

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

The brief activities and shareholding pattern of the SPVs are provided below:

Name of the SPV	Activities	Shareholding (in percentage) upto 30 July 2020	Shareholding (in percentage) from 30 July 20
MBPPL	The SPV is engaged in real estate development projects such as Special Economic Zone (SEZ), Information Technology Parks and other commercial assets. The SPV has its projects in Airoli (Navi Mumbai), Pune and Pocharam (Hyderabad). The SPV is a deemed distribution licensee pursuant to which it can distribute power to the SEZ tenants within the Park. It commenced distribution of electricity in its project at Airoli, Navi Mumbai from 9 April 2015 .	BREP ASIA SG Pearl Holding (NQ) Pte. Ltd. (14.95%) Mr. Chandru L. Raheja jointly with Mrs. Jyoti C. Raheja (10.58%) Mrs. Jyoti C. Raheja jointly with Mr. Chandru L. Raheja (8.01%) Capstan Trading LLP (8.01%) Casa Maria Properties LLP (8.01%) Palm Shelter Estate Development LLP (8.01%) K. Raheja Corp Private Limited (6.47%) Mr. Ravi C. Raheja jointly with Mr. Chandru L. Raheja and Mrs. Jyoti C. Raheja (7.37%) Mr. Neel C. Raheja jointly with Mr. Chandru L. Raheja and Mrs. Jyoti C. Raheja (7.37%) Anbee Constructions LLP (6.37%) Cape Trading LLP (6.37%) Raghukool Estate Developement LLP (5.26%) BREP VIII SBS Pearl Holding (NQ) Ltd (0.02%) BREP ASIA SBS Pearl Holding (NQ) Ltd. (0.03%) Others (3.17%)	Mindspace REIT : 100%
Gigaplex	The SPV is engaged in real estate development projects such as Special Economic Zone (SEZ), Information Technology Parks and other commercial assets. The SPV has its projects in Airoli (Navi Mumbai).The SPV is a deemed distribution licensee pursuant to which it can distribute power to the SEZ tenants within the Park. It commenced distribution of electricity in its project at Airoli, Navi Mumbai from 19 April 2016.	K Raheja Corp Private Limited (58.90%) Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja (37.50%) BREP ASIA SG Pearl Holding (NQ) Pte. Ltd. (3.59%) Others (0.01%)	Mindspace REIT : 100%



## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

The brief activities and shareholding pattern of the SPVs are provided below:

Name of the SPV	Activities	Shareholding (in percentage) upto 30 July 20	Shareholding (in percentage) from 30 July 20
Sundew	The SPV is engaged in development and leasing/licensing of IT park to different customers in Hyderabad.	Genext Hardware & Parks Private Limited (19.20%) BREP ASIA SG Pearl Holding (NQ) Pte. Ltd (14.95%) Andhra Pradesh Industrial Infrastructure Corporation Limited (11%) Mr. Chandru L. Raheja jointly with Mrs. Jyoti C. Raheja (9.97%) Casa Maria Properties LLP (5.85%) Raghukool Estate Developement LLP (5.85%) Capstan Trading LLP (5.85%) Palm Shelter Estate Development LLP (5.85%) Anbee Constructions LLP (5.23%) Cape Trading LLP (5.23%) Others (11.02%)	Mindspace REIT : 89% Andhra Pradesh Industrial Infrastructure Corporation Limited (11%)
Intime	The SPV is engaged in development and leasing/licensing of IT park to different customers in Hyderabad.	Chandru Raheja jointly with Jyoti Raheja (23.98%) BREP Asia SG Pearl Holding (NQ) Pte Ltd. (14.95%) Andhra Pradesh Industrial Infrastructure Corporation Limited (11%) Casa Maria Properties LLP (6.12%) Raghukool Estate Development LLP (6.12%) Capstan Trading LLP (6.12%) Palm Shelter Estate Development LLP (6.12%) Anbee Constructions LLP (5.47%) Cape Trading LLP (5.47%) Others (14.65%)	Mindspace REIT : 89% Andhra Pradesh Industrial Infrastructure Corporation Limited (11%)
KRIT	The SPV is engaged in development and leasing/licensing of IT park to different customers in Hyderabad.	BREP ASIA SG Pearl Holding (NQ) Pte. Ltd. (14.95%) Andhra Pradesh Industrial Infrastructure Corporation Limited (11%) Palm Shelter Estate Development LLP (9.50%) Casa Maria Properties LLP (9.50%) Raghukool Estate Development LLP (9.50%)	Mindspace REIT : 89% Andhra Pradesh Industrial Infrastructure Corporation Limited (11%)

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

The brief activities and shareholding pattern of the SPVs are provided below:

Name of the SPV	Activities	Shareholding (in percentage) upto 30 July 20	Shareholding (in percentage) from 30 July 20
		Capstan Trading LLP (9.50%) Anbee Constructions LLP (8.50%) Cape Trading LLP (8.50%) Ivory Properties And Hotels Private Limited (8.22%) Chandru L Raheja jointly with Jyoti C. Raheja (6.00%) Others (4.83%)	
KRC Infra	The SPV is engaged in real estate development projects such as Special Economic Zone (SEZ) and Information Technology Parks. The SPV has its project in Kharadi Pune. The SPV is a deemed distribution licensee pursuant to which it can distribute power to the SEZ tenants within the Park. It commenced distribution of electricity in its project at Kharadi, Pune from 1 June 2019.	K Raheja Private Limited (42.50%) K Raheja Corp Private Limited (42.50%) BREP Asia SG Pearl Holding (NQ) Pte. Ltd (14.95%) BREP VIII SBS Pearl Holding (NQ) Ltd (0.02%) BREP ASIA SBS Pearl Holding (NQ) Ltd. (0.03%)	Mindspace REIT : 100%
Horizionview	The SPV is engaged in development and leasing/licensing of IT park to different customers in Chennai.	Mr. Neel C. Raheja jointly with Mr. Chandru L. Raheja and Mrs. Jyoti C. Raheja (42.50%) Mr. Ravi C. Raheja jointly with Mr. Chandru L. Raheja and Mrs. Jyoti C. Raheja (42.50%) BREP ASIA SG Pearl Holding (NQ) Pte. Ltd. (14.95%) Others (0.05%)	Mindspace REIT : 100%
Avacado	The SPV has developed an Industrial park for the purpose of letting out to different customers in Paradigm building at Malad-Mumbai and is being maintained and operated by the SPV. The SPV also has a commercial project in Bandra Kurla Complex, Mumbai.	Anbee Constructions LLP (13.18%) Cape Trading LLP (13.18%) Capstan Trading LLP (14.53%) Raghukool Estate Developement LLP (14.53%) Casa Maria Properties LLP (14.53%) Palm Shelter Estate Development LLP (14.53%) BREP Asia SG Pearl Holding (NQ) Pte. Ltd (14.95%) Others (0.57%)	Mindspace REIT : 100%

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

### 2. Basis of Preparation

The Interim Condensed Standalone Financial Statements ('Condensed Standalone Financial statements') of the Mindspace REIT comprises the Condensed Standalone Balance Sheet as at 30 September 2020; the Condensed Standalone Statement of Profit and Loss, including other comprehensive income, the Condensed Standalone Statement of Cash Flow for the quarter and half year ended 30 September 2020, the Condensed Standalone Statement of Changes in Unit Holder's Equity for the half year ended 30 September 2020 and a summary of significant accounting policies and select explanatory information.

The Condensed Standalone Financial Statements have been prepared in accordance with the requirements of SEBI (Real Estate Investment Trusts) Regulations, 2014 (SEBI Regulations) as amended from time to time read with SEBI Regulations read with Circular No. CIR/IMD/DF/146/2016 dated 29 December 2016 (the "REIT regulations"); recognition and measurement principles laid down in the Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, to the extent not inconsistent with the REIT regulations.

The Condensed Standalone Financial Statements were authorised for issue in accordance with resolution passed by the Governing Board of the Manager on behalf of the Trust on 11 November 2020.

Since Mindspace REIT was registered pursuant to a trust deed dated 18 November 2019, the management has provided the information in Condensed Standalone Financial Statements with effect from said period ie 18 November 2019 for the period ended 31 March 2020. Also, the information for corresponding quarter and half year ending 30 June 2019 and 30 September 2019 have not been presented.

These Condensed Standalone Financial Statements, for the period ended 30 September 2020 have been the first condensed standalone financial statements of the Mindspace REIT consequent to Mindspace REIT being listed as of 7 August 2020.

The Condensed Standalone Financial Statements are presented in Indian Rupees in Million, except when otherwise indicated.

#### Statement of compliance to Ind-AS

These Condensed Standalone Financial Statements for the period ended 30 September 2020 are the financial statements of the Mindspace REIT and have been prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" read with in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 (as amended and other accounting principles generally accepted in India), to the extent not inconsistent with SEBI Regulations read with circulars referred above.

### 3. Significant accounting policies

#### a. Functional and Presentation Currency

The Condensed Standalone Financial Statements are presented in Indian Rupees, which is also the Mindspace REIT functional currency in which Mindspace REIT operates. All financial information presented in Indian Rupees has been rounded off to the nearest million except otherwise stated.

#### b. Basis of measurement

These Condensed Standalone Financial Statements are prepared on the historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instrument) measured at fair values;

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

### c. Use of judgments and estimates

The preparation of the Condensed Standalone Financial Statements in conformity with generally accepted accounting principles in India including Ind AS and SEBI regulations requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates.

Estimated and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk resulting in a material adjustment are included in Note 3.8 on Investment in SPVs.

### d. Current versus non-current classification

Mindspace REIT presents assets and liabilities in the Balance Sheet based on current/ non-current classification:

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting date; or
- Cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting date; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Mindspace REIT classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Mindspace REIT has identified twelve months as its operating cycle.

### e. Measurement of fair values

Mindspace REIT accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Mindspace REIT has an established control framework with respect to the measurement of fair values.

Mindspace REIT regularly review significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values then the finance team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, Mindspace REIT uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access on measurement date.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).



## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

### 3.1 Impairment of assets

Mindspace REIT assesses at each reporting date, whether there is any indication that an asset may be impaired. If any such indication exists, the trust estimates the recoverable amount of the asset. The recoverable amount of the assets (or where applicable that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. An impairment loss is recognised whenever the carrying amount of an asset or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment loss is recognised in the Condensed Statement of Profit and Loss or against revaluation surplus, where applicable.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Condensed Statement of Profit and Loss.

### 3.2 Asset Acquisition

If the acquisition of an asset or a group of assets does not constitute a business, the Mindspace REIT identifies and recognises the individual identifiable assets acquired including those assets that meet the definition of, and recognition criteria for, intangible assets in Ind AS 38, Intangible Assets and liabilities assumed. The cost of the group is allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase and no goodwill is recognised.

Allocation of the cost of the group is done as follows:

For any identifiable asset or liability initially measured at an amount other than cost, the Mindspace REIT initially measures that asset or liability at the amount specified in the applicable Ind AS Standard. The Mindspace REIT deducts from the transaction price of the group the amounts allocated to the assets and liabilities initially measured at an amount other than cost, and then allocates the residual transaction price to the remaining identifiable assets and liabilities based on their relative fair values at the date of the acquisition.

### 3.3 Foreign currency transactions

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Condensed Statement of Profit and Loss of the year.

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the end of the period and not covered by forward contracts, are translated at the end of the period at the closing exchange rate and the resultant exchange differences are recognised in the Condensed Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

### 3.4 Compound financial instruments

The component parts of compound financial instruments issued by Mindspace REIT are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Trust's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured.

Transaction costs that relate to the issue of the convertible instruments are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible instrument using the effective interest method.

### 3.5 Embedded derivatives

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

### 3.6 Tax expense

Income tax expense comprises current tax and deferred tax charge or credit. It is recognised in the Condensed Standalone Statement of Profit and Loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income in which case, the current and deferred tax are also recognised in equity and other comprehensive income respectively.

#### a. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by end of reporting period.

#### b. Deferred tax charge

Deferred tax asset/ liability is recognized on temporary differences between the carrying amounts of assets and liabilities in the Condensed Standalone Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets and liabilities are measured that are expected to apply to the period when the asset is realised or the liability is settled, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which Mindspace REIT expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

### 3.7 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Mindspace REIT has a present legal or constructive obligation as a result of a past event, it is probable that the Trust will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent liabilities are disclosed when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

A contingent asset is disclosed when there would be a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Mindspace REIT.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each reporting date and adjusted to reflect the current best estimates.

### 3.8 Investment in SPVs

The Company has elected to recognize its investments in SPVs at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. The details of such investments are given in Note 4.

Assets representing investments in SPVs are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

### 3.9 Financial instruments

#### 1. Initial recognition and measurement

Financial assets and/or financial liabilities are recognised when Mindspace REIT becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities are initially measured at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

#### 2. Financial assets:

##### a. Classification of financial assets:

- (i) The Mindspace REIT classifies its financial assets in the following measurement categories:
  - those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
  - those measured at amortised cost.
- (ii) The classification is done depending upon Mindspace REIT business model for managing the financial assets and the contractual terms of the cash flows.
- (iii) For investments in debt instruments, this will depend on the business model in which the investment is held.
- (iv) Mindspace REIT reclassifies debt investments when and only when its business model for managing those assets changes.

##### b. Subsequent Measurement

##### (i) Debt instruments:

Subsequent measurement of debt instruments depends on the Mindspace REIT business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Trust classifies its debt instruments:

##### Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

##### Financial assets at fair value through the Statement of Profit and Loss (FVTPL)

Financial assets are subsequently measured at fair value through the Statement of Profit and Loss unless it is measured at amortised cost or fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the Statement of Profit and Loss.



## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

### c. Impairment of financial assets:

The Mindspace Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset. For trade receivables, the Mindspace Group measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Mindspace Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

### d. Derecognition of financial assets:

A financial asset is primarily derecognised when:

- (i) the right to receive cash flows from the asset has expired, or
- (ii) Mindspace REIT has transferred its rights to receive cash flows from the asset; and  
Mindspace REIT has transferred substantially all the risks and rewards of the asset, or  
Mindspace REIT has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety (other than investments in equity instruments at FVOCI), the differences between the carrying amounts measured at the date of derecognition and the consideration received is recognised in Statement of Profit and Loss. Any interest in transferred financial assets that is created or retained by the Mindspace REIT is recognised as a separate asset or liability.

## 3.10 Financial liabilities and equity instruments

### (a) Classification as debt or equity

Financial liabilities and equity instruments issued by the Mindspace REIT are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

### Financial Liabilities

#### Recognition, measurement and classification

Financial liabilities are classified as either held at a) fair value through the Statement of Profit and Loss, or b) at amortised cost. Management determines the classification of its financial liabilities at the time of initial recognition or, where applicable, at the time of reclassification.

Mindspace REIT financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments. Subsequent measurement of financial liabilities depends on their classification as fair value through the Statement of Profit and Loss or at amortised cost. All changes in fair value of financial liabilities classified as FVTPL are recognised in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. After initial recognition the financial liabilities are measured at amortised cost using the Effective Interest Rate method.

#### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised.

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a currently enforceable legal right to offset the recognised amounts and there is an intention either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

## 3.11 Financial guarantee contracts

Financial guarantee contracts issued by the REIT are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

When guarantees in relation to loans or other payables of subsidiaries or associates are provided for no compensation, the fair values are accounted as contributions and recognised as part of the cost of investment.

## 3.12 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms.

Revenue is recognised when recovery of the consideration is probable and the amount of revenue can be measured reliably.

### ***Recognition of dividend income, interest income***

Dividend income is recognised in profit or loss on the date on which the Mindspace REIT's right to receive payment is established.

Interest income is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

### 3.13 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Interest expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortised cost of the financial liability. In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability.

### 3.14 Cash and cash equivalents

Cash and cash equivalents comprises of cash at bank and on hand, demand deposits, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 3.15 Cash distribution to unit holders

The Mindspace REIT recognises a liability to make cash distributions to Unitholders when the distribution is authorised and a legal obligation has been created. As per the REIT Regulations, a distribution is authorised when it is approved by the Governing Board of the Manager. A corresponding amount is recognised directly in equity.

### 3.16 Condensed Standalone Statement of Cash flow

Cash flow is reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Mindspace REIT are segregated.

For the purpose of the Statement of Cash Flow, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Trust's cash management.

### 3.17 Subsequent events

The Condensed Standalone Financial Statements are adjusted to reflect events that occur after the reporting date but before the Financial Statements are issued. The Financial Statements have their own date of authorisation. Therefore, when preparing the Financial Statements, management considers events up to the date of authorisation of these financial statements.

### 3.18 Earnings per unit

The basic earnings per unit is computed by dividing the net profit/ (loss) attributable to the unit holders of the REIT by the weighted average number of units outstanding during the reporting period. The number of units used in computing diluted earnings/ (loss) per unit comprises the weighted average units considered for deriving basic earnings/ (loss) per unit and also the weighted average number of units which could have been issued on the conversion of all dilutive potential units.

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

Dilutive potential units are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per unit, only potential equity units that are dilutive and which either reduces earnings per share or increase loss per units are included.

### 3.19 Earnings before finance costs, depreciation, amortisation and income tax

The Mindspace REIT has elected to present earnings before finance cost, depreciation, amortisation and income tax as a separate line item on the face of the Condensed Standalone Statement of Profit and Loss. The Mindspace REIT measures earnings before finance cost, depreciation, amortisation and income tax on the basis of profit/ (loss) from continuing operations. In its measurement, the Mindspace REIT does not include depreciation and amortisation expense, finance costs and tax expense.

### 3.20 Errors and estimates

Mindspace REIT revises its accounting policies if the change is required due to a change in Ind AS or if the change will provide more relevant and reliable information to the users of the Financial Statement. Changes in accounting policies are applied retrospectively.

A change in an accounting estimate that results in changes in the carrying amounts of recognised assets or liabilities or to profit or loss is applied prospectively in the period(s) of change.

Discovery of errors results in revisions retrospectively by restating the comparative amounts of assets, liabilities and equity of the earliest prior period in which the error is discovered. The opening balances of the earliest period presented are also restated.



## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

### 4. Non-current investments

Particulars	As at 30 September 2020	As at 31 March 2020
<b>Trade, unquoted, Investments in SPVs (at cost) (refer note below)</b>		
- 39,75,000 (31 March 2020: Nil) equity shares of Avacado Properties and Trading Private Limited of Rs.10 each, fully paid up	9,482	-
- 11,765 (31 March 2020: Nil) equity shares of Horizonview Properties Private Limited of Rs.10 each, fully paid up	0	-
- 5,88,235 (31 March 2020: Nil) equity shares of KRC Infrastructure and Projects Private Limited of Rs.10 each, fully paid up	6,868	-
- 1,96,01,403 (31 March 2020: Nil) equity shares of Gigaplex Estate Private Limited of Rs.1 each, fully paid up	13,121	-
- 2,50,71,875 (31 March 2020: Nil) equity shares of Sundew Properties Limited of Rs.10 each, fully paid up	33,722	-
- 12,03,033 (31 March 2020: Nil) equity shares of Intime Properties Limited of Rs.10 each, fully paid up	15,478	-
- 1,78,00,000 (31 March 2020: Nil) equity shares of K. Raheja IT Park (Hyderabad) Limited of Rs.10 each, fully paid up	25,618	-
- 81,513 (31 March 2020: Nil) equity shares of Mindspace Business Parks Private Limited of Rs.10 each, fully paid up	48,814	-
<b>Total</b>	<b>153,103</b>	<b>-</b>

Note: The Trust has issued units as consideration to acquire these investments wherein the tradable REIT Unit has been valued at Rs 275 each

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

Details of % shareholding in the SPVs, held by Trust is as under:

Name of SPVs	Ownership Interest	
	30 September 2020	31 March 2020
Avacado Properties and Trading (India) Private Limited	100%	-
Horizonview Properties Private Limited	100%	-
KRC Infrastructure and Projects Private Limited	100%	-
Gigaplex Estate Private Limited	100%	-
Intime Properties Limited*	89%	-
K. Raheja IT Park (Hyderabad) Limited*	89%	-
Sundew Properties Limited*	89%	-
Mindspace Business Parks Private Limited	100%	-

\*Remaining 11% of ownership interest in Intime Properties Limited, K. Raheja IT Park (Hyderabad) Limited and Sundew Properties Limited is owned by Andhra Pradesh Industrial Infrastructure Corporation (APIIC)

## 5. Loans

Particulars	As at 30 September 2020	As at 31 March 2020
<b>Unsecured, considered good</b>		
Loan to SPVs- refer Note 28	10,108	-
	<b>10,108</b>	<b>-</b>

**Note 1:** Mindspace REIT has given loan amounting Rs. 9,892 million during the period ended 30 September 2020 (31 March 2020 Rs. Nil) to Gigaplex, Avacado and Horizonview and the outstanding balance as at end of 30 September 2020 is Rs.9,708 million (31 March 2020 Rs.Nil).

**Security:** Unsecured

**Interest:** 8.75% per annum or such other rate of interest as may be notified by the Lender to the Borrower in writing.

**Repayment:**

a) Bullet repayment on date falling 15 years from the first disbursement date i.e. from 6 August 2020 or such other date as may be mutually agreed between the Lender and the Borrower in writing.

b) At any time prior to the repayment date, the Borrower may on any date, prepay the whole or any part of the loan outstanding.

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

c) Mindspace REIT may notify the Borrower requiring prepayment of the Loans disbursed by serving atleast 30 days notice before the scheduled date of repayment or such other time period as may be mutually agreed.

**Note 2:** Mindspace REIT has given loan amounting Rs. 400 million during the period ended 30 September 2020 (31 March 2020 Rs. Nil) to MBPPL and the outstanding balance as at end of 30 September 2020 is Rs.400 million (31 March 2020 Rs.Nil).

**Security:** Unsecured

**Interest:** 8.75% per annum or such other rate of interest as may be notified by the Lender to the Borrower in writing.

**Repayment:**

a) Bullet repayment is due on 29 April 2022.

b) At any time prior to the repayment date, the Borrower may on any date, prepay the whole or any part of the loan outstanding.

c) Mindspace REIT may notify the Borrower requiring prepayment of the Loans disbursed by serving atleast 30 days notice before the scheduled date of repayment or such other time period as may be mutually agreed.

## 6. Other financial assets

Particulars	As at 30 September 2020	As at 31 March 2020
Interest receivable on loan to SPVs	0	-
	<b>0</b>	<b>-</b>

## 7. Other Non-current assets

Particulars	As at 30 September 2020	As at 31 March 2020
Prepaid Expenses	3	-
	<b>3</b>	<b>-</b>

## 8. Cash and cash equivalents

Particulars	As at 30 September 2020	As at 31 March 2020
Cash on hand		
Balances with banks		
- in current accounts*	4,617	0
- in escrow accounts**	34	-
- fixed deposits with original maturity less than 3 months	95	-
	<b>4,746</b>	<b>0</b>

\*Rs. 4,600 million were invested in Axis Overnight Fund by Mindspace REIT on 29 September 2020, redeemed on 30 September 2020 and proceeds were received on 1 October 2020.

\*\* Represents the balance Rs. 34 million (31 March 2020 : Nil) from proceeds of initial public offer of REIT Units (Total proceeds Rs. 10,000 million). These amounts are held in the Escrow account and can be withdrawn for certain specific purposes. Out of Rs. 34 million, Rs. 27 million is payable to Sponsor Group and Blackstone entities.

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

### 9. Other current assets

Particulars	As at 30 September 2020	As at 31 March 2020
Unsecured, considered good		
Prepaid Expenses	4	-
	<b>4</b>	<b>-</b>

### 10. Corpus

Corpus	Amount
<b>As at 18 November 2019</b>	-
Corpus received during the period*	0
<b>As at 31 March 2020</b>	<b>0</b>
<b>As at 1 April 2020</b>	<b>0</b>
Additions during the period	-
<b>Closing Balance as at 30 September 2020</b>	<b>0</b>

\* Corpus received during the period Rs.10,000

### 11. Unit Capital

Unit Capital	No.	Amount
As at 18 November 2019	-	-
Units issued during the period	-	-
As at 31 March 2020	-	-
As at 1 April 2020	-	-
Units issued during the period		
- pursuant to the initial public offer, issued, subscribed and fully paid-up in cash (refer note a(ii) below)	36,363,600	10,000
- in exchange for equity interest in SPVs (refer note a(iii) below)	556,654,582	153,080
Less: Issue expenses (refer note below)	-	(241)
<b>Closing Balance as at 30 September 2020</b>	<b>593,018,182</b>	<b>162,839</b>

Note: Issue expenses pertaining to the Initial Public Offering (IPO) and listing of the Units on the NSE and BSE have been reduced from the Unitholders capital in accordance with Ind AS 32 Financial Instruments: Presentation.

#### a. Terms/rights attached to Units and other disclosures

(i) Mindspace REIT has only one class of Units. Each Unit represents an undivided beneficial interest in Mindspace REIT. Each holder of Units is entitled to one vote per unit. The Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of Mindspace REIT at least once in every six months in each financial year in accordance with the REIT Regulations. The Governing Board of the Manager approves dividend distributions. The distribution will be in proportion to the number of Units held by the Unitholders. Mindspace REIT declares and pays dividends in Indian Rupees.

Under the provisions of the REIT Regulations, Mindspace REIT is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of Mindspace REIT for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of Mindspace REIT to pay to its Unitholders cash distributions. The unitholders' funds could have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No.



## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

CIR/IMD/DF/146/2016 dated 29 December 2016 and No. CIR/IMD/DF/141/2016 dated 26 December 2016) issued under the REIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI circular CIR/IMD/DF/141/2016 dated 26 December 2016 dealing with the minimum disclosures for key financial statements. In line with the above, the dividend payable to unit holders is recognised as liability when the same is approved by the Governing Board of the Manager.

(ii) Initial Public Offering of 3,63,63,600 Units for cash at price of Rs. 275 per unit aggregating to Rs. 10,000 million.

(iii) Mindspace REIT has acquired the SPVs by acquiring all the equity interest held by the Sponsor Group and Blackstone Entities in the SPVs. The acquisition of equity interest in the SPVs has been done by issue of 55,66,54,582 units of Rs. 275 each as per the table below.

Name of the SPV	Number of Units allotted for acquiring equity interest held by Sponsor Group and Blackstone entities in SPVs		
	Sponsor Group	Blackstone Entities	Total
Avacado	29,304,371	5,171,359	34,475,730
Horizonview	364	64	428
KRC Infra	21,224,693	3,745,522	24,970,215
Gigaplex	47,334,745	372,113	47,706,858
Intime	46,789,935	9,484,426	56,274,361
Sundew	101,943,753	20,664,275	122,608,028
KRIT	77,443,859	15,698,080	93,141,939
Mindspace	150,855,361	26,621,662	177,477,023
<b>Total number of Units issued</b>	<b>474,897,081</b>	<b>81,757,501</b>	<b>556,654,582</b>

### b. Unitholders holding more than 5 percent Units in Mindspace REIT

Name of the unitholder	As at 30 September 2020	
	No of Units	% holding
BREP ASIA SG PEARL HOLDING (NQ) PTE LTD	54,291,425	9.16%

c. Mindspace REIT has not allotted any fully paid-up units by way of bonus units nor has it bought back any class of units from the date of registration till the balance sheet date. Further, Mindspace REIT has not issued any units for consideration other than cash from the date of incorporation till the balance sheet date, except as disclosed above.

## 12. Other Equity\*

Particulars	As at 30 September 2020	As at 31 March 2020
<b>Reserves and Surplus</b>		
Retained earnings	65	(49)
	<b>65</b>	<b>(49)</b>

\*Refer Statement of changes in Unit holder's Equity for detailed movement in other equity balances.

### Retained earnings

The cumulative gain or loss arising from the operations which is retained and is recognized and accumulated under the heading of retained earnings. At the end of the period, the profit after tax is transferred from the statement of profit and loss to the retained earnings account.

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

### 13. Borrowings

Particulars	As at 30 September 2020	As at 31 March 2020
Secured		
10 year G-Sec linked secured, listed, guaranteed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures (“Market Linked Debentures / MLD”) (net of issue expenses, at amortised cost) (31 March 2020 Nil )	4,972	-
	<b>4,972</b>	<b>-</b>

**Note:** During the quarter ended 30 September 2020, Mindspace Business Parks REIT (“Trust”) issued 5,000 10 year G-Sec linked secured, listed, guaranteed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures (“Market Linked Debentures / MLD”) having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 500,00,00,000 (Rupees five hundred crores only). The tenure of the said MLD is 577 days from 29 September 2020, being date of allotment of the Market Linked Debentures and coupon, if any shall be payable on the Scheduled Redemption Date i.e. on maturity on 29 April 2022. The coupon payoff structure is linked to condition where the payoff will be fixed on the final fixing date i.e. 30 March 2022. If identified 10 yr G-Sec's last traded price as on final fixing date is greater than 25% of its last traded price as on initial fixing date i.e. 29 September 2020, the coupon rate will be 6.80% p.a. If identified 10 yr G-Sec's last traded price as on final fixing date is less than or equal to 25% of its last traded price as on initial fixing date, the coupon rate will be zero percent. As per the valuers report in respect of valuation of these MLDs, the probability of occurrence of such an event (last traded price of identified 10 year G-Sec on final fixing date being less than or equal to 25% of its last traded price on initial fixing date) is remote and hence the value of the option considered as zero.

#### Security terms

The Market Linked Debentures are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the Debenture Holders):

1. First and exclusive charge being registered simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 974,500 Sq. Ft. or thereabouts in buildings no. 6, 7 and 8 of Commerzone Yerawada (approx. 178,569 sq ft. in building no. 6, approx. 371,799 sq. ft. in building no. 7 and approx. 424,132 in building no. 8) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 25,313 sq. mtrs on which the said three building no. 6, 7 and 8, out of all those pieces and parcels of larger land are situate, lying and being in Village Yerawada, Taluka Haveli, District Pune (“Mortgaged Properties”).
2. A charge on the escrow account in which receivables of the mortgaged properties of MBPPL shall be received.
3. Corporate guarantee to be executed by MBPPL.
4. In accordance with the terms of the Mortgage Documents, MBPPL is in process of creation of first ranking exclusive charge by way of an registered simple mortgage in favour of the Debenture Trustee over the Mortgaged Properties.

#### Redemption terms:

1. These debentures are redeemable by way of bullet payment at the end of 577 days from the date of allotment, i.e. 29 April 2022.

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

2. The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade. The Investors shall have the right to accelerate the MLD if the rating is downgraded to A+.

3. Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days notice to the Issuer require the Issuer to redeem in full (or as the case may be, in part), all the Debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each Debenture.

### Disclosure required under SEBI circular SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated 13 April 2018

4. Details of non-convertible debentures are as follows:-

Particulars	Secured / Unsecured	Previous due date		Next due date	
		Principal	Interest	Principal	Interest
10 year G-Sec linked secured, listed, guaranteed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures (“Market Linked Debentures / MLD”)	Secured by way of a charge in the nature of registered simple mortgage on the identified properties of Mindspace Business Parks Private Limited, being one of the SPVs of the Issuer and charge on the escrow account in which receivables of the mortgaged properties of MBPPL shall be received.	Not Applicable	Not Applicable	On Maturity	On Maturity

5. Rating agency CRISIL has assigned a rating of “CRISIL PP-MLD AA+/Stable” to the Market Linked Debentures of the issuer / Mindspace REIT.

6. Other requirements as per SEBI Guidelines (No. SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated 13 April 2018) for issuance of debt securities by Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs).

Particulars	As at and for the half year ended 30 September 2020
Security / Asset cover (refer a below)	2.32 times
Debt-equity ratio (refer b below)	0.03
Debt-service coverage ratio (refer c below)	60.78
Interest-service coverage ratio (refer d below)	60.78
Net worth (Rs. in million) (refer e below)	162,904

Formulae for computation of ratios are as follows basis Condensed Standalone Financial Statements:-

a) Security / Asset cover ratio = Fair value of the secured assets as on 31 August 2020 as computed by independent valuers / (Outstanding principal amount of Market linked debentures + Interest accrued)

b) Debt equity ratio = Borrowings / Total Equity

c) Debt Service Coverage Ratio = Earnings before interest, depreciation and tax/ (Interest expenses + Principal repayments made during the period)

d) Interest Service Coverage Ratio = Earnings before interest, depreciation and tax/ (Interest expenses)

e) Net worth = Corpus + Unit capital + Other equity

Borrowings = Non current borrowings + Current borrowings + Current maturities of long-term borrowings + Interest accrued

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

### 14. Other financial liabilities

Particulars	As at 30 September 2020	As at 31 March 2020
Interest accrued but not due on debentures	2	-
	<b>2</b>	<b>-</b>

### 15. Trade payables

Particulars	As at 30 September 2020	As at 31 March 2020
Trade payable		
- Total outstanding dues to micro and small enterprises	-	-
- Total outstanding dues other than micro and small enterprises	8	-
	<b>8</b>	<b>-</b>

### 16. Other financial liabilities

Particulars	As at 30 September 2020	As at 31 March 2020
Other liabilities		
- to related party*	36	49
- to others	23	-
	<b>59</b>	<b>49</b>

\* Includes expenses of Rs.8 million incurred by the Manager on behalf of Mindspace REIT and Rs. 21 million payable to Sponsor Group held in escrow account.

### 17. Current tax liabilities

Particulars	As at 30 September 2020	As at 31 March 2020
Provision for Income Tax (Net of Advance Tax)	2	-
	<b>2</b>	<b>-</b>

### 18. Other current liabilities

Particulars	As at 30 September 2020	As at 31 March 2020
Statutory dues	17	-
	<b>17</b>	<b>-</b>



## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

### 19. Interest Income

Particulars	For the quarter ended 30 September 2020 (Unaudited)	For the quarter ended 30 June 2020 (Unaudited)	For the half year ended 30 September 2020 (Unaudited)	From 18 November 2019 to 31 March 2020 (Audited)
<b>Interest income</b>				
- on fixed deposits	0	-	0	-
- on loans given to SPVs (refer note 28)	125	-	125	-
	<b>125</b>	<b>-</b>	<b>125</b>	<b>-</b>

### 20. Other Income

Particulars	For the quarter ended 30 September 2020 (Unaudited)	For the quarter ended 30 June 2020 (Unaudited)	For the half year ended 30 September 2020 (Unaudited)	From 18 November 2019 to 31 March 2020 (Audited)
Net gains/(losses) on financial assets at fair value through profit or loss*	3	-	3	-
Gain on redemption of mutual fund units	1	-	1	-
	<b>4</b>	<b>-</b>	<b>4</b>	<b>-</b>

\*Gain on redemption of investment in preference shares invested in SPV.

### 21. Other expenses

Particulars	For the quarter ended 30 September 2020 (Unaudited)	For the quarter ended 30 June 2020 (Unaudited)	For the half year ended 30 September 2020 (Unaudited)	From 18 November 2019 to 31 March 2020 (Audited)
Bank charges	-	0	0	-
Filing and stamping fees	(1)	0	(1)	15
Travelling expenses	-	-	-	0
Royalty Charges	-	1	1	8
Miscellaneous expenses	-	0	0	-
	<b>(1)</b>	<b>1</b>	<b>0</b>	<b>23</b>

### 22. Finance costs

Particulars	For the quarter ended 30 September 2020 (Unaudited)	For the quarter ended 30 June 2020 (Unaudited)	For the half year ended 30 September 2020 (Unaudited)	From 18 November 2019 to 31 March 2020 (Audited)
Interest expense on debentures	2	-	2	-
	<b>2</b>	<b>-</b>	<b>2</b>	<b>-</b>

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

### 23. Tax expense

Particulars	For the quarter ended 30 September 2020 (Unaudited)	For the quarter ended 30 June 2020 (Unaudited)	For the half year ended 30 September 2020 (Unaudited)	From 18 November 2019 to 31 March 2020 (Audited)
Current tax	2	-	2	-
Deferred tax charge	-	-	-	-
	2	-	2	-

### 24. Earnings Per Unit (EPU)

Basic EPU amounts are calculated by dividing the profit for the period attributable to unit holders by the weighted average number of units outstanding during the period. Diluted EPU amounts are calculated by dividing the profit attributable to unit holders by the weighted average number of units outstanding during the period plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital. The units of the Trust were allotted to Sponsor Group and Blackstone entities on 30 July 2020 and to the applicants of initial public offer on 4 August 2020.

The following reflects the profit and unit data used in the basic and diluted EPU computation

Particulars	For the quarter ended 30 September 2020 (Unaudited)	For the quarter ended 30 June 2020 (Unaudited)	For the half year ended 30 September 2020 (Unaudited)	From 18 November 2019 to 31 March 2020 (Audited)
Profit / (loss) after tax for calculating basic and diluted EPU	119	(5)	114	(49)
Weighted average number of Units (Nos)	404,112,255	Not Applicable	203,160,259	Not Applicable
Earnings Per Unit				
- Basic (Rupees/unit)	0.29	Not Applicable	0.56	Not Applicable
- Diluted (Rupees/unit)	0.29	Not Applicable	0.56	Not Applicable

### 25. Management Fees

#### REIT Management Fees

Pursuant to the Investment Management Agreement dated 21 November 2019, the Manager is entitled to fees @ 0.5% of REIT Net Distributable Cash Flows which shall be payable either in cash or in units or a combination of both, at the discretion of the Manager. The fees has been determined for undertaking management of the REIT and its investments. There is no REIT Management fees accrued for the quarter ended 30 June 2020 and 30 September 2020, half year ended 30 September 2020 and for the period ended 31 March 2020. There are no changes during the period in the methodology for computation of fees paid to the Manager.

**26.** Statement of Net Distributable Cash Flows has not been disclosed since the first distribution of the REIT as stated in the Final Offer Document will be made upon completion of the first full quarter after the listing of the Units on the Stock Exchanges i.e. 31 December 2020.

### 27. Assessment of possible impact resulting from Covid-19 pandemic

Mindspace REIT has considered the possible effects that may result from the pandemic relating to COVID-19 on the operations of Mindspace REIT and carrying amounts of investments, loans given and other assets. Mindspace REIT as at the date of approval of these financial statements, has used internal and external sources of information to determine the expected future impact of COVID-19 pandemic on the performance of Mindspace REIT. Mindspace REIT based on current estimates expects the carrying amount of the assets to be recovered. However, due to the evolving nature of the pandemic and its response by various government authorities, the Governing Board will continue to monitor developments to identify significant impacts, if any, on the Mindspace REIT's operations.

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

### 28. Related party disclosures

#### A. Parties to Mindspace REIT

SL. No.	Particulars	Name of Entities	Promoters/Partners*	Directors
1	Trustee	Axis Trustee Services Limited	-	-
2		Anbee Constructions LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
3	Sponsors	Cape Trading LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
4	Manager	K Raheja Corp Investment Managers LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja	-
5	Sponsors Group	Mr. Chandru L. Raheja	-	-
6		Mr. Ravi C. Raheja	-	-
7		Mr. Neel C. Raheja	-	-
8		Mrs. Jyoti C. Raheja	-	-
9		Capstan Trading LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
10		Casa Maria Properties LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
11		Raghukool Estate Developement LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
12		Palm Shelter Estate Development LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
13		K. Raheja Corp Pvt. Ltd.	Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja  Mrs. Jyoti C. Raheja Jointly with Mr. Chandru L. Raheja  Mr. Ravi C. Raheja Jointly with Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja  Mr. Neel C. Raheja Jointly with Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja  Anbee Constructions LLP Cape Trading LLP Capstan Trading LLP Casa Maria Properties LLP Raghukool Estate Developement LLP Palm Shelter Estate Development LLP  Mr. Neel C. Raheja Jointly with Mr. Ramesh M. Valecha	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Ramesh Valecha Mr. Vinod Rohira
14		Ivory Property Trust	Chandru L. Raheja Jyoti C. Raheja Ivory Properties & Hotels Pvt Ltd Ravi C. Raheja Neel C. Raheja (all are trustees)	
15		Genext Hardware & Parks Pvt. Ltd.	Mr. Ravi C. Raheja Jointly with Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Ramesh Valecha

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

Sl. No.	Particulars	Name of Entities	Promoters/Partners	Directors
			Mr. Neel C. Raheja Jointly with Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja  Chandru L. Raheja jointly with Jyoti C. Raheja, on behalf of Ivory Property Trust	
16	Names of SPVs and their subsidiaries	1. Avacado Properties and Trading (India) Private Limited 2. Gigaplex Estate Private Limited 3. Horizonview Properties Private Limited 4. KRC Infrastructure and Projects Private Limited 5. Intime Properties Limited 6. Sundew Properties Limited 7. K. Raheja IT Park (Hyderabad) Limited 8. Mindspace Business Parks Private Limited. 9. Dices Realcon Private Limited. 10. Educator Protech Private Limited 11. Happy Eastcon Private Limited 12. Sampada Eastpro Private Limited		
17	Governing Board and Key Managerial Personnel of the Manager (K Raheja Corp Investment Managers LLP )	<b>Governing Board</b> Mr. Deepak Ghaisas Ms. Manisha Girotra Mr. Bobby Parikh Mr. Alan Miyasaki Mr. Ravi C. Raheja Mr. Neel C. Raheja  <b>Key Managerial Personnel</b> Mr. Vinod Rohira Ms. Preeti Chheda		
18	Entities controlled/jointly controlled by members of Governing Board.	Brookfields Agro & Development Private Limited Cavalcade Properties Private Limited Grange Hotels And Properties Private Limited Immense Properties Private Limited Novel Properties Private Limited Pact Real Estate Private Limited Paradigm Logistics & Distribution Private Limited Sustain Properties Private Limited Aqualine Real Estate Private Limited Feat Properties Private Limited Carin Properties Private Limited Asterope Properties Private Limited Content Properties Private Limited Grandwell Properties And Leasing Private Limited Sundew Real Estate Private Limited M/s Bobby Parikh & Associates		

\*only when acting collectively



## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

### 28. Related party disclosures

#### B. Transactions during the period

	For the quarter ended 30 September 2020 (Unaudited)	For the quarter ended 30 June 2020 (Unaudited)	For the half year ended 30 September 2020 (Unaudited)	From 18 November 2019 to 31 March 2020 (Audited)
<b>Unsecured loans given to</b>				
Avacado Properties and Trading Pvt. Ltd.	2,328	-	2,328	-
Gigaplex Properties Private Limited	3,294	-	3,294	-
Horizonview Properties Pvt. Ltd.	4,270	-	4,270	-
Mindspace Business Parks Private Limited	400	-	400	-
<b>Investment in preference shares</b>				
Mindspace Business Parks Private Limited	334	-	334	-
<b>Redemption of investment in preference shares</b>				
Mindspace Business Parks Private Limited	337	-	337	-
<b>Unsecured loans repaid by</b>				
Gigaplex Estate Private Limited	184	-	184	-
<b>Investment in equity share of SPVs</b>				
Avacado Properties and Trading (India) Private Limited	9,482	-	9,482	-
Gigaplex Estate Private Limited	13,121	-	13,121	-
Horizonview Properties Private Limited	0	-	0	-
KRC Infrastructure and Projects Private Limited	6,868	-	6,868	-
Intime Properties Limited	15,478	-	15,478	-
Sundew Properties Limited	33,722	-	33,722	-
K. Raheja IT Park (Hyderabad) Limited	25,618	-	25,618	-
Mindspace Business Parks Private Limited	48,814	-	48,814	-
<b>Trustee fee expenses</b>				
Axis Trustee Services Limited	1	-	1	-
<b>Interest Income</b>				
Avacado Properties and Trading (India) Private Limited	31	-	31	-
Gigaplex Estate Private Limited	40	-	40	-
Horizonview Properties Private Limited	55	-	55	-
Mindspace Business Parks Private Limited	0	-	0	-
<b>Gain on Redemption of Preference Shares</b>				
Mindspace Business Parks Private Limited	3	-	3	-
<b>Royalty Charges</b>				
Newfound Properties and Leasing Private Limited	-	1	1	-
Anbee Constructions LLP	-	-	-	1

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

	For the quarter ended 30 September 2020 (Unaudited)	For the quarter ended 30 June 2020 (Unaudited)	For the half year ended 30 September 2020 (Unaudited)	From 18 November 2019 to 31 March 2020 (Audited)
Cape Trading LLP	-	-	-	1
Mindspace Business Parks Pvt Ltd	-	-	-	1
Ivory Properties & Hotels Pvt Ltd	-	-	-	1
K. Raheja Pvt Ltd	-	-	-	1
K. Raheja Corp Pvt Ltd	-	-	-	2
<b>Reimbursement of Expenses</b>				
K Raheja Corp Investment Managers LLP*	48	1	49	41

\*Includes fees paid to M/s Bobby Parikh & Associates amounting to Rs. 0.48 million for the quarter ended 30 June 2020 and half year ended 30 September 2020 and Rs 1 million for the period ended 31 March 2020.

### Payment to Sponsor Group companies in relation to Offer for Sale

Chandru L Raheja	10	-	10	-
Jyoti C Raheja	1,139	-	1,139	-
Ravi C Raheja	1,179	-	1,179	-
Neel C Raheja	1,179	-	1,179	-
Genext Hardware & Parks Private Limited	957	-	957	-
Inorbit Malls (India) Private Limited	1,505	-	1,505	-
Ivory Properties And Hotels Private Limited	3,385	-	3,385	-
Ivory Property Trust	10,352	-	10,352	-
K. Raheja Corp Private Limited	4,301	-	4,301	-
K. Raheja Private Limited	2,851	-	2,851	-

### Corporate Guarantee Fees to SPV

Mindspace Business Parks Pvt Ltd	8	0	8	0
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### Initial receipt from Co-sponsor - received

Anbee Constructions LLP	-	-	-	0
Cape Trading LLP	-	-	-	0

### Issue of Unit capital

Anbee Constructions LLP	9,736	-	9,736	-
Cape Trading LLP	9,736	-	9,736	-
Capstan Trading LLP	11,301	-	11,301	-
Casa Maria Properties LLP	11,301	-	11,301	-
Chandru L. Raheja	8,974	-	8,974	-
Genext Hardware & Parks Private Limited	6,294	-	6,294	-
Ivory Property Trust	2,410	-	2,410	-
Jyoti C. Raheja	2,745	-	2,745	-
K Raheja Corp Private Limited	10,064	-	10,064	-
Neel C. Raheja	4,637	-	4,637	-
Palm Shelter Estate Development LLP	11,301	-	11,301	-
Raghukool Estate Development LLP	9,958	-	9,958	-
Ravi C. Raheja	4,637	-	4,637	-

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

### 28. Related party disclosures

#### C. Closing Balances

Particulars	As at 30 September 2020	As at 31 March 2020
<b>Unsecured loan receivable (non-current)</b>		
Mindspace Business Parks Private Limited	400	-
Avacado Properties and Trading (India) Private Limited	2,328	-
Gigaplex Estate Private Limited	3,110	-
Horizonview Properties Private Limited	4,271	-
<b>Investment in equity shares of SPVs</b>		
Avacado Properties and Trading (India) Private Limited	9,482	-
Gigaplex Estate Private Limited	13,121	-
Horizonview Properties Private Limited	0	-
KRC Infrastructure and Projects Private Limited	6,868	-
Intime Properties Limited	15,478	-
Sundew Properties Limited	33,722	-
K. Raheja IT Park (Hyderabad) Limited	25,618	-
Mindspace Business Parks Private Limited	48,814	-
<b>Interest receivable</b>		
Mindspace Business Parks Private Limited	0	-
<b>Other Financial Liabilities</b>		
K Raheja Corp Investment Managers LLP	8	49
Mindspace Business Parks Private Limited	8	-
<b>Payable to Sponsor Group</b>		
Chandru L. Raheja	0	-
Inorbit Malls (I) Private Limited	1	-
Ravi C. Raheja	1	-
K Raheja Corp Private Limited	3	-
Neel C. Raheja	1	-
Jyoti C. Raheja	1	-
K Raheja Private Limited	2	-
Ivory Properties & Hotels Private Limited	3	-
Genext Hardware & Parks Private Limited	1	-
Ivory Property Trust	8	-
<b>Co-Sponsor Initial Corpus</b>		
Anbee Constructions LLP	0	0
Cape Trading LLP	0	0

## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

### 29. Details of utilisation of proceeds of IPO are as follows:

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation upto 30 September 2020	Unutilised amount as at 30 September 2020
Partial or full pre-payment or scheduled repayment of certain debt facilities of the Asset SPVs availed from banks/financial institutions (including any accrued interest and any applicable penalties/ premium)	9,000	9,300	Refer Note
Purchase of Non Convertible Redeemable Preference shares of MBPPL	334	334	-
General Corporate Purposes and REIT Issue Expenses	666	309	Refer Note
<b>Total</b>	<b>10,000</b>	<b>9,943</b>	<b>-</b>

Note: Rs. 300 million is used in excess for providing loans to Asset SPVs for the purpose of repayment of debt facilities of the SPVs and balance Rs. 57 million is unutilised as on 30 September 2020.

### 30. Details of utilisation of proceeds of Debentures are as follows:

Objects of the issue as per the Issue memorandum	Proposed utilisation	Actual utilisation upto 30 September 2020	Unutilised amount as at 30 September 2020
Providing loans to the SPVs for meeting their construction related expenses, working capital or general corporate requirements, repayment of financial indebtedness, general corporate purposes including payment of fees and expenses in connection with the Issue, acquisition of commercial properties or such other purposes as stipulated in the transaction documents.	5,000	400	4,600
<b>Total</b>	<b>5,000</b>	<b>400</b>	<b>4,600</b>

Rs. 4,600 million were invested in Axis Overnight Fund by Mindspace REIT on 29 September 2020, redeemed on 30 September 2020 and proceeds were received on 1 October 2020.

### 31. Financial instruments :

The carrying value and fair value of financial instruments by categories are as below:

	Carrying value	Fair Value	Carrying value	Fair Value
Particulars	30 September 2020 (Unaudited)	30 September 2020 (Unaudited)	From 18 November 2019 to 31 March 2020 (Audited)	From 18 November 2019 to 31 March 2020 (Audited)
<b>Financial assets</b>				
Fair value through profit and loss	-	-	-	-
Fair value through other comprehensive income	-	-	-	-
<b>Amortised cost</b>				
Loans	10,108	10,108	-	-
Cash and cash equivalents	4,746	4,746	0	-
Other financial assets	-	-	-	-
<b>Total assets</b>	<b>14,854</b>	<b>14,854</b>	<b>0</b>	<b>-</b>



## Notes to the Condensed Standalone Financial Statement

(All amounts in Rs. million unless otherwise stated)

	Carrying value	Fair Value	Carrying value	Fair Value
Particulars	30 September 2020 (Unaudited)	30 September 2020 (Unaudited)	From 18 November 2019 to 31 March 2020 (Audited)	From 18 November 2019 to 31 March 2020 (Audited)
<b>Financial liabilities</b>				
<b>Fair value through profit and loss</b>	-	-	-	-
<b>Fair value through other comprehensive income</b>	-	-	-	-
<b>Amortised cost</b>				
Borrowings	4,972	4,972	-	-
Other financial liabilities	61	61	49	-
Trade payables	8	8	-	-
<b>Total liabilities</b>	<b>5,042</b>	<b>5,042</b>	<b>49</b>	<b>-</b>

The management considers that the carrying amounts of above financial assets and financial liabilities approximate their fair values.

### a. Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

### b. Financial instruments

Quantitative disclosures fair value measurement hierarchy for assets as at 30 September 2020:

Particulars	Total	Level 1	Level 2	Level 3
<b>Financial assets &amp; liabilities measured at fair value:</b>	-	-	-	-

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2020:

Particulars	Total	Level 1	Level 2	Level 3
<b>Financial assets &amp; liabilities measured at fair value:</b>	-	-	-	-

### c. Transfers between Level 1, Level 2 and Level 3

There were no transfers between Level 1, Level 2 or Level 3 during the period ended 30 September 2020 and 31 March 2020.

### d. Determination of fair values

Fair values of financial assets and liabilities have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

i) The fair value of mutual funds are based on price quotations at reporting date.

ii) The fair values of other current financial assets and financial liabilities are considered to be equivalent to their carrying values.

## 32. Distributions

There are no distributions made to the unitholders for the period ended 30 September 2020.

## 33. "0" represents value less than Rs. 0.5 million.





SECTION 4 B

# Consolidated Financial Statements



## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

To  
The Governing Board,  
K. Raheja Corp Investment Managers LLP (The "Investment Manager")  
(Acting in capacity as the Investment Manager of Mindspace Business Parks REIT)

1. We have reviewed the accompanying unaudited Condensed Consolidated Interim Financial Statements of **MINDSPACE BUSINESS PARKS REIT** ("the REIT") and its subsidiaries (the "Special Purpose Vehicles") (together referred as the "Mindspace Group"), which comprise the unaudited Condensed Consolidated Balance Sheet as at September 30, 2020, the unaudited Condensed Consolidated Statement of Profit and Loss, including other comprehensive income, the unaudited Condensed Consolidated Statement of Cash Flow for quarter and six months ended September 30, 2020, the unaudited Condensed Consolidated Statement of changes in Unitholders' Equity for the six months ended September 30, 2020, along with summary of the significant accounting policies and select explanatory notes (together hereinafter referred as the "Condensed Consolidated Interim Financial Statements").
2. The Condensed Consolidated Interim Financial Statements, which is the responsibility of the Investment Manager and approved by the Governing Board of the Investment Manager, have been prepared in accordance with the requirements of SEBI (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 (the "SEBI circular"); recognition and measurement principles laid down in the Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with the SEBI circular, including any guidelines and circulars issued thereunder. Our responsibility is to issue a report on the Condensed Consolidated Interim Financial Statements based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Investment Manager's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. The Condensed Consolidated Interim Financial Statements include the financial information of the entities listed in Annexure A to this report.
4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Condensed Consolidated Interim Financial Statements have not been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting", as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with the SEBI circular, including any guidelines and circulars issued thereunder, has not disclosed the information required to be disclosed



including the manner in which it is to be disclosed in terms of the SEBI circular, or that it contains any material misstatement.

5. We draw attention to Note 47 to the Condensed Consolidated Interim Financial Statements regarding freehold land and building thereon (Paradigm, Malad) held by Avacado which is presently under litigation. Pending the outcome of proceedings and a final closure of the matter, no adjustments have been made in the Condensed Consolidated Interim Financial Statements for the quarter and six months ended September 30, 2020. Our conclusion is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Nilesh Shah**

Partner

Membership No.: 49660

UDIN: 20049660AAAACT4947

Mumbai, November 11, 2020

#### Annexure "A"

List of entities included in the Condensed Consolidated Interim Financial Statements

#### **Special Purpose Vehicles:**

- i. Avacado Properties and Trading (India) Private Limited
- ii. Horizonview Properties Private Limited
- iii. KRC Infrastructure and Projects Private Limited
- iv. Gigaplex Estate Private Limited
- v. Sundew Properties Limited
- vi. Intime Properties Limited
- vii. K. Raheja IT Park (Hyderabad) Limited
- viii. Mindspace Business Parks Private Limited

# MINDSPACE BUSINESS PARKS REIT

## RN:IN/REIT/19-20/003

### Condensed Consolidated Balance Sheet

(All amounts in Rs. million unless otherwise stated)

	Note	As at 30 September 2020 (Unaudited)	As at 31 March 2020 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	1,641	-
Capital work-in-progress		22	-
Investment property	6	191,439	-
Investment property under construction	7	17,117	-
Intangible assets	8	1	-
Financial assets			
- Investments	9	18	-
- Other financial assets	10	1,229	-
Deferred tax assets (net)	11	1,674	-
Non-current tax assets (net)	12	1,478	-
Other non-current assets	13	1,179	-
<b>Total non-current assets</b>		<b>215,798</b>	<b>-</b>
<b>Current assets</b>			
Inventories	14	61	-
Financial assets			
- Trade receivables	15	267	-
- Cash and cash equivalents	16 A	5,355	0
- Other bank balances	16 B	272	-
- Other financial assets	17	671	-
Other current assets	18	391	-
<b>Total current assets</b>		<b>7,017</b>	<b>0</b>
<b>Total assets before regulatory deferral account</b>		<b>222,815</b>	<b>0</b>
Regulatory deferral account - assets	19	152	-
<b>Total assets</b>		<b>222,967</b>	<b>0</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Corpus	20	0	0
Unit Capital	21	162,839	-
Other equity	22	572	(49)
<b>Equity attributable to controlling interest of Mindspace REIT</b>		<b>163,411</b>	<b>(49)</b>
<b>Non-controlling interest</b>	57	<b>9,306</b>	<b>-</b>
<b>Total equity</b>		<b>172,717</b>	<b>(49)</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Borrowings	23	30,775	-
- Other financial liabilities	24	2,230	-
Provisions	25	8	-
Deferred tax liabilities (net)	26	67	-
Other non-current liabilities	27	590	-
<b>Total non-current liabilities</b>		<b>33,670</b>	<b>-</b>

# MINDSPACE BUSINESS PARKS REIT

## RN:IN/REIT/19-20/003

### Condensed Consolidated Balance Sheet

(All amounts in Rs. million unless otherwise stated)

	Note	As at 30 September 2020 (Unaudited)	As at 31 March 2020 (Audited)
<b>Current liabilities</b>			
Financial liabilities			
- Borrowings	28	1,462	-
- Trade payables	29		
- total outstanding dues of micro enterprises and small enterprises		86	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		830	-
- Other financial liabilities	30	13,265	49
Provisions	31	58	-
Other current liabilities	32	849	-
<b>Total current liabilities</b>		<b>16,550</b>	<b>49</b>
<b>Total equity and liabilities before regulatory deferral account</b>		<b>222,937</b>	<b>0</b>
Regulatory deferral account - liabilities	19	30	-
<b>Total equity and liabilities</b>		<b>222,967</b>	<b>0</b>
<b>Significant accounting policies</b>	3		
See the accompanying notes to the Condensed Consolidated Financial Statements	4-59		

As per our report of even date attached:

for **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
Firm's registration number: 117366W/W-100018

**Nilesh Shah**  
Partner  
Membership number: 49660

**Place:** Mumbai  
**Date:** 11 November, 2020

for and on behalf of the Governing Board of  
**K Raheja Corp Investment Managers LLP**  
(acting as the Manager to Mindspace Business Parks REIT)

<b>Neel C. Raheja</b>	<b>Vinod N. Rohira</b>	<b>Preeti N. Chheda</b>
Member	Chief Executive Officer	Chief Financial Officer
DIN: 00029010	DIN: 00460667	DIN: 08066703

**Place:** Mumbai  
**Date:** 11 November, 2020

# MINDSPACE BUSINESS PARKS REIT

RN:IN/REIT/19-20/003

## Condensed Consolidated Statement of Profit And Loss

(All amounts in Rs. million unless otherwise stated)

	Note	For the quarter ended 30 September 2020 (Unaudited)	For the quarter ended 30 June 2020 (Unaudited)	For the half year ended 30 September 2020 (Unaudited)	From 18 November 2019 to 31 March 2020 (Audited)*
<b>Income and gains</b>					
Revenue from operations	33	2,739	-	2,739	-
Interest	34	37	-	37	-
Other income	35	4	-	4	-
<b>Total Income</b>		<b>2,780</b>	<b>-</b>	<b>2,780</b>	<b>-</b>
<b>Expenses and losses</b>					
Cost of work contract services	36	68	-	68	-
Cost of materials sold	37	2	-	2	-
Cost of power purchased	38	59	-	59	-
Employee benefits expense	39	8	-	8	-
Trustee fees		1	-	1	-
Valuation fees		6	-	6	-
Insurance expense		17	-	17	-
Audit fees		6	1	7	1
Management fees		68	-	68	-
Repairs and maintenance	40	180	-	180	-
Legal & professional fees		69	3	72	25
Other expenses	41	244	1	245	23
<b>Total Expenses</b>		<b>728</b>	<b>5</b>	<b>733</b>	<b>49</b>
<b>Earnings/(loss) before finance costs, depreciation and amortisation, regulatory income / expense and tax</b>		<b>2,052</b>	<b>(5)</b>	<b>2,047</b>	<b>(49)</b>
Finance costs	42	501	-	501	-
Depreciation and amortisation expense	43	496	-	496	-
<b>Profit/(loss) before rate regulated activities and tax</b>		<b>1,055</b>	<b>(5)</b>	<b>1,050</b>	<b>(49)</b>
Add: Regulatory income/ (expense) (net)		(6)	-	(6)	-
Add: Regulatory income/ (expense) (net) in respect of earlier years		(7)	-	(7)	-
<b>Profit/(loss) before tax</b>		<b>1,042</b>	<b>(5)</b>	<b>1,037</b>	<b>(49)</b>
Current tax	44	268	-	268	-
Deferred tax charge	44	158	-	158	-
MAT credit entitlement	44	(68)	-	(68)	-
<b>Tax expense</b>		<b>358</b>	<b>-</b>	<b>358</b>	<b>-</b>
<b>Profit/(Loss) for the period/year</b>		<b>684</b>	<b>(5)</b>	<b>679</b>	<b>(49)</b>
<b>Profit for the period/year attributable to Mindspace REIT</b>		<b>626</b>	<b>(5)</b>	<b>621</b>	<b>-</b>
<b>Profit for the period/year attributable to non-controlling interests</b>		<b>58</b>	<b>-</b>	<b>58</b>	<b>-</b>



**MINDSPACE BUSINESS PARKS REIT****RN:IN/REIT/19-20/003****Condensed Consolidated Statement of Profit And Loss**

(All amounts in Rs. million unless otherwise stated)

	Note	For the quarter ended 30 September 2020 (Unaudited)	For the quarter ended 30 June 2020 (Unaudited)	For the half year ended 30 September 2020 (Unaudited)	From 18 November 2019 to 31 March 2020 (Audited)*
<b>Other comprehensive income</b>					
<b>A. (i) Items that will not be reclassified to profit or loss</b>					
- Remeasurements of defined benefit liability/ (asset)		-	-	-	-
<b>(ii) Income tax relating to above</b>		-	-	-	-
<b>B. (i) Items that will be reclassified to profit or loss</b>		-	-	-	-
<b>(ii) Income tax relating to above</b>		-	-	-	-
<b>Other comprehensive income attributable to Mindspace REIT</b>		-	-	-	-
<b>Other comprehensive income attributable to non controlling interests</b>		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>684</b>	<b>(5)</b>	<b>679</b>	<b>(49)</b>
<b>Total comprehensive income /(loss) for the period attributable to Mindspace REIT</b>		<b>626</b>	<b>(5)</b>	<b>621</b>	<b>(49)</b>
<b>Total comprehensive income for the period attributable to non controlling interests</b>		<b>58</b>	<b>-</b>	<b>58</b>	<b>-</b>
Earnings per unit	53				
Basic		1.55	Not Applicable	3.06	Not Applicable
Diluted		1.55	Not Applicable	3.06	Not Applicable
<b>Significant accounting policies</b>	3				
See the accompanying notes to the Condensed Consolidated Financial Statements	4-59				

\* Since Mindspace REIT was registered pursuant to a trust deed dated 18 November 2019, the management has provided the information in Condensed Consolidated Statement of Profit and Loss with effect from said period i.e. 18 November 2019 for the period ended 31 March 2020. Consequently, the information for corresponding quarter and half year ending 30 June 2019 and 30 September 2019 have not been presented.

As per our report of even date attached:

for **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
Firm's registration number: 117366W/W-100018

**Nilesh Shah**  
Partner  
Membership number: 49660

**Place:** Mumbai  
**Date:** 11 November, 2020

for and on behalf of the Governing Board of  
**K Raheja Corp Investment Managers LLP**  
(acting as the Manager to Mindspace Business Parks REIT)

**Neel C. Raheja** **Vinod N. Rohira** **Preeti N. Chheda**  
*Member* *Chief Executive Officer* *Chief Financial Officer*  
DIN: 00029010 DIN: 00460667 DIN: 08066703

**Place:** Mumbai  
**Date:** 11 November, 2020

# MINDSPACE BUSINESS PARKS REIT

RN:IN/REIT/19-20/003

## Condensed Consolidated Statement of Cash Flow

(All amounts in Rs. million unless otherwise stated)

	For the quarter ended 30 September 2020 (Unaudited)	For the quarter ended 30 June 2020 (Unaudited)	For the half year ended 30 September 2020 (Unaudited)	From 18 November 2019 to 31 March 2020 (Audited)*
<b>A. Cash flows from operating activities</b>				
Profit before tax	1042	(5)	1037	(49)
<b>Adjustments for:</b>				
Depreciation and amortisation expense	496	-	496	-
Finance costs	501	-	501	-
Interest income	(33)	-	(33)	-
Provision for doubtful debts (net)	23	-	23	-
Net gains/(losses) on financial assets at fair value through profit or loss	(3)	-	(3)	-
Gain on redemption of mutual fund units	(1)	-	(1)	-
Lease Rent	(5)	-	(5)	-
Foreign exchange fluctuation loss (net)	9	-	9	-
<b>Operating profit/(loss) before working capital changes</b>	<b>2,029</b>	<b>(5)</b>	<b>2,024</b>	<b>(49)</b>
<b>Movement in working capital</b>				
Decrease in inventories	(2)	-	(2)	-
Decrease in trade receivables	155	-	155	-
Decrease in other non-current financial assets	22	-	22	-
(Increase) in other current financial assets	(61)	-	(61)	-
Decrease / (increase) in other non-current assets	(60)	-	(60)	-
Decrease / (increase) in other current assets	14	-	14	-
Increase / (decrease) in other non current financial liabilities	42	-	42	-
Increase in other current financial liabilities	(269)	3	(266)	49
(Decrease) / increase in other non-current liabilities and provisions	17	-	17	-
(Decrease) / increase in other current liabilities and provisions	214	-	214	-
(Decrease) / increase in regulatory deferral account (assets / liabilities)	15	-	15	-
(Decrease) / increase in trade payables	82	2	84	-
<b>Cash generated/(used in) from operations</b>	<b>2,198</b>	<b>(0)</b>	<b>2,198</b>	<b>0</b>
Direct taxes paid net of refund received	(223)	-	(223)	-
<b>Net cash generated/(used in) from operating activities (A)</b>	<b>1,975</b>	<b>(0)</b>	<b>1,975</b>	<b>0</b>
<b>B. Cash flows from investing activities</b>				
Expenditure incurred on investment property and investment property under construction including capital advances, net of capital creditors	(1,348)	-	(1,348)	-
Purchase of property, plant and equipment and intangible assets	(1)	-	(1)	-
Investment in mutual fund	(4,600)	-	(4,600)	-
Proceeds from redemption of investment in mutual fund	4,601	-	4,601	-
Movement in fixed deposits with maturity more than three months	119	-	119	-
Loans repayment received from body corporates	12,382	-	12,382	-
Purchase of Investments (Preference shares)	(334)	-	(334)	-
Interest received	1,488	-	1,488	-
<b>Net cash generated from investing activities ( B )</b>	<b>12,307</b>	<b>-</b>	<b>12,307</b>	<b>-</b>

## Condensed Consolidated Statement of Cash Flow

(All amounts in Rs. million unless otherwise stated)

	For the quarter ended 30 September 2020 (Unaudited)	For the quarter ended 30 June 2020 (Unaudited)	For the half year ended 30 September 2020 (Unaudited)	From 18 November 2019 to 31 March 2020 (Audited)*
<b>C. Cash flows from financing activities</b>				
Repayment of external borrowings	(23,840)	-	(23,840)	-
Proceeds from issue of units	10,000	-	10,000	-
Collection towards Offer For Sale	35,000	-	35,000	-
Payment to Sponsor Group and Blackstone entities in respect of Offer For Sale	(34,973)	-	(34,973)	-
Proceeds from issue of non-convertible debentures	5,000	-	5,000	-
Expenses incurred towards Initial Public Offering	(254)	-	(254)	-
Non-convertible debentures issue expenses	(4)	-	(4)	-
Security deposit received from customer	62	-	62	-
Payment towards lease liabilities	(3)	-	(3)	-
Finance costs paid	(494)	-	(494)	-
<b>Net cash generated used in financing activities (C)</b>	<b>(9,506)</b>	<b>-</b>	<b>(9,506)</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>4,776</b>	<b>0</b>	<b>4,776</b>	<b>0</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>
<b>Cash and cash equivalents acquired due to asset acquisition (refer note 45)</b>	<b>(883)</b>	<b>-</b>	<b>(883)</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>3,893</b>	<b>(0)</b>	<b>3,893</b>	<b>0</b>
<b>Cash and cash equivalents comprises (refer note no. 16A &amp; 28)</b>				
Cash on hand	2	-	2	-
Balance with banks				
- on current accounts	5,071	0	5,071	0
- in escrow accounts **	34	-	34	-
Deposit accounts with less than or equal to three months maturity	248	-	248	-
Cheques on hand	-	-	-	-
Less : Bank overdraft	(1,462)	-	(1,462)	-
<b>Cash and cash equivalents at the end of the period</b>	<b>3,893</b>	<b>0</b>	<b>3,893</b>	<b>0</b>

### Significant accounting policies - refer note 3

Note: The Trust has issued units in exchange for acquisition of assets during the period ended 30 September 2020. The same has not been reflected in Consolidated Statement of Cash Flow since these were non-cash transactions. (refer note 46)

See the accompanying notes to the Condensed Consolidated Financial Statements - refer note 4-59

\*Since Mindspace REIT was registered pursuant to a trust deed dated 18 November 2019, the management has provided the information in Condensed Consolidated Statement of Cash Flow with effect from said period i.e. 18 November 2019 for the period ended 31 March 2020. Consequently, the information for corresponding quarter and half year ending 30 June 2019 and 30 September 2019 have not been presented.

\*\*Rs. 4,600 million were invested in Axis Overnight Fund by Mindspace REIT on 29 September 2020, redeemed on 30 September 2020 and proceeds were received on 1 October 2020.

As per our report of even date attached:

for **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
Firm's registration number: 117366W/W-100018

**Nilesh Shah**  
Partner  
Membership number: 49660

**Place:** Mumbai  
**Date:** 11 November, 2020

for and on behalf of the Governing Board of  
**K Raheja Corp Investment Managers LLP**  
(acting as the Manager to Mindspace Business Parks REIT)

**Neel C. Raheja** **Vinod N. Rohira** **Preeti N. Chheda**  
Member Chief Executive Officer Chief Financial Officer  
DIN: 00029010 DIN: 00460667 DIN: 08066703

**Place:** Mumbai  
**Date:** 11 November, 2020

**MINDSPACE BUSINESS PARKS REIT****RN:IN/REIT/19-20/003****Condensed Consolidated Statement of changes in  
Unit holder's Equity**

(All amounts in Rs. million unless otherwise stated)

<b>A. Corpus</b>	<b>Amount</b>
<b>Balance as on 18 November 2019*</b>	-
Corpus received during the period**	0
<b>Balance as on 31 March 2020</b>	0
Balance as on 1 April 2020	0
Additions during the period	-
<b>Closing balance as at 30 September 2020</b>	0
** Corpus received during the period Rs. 10,000	
<b>B. Unit Capital</b>	
<b>Balance as on 18 November 2019*</b>	-
Units issued during the period	-
<b>Balance as at 31 March 2020</b>	-
<b>Balance as at 1 April 2020</b>	-
Add: Units issued during the period (refer note 19)	163,080
Less: Issue expenses	(241)
<b>Balance as at 30 September 2020</b>	<b>162,839</b>
<b>C. Other equity</b>	
<b>Retained Earnings</b>	
<b>Balance as on 18 November 2019*</b>	-
<b>Loss for the period</b>	(49)
<b>Balance as at 31 March 2020</b>	(49)
<b>Balance as at 1 April 2020</b>	(49)
Add: Profit / (loss) for the period	621
Add: Other comprehensive income	-
<b>Balance as at 30 September 2020</b>	<b>572</b>

**Significant accounting policies - refer note 3**

See the accompanying notes to the Condensed Consolidated Financial Statements - refer note 4-59

\* Since Mindspace REIT was registered pursuant to a trust deed dated 18 November 2019, the management has provided the information in Condensed Consolidated Statement of changes in Unit holder's Equity with effect from said period ie 18 November 2019 for the period ended 31 March 2020. Consequently, the information for corresponding quarter and half year ending 30 June 2019 and 30 September 2019 have not been presented.

As per our report of even date attached:

for **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
Firm's registration number: 117366W/W-100018

**Nilesh Shah**  
Partner  
Membership number: 49660

**Place:** Mumbai  
**Date:** 11 November, 2020

for and on behalf of the Governing Board of  
**K Raheja Corp Investment Managers LLP**  
(acting as the Manager to Mindspace Business Parks REIT)

<b>Neel C. Raheja</b>	<b>Vinod N. Rohira</b>	<b>Preeti N. Chheda</b>
Member	Chief Executive Officer	Chief Financial Officer
DIN: 00029010	DIN: 00460667	DIN: 08066703

**Place:** Mumbai  
**Date:** 11 November, 2020



# MINDSPACE BUSINESS PARKS REIT

RN:IN/REIT/19-20/003

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 1. Organisation Structure

The interim condensed consolidated financial statements ('Condensed Consolidated Financial Statements') comprise financial statements of Mindspace Business Parks Real Estate Investment Trust ('Mindspace Business Parks REIT/ Mindspace REIT'), its SPVs Mindspace Business Parks Private Limited ('MBPPL'), Gigaplex Estate Private Limited ('Gigaplex'), Sundew Properties Limited ('Sundew') Intime Properties Limited ('Intime'), K. Raheja IT Park (Hyderabad) Limited ('KRIT'), KRC Infrastructure and Projects Private Limited ('KRC Infra'), Horizonview Properties Private Limited ('Horizonview'), Avacado Properties and Trading (India) Private Limited ('Avacado') (individually referred to as 'Special Purpose Vehicle' or 'SPV' and together referred to as 'Mindspace Business Parks Group'/'Mindspace Group'). The SPVs are companies domiciled in India.

Anbee Constructions LLP ('ACL') and Cape Trading LLP ('CTL') collectively known as (the 'Sponsors' or the 'Co-Sponsors') have set up the 'Mindspace Business Parks REIT' as an irrevocable trust, pursuant to the Trust Deed, under the provisions of the Indian Trusts Act, 1882 and the Trust has been registered with SEBI as a Real Estate Investment Trust on 18th November 2019 under Regulation 6 of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 having registration number RN:IN/REIT/19-20/003. The Trustee to Mindspace REIT is Axis Trustee Services Limited (the 'Trustee') and the Manager for Mindspace REIT is K Raheja Corp Investment Managers LLP (the 'Investment Manager').

The objectives and principal activity of Mindspace REIT is to carry on the activity of a real estate investment trust, as permissible under the REIT Regulations, to raise funds through the REIT, to make Investments in accordance with the REIT Regulations and the Investment Strategy and to carry on the activities as may be required for operating the REIT, including incidental and ancillary matters thereto.

Mindspace REIT acquired the SPVs by acquiring all the equity interest held by the Sponsor Group and Blackstone entities in the SPVs on 30 July 2020. In exchange for these equity interests, the above shareholders have been allotted 55,66,54,582 Units of Mindspace Parks REIT valued at Rs. 275 each.

Mindspace REIT went public as per its plan for Initial Public Offer of Units after obtaining the required approvals from the relevant authorities. The Units were allotted to the successful applicants on 4 August 2020.

All these units were subsequently listed on the Bombay Stock Exchange (BSE Limited) and National Stock Exchange (NSE) on 7 August 2020.

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

The brief activities and shareholding pattern of the SPVs are provided below:

Name of the SPV	Activities	Shareholding (in percentage) upto 30 July 20	Shareholding (in percentage) from 30 July 20
MBPPL	The SPV is engaged in real estate development projects such as Special Economic Zone (SEZ), Information Technology Parks and other commercial assets. The SPV has its projects in Airoli (Navi Mumbai), Pune and Pocharam (Hyderabad). The SPV is a deemed distribution licensee pursuant to which it can distribute power to the SEZ tenants within the Park. It commenced distribution of electricity in its project at Airoli, Navi Mumbai from 9 April 2015.	BREP ASIA SG Pearl Holding (NQ) Pte. Ltd. (14.95%) Mr. Chandru L. Raheja jointly with Mrs. Jyoti C. Raheja (10.58%) Mrs. Jyoti C. Raheja jointly with Mr. Chandru L. Raheja (8.01%) Capstan Trading LLP (8.01%) Casa Maria Properties LLP (8.01%) Palm Shelter Estate Development LLP (8.01%) K. Raheja Corp Private Limited (6.47%) Mr. Ravi C. Raheja jointly with Mr. Chandru L. Raheja and Mrs. Jyoti C. Raheja (7.37%) Mr. Neel C. Raheja jointly with Mr. Chandru L. Raheja and Mrs. Jyoti C. Raheja (7.37%) Anbee Constructions LLP (6.37%) Cape Trading LLP (6.37%) Raghukool Estate Developement LLP (5.26%) BREP VIII SBS Pearl Holding (NQ) Ltd (0.02%) BREP ASIA SBS Pearl Holding (NQ) Ltd. (0.03%) Others (3.17%)	Mindspace Business Parks REIT : 100%
Gigaplex	The SPV is engaged in real estate development projects such as Special Economic Zone (SEZ), Information Technology Parks and other commercial assets. The SPV has its projects in Airoli (Navi Mumbai). The SPV is a deemed distribution licensee pursuant to which it can distribute power to the SEZ tenants within the Park. It commenced distribution of electricity in its project at Airoli, Navi Mumbai from 19 April 2016.	K Raheja Corp Private Limited (58.90%) Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja (37.50%) BREP ASIA SG Pearl Holding (NQ) Pte. Ltd. (3.59%) Others (0.01%)	Mindspace Business Parks REIT : 100%
Sundew	The SPV is engaged in development and leasing/licensing of IT park, SEZ to different customers in Hyderabad.	Genext Hardware & Parks Private Limited (19.20%) BREP ASIA SG Pearl Holding (NQ) Pte. Ltd (14.95%) Andhra Pradesh Industrial Infrastructure Corporation Limited	Mindspace Business Parks REIT : 89% Andhra Pradesh

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

The brief activities and shareholding pattern of the SPVs are provided below:

Name of the SPV	Activities	Shareholding (in percentage) upto 30 July 20	Shareholding (in percentage) from 30 July 20
		(11.00%) Mr. Chandru L. Raheja jointly with Mrs. Jyoti C. Raheja (9.97%) Casa Maria Properties LLP (5.85%) Raghukool Estate Developement LLP (5.85%) Capstan Trading LLP (5.85%) Palm Shelter Estate Development LLP (5.85%) Anbee Constructions LLP (5.23%) Cape Trading LLP (5.23%) Others (11.02%)	Industrial Infrastructure Corporation Limited (11%)
Intime	The SPV is engaged in development and leasing/licensing of IT park to different customers in Hyderabad.	Chandru Raheja jointly with Jyoti Raheja (23.98%) BREP Asia SG Pearl Holding (NQ) Pte Ltd. (14.95%) Andhra Pradesh Industrial Infrastructure Corporation Limited (11.00%) Casa Maria Properties LLP (6.12%) Raghukool Estate Developement LLP (6.12%) Capstan Trading LLP (6.12%) Palm Shelter Estate Development LLP (6.12%) Anbee Constructions LLP (5.47%) Cape Trading LLP (5.47%) Others (14.65%)	Mindspace Business Parks REIT : 89% Andhra Pradesh Industrial Infrastructure Corporation Limited (11%)
KRIT	The SPV is engaged in development and leasing/licensing of IT park to different customers in Hyderabad.	BREP ASIA SG Pearl Holding (NQ) Pte. Ltd. (14.95%) Andhra Pradesh Industrial Infrastructure Corporation Limited (11.00%) Palm Shelter Estate Development LLP (9.50%) Casa Maria Properties LLP (9.50%) Raghukool Estate Developement LLP (9.50%) Capstan Trading LLP (9.50%) Anbee Constructions LLP (8.50%) Cape Trading LLP (8.50%) Ivory Properties And Hotels Private Limited (8.22%) Chandru L Raheja jointly with	Mindspace Business Parks REIT : 89% Andhra Pradesh Industrial Infrastructure Corporation Limited (11%)

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

The brief activities and shareholding pattern of the SPVs are provided below:

Name of the SPV	Activities	Shareholding (in percentage) upto 30 July 20	Shareholding (in percentage) from 30 July 20
		Jyoti C. Raheja (6.00%) Others (4.83%)	
KRC Infra	The SPV is engaged in real estate development projects such as Special Economic Zone (SEZ) and Information Technology Parks. The SPV has its project in Kharadi Pune. The SPV is a deemed distribution licensee pursuant to which it can distribute power to the SEZ tenants within the Park. It commenced distribution of electricity in its project at Kharadi, Pune from 1 June 2019.	K Raheja Private Limited (42.50%) K Raheja Corp Private Limited (42.50%) BREP Asia SG Pearl Holding (NQ) Pte. Ltd (14.95%) BREP VIII SBS Pearl Holding (NQ) Ltd (0.02%) BREP ASIA SBS Pearl Holding (NQ) Ltd. (0.03%)	Mindspace Business Parks REIT : 100%
Horizonview	The SPV is engaged in development and leasing/licensing of IT park to different customers in Chennai	Mr. Neel C. Raheja jointly with Mr. Chandru L. Raheja and Mrs. Jyoti C. Raheja (42.50%) Mr. Ravi C. Raheja jointly with Mr. Chandru L. Raheja and Mrs. Jyoti C. Raheja (42.50%) BREP ASIA SG Pearl Holding (NQ) Pte. Ltd. (14.95%) Others (0.05%)	Mindspace Business Parks REIT : 100%
Avocado	The SPV has developed an Industrial park for the purpose of letting out to different customers in Paradigm building at Malad-Mumbai and is being maintained and operated by the SPV. The SPV also has a commercial project in Bandra Kurla Complex, Mumbai.	Anbee Constructions LLP (13.18%) Cape Trading LLP (13.18%) Capstan Trading LLP (14.53%) Raghukool Estate Development LLP (14.53%) Casa Maria Properties LLP (14.53%) Palm Shelter Estate Development LLP (14.53%) BREP Asia SG Pearl Holding (NQ) Pte. Ltd (14.95%) Others (0.57%)	Mindspace Business Parks REIT : 100%

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 2. Basis of Preparation

The Condensed Consolidated Interim Financial Statements of the Mindspace Business Parks REIT comprise the Condensed Balance Sheet as at 30 September 2020, the Condensed Statement of Profit and Loss, including other comprehensive income, the Condensed Statement of Cash Flow for quarter and six months ended 30 September 2020, the Condensed Statement of Changes in Unitholders Equity for the six months ended 30 September 2020 and a summary of the significant accounting policies and select explanatory information and other additional financial disclosures. The Condensed Consolidated Financial Statements have been prepared in accordance with the requirements of SEBI (Real Estate Investment Trusts Regulations, 2014), as amended from time to time read including any guidelines and circulars issued thereunder read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 ("the REIT regulations"); Recognition and measurement principles laid down under Indian Accounting Standard (IndAS) 34 "Interim Financial Reporting", as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with REIT regulations.

The Condensed Consolidated Financial Statements were authorised for issue in accordance with the resolution passed by the Governing Board of the Manager on 11 November 2020.

#### Basis of Consolidation

The Mindspace Business Parks Group consolidates entities which it owns or controls. The Condensed Consolidated Financial Statements comprise the financial statements of the Mindspace Business Parks REIT and its subsidiary SPVs as disclosed in note 1. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The procedure for preparing Condensed Consolidated Financial Statements of the Mindspace Business Parks Group are stated below:

- a) The financial statements of the Mindspace Business Parks Group are consolidated for like items and intragroup balances and transactions for assets and liabilities, equity, income, expenses and cash flows between entities of the Mindspace Business Parks Group are eliminated in full upon consolidation.
- b) Andhra Pradesh Industrial Infrastructure Corporation Limited, which is a shareholder in Intime, KRIT and Sundew have not agreed to exchange their equity interest in the SPVs (Intime, KRIT and Sundew), thus, the Mindspace Business Parks REIT has recorded a non-controlling interests for these SPVs. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interest proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.
- c) The figures in the notes to accounts and disclosures have been Consolidated line by line and Inter-company transactions and balances including unrealised profits are eliminated in full on consolidation.
- d) MBPPL has four wholly owned subsidiaries namely Sampada Eastpro Private Ltd, Educator Protech Private Ltd, Dices Realcon Private Ltd and Happy Eastcon Private Ltd ('four subsidiaries'). As on 30 September 2020, the carrying value of these investments in the books of MBPPL is Nil. Moreover, MBPPL has applied to Registrar of Companies (ROC) for 'striking off' the names of these subsidiaries from the Registrar of Companies. Since these subsidiaries are not part of the Mindspace Business Parks Group's real estate investment trust structure, these subsidiaries have not been Consolidated in these Condensed Consolidated Financial Statements.



## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

e) The Mindspace Business Parks Group holds 4% of the equity share capital of Stargaze Properties Private Limited, a company involved in the real estate development. The Mindspace Business Parks Group is of the view that it is not able to exercise significant influence over Stargaze Properties Private Limited and hence it has not been accounted using equity method.

### 3. Significant accounting policies

#### (a) Functional and presentation currency

The Condensed Consolidated Financial Statements are presented in Indian rupees, which is the Mindspace Business Parks Group's functional currency and the currency of the primary economic environment in which the Mindspace Business Parks Group operates. All financial information presented in Indian rupees has been rounded off to nearest million except otherwise stated.

#### (b) Basis of measurement

The Condensed Consolidated Financial Statements are on the historical cost basis, except for the following:

- Certain financial assets and liabilities (refer accounting policy regarding financial instrument): measured at fair values;
- Net defined benefit (asset)/ liability less present value of defined obligations: Fair value of plan assets less present value of defined benefit plan."

#### (c) Use of judgements and estimates

The preparation of the Condensed Consolidated Financial Statements in conformity with generally accepted accounting principles in India (Ind AS) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates.

Estimated and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the Condensed Consolidated Financial Statements is included in the following notes:

- \* Estimation of lease term for revenue recognition
- \* Estimation of useful life of property, plant and equipment and investment property
- \* Estimation of recognition of deferred tax assets, availability of future taxable profit against which tax losses carried forward can be used and income taxes.
- \* Impairment and Fair valuation of Investment Property, Investment property under construction, Property, plant and equipment and Capital work-in-progress
- \* Interest capitalised to investment property under construction
- \* Applying the concentration test for acquisition made during the period.

Mindspace Group has applied judgment in determining whether the acquisition of SPVs during the period are considered to be asset acquisitions or business combinations. Mindspace Group has also applied the optional concentration test available under Ind AS 103. Significant judgement involved in allocating the cost of the acquisition to the assets and liabilities acquired based upon their relative fair values determined by independent valuers at the acquisition date, and no goodwill is recognized. – refer note 46 on Asset acquisition.

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### d) Current versus non-current classification

The Mindspace Business Parks Group presents assets and liabilities in the Condensed Consolidated Balance Sheet based on current/ non-current classification:

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Mindspace Business Parks Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Mindspace Business Parks Group has identified twelve months as its operating cycle.

### (e) Measurement of fair values

The Mindspace Business Parks Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Mindspace Business Parks Group has an established control framework with respect to the measurement of fair values.

They regularly review significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values then the finance team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Mindspace Business Parks Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access on measurement date.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

## 3.1 Financial guarantee contracts

The Group on a case to case basis elects to account for financial guarantee contracts as a financial instruments or as an insurance contracts as specified in Ind AS 109 on Financial Instruments and Ind AS 104 on Insurance contracts. The Group has regarded all its financial guarantee contracts as insurance contracts. At the end of each reporting period, the Group performs a liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cash flows), and any deficiency is recognised in Ind AS Consolidated statement of profit and loss.

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 3.2 Property, plant and equipment

#### (a) Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Depreciation is charged when the assets are ready for their intended use. Purchase price or construction cost is defined as any consideration paid or fair value of any other consideration given to acquire the asset.

#### (b) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Mindspace Business Parks Group. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Mindspace Business Parks Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Condensed Consolidated Statement of Profit and Loss during the reporting period in which they are incurred.

#### (c) Depreciation / Amortisation

Depreciation / amortisation is provided using straight line method as per the useful life of the assets estimated by the management over the balance useful life. The estimated useful lives of the assets, which are higher than, lower than or equal to those prescribed under Schedule II of the Companies Act 2013, are listed in the table below. Depreciation on addition / deletion of property, plant and equipment made during the year is provided on pro-rata basis from / to the date of such addition / deletion.

The assets and estimated useful life are as under:

Asset group	Estimated Useful Life (in years)	
	Power assets	Other assets
Right to use - Leasehold land	Balance Lease term	-
Buildings*	75/90	-
Plant and machinery	15	15
Electrical installation*	15	15
Computers	3	3
Temporary Structure*	-	1
Office equipment*	4	4
Furniture and fixtures*	-	7
Vehicles*	-	5

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

\* For these class of assets, based on technical assessment the management believes the useful life of the assets is appropriate which is different than those prescribed under Part C of Schedule II of the Companies Act, 2013.

(1) Based on internal assessment the management believes the residual value of all assets is estimated to be 5% of the original cost of those respective assets.

(2) Assets individually costing less than Rs 5,000 are fully written off in the year of acquisition.

(3) The estimated useful lives, residual values and depreciation method are reviewed at the end of the reporting period with the effect of any changes in the estimation accounted for on a prospective basis.

### **(d) De-recognition**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Condensed Consolidated Statement of Profit and Loss.

### **(e) Capital work in progress**

Property, plant and equipment under construction is disclosed as capital work in progress which is carried at cost less any recognized impairment losses. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use.

Advance paid and expenditure incurred on acquisition / construction of property, plant and equipment which are not ready for their intended use at each balance sheet date are disclosed under other non current assets as advances on capital account and capital work-in-progress respectively.

## **3.3 Intangible assets**

### **(a) Recognition and measurement**

An intangible asset is an identifiable non-monetary asset without physical substance. Intangible assets with finite useful lives that are acquired separately are initially measured at its cost and then carried at the cost less accumulated amortisation and impairment, if any. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less impairment, if any.

### **(b) Subsequent expenditure**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the Condensed Consolidated Statement of Profit and Loss as incurred.

### **(c) Amortisation**

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in the Condensed Consolidated Statement of Profit and Loss on a straight line method over the estimated useful lives of intangible assets, from the date that they are available for use.

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

Asset group	Estimated Useful Life (in years)
	Other assets
Computer Softwares	3
Trademarks	10

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

### (d) De-recognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal, gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Condensed Consolidated Statement of Profit and Loss when the asset is derecognised.

## 3.4 Investment property

### (a) Recognition and measurement

Properties including land, building and other assets, which are held either for long-term rental yield or for capital appreciation or for both, and which are not occupied substantially by the Mindspace Business Parks Group are classified as investment property.

Investment properties are initially recognised at cost, including related transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the requirement of Ind AS 16's requirements for cost model i.e. Cost less depreciation less impairment losses, if any. Depreciation is charged when the investment property is ready for its intended use. Cost comprises of direct expenses like land cost, site labour cost, material used for project construction, project management consultancy, costs for moving the plant and machinery to the site and general expenses incurred specifically for the respective project like insurance, design and technical assistance, and construction overheads are allocated on a reasonable basis to the cost of the project.

Plant and machinery, furniture and fixtures, office equipment and electrical equipments which are physically attached to the commercial buildings are considered as part of investment property.

Acquisitions and disposals are accounted for at the date of completion of acquisitions and disposals.

### (b) Subsequent expenditure

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Mindspace Business Parks Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

### (c) Depreciation / Amortisation

Depreciation / amortisation is provided using straight line method as per the useful life of the assets estimated by the management over the balance useful life. The estimated useful lives of the assets, which are higher than, lower than or equal to those prescribed under Schedule II of the Companies Act 2013 and listed in the table below. Depreciation on addition / deletion of investment property made during the year is provided on pro-rata basis from / to the date of such addition / deletion.



## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

Asset group	Estimated Useful Life (in years)
Right to use - Leasehold land	Balance Lease term
Buildings*	75/90
Infrastructure and development	15
Roadwork*	15
Plant and machinery	15
Office equipment*	4
Furniture and fixtures*	7
Electrical installation*	15

\* For these class of assets, based on technical assessment the management believes the useful life of the assets is appropriate which is different than those prescribed under Part C of Schedule II of the Companies Act, 2013.

Based on internal assessment the management believes the residual value of all assets is estimated to be 5% of the original cost of those respective assets.

Assets individually costing less than Rs 5,000 are fully written off in the year of acquisition.

The estimated useful lives, residual values and depreciation method are reviewed at the end of the reporting period with the effect of any changes in the estimation accounted for on a prospective basis.

### (d) Fair Value

Fair value of investment property is based on a valuation by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued. The fair value of investment property is disclosed in the Statement of Net assets at Fair Value.

### (e) De-recognition

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Condensed Consolidated Statement of Profit and Loss in the period in which the property is de-recognised.

### (f) Investment properties under construction

Property that is being constructed for future use as investment property is accounted for as investment property under construction until assets are ready for their intended use .

Direct expenses like land cost, site labour cost, material used for project construction, project management consultancy, costs for moving the plant and machinery to the site and general expenses incurred specifically for the respective project like insurance, design and technical assistance, and construction overheads are taken as the cost of the project.

Investment properties under construction represent the cost incurred in respect of areas under construction of the real estate development projects less impairment losses, if any.

Advance paid for acquisition of investment property which are not ready for their intended use at each balance sheet date are disclosed under other non current assets as capital advance.

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 3.5 Impairment of assets

The Mindspace Business Parks Group assesses at each balance sheet date, whether there is any indication that an asset may be impaired. If any such indication exists, the Mindspace Business Parks Group estimates the recoverable amount of the asset. The recoverable amount of the assets (or where applicable that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. An impairment loss is recognised whenever the carrying amount of an asset or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment loss is recognised in the Condensed Consolidated Statement of Profit and Loss or against revaluation surplus, where applicable.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Condensed Consolidated Statement of Profit and Loss.

### 3.6 Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of cost of such assets. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

Capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the general borrowings.

Capitalisation of borrowing costs is suspended during the extended period in which active development is interrupted. Capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing cost incurred by the SPVs on inter-company loans is continued to be capitalised only to the extent the Mindspace Group has incurred external borrowing cost.

### 3.7 Inventories

#### (a) Measurement of inventory

Inventories comprise of building material and components. Contractual work in progress, in respect of third party customers, is classified as work in progress. The Mindspace Business Parks Group measures its inventories at the lower of cost and net realisable value.

#### (b) Cost of inventories

The cost of inventories of building material and components and work in progress comprise all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average basis.

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### **(c) Net realisable value**

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

## **3.8 Revenue recognition**

### **(a) Facility rentals**

Revenue from property leased out under an operating lease is recognised over the lease term on a straight line basis, except where there is an uncertainty of ultimate collection.

### **(b) Maintenance services**

Maintenance income is recognised over a period of time for services rendered to the customers.

### **(c) Revenue from power supply**

Revenue from power supply is accounted for on the basis of billings to consumers and includes unbilled revenues accrued up to the end of the accounting year. The Mindspace Business Parks Group determines surplus/deficit i.e. excess/ shortfall of aggregate gain over return on equity entitlement for the period in respect of its operations based on the principles laid down under the respective Tariff Regulations as notified by Maharashtra Electricity Regulatory Commission (MERC), on the basis of the tariff order issued by it. In respect of such surplus/deficit, appropriate adjustments as stipulated under the regulations are made during the period. Further, any adjustments that may arise on annual performance review by the MERC under the tariff regulations is made after the completion of such review.

### **(d) Finance Lease**

For assets let out under finance lease, the Mindspace Business Parks Group recognises a receivable at an amount equal to the net investment in the lease. Rentals received are accounted for as repayment of principal and finance income. Minimum lease payments receivable on finance leases are apportioned between the finance income and the reduction of the outstanding receivable. The finance income allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining net investment in the finance lease.

Contingent rents are recorded as income in the periods in which they are earned.

### **(e) Sale of surplus construction material and scrap**

Revenue from sale of surplus construction material is recognised on transfer of risk and rewards of ownership which is generally on dispatch of material.

## **3.9 Interest income:**

(i) Interest income is recognised on time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

(ii) Delayed payment charges and interest on delayed payments are recognised, on time proportion basis, except when there is uncertainty of ultimate collection.

## **3.10 Tax expense**

Income tax expense comprises current tax and deferred tax charge or credit. It is recognised in the Statement of Profit and Loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income in which case, the current and deferred tax are also recognised in equity and other comprehensive income respectively.

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### (a) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by end of reporting period.

### (b) Deferred tax

Deferred tax asset/liability is recognised on temporary differences between the carrying amounts of assets and liabilities in the Condensed Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets and liabilities are measured that are expected to apply to the period when the asset is realised or the liability is settled, using the tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Mindspace Business Parks Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is not recognised for:

- Temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; and
- Temporary differences related to investments in subsidiaries, associates, and joint arrangements to the extent that the Mindspace Business Park Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

For operations carried out under tax holiday period (80IA benefits of Income Tax Act, 1961), deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

In the situations where one or more units of the Group are entitled to a tax holiday under the tax law, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned unit's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Group restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### (c) Minimum Alternate Tax (MAT)

MAT credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Condensed Consolidated Statement of Profit and Loss and shown as MAT credit entitlement under deferred tax assets. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

### 3.11 Earnings per unit (EPU):

The basic earnings per unit is computed by dividing the net profit/ (loss) attributable to the unit holders of the Mindspace REIT by the weighted average number of units outstanding during the reporting period. The number of units used in computing diluted earnings/ (loss) per unit comprises the weighted average units considered for deriving basic earnings/ (loss) per unit and also the weighted average number of units which could have been issued on the conversion of all dilutive potential units.

Dilutive potential units are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per unit, only potential equity units that are dilutive and which either reduces earnings per unit or increase loss per units are included.

### 3.12 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Mindspace Business Parks Group has a present legal or constructive obligation as a result of a past event, it is probable that the Mindspace Business Parks Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent liabilities are disclosed when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

A contingent asset is disclosed when there would be a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Mindspace Business Parks Group. Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

### 3.13 Foreign currency transactions and translations

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Condensed Consolidated Statement of Profit and Loss of the year.

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the year-end and not covered by forward contracts, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognised in the Condensed Consolidated Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.



## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 3.14 Leases

#### As a Lessor

The Mindspace Business Parks Group enters into lease agreements as a lessor with respect to some of its investment properties.

Leases for which the Mindspace Business Parks Group is a lessor is classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Mindspace Business Parks Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Mindspace Business Parks Group's net investment in the leases. Finance lease income is allocated to reporting periods so as to reflect a constant periodic rate of return on the Mindspace Business Parks Group's net investment outstanding in respect of the leases.

#### As a Lessee

The Mindspace Business Parks Group assesses whether a contract is or contains a lease, at inception of a contract. The Mindspace Business Parks Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Mindspace Business Parks Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Mindspace Business Parks Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the condensed Consolidated balance sheet as Lease Liability.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Mindspace Business Parks Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is measured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Mindspace Business Parks Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets'. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

The Mindspace Business Parks Group applies Ind AS 36 Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 3.4. Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the Condensed Consolidated Statement of Profit and Loss.

### 3.15 Financial instruments

#### 1. Initial recognition and measurement

Financial assets and/or financial liabilities are recognised when the Mindspace Business Parks Group becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities are initially measured at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Condensed Consolidated Statement of Profit and Loss.

#### 2. Financial assets:

##### (a) Classification of financial assets:

(i) The Mindspace Business Parks Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through the Condensed Consolidated Statement of Profit and Loss), and
- those measured at amortised cost.

(ii) The classification is done depending upon the Mindspace Business Parks Group's business model for managing the financial assets and the contractual terms of the cash flows.

(iii) For investments in debt instruments, this will depend on the business model in which the investment is held.

(iv) The Mindspace Business Parks Group reclassifies debt investments when and only when its business model for managing those assets changes.

##### (b) Subsequent Measurement

##### (i) Debt instruments:

Subsequent measurement of debt instruments depends on the Mindspace Business Parks Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Mindspace Business Parks Group classifies its debt instruments:

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

### Financial assets at fair value through the Condensed Consolidated Statement of Profit and Loss (FVTPL)

Financial assets are subsequently measured at fair value through the Condensed Consolidated Statement of Profit and Loss unless it is measured at amortised cost or fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the Condensed Consolidated Statement of Profit and Loss.

### (ii) Equity instruments:

The Mindspace Business Parks Group subsequently measures all equity investments at fair value. There are two measurement categories into which the Mindspace Business Parks Group classifies its equity instruments:

#### Investments in equity instruments at FVTPL:

Investments in equity instruments are classified as at FVTPL, unless the Mindspace Business Parks Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.

#### Investments in equity instruments at FVTOCI:

On initial recognition, the Mindspace Business Parks Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserve for 'equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Condensed Consolidated Statement of Profit and Loss on disposal of the investments, but is transferred to retained earnings.

### (c) Impairment of financial assets:

The Mindspace Business Parks Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset. For trade receivables, the Mindspace Business Parks Group measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Mindspace Business Parks Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

### (d) Derecognition of financial assets:

A financial asset is primarily derecognised when:

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

- (i) the right to receive cash flows from the asset has expired, or
  - (ii) the Mindspace Business Parks Group has transferred its rights to receive cash flows from the asset; and
  - (iii) the Mindspace Business Parks Group has transferred its rights to receive cash flows from the asset; and the Mindspace Business Parks Group has transferred substantially all the risks and rewards of the asset, or
- the Mindspace Business Parks Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety (other than investments in equity instruments at FVOCI), the differences between the carrying amounts measured at the date of derecognition and the consideration received is recognised in Condensed Consolidated Statement of Profit and Loss. Any interest in transferred financial assets that is created or retained by the SPV is recognised as a separate asset or liability.

### 3. Financial liabilities and equity instruments

#### (a) Classification as debt or equity

Financial liabilities and equity instruments issued by the Mindspace Business Parks Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### (b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Mindspace Business Parks Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Repurchase of the Mindspace Business Parks Group's own equity instrument is recognised and deducted directly in equity. No gain or loss is recognised in the Condensed Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Mindspace Business Parks Group's own equity instruments.

#### (c) Compound financial instruments

The component parts of compound financial instruments issued by the Mindspace Business Parks Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Mindspace Business Parks Group's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured.

Transaction costs that relate to the issue of the convertible instruments are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible instrument using the effective interest method.

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### (d) Financial Liabilities

#### • Recognition, measurement and classification

Financial liabilities are classified as either held at a) fair value through the Condensed Consolidated Statement of Profit and Loss, or b) at amortised cost. Management determines the classification of its financial liabilities at the time of initial recognition or, where applicable, at the time of reclassification.

The Mindspace Business Parks Group's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments. Subsequent measurement of financial liabilities depends on their classification as fair value through the Condensed Consolidated Statement of Profit and Loss or at amortized cost. All changes in fair value of financial liabilities classified as FVTPL are recognized in the Condensed Consolidated Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. After initial recognition the financial liabilities are measured at amortised cost using the Effective Interest Rate method.

#### • Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Gains and losses are recognized in the Condensed Consolidated Statement of Profit and Loss when the liabilities are derecognized.

### 4. Offsetting of financial instruments

Financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a currently enforceable legal right to offset the recognised amounts and there is an intention either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

## 3.16 Cash and cash equivalents

Cash and cash equivalents comprises of cash at banks and on hand, demand deposits, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## 3.17 Statement of Cash flow

Cash flow is reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Mindspace Business Parks Group are segregated.

For the purpose of the Condensed Consolidated Statement of Cash Flow, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Mindspace Business Parks Group's cash management.

As per para 8 of Ind AS 7 "where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents. Bank overdraft, in the Condensed Consolidated Balance Sheet, is included as 'borrowings' under Financial Liabilities.

## 3.18 Employee benefits plan

Disclosure pursuant to Ind AS – 19 'Employee benefits'

### 1. Short term employee benefits



## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 3.20 Earnings before finance costs, depreciation and amortisation, regulatory income / expense and tax

The Mindspace Business Parks Group has elected to present earnings before interest, depreciation and amortisation, regulatory income / expense and tax as a separate line item on the face of the Condensed Consolidated Statement of Profit and Loss. The Mindspace Business Parks Group measures earnings before interest, depreciation and amortisation, regulatory income / expense and tax on the basis of profit/ (loss) from continuing operations.

### 3.21 Subsequent events

The Condensed Consolidated Financial Statements are adjusted to reflect events that occur after the reporting date but before the Condensed Consolidated Financial Statements are issued. The Condensed Consolidated Financial Statements have their own date of authorisation, which differs from that of the financial statements of the entities which are part of Mindspace REIT group. Therefore, when preparing the Condensed Consolidated Financial Statements, management considers events up to the date of authorisation of these financial statements.

### 3.22 Errors and estimates

The Mindspace Business Parks Group revises its accounting policies if the change is required due to a change in Ind AS or if the change will provide more relevant and reliable information to the users of the Condensed Consolidated financial statement. Changes in accounting policies are applied retrospectively.

A change in an accounting estimate that results in changes in the carrying amounts of recognised assets or liabilities or to profit or loss is applied prospectively in the period(s) of change.

Discovery of errors results in revisions retrospectively by restating the comparative amounts of assets, liabilities and equity of the earliest prior period in which the error is discovered. The opening balances of the earliest period presented are also restated.

### 3.23 Non-controlling interests

Non-controlling interests represent the share of reserves and capital attributable to the shareholders of the SPVs who have not agreed to exchange their shares in the SPVs for units of Mindspace REIT and will not become the unitholders of Mindspace REIT. Below is the list of shareholders of the SPVs for whom non-controlling interest has been recognised. Non-controlling interests in the results and equity of subsidiaries are shown separately in the Condensed Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Balance Sheet respectively.

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

4. Pursuant to the share acquisition agreements entered between Mindspace REIT, Sponsor Group and Blackstone Entities for acquisition of the shares of the Asset SPVs held by the Sponsor Group and Blackstone Entities, the acquisition was effected on 30 July 2020. However, consolidation of the financials of these Assets SPVs has been done effective 1 August 2020 considering the impact of 1 day operation on the financial results is immaterial

### 5. Property, plant and equipment

Particulars	Power assets				Other assets						Total
	Right of use - Leasehold Land	Buildings	Plant and machinery	Electrical Installation	Temporary Structure	Plant and machinery	Electrical Installation	Office equipment	Computers	Furniture and fixtures	
Gross block (cost)											
As at 18 November 2019	-	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
As at 31 March 2020	-	-	-	-	-	-	-	-	-	-	-
As at 1 April 2020	-	-	-	-	-	-	-	-	-	-	-
Additions due to asset acquisition	1	467	711	150	-	301	32	5	1	15	1,683
Additions during the period	-	-	-	-	-	1	0	-	0	-	1
Disposals	-	-	-	-	-	-	-	-	-	-	-
As at 30 September 2020	1	467	711	150	-	302	32	5	1	15	1,684
Accumulated depreciation											
As at 18 November 2019	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
As at 31 March 2020	-	-	-	-	-	-	-	-	-	-	-
As at 1 April 2020	-	-	-	-	-	-	-	-	-	-	-
Charge for the period	-	1	11	3	-	24	0	3	0	1	43
Disposals	-	-	-	-	-	-	-	-	-	-	-
As at 30 September 2020	-	1	11	3	-	24	0	3	0	1	43
Carrying amount (net)											
As at 31 March 2020	-	-	-	-	-	-	-	-	-	-	-
As at 30 September 2020	1	466	700	147	-	278	32	2	1	14	1,641

Note - refer note 46 for Asset acquisition

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 6. Investment property

Particulars	Free hold Land	Right of use - Leasehold Land	Buildings	Infrastructure and development	Road Work	Plant and machinery	Furniture and fixtures	Electrical Installations	Total
Gross block (cost or deemed cost)									
As at 18 November 2019	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
As at 31 March 2020	-	-	-	-	-	-	-	-	-
As at 1 April 2020	-	-	-	-	-	-	-	-	-
Additions due to asset acquisition	70,081	23,388	88,099	3,421	29	5,214	70	888	191,190
Additions during the period	-	-	495	24	-	114	11	59	703
Disposals	-	-	-	-	-	-	-	-	-
As at 30 September 2020	70,081	23,388	88,594	3,445	29	5,328	81	947	191,893
Accumulated amortisation									
As at 18 November 2019	-	-	-	-	-	-	-	-	-
Charge for the period	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
As at 31 March 2020	-	-	-	-	-	-	-	-	-
As at 1 April 2020	-	-	-	-	-	-	-	-	-
Charge for the period	-	73	207	48	0	108	4	14	454
Disposals	-	-	-	-	-	-	-	-	-
As at 30 September 2020	-	73	207	48	0	108	4	14	454
Carrying amount (net)	-	-	-	-	-	-	-	-	-
As at 31 March 2020	-	-	-	-	-	-	-	-	-
As at 30 September 2020	70,081	23,315	88,387	3,397	29	5,220	77	933	191,439

### 7. Investment property under construction

The breakup of investment property under construction comprises upcoming buildings in various parks. The SPV wise details are as follows:

Particulars	As at 30 September 2020
MBPPL	3,816
Gigaplex	7,942
Sundew	585
KRIT	765
KRC Infra	3,974
Avacado	35
<b>Total</b>	<b>17,117</b>

Note - refer note 46 for Asset acquisition

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 8. Intangible assets

Particulars	Trademarks
<b>Gross block</b>	
<b>As at 18 November 2019</b>	-
Additions	-
Disposals	-
<b>As at 31 March 2020</b>	-
<b>As at 1 April 2020</b>	-
Additions due to Asset acquisition*	1
Disposals	-
<b>As at 30 September 2020</b>	<b>1</b>
<b>Accumulated amortisation</b>	
<b>As at 18 November 2019</b>	-
Charge for the year	-
Disposals	-
<b>As at 31 March 2020</b>	-
<b>As at 1 April 2020</b>	-
Charge for the period	0
Disposals	-
<b>As at 30 September 2020</b>	<b>0</b>
<b>Carrying amount (net)</b>	
<b>As at 31 March 2020</b>	-
<b>As at 30 September 2020</b>	<b>1</b>

\* Includes trademark and computer softwares (less than Rs 0.5 million)

Note - refer note 46 for Asset acquisition

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 9. Investment

Particulars	As at 30 September 2020	As at 31 March 2020
<b>Financial assets</b>		
<b>Investments in equity instruments</b>		
<b>Unquoted equity shares measured at FVTOCI</b>		
2,000 equity shares of Stargaze Properties Private Limited, face value of Rs.10 each fully paid-up (31 March 2020 : Nil)	0	-
<b>Investment in Government Securities at amortised cost</b>		
25,000 7.61% Central Government Loan (Face value Rs 100) (31 March 2020 : Nil)	3	-
25,000 8.24% GOI 2027 Bond (Face value Rs 100) (31 March 2020 : Nil)	3	-
25,000 7.17% Central Government Loan (Face value Rs 100) (31 March 2020 : Nil)	2	-
22,000 7.26% Central Government Loan (Face value Rs 100) (31 March 2020 : Nil)	2	-
22,000 7.06% Central Government Loan (Face value Rs 100) (31 March 2020 : Nil)	2	-
10,000 7.72% GOI 2055 Bond (Face value Rs 100) (31 March 2020 : Nil)	1	-
18,000 7.26% GOI 2029 Bond (Face value Rs 100) (31 March 2020 : Nil)	2	-
28,700 7.40% GOI 2055 Bond (Face value Rs 100) (31 March 2020 : Nil)	3	-
	<b>18</b>	<b>-</b>
<b>Investments measured at cost (gross)</b>	<b>-</b>	<b>-</b>
<b>Investments measured at fair value through profit or loss</b>	<b>-</b>	<b>-</b>
<b>Investments measured at fair value through other comprehensive income</b>	<b>0</b>	<b>-</b>
<b>Investments measured at amortised cost</b>	<b>18</b>	<b>-</b>
<b>Aggregate amount of impairment recognised</b>	<b>-</b>	<b>-</b>



## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 10. Other financial assets (Non current)

Particulars	As at 30 September 2020	As at 31 March 2020
<i>Unsecured, considered good</i>		
Fixed deposits with banks	29	-
Unbilled revenue	421	-
Finance lease receivable	265	-
Security deposits for development rights	6	-
Security deposits	502	-
Other receivables	6	-
	<b>1,229</b>	<b>-</b>

### 11. Deferred tax assets (net)

Particulars	As at 30 September 2020	As at 31 March 2020
Deferred tax assets (net)	1,674	-
	<b>1,674</b>	<b>-</b>

### 12. Non-current tax assets (net)

Particulars	As at 30 September 2020	As at 31 March 2020
Advance tax (net of provision for tax)	1,478	-
	<b>1,478</b>	<b>-</b>

### 13. Other non-current assets

Particulars	As at 30 September 2020	As at 31 March 2020
<i>Unsecured, considered good</i>		
Capital advances	879	-
Balances with government authorities	29	-
Prepaid expenses	271	-
	<b>1,179</b>	<b>-</b>

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 14. Inventories (valued at lower of cost and net realisable value)

Particulars	As at 30 September 2020	As at 31 March 2020
Building materials and components	61	-
	<b>61</b>	<b>-</b>

### 15. Trade receivables

Particulars	As at 30 September 2020	As at 31 March 2020
<b>Unsecured</b>		
Considered good	267	-
Credit impaired	70	-
Less: loss allowance	(70)	-
	<b>267</b>	<b>-</b>

### 16 A. Cash and cash equivalents

Particulars	As at 30 September 2020	As at 31 March 2020
Cash on hand	2	-
Balances with banks		
- in current accounts *	5,071	0
- in escrow accounts**	34	-
- in deposit accounts with original maturity of less than three months	248	-
	<b>5,355</b>	<b>0</b>

\* Rs. 4,600 million were invested in Axis Overnight Fund by Mindspace REIT on 29 September 2020, redeemed on 30 September 2020 and proceeds were received on 1 October 2020.

\*\* Represents the balance Rs. 34 million (31 March 2020 : Nil) from proceeds of initial public offer of REIT Units (Total proceeds Rs. 10,000 million). These amounts are held in the Escrow account can be withdrawn for certain specific purposes. Out of Rs. 34 million, Rs. 27 million is payable to Sponsor Group and Blackstone entities.

### 16 B. Other bank balances

Particulars	As at 30 September 2020	As at 31 March 2020
Fixed deposits with maturity remaining upto twelve months*	272	-
	<b>272</b>	<b>-</b>

\*Includes fixed deposits with banks held as lien against loan availed to support debt servicing and bank guarantees

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 17. Other financial assets

Particulars	As at 30 September 2020	As at 31 March 2020
<i>Unsecured, considered good</i>		
Interest receivable		
- on fixed deposits	2	-
Interest accrued but not due		
- on other deposits	3	-
- from others	33	-
Security deposit for development rights	60	-
Security deposits	22	-
Unbilled revenue	282	-
Finance lease receivable	111	-
Other receivables		
- Considered good	158	-
- Credit impaired	1	-
Less: loss allowance	(1)	-
	<b>671</b>	<b>-</b>

### 18. Other current financial assets

Particulars	As at 30 September 2020	As at 31 March 2020
<i>Unsecured, considered good</i>		
Deposit / advance for supply of goods and rendering of services	39	-
Balances with government authorities	147	-
Prepaid expenses	205	-
	<b>391</b>	<b>-</b>

### 19. Regulatory deferral accounts

Particulars	As at 30 September 2020	As at 31 March 2020
Regulatory assets	152	-
	<b>152</b>	<b>-</b>
Regulatory liabilities	30	-
	<b>30</b>	<b>-</b>

### 20. Corpus

Corpus	Amount
As at 18 November 2020	-
Corpus received during the period*	0
As at 31 March 2020	0
Additions during the period	-
<b>Closing balance as at 30 September 2020</b>	<b>0</b>

\*Corpus received during the period Rs. 10,000

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 21. Unit Capital

A. Unit Capital	Units	Amount
As at 18 November 2020	-	-
Units issued during the year	-	-
As at 31 March 2020	-	-
As at 1 April 2020	-	-
Units issued during the year		
- pursuant to the initial public offer, issued, subscribed and fully paid-up in cash (refer note a (ii) below)	36,363,600	10,000
- in exchange for equity interest in SPVs (refer note a (iii) below)	556,654,582	153,080
Less: Issue expenses	-	(241)
<b>Closing balance as at 30 September 2020</b>	<b>593,018,182</b>	<b>162,839</b>

Note: Issue expenses pertaining to the Initial Public Offering (IPO) and listing of the units on the National Stock Exchange and Bombay Stock Exchange have been reduced from the Unitholders capital in accordance with Ind AS 32 Financial Instruments: Presentation.

#### (a) Terms/rights attached to Units

- (i) Mindspace REIT has only one class of units. Each unit represents an undivided beneficial interest in Mindspace REIT. Each holder of Units is entitled to one vote per unit. The Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of Mindspace REIT at least once in every six months in each financial year in accordance with the REIT Regulations. The Governing Board of the Manager approves dividend distributions. The distribution will be in proportion to the number of units held by the unitholders. Mindspace REIT declares and pays dividends in Indian Rupees.

Under the provisions of the REIT Regulations, Mindspace REIT is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of Mindspace REIT for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of Mindspace REIT to pay to its unitholders cash distributions. The Unitholders' funds could have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No. CIR/IMD/DF/146/2016 dated 29 December 2016 and No. CIR/IMD/DF/141/2016 dated 26 December 2016) issued under the REIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI circular CIR/IMD/DF/141/2016 dated 26 December 2016 dealing with the minimum disclosures for key financial statements. In line with the above, the dividend payable to unit holders is recognised as liability when the same is approved by the Governing Board of the Manager.

- (ii) Initial Public Offering of 3,63,63,600 Units for cash at price of Rs. 275 per Unit aggregating to Rs. 10,000 million.
- (iii) Mindspace REIT has acquired the SPVs by acquiring all the equity interest held by the Sponsor Group and Blackstone Entities in the SPVs. The acquisition of equity interest in the SPVs has been done by issue of 55,66,54,582 Units of Rs. 275 each as per the table below.

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

Name of the SPV	Number of Units allotted for acquiring equity interest held by Sponsor Group and Blackstone entities in SPVs		
	Sponsor group	Blackstone Entities	Total
Avacado	29,304,371	5,171,359	34,475,730
Horizonview	364	64	428
KRC Infra	21,224,693	3,745,522	24,970,215
Gigaplex	47,334,745	372,113	47,706,858
Intime	46,789,935	9,484,426	56,274,361
Sundew	101,943,753	20,664,275	122,608,028
KRIT	77,443,859	15,698,080	93,141,939
Mindspace	150,855,361	26,621,662	177,477,023
<b>Total number of Units issued</b>	<b>474,897,081</b>	<b>81,757,501</b>	<b>556,654,582</b>

### (b) Unitholders holding more than 5 percent Units in the Trust

Name of the unitholder	As at 30 September 2020	
	No of Units	% holding
BREP ASIA SG PEARL HOLDING (NQ) PTE LTD	54,291,425	9.16%

(c) The Trust has not allotted any fully paid-up units by way of bonus units nor has it bought back any class of units from the date of registration till the balance sheet date. Further the Trust has not issued any units for consideration other than cash from the date of incorporation till the balance sheet date, except as disclosed above.

## 22. Other Equity\*

Particulars	As at 30 September 2020	As at 31 March 2020
<b>Reserves and Surplus</b>		
Retained earnings	572	(49)
	<b>572</b>	<b>(49)</b>

\*Refer Consolidated Statement of changes in Unit holder's equity for detailed movement in other equity balances.

### Retained earnings:

The cumulative gain or loss arising from the operations which is retained and is recognized and accumulated under the heading of retained earnings. At the end of the period, the profit after tax is transferred from the statement of profit and loss to the retained earnings account.



## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 23. Borrowings

Particulars	As at 30 September 2020	As at 31 March 2020
<b>Secured</b>		
Terms loans	25,803	-
- from banks / financial institutions		
Debentures		
10 year G-Sec linked secured, listed, guaranteed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures (“Market Linked Debentures / MLD”) (31 March 2020 Nil ) (net of issue expenses, at amortised cost) (31 March 2020 : Nil)	4,972	-
	<b>30,775</b>	<b>-</b>

(i) During the quarter ended 30 September 2020, Mindspace Business Parks REIT (“Trust”) issued 5,000 10 year G-Sec linked secured, listed, guaranteed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures (“Market Linked Debentures / MLD”) having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 500,00,00,000 (Rupees five hundred crores only). The tenure of the said MLD is 577 days from 29 September, 2020, being date of allotment of the Market Linked Debentures and coupon, if any shall be payable on the Scheduled Redemption Date i.e. on maturity on 29 April 2022. The coupon payoff structure is linked to condition where the payoff will be fixed on the final fixing date i.e. March 30, 2022. If identified 10 yr G-Sec’s last traded price as on final fixing date is greater than 25% of its last traded price as on initial fixing date i.e. 29th September 2020, the coupon rate will be 6.80% p.a. If identified 10 yr G-Sec’s last traded price as on final fixing date is less than or equal to 25% of its last traded price as on initial fixing date, the coupon rate will be zero percent. As per the valuers report in respect of valuation of these MLDs, the probability of occurrence of such an event (last traded price of identified 10 year G-Sec on final fixing date being less than or equal to 25% of its last traded price on initial fixing date) is remote and hence the value of the option considered as zero.

#### Security terms

The Market Linked Debentures are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the Debenture Holders):

1. First and exclusive charge being registered simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 974,500 Sq. Ft. or thereabouts in buildings no. 6, 7 and 8 of Commerzone Yerawada (approx. 178,569 sq ft. in building no. 6, approx. 371,799 sq. ft. in building no. 7 and approx. 4,24,132 in building no. 8) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 25,313 sq. mtrs on which the said three building no. 6, 7 and 8, out of all those pieces and parcels of larger land are situate, lying and being in Village Yerawada, Taluka Haveli, District Pune (“Mortgaged Properties”).
2. A charge on the escrow account in which receivables of the mortgaged properties of MBPPL shall be received.
3. Corporate guarantee to be executed by MBPPL.
4. In accordance with the terms of the Mortgage Documents, MBPPL is in process of creation of first ranking exclusive charge by way of an registered simple mortgage in favour of the Debenture Trustee over the Mortgaged Properties.

#### Redemption terms:

1. These debentures are redeemable by way of bullet payment at the end of 577 days from the date of allotment, i.e. 29 April 2022.

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

2. The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade. The Investors shall have the right to accelerate the MLD if the rating is downgraded to A+.

3. Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days notice to the Issuer require the Issuer to redeem in full (or as the case may be, in part), all the Debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each Debenture.

### Disclosure required under SEBI circular SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated 13 April 2018

4. Details of non-convertible debentures are as follows:

<b>Particulars</b>	10 year G-Sec linked secured, listed, guaranteed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures (“Market Linked Debentures / MLD”)
<b>Secured/Unsecured</b>	Secured by way of a charge in the nature of registered simple mortgage on the identified properties of Mindspace Business Parks Private Limited, being one of the SPVs of the Issuer and charge on the escrow account in which receivables of the mortgaged properties of MBPPL shall be received.
<b>Previous due date</b>	Not Applicable
<b>Next due date</b>	Principle - On Maturity Interest - On Maturity

5. Rating agency CRISIL has assigned a rating of “CRISIL PP-MLD AAAr/Stable” to the Market Linked Debentures of the issuer / Mindspace REIT.

6. Other requirements as per SEBI Guidelines (No. SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated 13 April 2018) for issuance of debt securities by Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs).

<b>Particulars</b>	<b>For the half year ended 30 September 2020</b>
Security / Asset cover (refer a below)	2.32 times
Loan to value ratio (refer b below)	0.13
Debt-equity ratio (refer c below)	0.22
Debt-service coverage ratio (refer d below)	2.52
Interest-service coverage ratio (refer e below)	4.06
Net worth (refer f below)	172,717

Formulae for computation of ratios are as follows basis condensed consolidated financial statements (including non-controlling interest) :-

- Security / Asset cover ratio = Fair value of the secured assets as on 31 August 2020 as computed by independent valuers / (Outstanding principal amount of Market linked debentures + Interest accrued)
- Loan to value ratio = (Total borrowings less cash and cash equivalents and other bank balances) / Gross asset value of the group as computed by the independent valuer
- Debt equity ratio = Borrowings / Total equity
- Debt Service Coverage Ratio = Earnings before interest, depreciation and tax / (Interest expenses + Principal repayments made during the period\*)
- Interest Service Coverage Ratio = Earnings before interest, depreciation and tax / (Interest expenses)

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

f) Net worth = Total equity

Borrowings = Non current borrowings + Current borrowings + Current maturities of long-term borrowings + Interest accrued

\* Excludes bullet and full repayment of external borrowings.

### 24. Other financial liabilities

Particulars	As at 30 September 2020	As at 31 March 2020
Security deposits	1,950	-
Retention money Payable		
- due to micro and small enterprises	19	-
- others	79	-
Interest Accrued but not due on debentures	2	-
Lease liabilities	180	-
	<b>2,230</b>	<b>-</b>

### 25. Provisions

Particulars	As at 30 September 2020	As at 31 March 2020
<b>Provision for employee benefits</b>		
- gratuity	6	-
- compensated absences	2	-
	<b>8</b>	<b>-</b>

### 26. Deferred tax liabilities (net)

Particulars	As at 30 September 2020	As at 31 March 2020
Deferred tax liabilities (net)	67	-
	<b>67</b>	<b>-</b>

### 27. Other non-current liabilities

Particulars	As at 30 September 2020	As at 31 March 2020
Unearned rent	420	-
Other advance	170	-
	<b>590</b>	<b>-</b>

### 28. Borrowings (Current)

Particulars	As at 30 September 2020	As at 31 March 2020
<b>Secured:</b>		
<b>Loans repayable on demand</b>		
- overdraft from banks	1,462	-
	<b>1,462</b>	<b>-</b>

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 29. Trade payables

Particulars	As at 30 September 2020	As at 31 March 2020
Trade Payables		
- total outstanding dues of micro enterprises and small enterprises	86	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	830	-
	<b>916</b>	<b>-</b>

### 30. Other financial liabilities (Current)

Particulars	As at 30 September 2020	As at 31 March 2020
Current maturities of long-term debt		
- from banks / financial institutions / non convertible debentures	5,663	-
Employees dues payable	0	-
Interest accrued but not due on loans from		
- banks / financial institutions	50	-
- others	3	-
Interest accrued and due	65	-
Security deposits	5,439	-
Retention dues payable		
- due to micro and small enterprises	131	-
- others	98	-
Capital creditors		
Other than body corporates		
- Due to micro and small enterprises	373	-
- Others	1,287	-
Lease liabilities	18	-
Other liabilities*	136	49
Liability towards derivatives contract	2	-
	<b>13,265</b>	<b>49</b>

\* Includes expenses of Rs.8 millions incurred by the Manager on behalf of Mindspace REIT and Rs. 21 million payable to Sponsor Group held in escrow account.

### 31. Provisions (Current)

Particulars	As at 30 September 2020	As at 31 March 2020
<b>Provision for employee benefits (refer note 23 above)</b>		
- gratuity	1	-
- compensated absences	-	-
Provision for tax (net of advance tax & tax deducted at source)	57	-
	<b>58</b>	<b>-</b>

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 32. Other current liabilities

Particulars	As at 30 September 2020	As at 31 March 2020
Unearned rent	228	-
Advances received from customers	248	-
Statutory dues	306	-
Other advances	5	-
Other payable	62	-
	<b>849</b>	<b>-</b>

### 33. Revenue from operations

Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
<b>Sale of services</b>				
Facility rentals	2,190	-	2,190	-
Maintenance services	400	-	400	-
Revenue from works contract services	68	-	68	-
<b>Revenue from power supply</b>	<b>64</b>	<b>-</b>	<b>64</b>	<b>-</b>
<b>Other operating income</b>				
Interest income from finance lease	14	-	14	-
Sale of surplus construction material and scrap	1	-	1	-
Service connection and other charges	1	-	1	-
Other operating income	1	-	1	-
	<b>2,739</b>	<b>-</b>	<b>2,739</b>	<b>-</b>

### 34. Interest

Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
<b>Interest income</b>				
- loans given to body corporates	22	-	22	-
- on fixed deposits	5	-	5	-
- on electricity deposits	3	-	3	-
- on Income-tax refunds	6	-	6	-
- others	1	-	1	-
	<b>37</b>	<b>-</b>	<b>37</b>	<b>-</b>



## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 35. Other income

Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
Gain on redemption of preference shares	3	-	3	-
Gain on redemption of mutual fund units	1	-	1	-
Miscellaneous income	0	-	0	-
	<b>4</b>	<b>-</b>	<b>4</b>	<b>-</b>

### 36. Cost of work contract services

Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
Cost of work contract services	68	-	68	-
	<b>68</b>	<b>-</b>	<b>68</b>	<b>-</b>

### 37. Cost of materials sold

Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
Cost of materials sold	2	-	2	-
	<b>2</b>	<b>-</b>	<b>2</b>	<b>-</b>

### 38. Cost of power purchased

Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
Cost of power purchased	59	-	59	-
	<b>59</b>	<b>-</b>	<b>59</b>	<b>-</b>

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 39. Employee benefits expense

Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
Salaries and wages	7	-	7	-
Contribution to provident and other funds	1	-	1	-
Gratuity expenses	0	-	0	-
Compensated absences	(0)	-	(0)	-
	<b>8</b>	<b>-</b>	<b>8</b>	<b>-</b>

### 40. Repairs and maintenance

Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
Repairs and maintenance:				
- building	124	-	124	-
- plant and machinery	51	-	51	-
- computers	0	-	0	-
- electrical installation	5	-	5	-
	<b>180</b>	<b>-</b>	<b>180</b>	<b>-</b>

### 41. Other expenses

Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
Rent	0	-	0	-
Property tax	78	-	78	-
Royalty	-	1	1	8
Electricity, water and diesel charges	63	-	63	-
Travelling and conveyance	1	-	1	0
Rates and taxes	1	-	1	-
Business support fees	9	-	9	-
Brokerage and commission	28	-	28	-
Filing fees and stamping charges	(1)	0	(1)	15
Business promotion expenses/advertising expense	9	-	9	-
Bank Charges	3	0	3	-
Bad debts written off	3	-	3	-
Corporate Social Responsibility expenses	9	-	9	-
Provision for Doubtful Debts (expected credit loss allowance)	20	-	20	-
Foreign exchange loss (net)	9	-	9	-
Directors' sitting fees	0	-	0	-
Miscellaneous expenses	12	0	12	-
	<b>244</b>	<b>1</b>	<b>245</b>	<b>23</b>

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 42. Finance costs (net of capitalisation)

Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
Interest expense				
- on borrowings from banks and financial institutions	530	-	530	-
- on loans from body corporates	49	-	49	-
- debentures	2	-	2	-
- on lease liability	4	-	4	-
- on others	5	-	5	-
Accretion of interest on 0.001% non-cumulative redeemable preference shares	4	-	4	-
Unwinding of interest expenses on security deposits	43	-	43	-
Other finance charges	8	-	8	-
Less: Finance costs capitalised to investment property under construction	(144)	-	(144)	-
	<b>501</b>	<b>-</b>	<b>501</b>	<b>-</b>

### 43. Depreciation and amortisation

Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
Depreciation / amortisation of property, plant and equipment	43	-	43	-
Depreciation / amortisation of investment property	453	-	453	-
Amortisation of intangible assets	0	-	0	-
Less: depreciation cost transferred to investment properties under construction	(0)	-	(0)	-
	<b>496</b>	<b>-</b>	<b>496</b>	<b>-</b>

### 44. Tax expense

Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
Current tax	268	-	268	-
Deferred tax charge	158	-	158	-
MAT credit entitlement	(68)	-	(68)	-
	<b>358</b>	<b>-</b>	<b>358</b>	<b>-</b>

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 45. Subsequent events

(i) KRC Infra has commenced facility management business with effect from 1 October, 2020 under the brand name CAMPLUS for providing facilities management services to the assets in our Portfolio and third parties, if any, located within the assets.

(ii) Subsequent to the period ended September 30, 2020, Gigaplex has repaid outstanding loan of Rs. 2,430 million and Avacado has repaid outstanding loan of Rs. 2,200 million of HDFC Limited.

### 46. Asset Acquisition

The Mindspace REIT entered into share acquisition agreements with shareholders of 8 Asset SPVs (refer note 1 under accounting policies for list of these SPVs) for acquisition of shares of the Asset SPVs in exchange for the units of Mindspace REIT. The acquisition was effected on 30th July 2020 ("Acquisition Date").

Requirements of Ind AS 103 apply to a transaction in which assets acquired and liabilities assumed constitute a business. However, para B7A and B7B of Ind AS 103 allow an optional concentration test to perform simplified assessment of whether acquired set of activities and assets is not a business. The consequence of the test is that if the concentration test is met, the set of activities and assets is determined not to be a business and no further assessment is needed.

REIT has opted to apply optional concentration test in respect of acquisition of these SPVs. Acquired SPVs are engaged in the business of real estate development and leasing. Major asset pool of these SPVs comprise of investment property and investment property under construction. Based on the assessment performed, management has determined that substantially all of the fair value of the gross assets acquired is concentrated in investment property and investment property under construction (including other assets which meet the definition of group of similar identifiable assets as per definition provided in para B7B of Ind AS 103 such as investment property, property, plant and equipment attached to these investment properties which cannot be physically removed and used separately from these investment properties, without incurring significant cost, or significant diminution in utility or fair value to either asset).

Accordingly, acquisition of these SPVs has been accounted as acquisition of group of assets not constituting a business and requirements in Ind AS 103 for business combination accounting has not been applied to this transaction. The REIT has accounted for the transaction as follows:

- a. Identified asset or liability initially measured at an amount other than cost and applied applicable standards for initial measurement of these assets and liabilities
- b. Plant and Machinery recognised at fair value as determined by an independent valuer
- c. Deducted from the gross transaction price of the group acquired, amount recognised in respect of items listed in point (a) and (b) above
- d. Allocated the residual transaction price to the remaining identifiable assets (i.e. Land and Buildings which are then being classified as Investment Property and Investment property under construction) based on their relative fair values at the date of acquisition, arrived at by an independent valuer.

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

The transaction has not resulted in recognition of goodwill or bargain gain in the books of the REIT. Non-controlling interests in these subsidiaries have a present ownership interest and is entitled to a proportionate share of net assets upon liquidation. These non-controlling interests have been accounted at their fair value on the date of acquisition of the SPVs. For this purpose, fair value has been determined in accordance with Ind AS 113.

As consideration for the assets acquired, Mindspace REIT issued 556,654,582 units at unit price of Rs. 275 per unit totalling to Rs. 153,080 million. Mindspace REIT has also incurred directly attributable expenses in relation to the asset acquisition, amounting to Rs. 23 million, resulting in the total transaction price of Rs. 153,103 million. The following tables summarize the total transaction price, gross transaction price and the allocation of the transaction price.

Particulars	Amount (in million)
Purchase consideration	153,080
Acquisition costs	23
<b>Total transaction price</b>	<b>153,103</b>
Issue price per unit	275

Based on the above total transaction price and adjusting for the other assets and liabilities assumed, the gross transaction price is as follows:

Particulars	Amount (in million)
<b>Total Transaction Price</b>	<b>153,103</b>
Less: Other Assets	44,344
Add: Other Liabilities	91,570
Add: Non-Controlling Interest	9,247
<b>Gross Transaction Price</b>	<b>209,576</b>

Based on the above total transaction price and adjusting for the other assets and liabilities assumed, the gross transaction price is allocated as follows on the basis of the allocation explained above :

Particulars	Amount (in million)
Land – freehold and leasehold as part of Investment property	93,469
Building as part of Investment property	88,099
Investment property under construction	16,680
Property, plant and equipment and other assets	11,327
<b>Total</b>	<b>209,575</b>

Depreciation on leasehold land, building, plant & machinery and other assets has been calculated on the above allocated amounts based on the balance useful lives of these assets as per the accounting policy.



## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 47. Contingent liabilities and Capital commitments

Particulars	As at 30 September 2020	As at 31 March 2020
<b>Contingent liabilities</b>		
Claims not acknowledged as debt in respect of		
- Income-Tax matters (Refer note 1 below) excluding interest	969	-
- Service-Tax matters (Refer note 2 below)	333	-
- Customs duty matters (Refer note 3 below)	25	-
- Stamp duty	65	-
<b>Capital commitments</b>		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for (Refer Note 4 below)	4,949	-

For the purpose of above disclosure only those contingent liabilities that existed as of 30 September 2020 have been considered.

Notes:

- (a) Gigaplex -An appeal has been filed for A.Y. 2010-11 before CIT(A) against the penalty order raising demand of Rs.3 million and the appeal is pending. The company has paid 20% (Rs.0.6 million) with a request to keep the demand in abeyance. As per Income tax website , there is no demand outstanding.

(b) KRIT - Contingent liability of Rs. 933 million relate to AY 2012-13 to AY 2018-19 for which company has filed appeals before CIT(A) against orders under section 143(3) / 143(3) read with section 153A of the Act contesting the disallowance of deduction under section 80IA of the Income Tax Act, 1961. The company is hopeful of a favourable outcome for these Assessment Years. In case of unfavourable decisions in appeal for AY 2012-13 and AY 2018-19, the tax would be payable under normal tax and hence, MAT credit currently available with the Company will no longer be available. As a result, in addition to above contingent liability, the Company would require to pay additional tax of Rs.326 million w.r.t. AY 2019-20 and AY 2020-21 (These years are not under litigation) because during these years the Company has utilised the MAT credit availed during AY 2012-13 to AY 2018-19.

For AY 2009-10 and AY 2010-11, Income tax cases on 80IA disallowances are pending with Hon'ble HC of Telangana based on appeal filed by the department against the ITAT - Hyderabad order, which were in favour of the Company. Future Cash outflow in respect of above, if any, is determinable only on receipt of judgements / decisions pending with relevant authorities.

(c) Avacado - Contingent liability of Rs.33 million relate to AY 2015-16, AY 2016-17 and AY 2017-18 for which company has filed appeals before CIT(A) against order u/s 143(3) read with section 153A of the Act contesting the disallowances made u/s. 14A and 80IA. The company is hopeful of a favourable outcome for these Assessment Years. In case of unfavourable decision in appeal, for AY 2015 16 and AY 2016 17 the tax would be payable under MAT, which will be available for set-off against tax liability of future years. For AY 2017-18 additional tax payable would be set-off against MAT credit of earlier years.

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

2. SPVs	As at 30 September 2020	As at 31 March 2020
MBPPL	92	-
Sundew	2	-
Intime	41	-
KRIT	189	-
Avacado	8	-
	<b>332</b>	<b>-</b>

**MBPPL :** The SPV has received show cause and demand notices for inclusion in taxable value amounts received as reimbursement of electricity and allied charges and demand service tax there on of Rs. 92 million. SPV has filled appropriate replies to the show cause and demand notices.

**Sundew:** Demand for Non Payment of service tax on renting of fitouts and equipments Rs.2 million and Demand for Interest and Penalty on account of wrong availment of credit of service tax paid on input services Rs.0 mn . SPV has filed an appeals with CESTAT and matter is pending.

**Intime:** Demand for Non Payment of service tax on renting of fitouts and equipments Rs.21 million and Demand for Service tax on electricity and water and irregular availment of credit of service tax paid on input services Rs.20 million. SPV has filed an appeals with CESTAT and matter is pending.

**KRIT:** Demand for Non Payment of service tax on renting of fitouts and equipments Rs.96 million and Demand for Service tax on electricity and water and irregular availment of credit of service tax paid on input services Rs.93 million. SPV has filed an appeals with CESTAT and matter is pending.

**Avacado:** The SPV has received an order dated 31 January 2018 pronounced by the Commissioner (Appeals), confirming the service tax demand of Rs. 7 million (excluding applicable interest and penalty thereon) on renting of immovable property services provided to tenants during the period April 2008 to March 2011. The Company has filed an Appeal before the Customs, Central Excise & Service Tax Appellate Tribunal. The matter is pending adjudication.

For the subsequent period April 2011 to September 2011, the Company has received a Show Cause cum Demand Notice dated 22 October 2012 alleging non-payment of service tax of Rs. 1 million (excluding applicable interest and penalty thereon) on renting of immovable property services provided to tenants. The Company has filed its detailed reply on 24 December 2012. No further correspondence has been received in this case.

For both the above matters, the Company has filed applications in Form SVLDRS-1 under the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019. The Company has received SVLDRS-3 with service tax demand in respect of above matters. The Company has not accepted the demand and is evaluating the further course of action.

3. Customs duty demand at the time of debonding of assets from the Software Technology Parks of India scheme ( STPI ) for Intime Rs. 16 million and KRIT Rs. 9 million

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

4. The SPV wise details of capital commitments are as follows:

SPVs	As at 30 September 2020	As at 31 March 2020
MBPPL	468	-
Gigaplex	1,325	-
Sundew	696	-
KRC Infra	1,597	-
Horizonview	338	-
KRIT	354	-
Avacado	171	-
	<b>4,949</b>	<b>-</b>

### 5. Avacado

(a) A Suit has been filed in the year 2008 by Nusli Neville Wadia (Plaintiff) against Ivory Properties and Hotels Private Limited (Ivory) & Others which includes the Company as one of the Defendants inter alia in respect of the land and the 'Paradigm' Industrial Park building of the Company. The Plaintiff has prayed against the Company and the said Ivory restraining them from carrying out further construction or any other activity on the land (on which the building Paradigm is constructed), demolition and removal of the structures on the said land, appointment of a Court Receiver in respect of the said land and Paradigm building, declaring the MOUs / Agreements entered into by the Company with Ivory and the Plaintiff as voidable and having been avoided and rescinded by the Plaintiff and to be delivered up and cancelled, restraining from alienating, encumbering or parting with possession of structures and restraining from dealing with, creating fresh leases / licenses or renewing lease / license in respect of the said Paradigm building and from receiving or recovering any rent / license fee / compensation in respect of the said leases / licenses, depositing all the rents in the Court, etc. The Court has not granted any ad-interim relief to the Plaintiff. The Company has filed its reply to the said Suit denying the allegations and praying that no interim relief be granted to the Plaintiff. The Company in its reply has also taken up a plea that issue of limitation should be decided as a preliminary issue before any interim relief could be granted to the Plaintiff. Pursuant to the Plaintiff's application for expedited hearing of the case, the Hon'ble High Court Bombay vide an Order dated 19/09/2013 and 20/09/2013 framed the issue of limitation under section 9 (A) of Code of Civil Procedure to be tried as to jurisdiction for the maintainability of the suit and directed the Plaintiff to file an affidavit in lieu of examination in chief of the first witness on or before 17/10/2013. Pursuant to the Plaintiff's SLP in the Supreme Court challenging the Orders of the Hon'ble High Court dated 19/09/2013 and 20/09/2013, the Hon'ble Supreme Court vide its Order dated 08/10/2013 stayed the operation of the aforesaid Orders and further proceedings in the High Court Suit No. 414 of 2008. Thereafter the Hon'ble Supreme Court by its Order dated 25 August 2015 has referred the said SLP to a three Judge Bench to be posted along with SLP (C) No. 22438 of 2015. The SC by its Order dated 12.12.2018 disposed off the said SLP as infructuous in view of deletion of Section 9A of the Civil Procedure Code by the Maharashtra Act 61 of 2018 on 29.10.2018. In view of the subsequent amendment by the State of Maharashtra to the said provisions, pursuant to the Petitioners application to restore the SLP by cancelling the Order dated 12.12.2018, by Judgement dated 4.10.2019, three Judge Bench of the SC held that u/s 9A CPC (Maharashtra) question of limitation cannot be decided as a preliminary issue as to jurisdiction. The SLP, application for interim relief and the High court Suit are pending for the final hearing.

Based on an advice obtained from an independent legal counsel, the management is confident that the Company will be able to suitably defend and the impact, if any, on the Ind AS financial statements can be determined on disposal of the above Petition and accordingly, Ind AS Financial statements of the company have been prepared on a going concern basis.

Further, the Plaintiff, through his advocates & solicitors, had addressed letter dated 13 February, 2020 including to Mindspace REIT, the Manager, the Trustee, the Sponsors, Avacado, Mr. Ravi C. Raheja,

## Notes to Condensed Consolidated Financial Statements

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Mr. Neel C. Raheja, Mr. Chandru L. Raheja, Ivory Properties and KRCPL, expressing his objection to the proposed Offer and any actions concerning the building Paradigm located at Mindspace Malad project. The allegations and averments made by the Plaintiff have been responded and denied by the addressees, through their advocates & solicitors. No further correspondence has been received.

(b) Pursuant to the levy of service tax on renting of immovable properties given for commercial use, retrospectively with effect from 1 June 2007 by the Finance Act, 2010, some of the lessees to whom the Company has let out its premises, have based on a legal advice, challenged the said levy and, inter-alia, its retrospective application and withheld payment of service tax to the Company, based on certain judicial pronouncements and stay orders granted by appropriate High Courts from time to time. Further in this regard the Hon'ble Supreme Court has passed an interim order dated 14th October, 2011 in Civil appeal nos. 8390, 8391-8393 of 2011 and in compliance of which, such lessees have deposited with appropriate authority in 3 installments, 50% of the amount such service tax not so paid by them upto 30 September 2011 and have furnished surety for the balance 50% of the amount of service tax and which amount has also been deposited by them with the authorities. Further as per Hon'ble Supreme Court's Order dated 5th April 2018 in Civil Appeal No. (s) 4487/2010, the matter is deferred until disposal of the issues pending before the nine judges Bench in Mineral Area Development Authority and others. In view of the above and subject to the final orders being passed by the Hon'ble Supreme Court in the aforesaid appeals, there may be a contingent liability on the Company in respect of interest payable on account of the delayed payment of service tax, which amount would be recoverable from the respective lessees by the Company.

### 6. KRC Infra

In respect of the Company's project at Village Kharadi, Pune, a special civil suit is filed. The suit filed by Ashok Phulchand Bhandari against Balasaheb Laxman Shivale and 29 others in respect of inter alia an undivided share admeasuring 44.15 Ares out of the land bearing S. No 65 Hissa No. 3 for declaration, specific performance, injunction and other reliefs. Neither Gera Developments Private Limited nor KRC Infrastructure and Projects Private Limited is a party to the aforementioned suit and neither of them have filed any intervention application. There are no orders passed in the matter affecting the suit lands or the development thereof or restraining the transfer or development of the the aforesaid land in any manner whatsoever.

### 7. MBPPL

(a) Pursuant to the demerger and vesting of the Commerzone Undertaking of K Raheja Corp Pvt Ltd. (KRCPL), in the Company MBPPL, the company MBPPL is the owner to the extent of 88.16 % undivided right title and interest in the land bearing S. No 144, 145 Yerawada, Pune which is comprised in the said Undertaking. "Shrimant Chhatrapati Udayan Raje Bhosale ("the Plaintiff") has filed a Special Civil Suit bearing No.133 of 2009 in the Court of Civil Judge, Senior Division Pune against the erstwhile land Owner Shri Mukund Bhavan Trust (who had entrusted development rights to MBPPL) and the State of Maharashtra, claiming to be the owner of the said land. The Hon'ble Court was pleased to reject the Application for amendment of plaint filed by the Plaintiff and allow the Third Party Applications on 14.11.2016. The Plaintiff has filed two writ petitions bearing No. 4415/2017 and 4268/2017 in the Bombay High Court challenging the aforesaid orders passed on 14.11.2016. The matter was transferred to another Court for administrative reasons and adjourned on several occasions for compliance of the order by the Plaintiff. On 5th March 2018 the Advocate for the Plaintiff filed a purshis on record stating that since he does not have any instructions in the matter from the Plaintiff, the Vakalatnama is being withdrawn by him and the matter was posted on 20th March 2018. On 20th March 2018 the Hon'ble Court was pleased to adjourn the matter till 22nd June 2018 since the Advocate for the Plaintiff had withdrawn the Vakalatnama and the Plaintiff was not represented by any Advocate. Writ Petition No. 4415/2017 and 4268/2017 filed in the Hon'ble Bombay High Court challenging the orders dated 14 November 2016 by Shrimant Chatrapati Udayanraje Bhosale against Shri. Mukund Bhavan Trust and others came up for hearing on 28 November 2017 wherein the Advocate for the Petitioner undertook to serve the copy of the petition on the Respondent No. 2 i.e. State of Maharashtra and the Hon'ble High Court was pleased to adjourn the same till 16.01.2018, 26.02.2018, 22.06.2018. On 22.06.2018 the Advocate for the Defendant No. 1 filed a purshis stating that the Defendant No. 1 (a) expired. matter

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was further adjourned till 24.10.18, 26.11.18, 21.12.18, 01.02.2019, 25.03.2019 and 15.04.2019, 18.06.2019, 27.08.2019, 19.09.2019. On 19.09.2019 the matter has been stayed by the Hon'ble Court and further posted on 11.11.2019 for compliance of the order dated 14.11.2016 by the Plaintiff. The matter has been stayed under Sec 10 of Code of Civil Procedure. On 07.04.2020 the matter has been further adjourned till 11.06.2020. On 11.06.2020 the matter was further adjourned till 11.09.2020 and the same has now been further adjourned till 04.12.2020. Both the Writ Petitions were posted on 21.09.18, 11.10.18, 22.10.18 and further posted on 10.06.19 for Admission. The matters came on board on 20.06.2019, 14.11.2019, 15.01.2019 and 21.02.2019. As per the CMIS Writ Petition No. 4415/2017 was last posted on 27.03.2020, and is yet not listed. As per the CMIS Writ Petition No. 4268/2017 was last posted on 27.03.2020 and is now listed on 12.10.2020 for Admission. In the management's view, as per legal advice, considering the matter and the facts, no provision for any loss / liability is presently required to be made.

(b) Maharashtra State Electricity Distribution SPV Limited (MSEDCL) had sent a letter and subsequently, a show cause notice as to why the K. Raheja Corp Pvt. Ltd. (KRCPL) (of which the Commerzone Undertaking is demerged in the SPV MBPPL) should not be penalised for alleged laying of cable without obtaining proper permission from the Pune Municipal Corporation (PMC) and levied a penalty of Rs. 23 million on MBPPL. MBPPL has adequately responded to such allegations. Pune Municipal Corporation has issued to MSEDCL (with a copy to MBPPL and Panchashil Corporate Park Pvt. Ltd. (Panchasil) stating that the penalty has been waived however, since there has been a violation of PMC approved trenching policy the penalty of Rs.5 million is to be paid by Panchasil and MBPPL. MBPPL has received letter from MSEDCL addressed to MBPPL and Panchashil to pay penalty charges of Rs. 5 millions and complete the balance cable laying work on priority by observing rules and regulations of MSEDCL with due permission from PMC. MSEDCL sent a letter to Panchashil and MBPPL providing the bifurcation of penalty of Rs. 5 millions and requesting Panchashil and MBPPL to make the payment at the earliest. MBPPL has sent a reply letter informing MSEDCL that MBPPL is not liable to pay penalty of Rs. 3 million and in respect of the penalty of Rs. 2 millions, MBPPL and Panchashil are both jointly liable to pay the same. MBPPL has further requested MSEDCL to confirm on the same to enable MBPPL and Panchashil to discuss/negotiate on the same. It is learnt that Panchashil made the payment of Rs. 5 million as penalty charges to MSEDCL and completed the work of laying cable. No provision is considered necessary at this stage.

(c) The Company is subject to other legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial condition.

(d) MBPPL received a communication (alleged reminder) from Pune Municipal Corporation (PMC) demanding an amount of Rs.157 million allegedly due from MBPPL based on objections by internal audit report of Pune Municipal Corporation. MBPPL, has submitted a letter denying all allegation of PMC, as MBPPL has not been served with any document referred to the said PMC letter. Subsequently MBPPL addressed one more communication stating that MBPPL would be in a position to submit their reply upon receipt of the details of amount demanded as per their reply submitted which states that if any principal outstanding is due/recoverable, MBPPL agrees to make the said payment and sought detailed clarification on the interest amount.

### 8. Intime, Sundew and KRIT

(a) In accordance with the Scheme of arrangement which was approved by Hon'ble Andhra Pradesh High Court on 23 March 2007, the Industrial Park II and III undertakings of K.Raheja IT Park (Hyderabad) Limited (formerly known as K.Raheja IT Park (Hyderabad) Private Limited) ("KRIT", "JV Company") have been demerged and vested in the Company with effect from the appointed date i.e. 01 September 2006.

The Company had acquired the land at Madhapur, Hyderabad as part of the demerger scheme from KRIT. The said land is in lieu of the employment opportunities to be generated by KRIT and others.

The liability, if any, arising due to the obligation to create the job opportunities for the entire larger land



## Notes to Condensed Consolidated Financial Statements

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of which the above property is a part, continues to be retained by KRIT as at 30 September 2020. During the year ended 31 March 2016, Telangana State Industrial Infrastructure Corporation Limited ("TSIIC") has returned the original Bank Guarantees to KRIT and also confirmed to the bank that TSIIC will not claim any amount from the bank under the Bank Guarantees and the bank is relieved of its obligation. Hence, no liability is recognised towards the price of the plot of land.

b) An unconditional obligation to pay amounts due to Andhra Pradesh Industrial Infrastructure Corporation Limited ("APIIC") in respect of APIIC's claims of losses due to any difference in values pertaining to sale transactions of the project undertaken by KRIT. Losses incurred by the Government/TSIIC in its JV Company, if any, will be paid in full by K Raheja Corp Pvt Ltd and it has furnished to the JV Company in writing agreeing and admitting liability to make such payment to Government/TSIIC.

The shareholding pattern of the Government/TSIIC in the JV Company and the Company will not change as a result of conversion from Private to Public, the Government / TSIIC equity of 11% will remain the same in the Company and all the demerged companies and further in future, Government / TSIIC will not be asked to infuse further cash to maintain its 11% stake.

### 9. Gigaplex

Regular Civil Suit had been filed before the Hon. Civil Judge (J.D) Vashi at Central Business District by an Education Society ("the Plaintiff") who is claiming rights in existing school structure, claiming its area as 500 square meters and its existence since more than 30 years, seeking an injunction not to dispossess him. The Company has filed its reply opposing the Plaintiff's prayers. After hearing the parties, the Hon'ble Judge at the Vashi Court had rejected the Plaintiff's Injunction Application by Order dated 20.08.18 (Order). Thereafter the Plaintiff has filed an appeal in Thane District Court. The Plaintiff's Appeal filed in Thane District Court is still pending, it's next date is on 16.10.2020. In management view, the estimate of liability arising out of the same is remote, no provision has been taken.

### 10. KRIT

A Writ petition has been filed against the Company in the High Court of Judicature of Andhra Pradesh at Hyderabad with respect to specific use of the land admeasuring 4,500 square yards, earmarked as plot 18. Pursuant to it, the Court has passed an Order for no construction activity upon the triangular piece of 2 acres 40 cents of land earlier identified at the time of allotment as 'Common Facility Centre' in the software layout until further orders of the Court. IALA and APIIC have filed affidavits opposing the writ petition, confirming the allotment and rights of KRIT in the Suit Land, and for vacating the Stay Order. The matter is pending before the Court. Greater Hyderabad Municipal Corporation ("GHMC") had filed an application in the Court for clarification that the Stay Order does not preclude GHMC from acquiring a portion of 0.14 acres (approximately 567 square meters) for road widening. Subsequently, GHMC has acquired the portion of land and constructed the road. The matter is pending for disposal by the High Court. Based on the facts of the case, the management does not expect any liability and is of the opinion that no provision needs to be made.

### 11. Horizonview

W.S. Industries (India) Limited ("WSIL") has filed a writ petition before the Madras High Court against the District Revenue Officer, Thiruvallur ("DRO") and P. Jeyapal S/o R. Perumalsamy ("Jeyapal") seeking directions for quashing a notice dated May 25, 2017 issued by the DRO and Additional District Judge ("Notice"). The Notice was issued by the DRO cum Additional District Judge on a complaint presented by Jeyapal alleging that lands were handed over to WSIL on certain conditions, and instead of using such lands for common purpose, WSIL has been using the lands for commercial purpose. WSIL is the erstwhile owner of the land, a portion of which was subsequently sold and transferred by WSIL to certain entities. Horizonview has been granted development rights over such land. The Madras High Court, by its order dated June 5, 2017, has granted interim stay. The matter is pending before the Madras High Court. Neither RPIL Signalling Systems Limited (the present owner of the land at Porur being developed by Horizonview Properties Private Limited) nor Horizonview Properties Private Limited is a party to the aforementioned suit.

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 48. Assessment of possible impact resulting from Covid-19 pandemic

The Mindspace Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the operations of the Mindspace Group and carrying amounts of property, plant and equipment, Investment Property, Inventories, receivables and other assets. The Mindspace Group, as at the date of approval of these financial statements, has used internal and external sources of information to determine the expected future impact of COVID-19 pandemic on the performance of the Mindspace Group. The Mindspace Group based on current estimates expects the carrying amount of the assets to be recovered. However, due to the evolving nature of the pandemic and its response by various government authorities the Management will continue to monitor developments to identify significant impacts, if any, on the Mindspace Group's operations.

### 49. Management Fees

#### Property Management Fee

Pursuant to the Investment Management Agreement dated 29 June 2020 as amended, the Manager is entitled to fees @ 3% of the Facility Rentals per annum of the relevant property in respect to operations, maintenance, administration and management of the SPVs, as applicable. The fees has been determined to meet the ongoing costs of the Investment Manager to undertake the services provided to the Mindspace REIT and its SPVs.

Property Management fees for the quarter and half year ended 30 September 2020 amounts to Rs 58 million (31 March 2020: Rs Nil). There are no changes during the period in the methodology for computation of fees paid to the Manager.

#### REIT Management Fees

Pursuant to the Investment Management Agreement dated 21 November 2019, Investment Manager is entitled to fees @ 0.5% of REIT Net Distributable Cash Flows which shall be payable either in cash or in Units or a combination of both, at the discretion of the Investment Manager. The fees has been determined for undertaking management of the REIT and its investments. There is no REIT Management fees accrued for the quarter and half year ended 30 September 2020 and for the period ended 31 March 2020. There are no changes during the period in the methodology for computation of fees paid to the Investment Manager.

#### Support Services Fee

Pursuant to the Investment Management Agreement dated 29 June 2020 as amended, the Manager is entitled to fees @ 0.5% of REIT Distributions which shall be payable either in cash or in Units or a combination of both, at the discretion of the Investment Manager. The fees has been determined for undertaking management of the REIT and its investments. REIT Management fees accrued for the quarter and half year ended 30 September 2020 amounts to Rs. 10 million (31 March 2020: Rs Nil). There are no changes during the period in the methodology for computation of fees paid to the Manager.

- 50.** Statement of Net Distributable Cash Flows have not been disclosed since the first distribution of the REIT as stated in the Final Offer Document will be made upon completion of the first full quarter after the listing of the Units on the Stock Exchanges i.e. 31 December, 2020.

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 51. Details of utilisation of proceeds of IPO are as follows:

Particulars	Proposed utilisation	Actual utilisation upto 30 September 2020	Unutilised amount as at 30 September 2020
Partial or full pre-payment or scheduled repayment of certain debt facilities of the Asset SPVs availed from banks/financial institutions (including any accrued interest and any applicable penalties/ premium)	9,000	9,300	Refer Note
Purchase of Non Convertible Redeemable Preference Shares of MBPPL	334	334	-
General Corporate Purposes and REIT Issue Expenses	666	309	Refer Note
<b>Total</b>	<b>10,000</b>	<b>9,943</b>	<b>-</b>

Note: Rs. 300 million is used in excess for providing loans to Asset SPVs for the purpose of repayment of debt facilities of the SPVs and balance Rs.57 million is unutilised as on 30 September 2020.

### 52. Details of utilisation of proceeds of Debentures are as follows:

Particulars	Proposed utilisation	Actual utilisation upto 30 September 2020	Unutilised amount as at 30 September 2020
Providing loans to the SPVs for meeting their construction related expenses, working capital or general corporate requirements, repayment of financial indebtedness, general corporate purposes including payment of fees and expenses in connection with the Issue, acquisition of commercial properties or such other purposes as stipulated in the transaction documents.	5,000	400	4,600

Note : Rs. 4,600 million were invested in Axis Overnight Fund by Mindspace REIT on 29 September 2020, redeemed on 30 September 2020 and proceeds were received on 1 October 2020.

### 53. Earnings Per Unit (EPU)

Basic EPU amounts are calculated by dividing the profit for the period attributable to Unit holders by the weighted average number of units outstanding during the period. Diluted EPU amounts are calculated by dividing the profit attributable to unit holders by the weighted average number of units outstanding during the period. The Units of the Trust were allotted to Sponsor Group and Blackstone entities on 30 July 2020 and to the applicants of initial public offer on 4 August 2020.

Particulars	For the quarter ended September 2020	For the half year ended September 2020
Profit/ (loss) after tax for calculating basic and diluted EPU	626	621
Weighted average number of units (No. in million)	404	203
<b>Earnings Per Unit</b>		
- Basic (Rupees/unit)	1.55	3.06
- Diluted (Rupees/unit)	1.55	3.06

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 54. Net Assets At Fair Value attributable to Mindspace REIT

S.No	Particulars	As at 30 September 2020	As at 30 September 2020
		Book Value*	Fair value
A	Assets	212,287	249,370
B	Liabilities**	48,876	48,685
<b>C</b>	<b>Net Assets (A-B)</b>	<b>163,411</b>	<b>200,685</b>
D	No. of units	593,018,182	593,018,182
E	NAV (C/D)	275.56	338.41

\* as reflected in the Balance Sheet

\*\*excluding lease liabilities in Fair value

The above fair value includes value of facility management business which was commenced in KRC Infra with effect from 1 October 2020

#### Measurement of fair values:

The fair values of Investment Property, Property, Plant and Equipment, Investment property under construction and Capital work-in-progress are solely based on an independent valuation performed by an external property valuer ("independent valuer"), having appropriately recognised professional qualification and recent experience in the location and category of the properties being valued.

#### Valuation technique

The fair value measurement for all of the Investment Property, Property, Plant and Equipment, Investment property under construction and Capital work-in-progress has been categorized as a Level 3 fair value based on the inputs to the valuation technique used. The valuer has followed a Discounted Cash Flow method, except for valuation of land for future development where the valuer has adopted a mix of Market Approach and Discounted Cash Flow method, as the case may be. The Discounted Cash Flow valuation model considers the present value of net cash flows to be generated from the respective properties, taking into account the expected rental growth rate, vacancy period, occupancy rate, and lease incentive costs. The expected net cash flows are discounted using the risk adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality, lease terms and investor return expectations from such properties.

#### Note:

1. Other assets at book value excludes capital advances, unbilled revenue and finance lease receivable (which form part of fair valuation of the Investment Property, Property, Plant and Equipment, Investment property under construction and Capital work-in-progress).
2. Gigaplex has made an application for denotification of a part of the SEZ into Non-SEZ. Therefore, the fair valuation has been computed by valuers considering that part as Non-SEZ unit.
3. Power Deemed Distribution License operations in Gigaplex, MBPPL and KRC Infra have been valued by the valuer separately using Discounted Cash Flow method.
4. Liabilities at book value for calculation of fair value of NAV, excludes lease liability (which is factored in fair valuation of the Investment Property, Property, Plant and Equipment, Investment property under construction and Capital work-in-progress).

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 55. Net Operating Income (NOI)

The Mindspace REIT entered into share purchase agreement with Sponsor group and Blackstone entities of Asset SPVs for acquisition of the shares of the SPVs held by such shareholders in exchange for the units of Mindspace REIT (refer note 46). Acquisition of these SPVs has been accounted as acquisition of group of assets based on the concertation test permitted as per Companies (Indian Accounting Standards) Amendment Rules, 2020 and accordingly, requirements in Ind AS 103 for business combination accounting are not applicable to this transaction.

The revenue and expenses pertaining to these SPVs have been consolidated from 1 August 2020 and therefore these condensed consolidated financial statements include results of the these SPVs from 1 August 2020 to 30 September 2020 only. As the transaction is being accounted as asset acquisition and not a business combination, the pro forma information is not required to be disclosed per Indian Accounting Standards applicable to the transaction. However, considering these proforma information to be relevant to the investors, the Governing Board has decided to provide following additional 'pro-forma' information to represent an approximate measure of the performance of the Mindspace REIT group for the quarter ended 30 June 2020, quarter and half year ended 30 September 2020 and year ended 31 March 2020, as if the acquisition had occurred on 1 April 2019 following the analogy from disclosures required in Ind AS 103 for 'Business Combinations'.

The following pro forma financial information has been prepared by combining the historical results of all the SPVs for the respective periods after making adjustment for intra group transactions and unrealised profits, if any. The pro forma financial information is presented solely for informational purposes and is not indicative of the results of operations that would have been achieved if the acquisition of SPVs had taken place on 1 April 2019 or of results that may occur in the future.

Particulars	Quarter ended	Quarter ended	Half year ended	Year ended
	30 June 2020 (Unaudited)	30 September 2020 (Unaudited)	30 September 2020 (Unaudited)	31 March 2020 (Unaudited)
Proforma Revenue from operations	3,959	4,079	8,038	17,660
Proforma direct operating expenses *	741	713	1,454	5,403
Net operating income	3,218	3,366	6,584	12,257

\* direct operating expenses are repairs and maintenance - buildings, repairs and maintenance plant and machinery, repairs and maintenance electrical installation, property tax, insurance expense, cost of material sold, cost of power purchased and power operation & maintenance expenses



## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 56. Financial instruments

A. The carrying value and fair value of financial instruments by categories are as below:

Financial assets	As at 30 September 2020	As at 31 March 2020
<b>Fair value through other comprehensive income ('FVTOCI')</b>		
Investments - non-current	0	-
<b>Fair value through profit and loss ('FVTPL')</b>		
Investment in mutual funds - current investments	-	-
<b>Amortised cost</b>		
Investments - non-current	18	-
Trade receivables	267	-
Cash and cash equivalents	5,355	0
Other bank balances	272	-
Other financial assets	1,900	-
<b>Total assets</b>	<b>7,812</b>	<b>0</b>
<b>Financial liabilities</b>		
Borrowings (including current maturities of long-term debt)	37,899	-
Security deposits	7,388	-
Trade payables	916	-
Other financial liabilities	2,444	49
<b>Total liabilities</b>	<b>48,647</b>	<b>49</b>

The Management considers that the carrying amount of the above financial assets and liabilities approximates to their fair value.

#### B. Measurement of fair values

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:

- recognised and measured at fair value
- measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is mentioned below:

#### Fair value hierarchy

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

## Notes to Condensed Consolidated Financial Statements

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The following table presents the fair value measurement hierarchy of assets and liabilities measured at fair value on recurring basis as at 30 September 2020.

### Financial instruments

Quantitative disclosures fair value measurement hierarchy for assets as at 30 September 2020:

Particulars	Date of valuation	Total	Level 1	Level 2	Level 3
<b>Financial assets measured at fair value:</b>					
FVTOCI financial investments:	-	0			0

### C) Transfers between Level 1, Level 2 and Level 3

There were no transfers between Level 1, Level 2 or Level 3 during the period.

### D) Determination of fair values

Fair values of financial assets and liabilities have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

- The fair value of mutual funds are based on price quotations at reporting date.
- The fair values of other current financial assets and financial liabilities are considered to be equivalent to their carrying values.

## 57. Non-controlling interest

Name of the entity	For the period ended 30 September 2020			
	Net assets		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated total comprehensive income	Amount
<b>Parent</b>				
Mindspace Business Parks REIT	94.6%	163,411	91.5%	626
<b>Subsidiaries</b>				
Intime Properties Limited	1.1%	1,930	2.2%	15
K. Raheja IT Park (Hyderabad) Limited	1.8%	3,185	3.0%	20
Sundew Properties Limited	2.4%	4,191	3.4%	23
<b>Consolidated net assets/ Total comprehensive income</b>	<b>100%</b>	<b>172,717</b>	<b>100%</b>	<b>684</b>

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 57. Non-controlling interest (continued)

The following table summarises the financial information relating to subsidiaries which have material Non-controlling interest.

#### (i) Intime Properties Limited

Particulars	As at 30 September 2020
Non-current assets	14,764
Current assets	3,625
Non-current liabilities	(226)
Current liabilities	(622)
<b>Net assets</b>	<b>17,541</b>
<b>NCI</b>	<b>11.0%</b>
<b>Carrying amount of Non-controlling interests</b>	<b>1,930</b>

Particulars	As at 30 September 2020
Total comprehensive income for the period	139
<b>Attributable to Non-controlling interest</b>	
Total comprehensive income for the period	15
<b>Cash flows from/ (used in) :</b>	
Operating activities	14
Investing activities	0
Financing activities	(0)
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>14</b>

#### (ii) K. Raheja IT Park (Hyderabad) Limited

Particulars	As at 30 September 2020
Non-current assets	23,323
Current assets	6,649
Non-current liabilities	(191)
Current liabilities	(820)
<b>Net assets</b>	<b>28,961</b>
<b>NCI</b>	<b>11.0%</b>
<b>Carrying amount of Non-controlling interests</b>	<b>3,186</b>

Particulars	As at 30 September 2020
Total comprehensive income for the period	184
<b>Attributable to Non-controlling interest</b>	
Total comprehensive income for the year	20
<b>Cash flows from :</b>	
Operating activities	11
Investing activities	(6)
Financing activities	(2)
<b>Net increase in cash and cash equivalents</b>	<b>3</b>

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### (iii) Sundew Properties Limited

Particulars	As at 30 September 2020
Non-current assets	47,175
Current assets	1,554
Non-current liabilities	(8,206)
Current liabilities	(2,425)
<b>Net assets</b>	<b>38,098</b>
<b>NCI</b>	<b>11.0%</b>
<b>Carrying amount of Non-controlling interests</b>	<b>4,191</b>

Particulars	As at 30 September 2020
Total comprehensive income for the period	208
<b>Attributable to Non-controlling interest</b>	
Total comprehensive income for the year	23
<b>Cash flows from/ (used in) :</b>	
Operating activities	37
Investing activities	651
Financing activities	(684)
<b>Net increase in cash and cash equivalents</b>	<b>4</b>
<b>Total carrying amount of NCI</b>	<b>9,307</b>

## Notes to Condensed Consolidated Financial Statements

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### 58. Related Party Disclosures

#### A. Parties to Mindspace REIT (Refer Note 1)

Sr. No.	Particulars	Name of Entities	Promoters/Partners *	Directors
1	Trustee	Axis Trustee Services Limited	-	-
2	Sponsors	Anbee Constructions LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
3		Cape Trading LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
4	Manager	K Raheja Corp Investment Managers LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja	-
5	Sponsors Group	Mr. Chandru L. Raheja	-	-
6		Mr. Ravi C. Raheja	-	-
7		Mr. Neel C. Raheja	-	-
8		Mrs. Jyoti C. Raheja	-	-
9		Capstan Trading LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
10		Casa Maria Properties LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
11		Raghukool Estate Developement LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
12		Palm Shelter Estate Development LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
13		K. Raheja Corp Pvt. Ltd.	Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja  Mrs. Jyoti C. Raheja Jointly with Mr. Chandru L. Raheja  Mr. Ravi C. Raheja Jointly with Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja  Mr. Neel C. Raheja Jointly with Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja	Mr. Ravi C. Raheja  Mr. Neel C. Raheja  Mr. Ramesh Valecha  Mr. Vinod Rohira



## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

Sr. No.	Particulars	Name of Entities	Promoters/Partners *	Directors
			Anbee Constructions LLP Cape Trading LLP Capstan Trading LLP Casa Maria Properties LLP Raghukool Estate Developement LLP Palm Shelter Estate Development LLP  Mr. Neel C. Raheja Jointly with Mr. Ramesh M. Valecha	-
14		Ivory Property Trust	Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja Ivory Properties & Hotels Pvt Ltd Mr. Ravi C. Raheja Mr. Neel C. Raheja (all are trustees)	-
15		Genext Hardware & Parks Pvt. Ltd.	Mr. Ravi C. Raheja Jointly with Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja  Mr. Neel C. Raheja Jointly with Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja  Mr. Chandru L. Raheja jointly with Mrs. Jyoti C. Raheja, behalf of Ivory Property Trust	Mr. Ravi C. Raheja  Mr. Neel C. Raheja  Mr. Ramesh Valecha
16	Governing Board and Key Managerial Personnel of the Manager (K Raheja Corp Investment Managers LLP )	<b><u>Governing Board</u></b> Mr. Deepak Ghaisas Ms. Manisha Girotra Mr. Bobby Parikh Mr. Alan Miyasaki Mr. Ravi C. Raheja Mr. Neel C. Raheja  <b><u>Key Managerial Personnel</u></b> Mr. Vinod Rohira Ms. Preeti Chheda		
17	Entities controlled/jointly controlled by members of Governing Board.	Brookfields Agro & Development Private Limited Cavalcade Properties Private Limited		

**Notes to Condensed Consolidated Financial Statements**

(All amounts in Rs. million unless otherwise stated)

Sr. No.	Particulars	Name of Entities	Promoters/Partners *	Directors
		Grange Hotels And Properties Private Limited Immense Properties Private Limited Novel Properties Private Limited Pact Real Estate Private Limited Paradigm Logistics & Distribution Private Limited Sustain Properties Private Limited Aqualine Real Estate Private Limited Feat Properties Private Limited Carin Properties Private Limited Asterope Properties Private Limited Content Properties Private Limited Grandwell Properties And Leasing Private Limited Sundew Real Estate Private Limited M/s Bobby Parikh and Associates		

\* only when acting collectively

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(All amounts in Rs. million unless otherwise stated)

### 58. Related Party Disclosures

#### B. Related parties with whom the transactions have taken place during the period

Particulars	Quarter ended		For half year ended	From 18 November 2019 to 31 March 2020
	30 September 2020	30 June 2020	30 September 2020	
<b>Project Management Fees</b>				
K Raheja Corp Investment Managers LLP	-	-	68	-
<b>Trustee fee expenses</b>				
Axis Trustee Services Limited	1	-	1	-
<b>Legal &amp; professional fees</b>				
M/s Bobby Parikh and Associates	6	-	6	-
<b>Interest income</b>				
Ivory Property Trust	19	-	19	-
<b>Rent expense</b>				
Genext Hardware & Parks Pvt. Ltd.	2	-	2	-
<b>Royalty Charges</b>				
Anbee Constructions LLP	-	-	-	1
Cape Trading LLP	-	-	-	1
Ivory Properties & Hotels Private Limited	-	-	-	1
K. Raheja Private Limited	-	-	-	1
K. Raheja Corp Private Limited	-	-	-	2
<b>Sitting Fees</b>				
Mr. Neel C. Raheja	0	-	0	-
Mr. Ravi C. Raheja	0	-	0	-
Mr. Vinod N. Rohira	0	-	-	-
Ms. Preeti Chheda	0	-	-	-
<b>Loan repaid</b>				
Ivory Property Trust	3,150	-	3,150	-
<b>Reimbursement of Expenses</b>				
K Raheja Corp Investment Managers LLP*	48	1	49	41

\*Includes fees paid to M/s Bobby Parikh & Associates amounting to Rs. 0.48 million for the quarter ended 30 June 2020 and half year ended 30 September 2020 and Rs 1 million for the period ended 31 March 2020.

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

<b>Payment to Sponsor Group companies in relation to Offer for Sale</b>				
Mr. Chandru L. Raheja	10	-	10	-
Mrs. Jyoti C. Raheja	1,139	-	1,139	-
Mr. Ravi C. Raheja	1,179	-	1,179	-
Mr. Neel C. Raheja	1,179	-	1,179	-
Genext Hardware & Parks Private Limited	957	-	957	-
Inorbit Malls (India) Private Limited	1,505	-	1,505	-
Ivory Properties And Hotels Private Limited	3,385	-	3,385	-
Ivory Property Trust	10,352	-	10,352	-
K. Raheja Corp Private Limited	4,301	-	4,301	-
K. Raheja Private Limited	2,851	-	2,851	-
<b>Initial receipt from Co-sponsor - received</b>				
Anbee Constructions LLP	-	-	-	0
Cape Trading LLP	-	-	-	0
<b>Issue of Unit capital</b>				
Anbee Constructions LLP	9,736	-	9,736	-
Cape Trading LLP	9,736	-	9,736	-
Capstan Trading LLP	11,301	-	11,301	-
Casa Maria Properties LLP	11,301	-	11,301	-
Mr. Chandru L. Raheja	8,974	-	8,974	-
Genext Hardware & Parks Private Limited	6,294	-	6,294	-
Ivory Property Trust	2,410	-	2,410	-
Mrs. Jyoti C. Raheja	2,745	-	2,745	-
K Raheja Corp Private Limited	10,064	-	10,064	-
Mr. Neel C. Raheja	4,637	-	4,637	-
Palm Shelter Estate Development LLP	11,301	-	11,301	-
Raghukool Estate Developement LLP	9,958	-	9,958	-
Mr. Ravi C. Raheja	4,637	-	4,637	-

## Notes to Condensed Consolidated Financial Statements

(All amounts in Rs. million unless otherwise stated)

### 58. Related Party Disclosures

#### C. Year end balances

Particulars	For half year ended 30 September 2020	For year ended 31 March 2020
<b>Trade Receivables</b>		
Carin Properties Private Limited	0	-
<b>Other Receivable</b>		
Mr. Vinod N. Rohira	0	-
<b>Trade Payables</b>		
K Raheja Corp Investment Managers LLP	43	-
<b>Sitting Fees Payable</b>		
Mr. Neel C. Raheja	0	-
Mr. Ravi C. Raheja	0	-
Mr. Vinod N. Rohira	0	-
Ms. Preeti Chheda	0	-
<b>Other Financial Liabilities</b>		
K Raheja Corp Investment Managers LLP	8	49
<b>Security Deposit</b>		
K. Raheja Corp Pvt. Ltd.	2	-
<b>Payable to Selling Shareholders</b>		
Mr. Chandru L. Raheja	0	-
Inorbit Malls (I) Private Limited	1	-
Mr. Ravi C. Raheja	1	-
K Raheja Corp Private Limited	3	-
Mr. Neel C. Raheja	1	-
Mrs. Jyoti C. Raheja	1	-
K Raheja Private Limited-	2	-
Ivory Properties & Hotels Private Limited	3	-
Genext Hardware & Parks Private Limited	1	-
Ivory Property Trust	8	-
<b>Co-Sponsor Initial Corpus</b>		
Anbee Constructions LLP	0	0
Cape Trading LLP	0	0

59. "0" represents value less than Rs. 0.5 million.



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## SECTION 5

# Summary Valuation Report



## Disclaimer

This report is prepared exclusively for the benefit and use of K Raheja Corp Investment Managers LLP (“Recipient” or “Entity” or “Manager”) and / or its associates and, other than publication in offering document(s) and advertisement related materials prepared for the disclosure of valuation of assets forming part of the portfolio of Mindspace Business Parks REIT (“Mindspace REIT”), in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchange. The Entity is the investment manager to Mindspace Business Parks REIT, a Real Estate Investment Trust under the Securities and Exchanges Board of India (Real Estate Investment Trust), 2014 and amended till date (“SEBI REIT Regulations”). The Manager may share the report with its appointed advisors for any statutory or reporting requirements, in connection with the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT. Neither this report nor any of its contents may be used for any other purpose other than the purpose as agreed upon in the Letter of Engagement (“LOE”) dated 21 September 2020 without the prior written consent of the Valuer.

The information in this report reflects prevailing conditions and the view of Valuer as of this date, all of which are, accordingly, subject to change. In preparation of this report, the accuracy and completeness of information shared by the Manager has been relied upon and assumed, without independent verification, while applying reasonable professional judgment by the Valuer.

This report has been prepared upon the express understanding that it will be used only for the purposes set out in the LOE dated 21 September 2020. The Valuer is under no obligation to provide the Recipient with access to any additional information with respect to this report unless required by any prevailing law, rule, statute or regulation.

This report should not be deemed an indication of the state of affairs of the real estate financing industry nor shall it constitute an indication that there has been no change in the business or state of affairs of the industry since the date of preparation of this document

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# 1 Instruction

## 1.1 Instructing Party

K Raheja Corp Investment Managers LLP (hereinafter referred to as “the Instructing Party” or “the Client”), in its capacity as the Manager of the Mindspace Business Parks REIT (Mindspace REIT), has appointed Mr. Shubhendu Saha, MRICS, registered as a valuer with the Insolvency and Bankruptcy Board of India (IBBI) for the asset class Land and Building under the provisions of the Companies (Registered Valuers and Valuation) Rules, 2017 (hereinafter referred as the “Valuer”), in order to undertake the valuation of properties comprising commercial office real estate assets located across Mumbai, Hyderabad, Pune and Chennai as well as incidental or ancillary activities including a facility management business and power distribution facility (together herein referred as “Subject Properties”, as mentioned below):

S.No.	Location	Leasable area (Million sq. ft.)
1.	Mindspace Madhapur, Hyderabad	10.6
2.	Mindspace Airoli East, Navi Mumbai	6.8
3.	Mindspace Airoli West, Navi Mumbai	4.5
4.	Paradigm Mindspace Malad, Mumbai	0.7
5.	The Square, BKC, Mumbai	0.1
6.	Commerzone Yerwada, Pune	1.7
7.	Gera Commerzone Kharadi, Pune	2.6
8.	The Square, Nagar Road, Pune	0.7
9.	Commerzone Porur, Chennai	0.8
10.	Mindspace Pocharam, Hyderabad	1.0

The Subject Properties comprise of land for future development or part of which may be considered for sale. The same have been valued separately.

The exercise has been carried out in accordance with the instructions (Caveats & Limitations) detailed in Section 1.7 of this report. The extent of professional liability towards the Client is also outlined within these instructions.

## 1.2 Purpose And Date Of Valuation

The purpose of this valuation is to estimate the value of the Subject Property as part of the portfolio of Mindspace REIT for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchange together with the clarifications, guidelines and notifications thereunder in the Indian stock exchange and for accounting purposes. In addition, other documents in relation to the regulatory filings such as publicity material, research reports, presentations and press releases will also be prepared, wherein copies, summary or extracts of the valuation report are intended to be included.

## 1.3 Reliant Parties

The reliance on this report is extended to the Manager, REIT and other parties including the trustee of REIT, debenture trustee(s), stock exchanges, unitholders of REIT, Securities and Exchange Board of India ("SEBI"), credit rating agencies, lenders of the REIT and/or its special purpose vehicles or any other person within or outside India as the Manager may deem fit for the purpose as highlighted in this report (valuation). The Valuer, however, would extend no liability to such reliant parties save and except for gross and willful negligence.

The valuation exercise is conducted strictly and only for the use of the parties as stated above who need to rely on such valuation ("Reliant Party") and for the Purpose specifically stated. The Instructing Party shall make all reliant parties aware of the terms and conditions of the agreement under which this exercise is being undertaken and take due acknowledgements to the same effect

## 1.4 Limitation Of Liability

- The Valuer has provided the services exercising due care and skill but does not accept any legal liability arising from negligence or otherwise to any person in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the properties. Further, the Valuer shall not accept liability for any errors, misstatements, omissions in the report caused due to false, misleading or incomplete information or documentation provided to him by the Instructing Party.
- The Valuer's maximum aggregate liability for claims arising out of or in connection with the Valuation, under this contract shall not exceed the professional indemnity insurance obtained by it. As on the date of this report, the professional indemnity insurance maintained by the Valuer is for INR 50 Million (Rupees Fifty Million Only).
- In the event that any of the Manager, REIT and other parties including the trustee of REIT, debenture trustee(s), stock exchanges, unitholders of REIT, Securities and Exchange Board of India ("SEBI"), credit rating agencies, lenders of the REIT and/or its special purpose vehicles or any other person within or outside India as the Manager may deem fit in connection with the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, be subject to any claim ("Claim Parties") in connection with, arising out of or attributable to the Valuation, the Claim Parties will be entitled to require the Valuer, to be a necessary party/ respondent to such claim and the Valuer shall not object to his inclusion as a necessary party/respondent. However, the legal cost with respect to appointment of lawyers by the Valuer as a respondent/defendant shall be borne by the Client. If the Valuer, as the case may be, does not co-operate to be named as a necessary party/ respondent to such claims or co-operate in providing adequate/ successful defence in defending such claims, the Claim Parties jointly or severally will be entitled to initiate a separate claim against the Valuer in this regard and his liability

shall extend to the value of the claims, losses, penalties, costs and liabilities incurred by the Claim Parties.

- The Valuer is neither responsible for any legal due diligence, title search, zoning check, development permissions and physical measurements nor undertake any verification/validation of the zoning regulations/development controls etc.

## 1.5 Professional Competency Of The Valuer

Mr. Shubhendu Saha, the Valuer for the Subject Property is registered as a valuer with the Insolvency and Bankruptcy Board of India (IBBI) for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 15 May 2019. He completed his Bachelor in Planning from the School of Planning and Architecture, New Delhi in 1997 and Master in Management Studies from Motilal Nehru National Institute of Technology, Allahabad in 1999.

Mr. Saha has more than 20 years of experience in the domain of urban infrastructure and real estate advisory. He was the national practice head of Valuation Advisory services of DTZ International Property Advisers Private limited (now known as Cushman and Wakefield Property Advisers Private Limited), a leading International Property Consulting firm in India, from 2009 to 2015. He also led the business solutions and consulting services for the property management business of Cushman and Wakefield India Private Limited from 2015 to 2017. In early part of his career, he worked with renowned organisations like ICRA Limited, Copal Research (now known as Moody's Analytics) and National Council of Applied Economic Research. His last employment was with PwC as Director Real Estate Advisory before he started his practice as an independent valuer.

As the leader of valuation services business at DTZ, Mr. Saha authored India specific guidelines of the RICS Valuation Standards ("Red Book") for financial accounting, taxation and development land, which became part of the 7th edition of Red Book. He undertook valuation of India's first listed portfolio of healthcare assets at Singapore Stock Exchange as a Business Trust and led numerous valuation exercises for multiple private equity/real estate funds, financial institutions, developers and corporates across asset classes of commercial, retail, residential and hospitality. His clientele included Air India, HDFC, Religare Health Trust, Duet Hotels, DLF, RMZ, Embassy Group, Citibank, Tishman Speyer, IL&FS, HSBC, IDFC, Ascendas India etc.

## 1.6 Disclosures

The Valuer declares that:

- He is eligible to be appointed as a valuer in terms of Regulation 2(1)(zz) of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 along with SEBI (REIT) (Amendment) Regulations, 2016 with the valuation exercise having been conducted and valuation report prepared in accordance with aforementioned regulations.
- He is not an associate of Anbee Constructions LLP and Cape Trading LLP (referred to as the "Sponsors"), the Instructing Party or Axis Trustee Services Limited (the Trustee for the Mindspace REIT).
- He is registered with the Insolvency and Bankruptcy Board of India (IBBI) as registered valuer for asset class Land and Building under the provisions of the Companies (Registered Valuer and Valuation) Rules, 2017.
- He has more than a decade's experience in leading large real estate valuation exercises comprising investment portfolios of various real estate funds, trusts and corporates comprising diverse assets like residential projects, retail developments, commercial office buildings, townships, industrial facilities, data centres, hotels, healthcare facilities and vacant land and therefore has adequate experience and qualification to perform property valuations at all times.
- He has not been involved in acquisition or disposal within the last twelve months of any of the properties valued under this summary valuation report.
- He has educational qualifications, professional knowledge and skill to provide competent

professional services.

- He has sufficient key personnel with adequate experience and qualification to perform property valuation.
- He is not financially insolvent and has access to financial resources to conduct his practice effectively and meet his liabilities.
- He has adequate and robust internal controls to ensure the integrity of the valuation report.
- He is aware of all statutes, laws, regulations and rules relevant to this valuation exercise.
- He has conducted the valuation exercise without any influence, coercion or bias and in doing so rendered high standards of service, ensured due care, and exercised due diligence and professional judgment.
- He has acted independently and with objectivity and impartiality in conducting this valuation exercise.
- The valuation exercise that has been undertaken is impartial, true and fair to his best understanding and knowledge, and in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations, 2016 and subsequent amendments.
- He or any of his employees involved in valuing the assets of the REIT have not invested nor shall invest in the units of Mindspace REIT or in securities of any of the Subject Properties being valued till the time he is designated as Valuer and not less than six months after ceasing to be the Valuer of the REIT.
- He has discharged his duties towards Mindspace REIT in an efficient and competent manner, utilising his professional knowledge, skill and experience in best possible way to conduct the valuation exercise.
- He has conducted the valuation of the Subject Properties with transparency and fairness and rendered, at all times, high standards of service, exercise due diligence, ensure proper care and exercised independent professional judgment.
- He has not and shall not accept any remuneration, in any form, for conducting valuation of any of the Subject Properties of Mindspace REIT from any person or entity other than Mindspace REIT or its authorised representatives.
- He has no existing or planned future interest in the Client, Trustee, Manager, Mindspace REIT, the Sponsors to Mindspace REIT, or their representative Sponsor Groups or the Special Purpose Vehicles ("SPVs") and the fee for this valuation exercise is neither contingent upon the values reported nor on success of any of the transactions envisaged or required as part of the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchange together with the clarifications, guidelines and notifications thereunder in the Indian stock exchange.
- The valuation reported is not an investment advice and should not be construed as such, and specifically he does not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Client or the SPVs.
- He shall, before accepting any assignment from any related party to Mindspace REIT, disclose to Mindspace REIT, any direct or indirect consideration which the Valuer may have in respect of such assignment
- He shall disclose to the Trustee of Mindspace REIT, any pending business transaction, contracts under negotiations and other arrangements with the Instructing Party or any other party whom the Mindspace REIT is contracting with or any other factors which may interfere with his ability to give an independent and professional conduct of the valuation exercise; as on date the Valuer has no constraints towards providing an independent professional opinion on the value of any of the Subject Properties.
- He has not and shall not make false, misleading or exaggerated claims in order to secure or retain his appointment.
- He has not and shall not provide misleading opinion on valuation, either by providing incorrect information or by withholding relevant information.
- He has not accepted this instruction to include reporting of the outcome based on a pre-determined opinions and conclusions required by Mindspace REIT.
- The valuation exercise has been conducted in accordance with internationally accepted valuation standards as required by SEBI (REIT) Regulations and The Companies (Registration of Valuers and Valuation) Rules, 2017.

- He notes that there are encumbrances, however, no options or pre-emptions rights in relation to the assets based on the title report prepared by Hariani & Co. and Wadia Ghandy & Co., Veritas Legal (hereinafter collectively referred to as “Legal Counsel”).

## 1.7 Assumptions, Disclaimers, Limitations & Qualifications To Valuation

While the Valuation Report has been prepared independently by the Valuer, the report and this summary is subject to the following:

- a. The valuation exercise is based on prevailing market dynamics as on the date of valuation without taking into account any unforeseeable event or developments which could impact the valuation in the future.
- b. Novel Coronavirus disease (Covid-19) has been declared as a pandemic by the World Health Organization (WHO). Measures adopted by governments across the globe in form of lockdowns, restricting economic activities, people movement, etc. have disrupted businesses and economies. In India as well, the government has adopted similar measures to contain the spread of Covid-19 which has caused business disruption impacting the economic activity. Though the magnitude of the pandemic and its future impact on businesses is difficult to predict due to the uncertainties caused by Covid-19, the commercial real estate sector has so far shown reasonable resilience to the disruptions caused by Covid-19 and therefore we expect Covid-19 pandemic to have a short term impact on the demand for commercial real estate. We expect the long term demand for commercial real estate to remain intact and therefore our valuation assumptions reflect our long term expectation while taking into account any short term impacts.
- c. The valuation exercise is not envisaged to include all possible investigations with respect to the Subject Properties and wherein certain limitations to the investigations and inspections carried out are identified so as to enable the Reliant Party/Parties to undertake further investigations wherever considered appropriate or necessary prior to reliance. The Valuer is not liable for any loss occasioned by a decision not to conduct further investigation or inspections.
- d. Assumptions, being an integral part of any valuation exercise, are adopted as valuation is a matter of judgment and many parameters utilized to arrive at the valuation opinion may fall outside the scope of expertise or instructions of the Valuer. The party relying on this report accepts that the valuation contains certain specific assumptions and acknowledge and accept the risk that if any of the assumptions adopted to arrive at the valuation estimates turns out to be incorrect, there may be a material impact on the valuations.
- e. The valuation exercise is based on the information shared by the Instructing Party or the Client, which has been assumed to be correct and used to conduct the valuation exercise. In case of information shared by any third party and duly disclosed in the report, the same is believed to be reasonably reliable, however, the Valuer does not accept any responsibility should those prove not to be so.
- f. Any statement regarding any future matter is provided as an estimate and/or opinion based on the information known at the date of this report. No warranties are given regarding accuracy or correctness of such statements.
- g. Any plan, map, sketch, layout or drawing included in this report is to assist reader in visualizing the relevant property and are for representation purposes only, with no responsibility being borne towards their mathematical or geographical accuracy.
- h. Except as disclosed by the Client, it is assumed that the Subject Properties are free from any encroachments and available on the date of valuation.



- i. For the purpose of this valuation exercise, reliance has been made on the Title Reports prepared by the Legal Counsels for each of the Subject Properties and no further enquiries have been made with authorities in this regard. It is understood that the Subject Properties have encumbrances, disputes and claims, however, the Valuer does not have the expertise or the purview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation exercise, it is assumed that respective Subject Properties have clear and marketable titles.
- j. The current zoning of the Subject Properties has been assessed on the basis of review of various documents including title deeds shared by the Instructing Party and the current land use maps publicly available. The same has been considered for the purpose of this valuation exercise. Additionally, it is also assumed that the development on the Subject Properties adheres/would adhere to the development regulations as prescribed by the relevant authorities. No further enquiries have been made with the competent jurisdictional authorities to validate the legality of the same.
- k. The total developable/developed area, leasable area, site/plot area considered for this valuation exercise is based on the Architect's Certificate shared by the Instructing Party and the same has been checked against the approvals/layout plans/building plans provided by the Client. However, no additional verification and physical measurement for the purpose of this valuation exercise has been undertaken.
- l. In absence of any information to the contrary, it is assumed that there are no abnormal ground conditions nor archaeological remains present which might adversely affect the current or future occupation, development or value of the Subject Properties and the Subject Properties are free from any rot, infestations, structural or latent defect; no currently known deleterious or hazardous materials or suspect techniques are used in construction or subsequent alterations or additions to the property and comments made in the property details do not purport to express an opinion about an advice upon the conditions of uninspected parts and should be taken as making an implied representation or statement about such parts.
- m. It is also stated that this is a valuation report and not a structural survey.
- n. Unless specifically disclosed in the report, no allowances are made with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Subject Properties.
- o. Given the evolving and maturing real estate markets in India, comparable evidences, if any or market quotes provided has been limited to basic details such as area of asset, general location, price/rate of transaction or sale and any other specific details that are readily available in public domain only shall be shared. Any factual information such as tenants' leasable area, lease details such as, rent, lease/rent commencement and end dates, lock-in period, rent escalation terms etc. with respect to Subject Properties is based on the documents/information shared by the Client/Instructing Party and the same has been adopted for the purpose of this valuation exercise. While few lease deeds have been reviewed on a sample basis, the Valuer does not take any responsibility towards authenticity of the rent rolls shared by the Client. Any change in the aforementioned information will have an impact on the valuation estimates and, in that case, the same would need to have a relook. The relevant information sources are mentioned in section 2.5.
- p. All measurements, areas and property age quoted/mentioned in the report are approximate.
- q. The Valuer is not an advisor with respect to any tax, regulatory or legal matters regarding the proposed transaction. No investigation or enquiries on the holding entity or any SPV's claim on the title of the Subject Properties has been made and the same is assumed to be valid based on the information shared by the Client/Instructing Party. No consideration shall be / has been given to liens or encumbrances against them. Therefore, no responsibility is assumed for matters of a legal nature.
- r. Kindly note that quarterly assessment of cash flows has been undertaken for the purpose of this valuation exercise.

## 2 Valuation Approach and Methodology

### 2.1 Purpose of valuation

The purpose of this valuation exercise is to estimate the value of the Subject Property as part of the portfolio of Mindspace REIT for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchange together with the clarifications, guidelines and notifications thereunder in the Indian stock exchange and for accounting purposes.

### 2.2 Basis of valuation

Given the purpose of valuation as mentioned above, the valuation exercise has been carried out to estimate the “Market Value” of the Subject Properties in accordance with the IVSC International Valuation Standards issued on 31 July 2019, effective from 31 January 2020.

Market Value is defined as ‘The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.’

### 2.3 Valuation approach

The basis of valuation for the Subject Property being Market Value, the same may be derived by any of the following approaches:

#### 2.3.1 Market approach

In ‘Market Approach’, the Subject Property is compared to similar properties that have actually been sold in an arms-length transaction or are offered for sale (after deducting for value of built-up structure located thereon). The comparable evidence gathered during research is adjusted for premiums and discounts based on property specific attributes to reflect the underlying value of the property.

#### 2.3.2 Income Approach

The income approach is based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset. There are two commonly used methods of the income approach in real estate valuation namely, direct capitalization and discounted cash flow (DCF).

#### *i. Income Approach - Direct Capitalization Method*

Direct capitalization involves capitalizing a ‘normalized’ single - year net income estimated by an appropriate yield. This approach is best utilized with stable revenue producing assets, whereby there is little volatility in the net annual income.

#### *ii. Income Approach - Discounted Cash Flow Method*

Using this valuation method, future cash flows from the property are forecasted using precisely stated assumptions. This method allows for the explicit modelling of income associated with the property. These future financial benefits are then discounted to a present-day value (valuation date) at an

appropriate discount rate. A variation of the Discounted Cash Flow Method is mentioned below.

### ***iii. Income Approach - Discounted Cash Flow Method using Rental Reversion***

The market practice in most commercial/ IT developments involves contracting tenants in the form of pre-commitments at sub-market rentals to increase attractiveness of the property to prospective tenants. Such benefits are typically extended to anchor tenants. Additionally, there are instances of tenants paying above-market rentals for certain properties as well (primarily owing to market conditions at the time of contracting the lease). In order to arrive at a unit value for these tenancies, we have considered the impact of such sub/above market leases on the valuation of the Subject Property.

For the purpose of the valuation of Subject Properties (other than the portions of future development area part or whole of which may be considered for sale), Income Approach - Discounted Cash Flow Method using Rental Reversion has been adopted.

## **2.4 Valuation Methodology**

In case of Subject Properties there are instances where the contracted rents are significantly different from prevailing rents in the concerned micro-market where the specific Subject Property is located, either because the rents prevailing at the time of executing the leases have been significantly different or discounts were given to large/anchor tenants.

Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, demand for spaces, quality of spaces available in the market, overall health of the economy, existing rentals, future growth plans, etc.) at a particular point in time, negotiated rents may tend to move away from the prevalent market rents over a period of time.

It has also been witnessed that the market rents for some properties or micro-markets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to assess the intrinsic value of the property under review.

Given the purpose and the nature of Subject Properties involved, the valuation of the commercial office assets has been undertaken using the Discounted Cash Flows method using Rental Reversion, for Facilities Management as well as Power Distribution, Discounted Cash Flow method has been adopted and for portions of future development area part of or whole of which may be considered for sale, Market Approach has been adopted. Further the following steps have been adopted as part of the valuation exercise, which have been elaborated in the detailed full valuation report ("Valuation Report").

### **2.4.1 Asset-specific review:**

- i. As the first step to the valuation of the asset, the rent rolls (and the corresponding lease deeds on a sample basis) were reviewed to identify tenancy characteristics for the asset. As part of the rent roll review, major tenancy agreements belonging to tenants with pre-committed area were reviewed on a sample basis.
- ii. For anchor/large tenants, adjustments on marginal rent or additional lease-up timeframe have been adopted upon lease reversion.
- iii. Title certificates, architect certificates and other related documents as mentioned in earlier sections of the report were reviewed for validation of area details, ownership interests of the Subject Property.
- iv. Physical site inspections were undertaken to assess the current status of the Subject Properties.

#### 2.4.2 Micro-market Review:

For the purpose of the valuation exercise, reliance has been placed on the market report prepared by Cushman & Wakefield (CWI), who has been appointed by the Client as an independent consultant to carry out industry and market research. Accordingly, the review was carried out in the following manner:

- i. An assessment of the site and surroundings has been undertaken with respect to the prevailing activities, market dynamics impacting the values and the current use of the respective properties vis-à-vis its locational context, etc. of commercial office assets. Analysis of the micro-market was undertaken primarily based on the findings of the industry/market report prepared by Cushman & Wakefield and readily available information in public domain to ascertain the transaction activity of commercial/IT office space. The analysis entailed review of comparable assets in terms of potential competition (both completed and under-construction/future developments), comparable recent lease transactions witnessed in the micro-market along with the historical leasing and re-leasing history within the asset over the last 2-3 years, if available. This was undertaken to assess the market rent (applicable rental for the micro-market where the asset is located) and achievable market rent (Valuer's view on achievable rent for the Subject Properties for leasing vacant spaces as well as upon re-leasing).
- ii. Valuer also analysed the historical leasing within the asset for anchor tenants to identify the discount that is extended to such tenants at the time of fresh leasing or lease renewals. Rent roll and sample of lease deeds of large anchor-tenants were analysed and applicable adjustments to marginal rent was estimated for individual leases. For other tenants occupying relatively large space within the Subject Properties, it is assumed that the leases shall revert to marginal rents (duly adjusted from the date of valuation) following the expiry of the lease, factoring appropriate re-leasing time.

#### 2.4.3 Cash flow projections:

- i. The cash flows for the operational and under-construction/future development area have been projected separately to arrive at their respective value estimates.
- ii. Net operating income (NOI) has primarily been used to arrive at the value of the commercial office assets. The following steps were undertaken to arrive at the value for operational and under-construction/ future development areas respectively.

The projected future cash flows from the property are based on existing lease terms for the operational area till the expiry of the leases or re-negotiation, whichever is earlier, following which, the lease terms have been aligned with market rents achievable by the Subject Properties. For vacant area and under-construction/ future development area, the achievable market rent-led cash flows are projected factoring appropriate lease-up time frame for vacant/under-construction/future development area. These cash flows have been projected for 10-year duration from the date of valuation and for 11th year (for assessment of terminal value based on NOI). These future cash flows are then discounted to present-day value (valuation date) at an appropriate discount rate. For each lease, principally, the following steps have been undertaken to assess the rent over a 10-year time horizon:

**Step 1:** Projecting the rental income for identified tenancies up to the period of lease expiry, lock-in expiry, escalation milestones, etc. whichever is applicable. In the event of unleased spaces, market-led rent is adopted with suitable lease-up time.

**Step 2:** Generating a market led rental income stream for identified tenancies for the time period similar to the cash flows drawn in the aforementioned step.

**Step 3:** In the event the escalated contracted rent is higher than the achievable market rent by 15%, the contracted terms are ignored, and the terms are reverted to market. In the event the escalated contracted rent is below 115% of the achievable rent, the contracted terms are adopted going forward until the next

lease review/ renewal. Intent of this step is to project the rental income for respective leases until lease expiry as well as post expiry.

**Step 4:** Computing the monthly rental income projected as part of Step 3 and translating the same to a quarterly income (for the next 10 years and NOI of the 11th year – considered for calculation of terminal value).

- iii. Recurring operational expenses, fit-out income (if any – the same has not been included in the NOI for the purpose of arriving at the terminal value by capitalisation) and vacancy provision have been adopted in-line with prevalent market dynamics. In addition, appropriate rent-free periods have been adopted during lease roll-overs to consider potential rent-free terms as well as outflows towards brokerage. For all commercial office assets, operational revenues and expenses of the respective assets are reviewed to understand the recurring, non-recurring, recoverable and non-recoverable expenses and accordingly estimate the margins on the common area maintenance income which accrues as cash inflows to the Subject Properties.
- iv. The net income on quarterly basis have been projected over the next 10 years and the one year forward NOI (for 11th year) as of end of year 10 has been capitalized to assess the terminal value of the development. The quarterly net cash flows over the next 10 years along with the terminal value estimated at the end of year 10 have been discounted at a suitable discount rate to arrive at the net present value of the cash flows accruing to the commercial office assets through this approach.
- v. For the purpose of valuing the Power Distribution service to the tenants, the cash flows have been projected on the basis of profit margins allowed by the Maharashtra Electricity Regulatory Commission in its latest tariff order for respective power distribution licenses covering the control period from 2020-21 to 2024-25. Thereafter, the same principles have been adopted to project the cash flows till the remaining period of licence for distributing power to tenants/operators by the concerned entity.
- vi. The Facilities Management Services which are planned to be commenced in KRC Infrastructure and Projects Private Limited from the 1st day of the quarter following the listing. For the purpose of valuation, its assumed that the Facilities Management Services will commence effective October 1, 2020 and have been valued based on the proposed terms of the Facility Management Services to be entered into with the SPVs and the current revenue profile projected to capture the addition of new areas getting constructed and improvement of overall occupancies of the Subject Properties keeping normalised EBITDA margins through the projected years and estimating the terminal value using an appropriate earnings multiple, thereafter discounting the cash flows using appropriate discount rate. Deferment of commencement of Facilities Management Services beyond October 1, 2020 would result in suitable adjustments to the valuation.

## 2.5 Information sources

Property related information relied upon for the valuation exercise have been provided to the Valuer by the Client and the data provided by Cushman and Wakefield, unless otherwise mentioned. The documents provided has been assumed to be a true copy of the original. The rent rolls have been cross checked with the lease deeds on a sample basis only to ensure its correctness.



### 3 Valuation Summary

The following table highlights the summary of the market value of each of the Subject Properties which is part of the Mindspace REIT as on 30 September 2020.

Asset Name and Location	Leasable area (Million sq ft) <sup>1</sup>	Market Value (in INR Million) <sup>2</sup>			REIT Ownership
		Completed	Under-Construction	Total	
1. Mindspace Madhapur, Hyderabad	Completed-10.0 Under-construction/ Future development-0.6	90,155	1,261	91,417	89%
2. Mindspace Airoli East, Mumbai Region	Completed- 4.7 Under-construction/ Future development – 2.13	40,644	1,781	42,425	100%
3. Mindspace Airoli West, Mumbai Region	Completed – 3.5 Under-construction/ Future development – 1.0	29,178	5,967	35,145	100%
4. Paradigm Mindspace Malad, Mumbai Region	Completed - 0.7	9,311	-	9,311	100%
5. The Square, BKC, Mumbai Region	Completed – 0.1	3,781	-	3,781	100%
6. Commerzone Yerwada, Pune	Completed – 1.7	19,050	-	19,050	100%
7. Gera Commerzone Kharadi, Pune	Completed – 1.3 Under-construction/ Future development – 1.3	12,737	3,408	16,146	100%
8. The Square, Nagar Road, Pune	Completed - 0.7	8,092	-	8,092	100%
9. Commerzone Porur, Chennai	Completed – 0.8	6,204	-	6,204	100%
10. Mindspace Pocharam, Hyderabad	Completed - 0.4 Under-construction/ Future development – 0.6	1,199	1,553	2,752	100%
<b>Sub-total</b>		<b>220,351</b>	<b>13,971</b>	<b>234,322</b>	
11. Facility Management Business		5,164	593	5,758	
<b>Total</b>		<b>225,516</b>	<b>14,564</b>	<b>240,080</b>	

*1 Based on Architect's Certificate*

*2 Value is for 100% ownership interest in the Subject Property except for Mindspace Madhapur,*

*Hyderabad where value is for 89% ownership (excluding 11% ownership by TSIIIC)*

*3 While the park has aggregate development potential of 2.1 msf, Mindspace REIT has currently formulated development plans for 0.9 msf (including High Street), and, accordingly, only 0.9 msf of the future development area has been considered for the purpose of valuation*

The above valuation includes value of transaction which will be effected post September 30, 2020 as provided below:

Asset Name and Location	Leasable area (Million sq ft) <sup>1</sup>	Market Value (in INR Million) <sup>2</sup>			REIT Ownership
		Completed	Under-Construction	Total	
Mindspace 1. Management Buisness	N.A.	5,164	593	5,758	100%

*1 Based on Architect's Certificate*

*2 Value is for 100% ownership interest in the business*

### 3.1 Assumptions, disclaimers, limitations & qualifications

This Summary Valuation Report is provided subject to a summary of assumptions, disclaimers, limitations and qualification detailed throughout this Report which are made in conjunction with those included within the sections covering various assumptions, disclaimers, limitations and qualifications within the detailed Valuation Report. Reliance on this report and extension of the liability of the Valuer is conditional upon the reader's acknowledgement of these statements. This valuation is for the use of the parties mentioned in Section 1.3 of this Summary Valuation Report

Prepared by



(Shubhendu Saha)  
IBBI/RV/05/2019/11552

## 4 Subject Properties

### 4.1 Mindspace Madhapur (Sundew Properties Ltd), Hyderabad

#### 4.1.1 Property Name

Mindspace Madhapur (Sundew) is a commercial office development located within the Madhapur micro-market at Madhapur, Hyderabad in the state of Telangana.

#### 4.1.2 Address

Mindspace, Cyberabad, Survey Number 64 (part), Next to VSNL Bldg, Hitech City, Madhapur Village, Hyderabad - 500081, Telangana, India

#### 4.1.3 Land/Plot Area

Based on the review of Title Report/Architect's Certificate (for Sundew Properties Limited), it is understood that the total land area of the Subject Property is approximately 40.3 acres.

#### 4.1.4 Brief Description

Mindspace Madhapur (Sundew) forming part of Mindspace IT Park located in Madhapur, comprises of SEZ and Non-SEZ buildings. The Subject Property has two components i.e. a completed component and an under-construction component. The completed buildings are building 11, 12A, 12B, 12C, 14, 12D and 20. The under- construction building is Building 22 (Hotel building).

Of the total seven completed buildings, six are SEZs and one is a non-SEZ building (Building 11). The IT park has food courts, gaming zone and other amenities.

Building 22 is an under-construction hotel property expected to be completed by Q4 FY 2020-2021. The Subject Property is well connected to major locations in the city via road network. The distance of the Subject Property from major landmarks in the city is as follows:

- Approximately 0-1 km from Hyderabad Metro Rail station at Mindspace circle
- Approximately 5-6 kms from Hitech City MMTS railway station
- Approximately 20-21 kms from Secunderabad railway station
- Approximately 34-35 kms from Shamshabad International Airport

#### 4.1.5 Statement of Assets

Based on the review of various documents like title reports, rent rolls, lease deeds, Architect's certificates etc. shared by the Client, the Subject Property has completed and operational buildings collectively admeasuring approximately 5.7 million sq. ft. of leasable area.

Six operational buildings namely Buildings 12A, 12B, 12C, 14, 12D and 20 are SEZs and one operational building (Building 11) and another under-construction building (Building 22 – Hotel building) are Non-SEZ. The building wise Leasable Area break up for the Subject Property is mentioned in the table below:

The building wise Leasable Area break up for the Subject Property is mentioned in the table below:

Particulars	Leasable area (sq ft)1	Usage type	Status
Building 11	590,271	Non-SEZ	Completed
Building 12A	856,837	SEZ	Completed
Building 12B	667,360	SEZ	Completed
Building 12C	785,483	SEZ	Completed
Building 14	528,848	SEZ	Completed
Building 20	909,446	SEZ	Completed
Building 120	1,246,519	SEZ	Completed
Building 22	127,398	Non- SEZ	Under-construction
<b>Total</b>	<b>5,712,162</b>		

Source: Architect's Certificate, Rent Rolls, Lease Deeds/Leave and License Agreements

### 4.1.6 Location Map



#### 4.1.7 Key assumptions

Particulars	Unit	Information
<b>Revenue Assumptions (as on 30/09/2020)</b>		
Lease Completion	Qtr, Year	Q3 FY 2021-22
Current Effective Rent	INR/sq ft/mth	52
Achievable Market Rent	INR/sq ft/mth	68
Parking Charges	INR/bay/mth	2,000
<b>Development Assumptions</b>		
Remaining Capital Expenditure	INR Million	Upgradation Capex: 290 Building 12D <sup>(1)</sup> : 1,408 Under-construction (Bldg 22): 142
Expected Completion	Qtr, Year	Upgradation Capex: Q2 FY 2022-23 Building 12D: Q4 FY 2020-21 Building No. 22 - Q4 FY 2020-21
<b>Other Financial Assumptions</b>		
Cap Rate	%	8.00
WACC (Complete/Operational)	%	11.75
WACC (Under-construction/Future Development)	%	13.10

#### 4.1.8 Market Value

The market value of the full ownership interest of Mindspace REIT in the Subject Property as on 30 September 2020 is as follows:

INR 50,121 Million<sup>(2)</sup>

(Indian Rupees Fifty Billion One Hundred and Twenty-One Million Only)

Note:

1. Of the total Remaining Capital Expenditure, INR 471 Million is planned for tenant specific fitouts for Building 12D. Along with this, fitout rent charged to the tenant against this fitout is also included in the cashflows.

2. The valuation presented is for 89% interest in the Subject Property.



## 4.2 Mindspace Madhapur (K Raheja IT Park (Hyderabad) Ltd), Hyderabad

### 4.2.1 Property Name

Mindspace Madhapur (KRIT) is a commercial office development located within the Madhapur micro-market at Madhapur, Hyderabad in the state of Telangana.

### 4.2.2 Address

Mindspace Cyberabad, Next to VSNL Building Survey Number 64 (part), APIIC Software Unit Layout, Hitech City, Madhapur Village, Madhapur 500081, Telangana, India

### 4.2.3 Land/Plot Area

Based on the review of Title Report/Architect's Certificate (for K Raheja IT Park (Hyderabad) Private Limited), it is understood that the total land area of the Subject Property is approximately 48 acres.

### 4.2.4 Brief Description

Mindspace Madhapur (KRIT), forming part of Mindspace IT Park located in Madhapur has two components i.e. a completed component and land for future development. The completed buildings are 1A, 1B, 2A, 2B, 3A, 3B, 4A&B, 5A, 7, 8 and 10. Land for future development measures approximately 1.8 acres.

All of the total 11 completed buildings are Non-SEZ buildings. The IT park has food court, land scape area, Amphitheatre and other amenities.

The Subject Property is well connected to major locations in the city via road network. The distance of the Subject Property from major landmarks in the city is as follows:

- Approximately 0-1 km from Hyderabad Metro Rail station at Mindspace circle
- Approximately 5-6 kms from Hitech City MMTS railway station
- Approximately 20-21 kms from Secunderabad railway station
- Approximately 34-35 kms from Shamshabad International Airport

### 4.2.5 Statement of Assets

Based on the review of various documents like title reports, rent rolls, lease deeds, Architect's certificates etc. shared by the Client, the Subject Property has ready and operational as well as future development buildings collectively admeasuring approximately 3.2 million sq. ft. of leasable area. Subject property buildings 1A, 1B, 2A, 2B, 3A, 3B, 4A&B, 5A, 7, 8 and 10 are Non-SEZ buildings. The Subject Property also has land for future development admeasuring approximately 1.8 acres with development potential of approximately 0.5 million sq. ft.

The building wise Leasable Area break up for the Subject Property is mentioned in the table below:

Particulars	Leasable area (sq ft)	Usage type	Status
Building 1A	180,463	Non-SEZ	Completed
Building 1B	180,461	Non-SEZ	Completed
Building 2A	267,992	Non-SEZ	Completed
Building 2B	415,279	Non-SEZ	Completed
Building 3A	178,293	Non-SEZ	Completed
Building 3B	204,934	Non-SEZ	Completed
Building 4A&B	430,528	Non-SEZ	Completed
Building 5A	113,665	Non-SEZ	Completed
Building 7	190,889	Non-SEZ	Completed
Building 8	172,728	Non-SEZ	Completed
Building 10	324,293	Non-SEZ	Completed
Additional Development Potential	500,000	Non-SEZ	Future Development
Amenities	5,269	Non-SEZ	Completed
<b>Total</b>	<b>3,164,822</b>		

Source: Architect's Certificate, Rent Rolls, Lease Deeds/Leave and License Agreements

\*Note: Amenities include Kiosks (678 sq.ft.) and Vantage Café (4,619 sq.ft.)

#### 4.2.6 Location Map



#### 4.2.7 Key Assumptions

Particulars	Unit	Information
<b>Revenue Assumptions (as on 30/09/2020)</b>		
Lease Completion	Qtr, Year	Q2 FY 2021-22
Current Effective Rent	INR/sq ft/mth	50
Achievable Market Rent	INR/sq ft/mth	68
Parking Charges	INR/bay/mth	2,000
<b>Development Assumptions</b>		
Remaining Capital Expenditure	INR Million	Upgrade Capex: 778
Expected Completion	Qtr, Year	Upgradation Capex: Q3 FY 2022-23
<b>Other Financial Assumptions</b>		
Cap Rate	%	8.00
WACC (Complete/Operational)	%	11.75
WACC (Under-construction/Future Development)	%	13.10

#### 4.2.8 Market Value

The market value of the full ownership interest in the Subject Property as on 30 September 2020 is as follows

INR 25,235 Million<sup>(1)</sup>

(Indian Rupees Twenty-Five Billion Two Hundred and Thirty-Five Million Only)

**Note:**

*The above value includes the market value of land for future development based on the weighted average of market comparable and Discounted Cash Flow methods, admeasuring approximately 1.8 acres*

Note:  
1. The valuation presented is for 89% interest in the Subject Property.

## 4.3 Mindspace Madhapur (Intime Properties Ltd), Hyderabad

### 4.3.1 Property Name

Mindspace Madhapur (Intime) is a commercial office development located within the Madhapur micro-market at Madhapur, Hyderabad in the state of Telangana.

### 4.3.2 Address

Mindspace Cyberabad, Survey Number 64 (part), Next to VSNL Building, Hitech City, Madhapur Village, Hyderabad, - 500081, Telangana, India

### 4.3.3 Land/Plot Area

Based on the review of Title Report/Architect's Certificate (for Intime Properties Limited), it is understood that the total land area of the Subject Property is approximately 9 acres.

### 4.3.4 Brief Description

Mindspace Madhapur (Intime), forming part of Mindspace IT Park located in Madhapur, comprises of three completed and operational buildings spread across approximately 9 acres of land. The IT Park has food court, land scape area, open auditorium and other amenities. All three buildings are non-SEZ buildings.

The Subject Property is well connected to major locations in the city via road and rail network. The distance of the Subject Property from major landmarks in the city is as follows:

- Approximately 0-1 km from Hyderabad Metro Rail station at Mindspace circle
- Approximately 5-6 kms from Hitech City MMTS railway station
- Approximately 20-21 kms from Secunderabad railway station
- Approximately 34-35 kms from Shamshabad International Airport

### 4.3.5 Statement of Assets

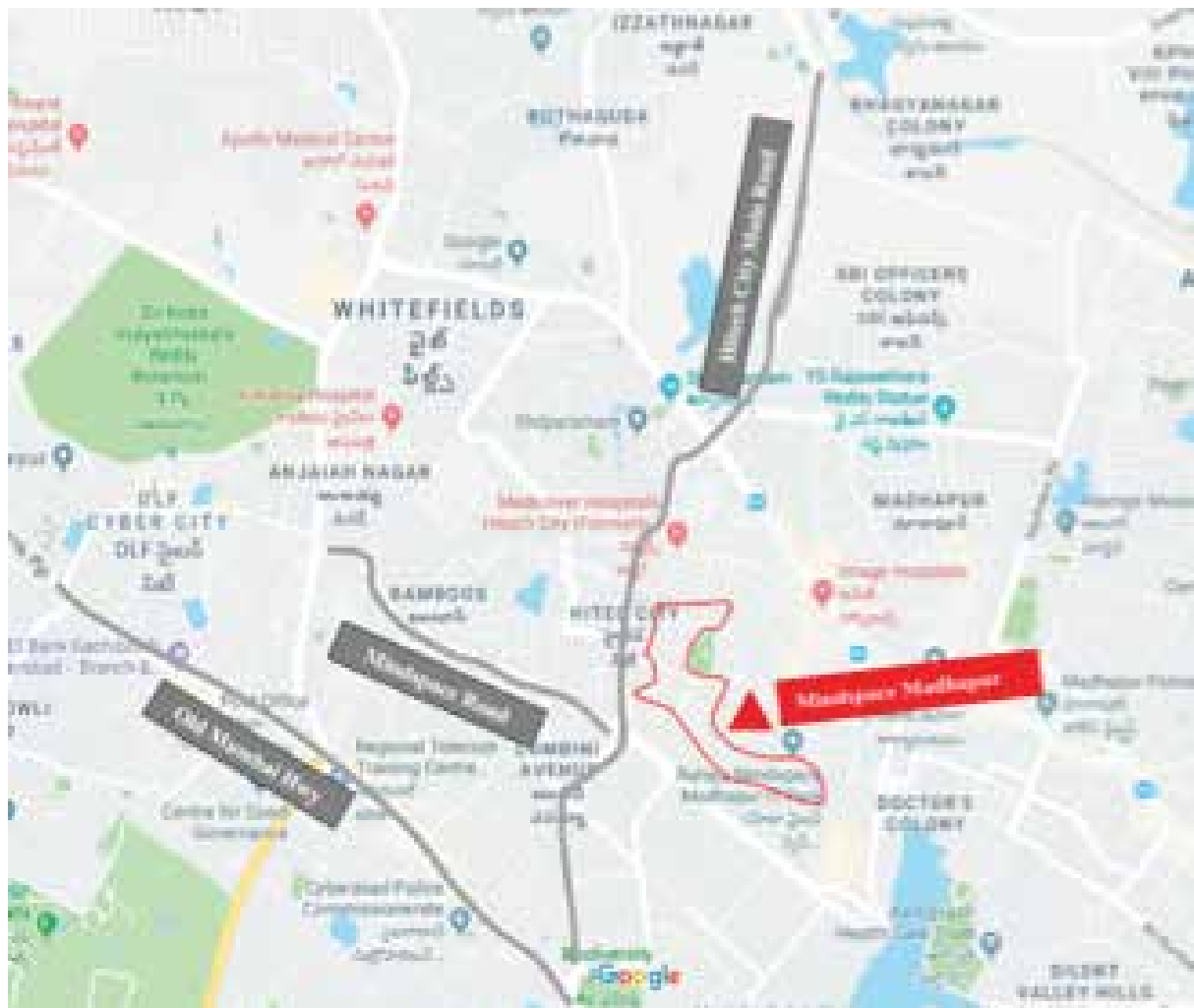
Based on the review of various documents like title reports, rent rolls, lease deeds, Architect's certificates etc. shared by the Client, the Subject Property has completed and operational buildings collectively admeasuring approximately 1.7 million sq. ft. of leasable area. Subject property buildings 5B, 6 and 9 are Non-SEZ buildings.

The building wise Leasable Area break up for the Subject Property is mentioned in the table below:

Particulars	Leasable area (sq ft) <sup>1</sup>	Usage type	Status
Building 5B	245,977	Non-SEZ	Completed
Building 6	388,543	Non-SEZ	Completed
Building 9	1,095,357	Non-SEZ	Completed
<b>Total</b>	<b>1,729,877</b>		

Source: Architect's Certificate, Rent Rolls, Lease Deeds/Leave and License Agreements

#### 4.3.6 Location Map





### 4.3.7 Key Assumptions

Particulars	Unit	Information
<b>Revenue Assumptions (as on 30/09/2020)</b>		
Lease Completion	Qtr, Year	Q3 FY 2021-22
Current Effective Rent	INR/sq ft/mth	54
Achievable Market Rent	INR/sq ft/mth	68
Parking Charges	INR/bay/mth	2,000
<b>Development Assumptions</b>		
Remaining Capital Expenditure	INR Million	Upgrade Capex: 80
Expected Completion	Qtr, Year	Q2 FY 2021 - 22
<b>Other Financial Assumptions</b>		
Cap Rate	%	8.00
WACC (Complete/Operational)	%	11.75
WACC (Under-construction/Future Development)	%	N.A.

### 4.3.8 Market Value

The market value of the full ownership interest in the Subject Property as on 30 September 2020 is as follows

INR 16,061 Million<sup>(1)</sup>  
(Indian Rupees Sixteen Billion and Sixty-One Million Only)

Note:

1. The valuation presented is for 89% interest in the Subject Property.

## 4.4 Mindspace Airoli East, Mumbai Region

### 4.4.1 Property Name

Mindspace Airoli East is a commercial office development located within the Thane Belapur Road micro-market at Airoli, Navi Mumbai, Mumbai Region in the state of Maharashtra.

### 4.4.2 Address

MIDC Plot No. 3, Kalwa Trans Thane Creek Industrial Area, Mindspace, Opp. Airoli Station, Airoli, Navi Mumbai 400708

### 4.4.3 Land/Plot Area

Based on the review of Title Report/Architect's Certificate (for Mindspace Business Park Private Limited), it is understood that the total land area of the Subject Property is approximately 50 acres.

### 4.4.4 Brief Description

Subject property comprises operational and completed buildings 1, 2, 3, 4, 5&6, 7, 8, 9, 10, 11, 12,14 and future development Building 15 and High Street. While the park has aggregate development potential of 2.1 msf, Mindspace REIT has currently formulated development plans for 0.9 msf (including High Street), and, accordingly, only 0.9 msf of the future development area has been considered for the purpose of valuation.

The Subject property, which are part of Mindspace IT park located in Airoli East, Navi Mumbai, is spread over 50 acres comprising SEZ and future Non-SEZ office space. It enjoys good accessibility and connectivity with other parts of the city. The Subject Property also has a High Street, club house which has F&B outlets of CCD, Grapevine, Subway on the ground floor. The Subject Property also has a gaming zone for employees.

### 4.4.5 Statement of Assets

Based on the review of various documents like title reports, rent rolls, lease deeds, Architect's certificates, etc., shared by the Client, the Subject Property has ready and operations buildings collectively admeasuring approximately 4.7 million sq. ft. of Leasable Area. All the ready buildings are SEZ. The future development buildings (Building 15 & High Street/Retail) are proposed to be Non- SEZ buildings admeasuring approximately 0.8 million sq. ft. and 0.05 million sq. ft. of leasable area respectively.

The building wise Leasable Area break up for the Subject Property is mentioned in the table below:

Particulars	Leasable area (sq ft)	Usage type	Status
Building 1	353,852	SEZ	Completed
Building 2	344,370	SEZ	Completed
Building 3	354,404	SEZ	Completed
Building 4	349,433	SEZ	Completed
Building 5&6	862,389	SEZ	Completed
Building 7	345,376	SEZ	Completed
Building 8	295,423	SEZ	Completed
Building 9	359,847	SEZ	Completed
Building 10	366,319	SEZ	Completed
Building 11	353,159	SEZ	Completed
Building 12	371,972	SEZ	Completed
Building 14	344,247	SEZ	Completed
Club House	5,332	SEZ	Completed
Building 15	8,00,000	Non-SEZ	Future Development
Retail Space (High Street)	50,000	Non-SEZ	Future Development
<b>Total</b>	<b>5,556,123</b>		

Source: Architect's Certificate, Rent Rolls, Lease Deeds/ Leave and License Agreements

#### 4.4.6 Location Map



#### 4.4.7 Key Assumptions

Particulars	Unit	Information
<b>Revenue Assumptions (as on 30/09/2020)</b>		
Lease Completion	Qtr, Year	Q2 FY 2021-22
Current Effective Rent	INR/sq ft/mth	48
Achievable Market Rent	INR/sq ft/mth	58
Parking Charges	INR/bay/mth	1,500
<b>Development Assumptions</b>		
Remaining Capital Expenditure	INR Million	Upgrade <sup>(1)</sup> Capex: 1,598 Future Development: 4,097
Expected Completion	Qtr, Year	Building 15- Q4 FY 2023-24 High Street- Q4 FY 2021-22
<b>Other Financial Assumptions</b>		
Cap Rate	%	8.00
WACC (Complete/Operational)	%	11.75
WACC (Under-construction/Future Development)	%	13.10

#### 4.4.8 Power Distribution Services

In accordance with Section 14 (b) of the Electricity Act, 2003 read with Section 4(1) of the SEZ Act, 2005, entities that own and operate SEZ Parks are considered Deemed Distribution Licensee for supplying electricity to consumers within the SEZ area. Pursuant to the above regulations, Mindspace Business Parks Private Limited (SPV) also has the license to distribute power within the Subject Property, wherein it procures power from Power generators /traders supplying to the grid and then distribute it to the end consumers within the Subject Property.

#### 4.4.9 Valuation Approach for Power Distribution Services

Mindspace Business Parks Private Limited (SPV) submitted the detailed tariff petition to Maharashtra Electricity Regulatory Commission ("MERC" or the "Commission"), who determined the tariff that may be charged to the customers/operators within the Subject property allowing the licensee to charge cost plus mark up as approved by the Commission to the end users. This mark-up is equivalent to return on its investment comprising primarily of annual depreciation on investment, interest expenses on notional debt and return on equity.

#### 4.4.10 Valuation Methodology for Power Distribution Services

Referring to the Commission's latest order for the operational facility, the cash flows from the power distribution services are projected in the following manner:

**Step 1:** Amount of approved Gross Fixed Assets ("GFA") is considered.

Note:  
1. Includes capex for Upgrade, Development of High Street / Retail space. It also includes warm-shell conversion of Building 7 as assumed by the Valuer.

**Step 2:** Further, Net Fixed Asset (NFA) which is GFA reduced by accumulated depreciation allowed as on date is computed.

**Step 3:** To compute the EBITDA, mainly return on equity, interest on notional debt, recovery of depreciation, interest on working capital have been added.

**Step 4:** Power procurement, operational and maintenance expenses are allowed completely as pass through.

#### 4.4.11 Valuation Assumptions for Power Distribution Services

Assumption	Unit	Figure
Gross Fixed Assets (GFA)	INR Million	474
Accumulated Depreciation YTD FY20	INR Million	-117
Notional Equity (30% of GFA)	INR Million	142
Notional Debt as on March 2020 (70% of GFA)	INR Million	332
Depreciation rate (Straight Line Method)	% pa	5.3%
Remaining License Period	Years	20
WACC	%	10.5

#### 4.4.12 Market Value

The market value of the full ownership interest in the Subject Property as on 30 September 2020 is as follows

INR 42,425 Million

(Indian Rupees Forty-Two Billion Four Hundred and Twenty-Five Million Only)

The above value includes the market value of land for future development (which may be considered for sale) based on market comparables, admeasuring 1.76 acres with available FSI of 15,092 sqm as on 30 September 2020, as mentioned hereunder:

INR 208 Million

(Indian Rupees Two Hundred and Eight Million Only)



## 4.5 MINDSPACE AIROLI WEST, MUMBAI REGION

### 4.5.1 Property Name

Mindspace Airoli West is a commercial office development located within the Thane Belapur Road micro-market at Airoli, Navi Mumbai, Mumbai Region in the state of Maharashtra.

### 4.5.2 Address

Plot IT - 5, Airoli Knowledge Park, Airoli and Dighe Special Economic Zone, Thane – 400710

### 4.5.3 Land/Plot Area

Based on the review of Title Report/Architect's Certificate (for Gigaplex Estate Private Limited), it is understood that the total land area of the Subject Property is approximately 50 acres.

### 4.5.4 Brief Description

Subject property comprises operational and completed buildings 1, 2, 3, 4, 5,6 and under construction building 9 (hereinafter referred to as Subject Property), which are part of Mindspace IT park located in Airoli West, Navi Mumbai. Mindspace, is spread over 50 acres comprising SEZ and Non-SEZ office space. It enjoys good accessibility and connectivity with other parts of the city. The Subject Property also has two operational food courts namely Megabite and Gigabite. There are 3 private dining rooms (PDRs) also available to the employees with a seating capacity of 10 to 15 people. The park also offers day-care facilities to the employees.

The Subject Property is well connected to major locations in the city via road network. The distance of the Subject Property from major landmarks in the city is as follows:

- Approximately 3-4 kms from Airoli Railway Station
- Approximately 5-6 kms from Thane Railway Station
- Approximately 7-8 kms from Eastern Express Highway
- Approximately 22-23 kms from Mumbai International Airport

### 4.5.5 Statement of Assets

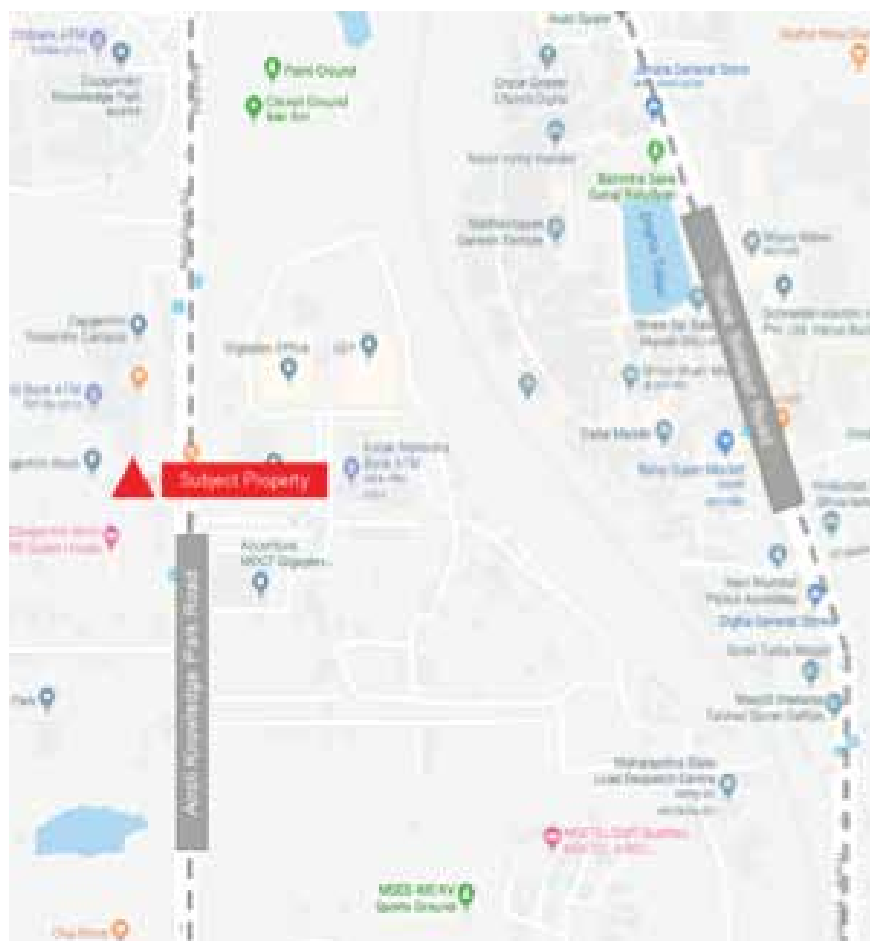
Based on the review of various documents like title reports, rent rolls, lease deeds, Architect's certificates etc. shared by the Client, the Subject Property has ready and operations buildings collectively admeasuring approximately 3.5 million sq. ft. of leasable area. Out of the total six completed buildings, five are SEZs whereas one building is a non-SEZ building. The under-construction building (Building 9) is an SEZ building presently admeasuring approximately ~1 million sq. ft. of leasable area. However, application has been made to de-notify this building from SEZ.

The building wise Leasable Area break up for the Subject Property is mentioned in the table below:

Particulars	Leasable area (sq ft)	Usage type	Status
Building 1	409,661	Non-SEZ	Completed
Building 2	715,270	SEZ	Completed
Building 3	740,153	SEZ	Completed
Building 4	831,731	SEZ	Completed
Building 5	374,636	SEZ	Completed
Building 6	391,779	SEZ	Completed
Centre Court	796	SEZ	Completed
Building 9	1,033,590	Non-SEZ	Under-construction
<b>Total</b>	<b>4,497,616</b>		

Source: Architect's Certificate, Rent Rolls, Lease Deeds/Leave and License Agreements

#### 4.5.6 Location Map



#### 4.5.7 Key Assumptions

Particulars	Unit	Information
<b>Revenue Assumptions (as on 30/09/2020)</b>		
Lease Completion	Qtr, Year	Q4 FY 2022-23
Current Effective Rent	INR/sq ft/mth	55
Achievable Market Rent	INR/sq ft/mth	54
Parking Charges	INR/bay/mth	2,000
<b>Development Assumptions</b>		
Remaining Capital Expenditure	INR Million	Under-construction <sup>(1)</sup> : 1,719
Expected Completion	Qtr, Year	Under Construction (Bldg 9): Q1 FY 2021-22
<b>Other Financial Assumptions</b>		
Cap Rate	%	8.00
WACC (Complete/Operational)	%	11.75
WACC (Under-construction/ Future Development)	%	13.10

#### 4.5.8 Power Distribution Services

In accordance with Section 14 (b) of the Electricity Act, 2003 read with Section 4(1) of the SEZ Act, 2005, entities that own and operate SEZ Parks are considered Deemed Distribution Licensee for supplying electricity to consumers within the SEZ area. Pursuant to the above regulations, Gigaplex Estate Private Limited (SPV) also has the license to distribute power within the Subject Property, wherein it procures power from Power generators/traders supplying to the grid and then distribute it to the end consumers within the Subject Property.

#### 4.5.9 Valuation Approach for Power Distribution Services

Gigaplex Estate Private Limited (SPV) submitted the detailed tariff petition to Maharashtra Electricity Regulatory Commission ("MERC" or the "Commission"), who determined the tariff that may be charged to the customers/operators within the Subject property allowing the licensee to charge cost plus mark up as approved by the Commission to the end users. This mark-up is equivalent to return on its investment comprising annual depreciation on investment, interest expenses on notional debt and return on equity.

#### 4.5.10 Valuation Methodology for Power Distribution Services

Referring to the Commission's latest order for the operational facility, the cash flows from the power distribution services are projected in the following manner:

**Step 1:** Amount of approved Gross Fixed Assets ("GFA") is considered.

**Step 2:** Further, Net Fixed Asset (NFA) which is GFA reduced by accumulated depreciation allowed as on date is computed.

**Step 3:** To compute the EBITDA, mainly return on equity, interest on notional debt, recovery of depreciation, interest on working capital have been added.

Note:

1. Total Remaining Capital Expenditure includes the pending payments of INR 19 Million relating to Building 4 and remaining capital expenditure of INR1,700 Million for Building 9.

**Step 4:** Power procurement, operational and maintenance expenses are allowed completely pass through.

#### 4.5.11 Valuation Assumptions for Power Distribution Services

Following are the key assumptions for in accordance with the Commission order dated 30 March 2020:

Assumption	Unit	Figure
Gross Fixed Assets (GFA)	INR Million	297
Accumulated Depreciation YTD FY20	INR Million	-37
Notional Equity (30% of GFA)	INR Million	89
Notional Debt as on March 2020 (70% of GFA)	INR Million	208
Depreciation rate (Straight Line Method)	% pa	5.3%
Remaining License Period	Years	21
WACC	%	10.50

#### 4.5.12 Market Value

The market value of the full ownership interest in the Subject Property as on 30 September 2020 is as follows

INR 35,145 Million

(Indian Rupees Thirty-Five Billion One Hundred and Forty-Five Million Only)

The above value includes the market value of land for future development (which may be considered for sale) based on market comparables, admeasuring approximately 16.45 acres with available FSI of 30,389 sqm as on 30 September 2020 , as mentioned hereunder:

INR 1,229 Million

(Indian Rupees One Billion Two Hundred and Twenty-Nine Million Only)

## 4.6 Paradigm Mindspace Malad, Mumbai Region

### 4.6.1 Property Name

Paradigm Towers in Mindspace Malad is a commercial office building located within the Malad-Goregaon micro-market at Malad (West) in the Mumbai Region.

### 4.6.2 Address

Paradigm S NO 1460 A/18 Mindspace Link Road, Mindspace, Malad (West), Mumbai, Maharashtra 400064

### 4.6.3 Land/Plot Area

Based on the review of Title Report/Architect's Certificate (for Avacado Properties and Trading India Private Limited), it is understood that the total land area of the Subject Property is approximately 4.2 acres.

### 4.6.4 Brief Description

Paradigm Towers in Mindspace, Malad West is a Grade A, IT Park located in Malad West, Mumbai, within Malad-Goregaon micro market which is home to a number of IT and commercial establishments by prominent developers like K Raheja Corp, Nirlon, Oberoi etc. The micro market is strategically located in Mumbai with social infrastructure like Goregaon Sports Club, Infinity Mall, Inorbit Mall, etc. which are in close proximity to the Subject Property. The IT Park comprises of two Non-SEZ buildings and houses prominent tenants such as J.P Morgan Services India Pvt. Ltd., First Source Solutions Ltd., Tech Mahindra, etc.

The Subject Property is well connected to major locations in the city via road network. The distance of the Subject Property from major landmarks in the city is as follows:

- Approximately 2-3 kms from Malad Railway Station
- Approximately 3-4 kms from Goregaon Railway Station
- Approximately 3-4 kms from Western Express Highway
- Approximately 12-13 kms from Mumbai International Airport

### 4.6.5 Statement of Assets

Based on the review of various documents like title reports, rent rolls, lease deeds, Architect's certificates etc. shared by the Client, the Subject Property has ready buildings collectively admeasuring approximately 0.7 million sq. ft. of leasable area.



The building wise Leasable Area break up for the Subject Property is mentioned in the table below:

Particulars	Leasable area (sq ft)	Usage type	Status
Building 1	3,56,651	IT Park	Completed
Building 2	3,44,372	IT Park	Completed
<b>Total</b>	<b>701,023</b>		

Source: Architect's Certificate, Rent Rolls, Lease Deeds/Leave and License Agreements

#### 4.6.6 Location Map



#### 4.6.7 Key Assumptions

Particulars	Unit	Information
<b>Revenue Assumptions (as on 30/09/2020)</b>		
Lease Completion	Qtr, Year	Q2 FY 2021-22
Current Effective Rent	INR/sq ft/mth	93
Achievable Market Rent	INR/sq ft/mth	86
Parking Charges	INR/bay/mth	5,000
<b>Development Assumptions</b>		
Remaining Capital Expenditure	INR Million	Upgrade <sup>(1)</sup> Capex: 343
Expected Completion	Qtr, Year	Q3 FY 2025-26
<b>Other Financial Assumptions</b>		
Cap Rate	%	8.00
WACC (Complete/Operational)	%	11.75
WACC (Under-construction/Future Development)	%	N.A.

#### 4.6.8 Market Value

The market value of the full ownership interest in the Subject Property, as on 30 September 2020, is as follows

INR 9,311 Million

(Indian Rupees Nine Billion Three Hundred and Eleven Million Only)

Note:  
1. Includes capex for warmshell conversion

## 4.7 The Square, BKC, Mumbai Region

### 4.7.1 Property Name

The Square is a commercial office building located in the Bandra Kurla Complex micro market, Mumbai Region in the state of Maharashtra.

### 4.7.2 Address

C-61, G Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra 400 051

### 4.7.3 Land/Plot Area

Based on the review of Title Report/Architect's Certificate (for Avacado Properties & Trading (India) Pvt. Ltd.), it is understood that the total land area of the subject property is approximately 0.9 acres.

### 4.7.4 Brief Description

The Square is a Grade A building located in G Block, Bandra Kurla Complex, Mumbai, which used to be corporate headquarters of Citigroup in Mumbai. The Subject Property was acquired in August 2019. The building has ground plus 8 floors and a terrace with two levels of basement parking. The Subject Property is accessible from the Bandra Kurla Complex Link Road and is currently unoccupied.

The Subject Property is well connected to major locations in the city via road network. The distance of the Subject Property from major landmarks in the city is as follows:

- Approximately 2 kms from Kurla Railway Station (Central Railway)
- Approximately 3 kms from Western Express Highway
- Approximately 4 kms from Bandra Railway Station (Western Railway)
- Approximately 5 kms from Eastern Express Highway
- Approximately 7 kms from Mumbai International Airport

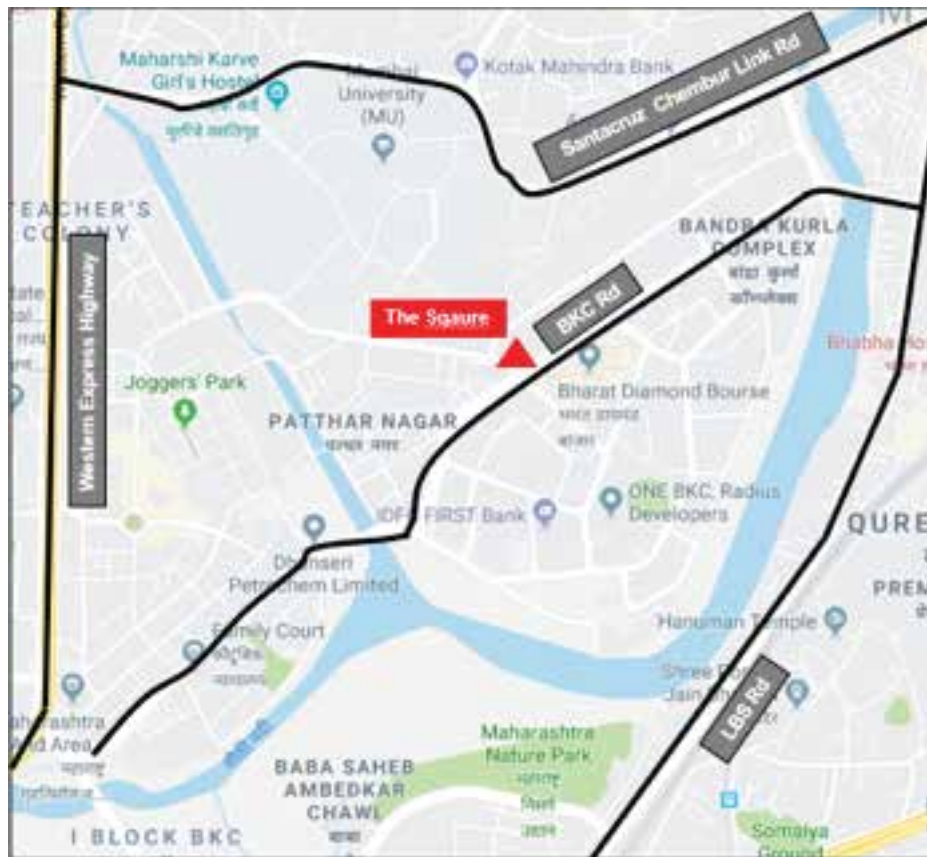
### 4.7.5 Statement of Assets

Based on the review of various documents like title reports, rent rolls, lease deeds, Architect's certificates etc. shared by the Client, the Subject Property has ready and non-operational building admeasuring approximately 0.1 million sq. ft. of leasable area. Details of the Subject Property are mentioned in the table below:

Particulars	Leasable area (sq ft)	Usage type	Status
The Square, BKC	115,000	Commercial	Completed

Source: Architect's Certificate

#### 4.7.6 Location Map



( Map not to scale )

#### 4.7.7 Key Assumptions

Particulars	Unit	Information
<b>Revenue Assumptions (as on 30/09/2020)</b>		
Lease Completion	Qtr, Year	Q3 FY 2021-22
Current Effective Rent	INR/sq ft/mth	N.A.
Achievable Market Rent	INR/sq ft/mth	260
Parking Charges	INR/bay/mth	N.A.
<b>Development Assumptions</b>		
Remaining Capital Expenditure	INR Million	Upgrade Capex: 234
Expected Completion	Qtr, Year	Q1 FY 2021-22
<b>Other Financial Assumptions</b>		
Cap Rate	%	7.75
WACC (Complete/Operational)	%	11.75
WACC (Under-construction/Future Development)	%	N.A.

#### 4.7.8 Market Value

The market value of the full ownership interest in the Subject Property as on 30 September 2020 is as follows:

INR 3,781 Million

(Indian Rupees Three Billion Seven Hundred and Eighty-One Million Only)



## 4.8 COMMERZONE YERWADA, PUNE

### 4.8.1 Property Name

Commerzone is a commercial office development located within the Secondary Business District East (SBD East) micro-market at Yerwada, Pune in the state of Maharashtra.

### 4.8.2 Address

Commerzone, Samrat Ashok Path, Off Airport Road, Yerwada, Taluka Haveli, Dist. Pune, Maharashtra 411006

### 4.8.3 Land/Plot Area

Based on the review of Title Report/Architect's Certificate (for Mindspace Business Parks Private Limited), it is understood that the total land area of the Subject Property is approximately 25.7 acres.

### 4.8.4 Brief Description

Commerzone is a Grade A, IT Park located in Yerwada, Pune, comprising a total of eight IT office buildings and one Amenity building. Amongst all the buildings in the campus, six IT office buildings and the amenity building are part of the Subject Property, except some areas within these six buildings. The Amenity building houses an operating school under the brand name VIBGYOR and is an independent building with exclusive access outside the campus of Commerzone.

The Subject Property is spread out over ~25.7 acres of land parcel. Located in Yerwada, the Subject Property enjoys good frontage and has a relatively flat topography with no significant variations in the height of the land. Further, basis our perusal of the site map provided by the client, we noted that the land plot is regular in shape.

The Subject Property is well connected to major locations in the city via road network. The distance of the Subject Property from major landmarks in the city is as follows:

- Approximately 4-5 kms from Viman Nagar Chowk
- Approximately 4-5 kms from International Airport Pune
- Approximately 6-7 kms from Pune Railway Station
- Approximately 9-10 kms from Shivajinagar
- Approximately 10-11 kms from Pune University

### 4.8.5 Statement of Assets

Based on the review of various documents like title reports, rent rolls, lease deeds, Architect's certificates etc. shared by the Client, the Subject Property has ready and operational buildings collectively admeasuring approximately 1.7 million sq. ft. of leasable area across the IT Office and amenity buildings.

S.No.	Building No.	Units held by the SPV
1	Building 1	GF-1, GF -3 and 302
2	Building 4	201, 301, 501, 602, 603, 701, 702
3	Building 5	Entire Building
4	Building 6	201, 202, 301, 501 (part), 701, 702
5	Building 7	Entire Building
6	Building 8	Entire Building

In addition to the above, the undivided rights, title and interest in the following assets are also part of the Subject Property

- ii. The total Amenity Plot
- iii. The total Utility Areas and Internal Roads;
- iv. The total Open Spaces;

The building wise Leasable Area break up for the Subject Property is mentioned in the table below:

Particulars	Leasable area (sq ft)	Usage type	Status
Building 1	43,200	Non-SEZ	Completed
Building 4	207,460	Non-SEZ	Completed
Building 5	371,399	Non-SEZ	Completed
Building 6	178,569	Non-SEZ	Completed
Building 7	371,799	Non-SEZ	Completed
Building 8	424,132	Non-SEZ	Completed
Amenity Building	79,521 <sup>(1)</sup>	Non-SEZ	Completed
<b>Total</b>	<b>1,676,080</b>		

**Source: Architect's Certificate, Rent Rolls, Lease Deeds//Leave and License Agreements**

#### 4.8.6 Location Map



Note:  
1. Area under full ownership of Mindspace REIT

#### 4.8.7 Key Assumptions

Particulars	Unit	Information
<b>Revenue Assumptions (as on 30/09/2020)</b>		
Lease Completion	Qtr, Year	N.A.
Current Effective Rent	INR/sq ft/mth	58
Achievable Market Rent	INR/sq ft/mth	78
Parking Charges	INR/bay/mth	2,000
<b>Development Assumptions</b>		
Remaining Capital Expenditure	INR Million	Upgrade <sup>(1)</sup> Capex: 71
Expected Completion	Qtr, Year	Q2 FY 2020 - 21
<b>Other Financial Assumptions</b>		
Cap Rate	%	8.00
WACC (Complete/Operational)	%	11.75
WACC (Under-construction/Future Development)	%	N.A.

#### 4.8.8 Market Value

The market value of the full ownership interest in the Subject Property as on 30 September 2020 is as follows:

INR 19,050 Million<sup>(1)</sup>

(Indian Rupees Nineteen Billion and Fifty Million Only)

**Note:**

*The above-mentioned value includes proportionate undivided ownership in the Amenity Plot, Utility Areas and Internal Roads and total open spaces of the Entire Campus.*

Note:

1 Of the total Remaining Capital Expenditure of 71 Million is planned for tenant specific fitouts. Along with this, fitout rent charged to the tenant against this fitout is also included in the cashflows.

## 4.9 GERA COMMERZONE KHARADI, PUNE

### 4.9.1 Property Name

Gera Commerzone is an IT office development located within the Secondary Business District East (SBD East) micro-market at Kharadi, Pune in the state of Maharashtra.

### 4.9.2 Address

Gera Commerzone, Kharadi, S.No. 65 at Kharadi, Tal, Haveli, Pune, Maharashtra 411006

### 4.9.3 Land/Plot Area

Based on the review of Title Report/Architect's Certificate (for KRC Infrastructure and Projects Private Limited), it is understood that the total land area of the Subject Property is approximately 25.8 acres.

### 4.9.4 Brief Description

Gera Commerzone is a Grade A, SEZ and IT Park located in Kharadi Pune. Gera Commerzone campus is planned to house a total of six buildings. Amongst all the buildings in the campus, one under-construction building, one future development building and two completed buildings are part of the Subject Property.

#### Completed Building – Building 3 & 6

Building 3 and 6 which are SEZ buildings, recently completed and have received Occupancy Certificate, admeasures ~ 1.3 Million sq. ft. of leasable area. The building 3 is currently completely occupied and is 12 floors tall and building 6 is partially occupied which is 13 floors tall.

#### Under-Construction –

Buildings 4 and 5 are IT buildings admeasuring ~1.3 Million sq. ft. of total leasable area and will be 13 floors tall. Construction of building 5 has been initiated and building 4 is being planned.

The entire campus has common parking and has a podium floor. Podium floor will house all the common amenities for the six buildings in the campus.

The Subject Property is spread out over approximately 26 acres of land parcel. Located on the Grant road, it enjoys good frontage. Further, basis the perusal of the site map provided by the client; it has been observed that the plot is slightly irregular in shape.

The Subject Property is well connected to major locations in the city via road network. The distance of the Subject Property from major landmarks in the city is as follows:

- Approximately 2-3 kms from Nagar Road
- Approximately 8-9 kms from Pune International Airport
- Approximately 11-12 kms from Pune Railway Station

### 4.9.5 Statement of Assets

Based on the review of various documents like title reports, rent rolls, lease deeds, Architect's certificates etc. shared by the Client, the Subject Property has under-construction and future buildings only, admeasuring approximately 2.6 million sq. ft. of leasable area. The building wise Leasable Area break up for the Subject Property is mentioned in the table below:

Note:

1. Total Remaining Capital Expenditure includes the pending payments of INR 463 Million relating to Building 3 and 6. It also includes capital expenditure of INR 9,192 Million for Building 5 and 4 including remaining General Development.

Particulars	Leasable area (sq ft)	Usage type	Status
Building 3 (Plot 65)	531,373	SEZ	Completed
Building 4 (Plot 65)	605,500	Non-SEZ	Future Development
Building 5 (Plot 65)	675,617	Non-SEZ	Under-construction
Building 6 (Plot 65)	753,094	SEZ	Completed
<b>Total</b>	<b>2,565,584</b>		

Source: Architect's Certificate, Rent Rolls, Lease Deeds/Lease and License Agreement

#### 4.9.6 Location Map



(Map not to scale)



#### 4.9.7 Key Assumptions

Particulars	Unit	Information
<b>Revenue Assumptions (as on 30/09/2020)</b>		
Lease Completion	Qtr, Year	Q1 FY 2024-25
Current Effective Rent	INR/sq ft/mth	71
Achievable Market Rent	INR/sq ft/mth	78
Parking Charges	INR/bay/mth	N.A.
<b>Development Assumptions</b>		
Remaining Capital Expenditure	INR Million	Under Construction <sup>(1)</sup> : 9,654
Expected Completion	Qtr, Year	Q3 FY 2023 - 24
<b>Other Financial Assumptions</b>		
Cap Rate	%	8.00
WACC (Complete/Operational)	%	11.75
WACC (Under-construction/Future Development)	%	13.10

#### 4.9.8 Power Distribution Services

In accordance with Section 14 (b) of the Electricity Act, 2003 read with Section 4(1) of the SEZ Act, 2005, entities that own and operate SEZ Parks are considered Deemed Distribution Licensee for supplying electricity to consumers within the SEZ area. Pursuant to the above regulations, KRC Infrastructure and Projects Private Limited (SPV) also has the license to distribute power within the Subject Property, wherein it procures power from Power generators/traders supplying to the grid and then distribute it to the end consumers within the Subject Property.

#### 4.9.9 Valuation Approach for Power Distribution Services

The detailed tariff petition submitted to Maharashtra Electricity Regulatory Commission (MERC or the Commission), by two of the SPVs, namely Gigaplex Estate Private Limited and Mindspace Business Parks Private Limited has been taken as the basis on which KRC Infrastructure and Projects Private Limited is expected to file its tariff petition. The Commission in those petitions determined the tariff that may be charged to the customers/operators within the Subject Property allowing the licensee to charge cost plus mark up as approved by the Commission to the end users. This mark-up is equivalent to return on its investment comprising annual depreciation on investment, interest expenses on notional debt and return on equity.

#### 4.9.10 Valuation Methodology for Power Distribution Services

Referring to the Commission's latest order for the operational facility, the cash flows from the power distribution services are projected in the following manner:

**Step 1:** Amount of approved Gross Fixed Assets ("GFA") is considered.

**Step 2:** Further, Net Fixed Asset (NFA) which is GFA reduced by accumulated depreciation allowed as on date is computed.

Note:

1. Total Remaining Capital Expenditure includes the pending payments of INR 463 Million relating to Building 3 and 6. It also includes capital expenditure of INR 9,192 Million for Building 5 and 4 including remaining General Development.

**Step 3:** To compute the EBITDA, mainly return on equity, interest on notional debt, recovery of depreciation, interest on working capital have been added.

**Step 4:** Power procurement, operational and maintenance expenses are allowed completely pass through.

#### 4.9.11 Valuation Assumptions for Power Distribution Services

Following are the key assumptions for proposed license in line with Commission's order for Kharadi, Pune.

Assumption	Unit	Figure
Gross Fixed Assets (GFA)	INR Million	146
Notional Equity (30% of GFA)	INR Million	-4
Notional Debt as on March 2020 (70% of GFA)	INR Million	44
Depreciation rate (Straight Line Method)	% pa	5.3
Remaining License Period	years	25
WACC	%	10.50

#### 4.9.12 Market Value

The market value of the economic interest of Mindspace REIT in the Subject Property comprising only Plot 65 (excluding Facilities Management Services), as on 30 September 2020, is as follows

INR 16,146 Million

(Indian Rupees Sixteen Billion One Hundred and Forty-Six Million Only)

**Note:**

1. The above-mentioned value includes the undivided ownership share in the common facilities and infrastructure of the entire campus.

#### 4.9.13 Facilities Management Services

KRC Infrastructure and Projects Private Limited has planned to commence facility management business from the 1st day of the quarter following the listing of Mindspace REIT. For the purpose of valuation, its assumed that the Facilities Management Services will commence effective October 1, 2020 to provide such services to the Subject Properties within the portfolio as well as properties with ownership interests of/owned by third parties within the same parks as the Subject Properties of the Portfolio (as mentioned in the following table). Deferment of commencement of Facilities Management Services beyond October 1, 2020 would result in suitable adjustments to the valuation. Facility management services include housekeeping services, management of MEP equipment, façade cleaning, security expenses, repair and maintenance, maintenance of common areas etc. Service charges are levied on a cost plus mark-up basis to the SPVs owned by REIT, which has ownership interest in the Subject Properties.

The facilities management services business shall operate under the brand name CAMPLUS and shall manage the existing operational buildings / area in the Portfolio. In addition, area under-construction/ future development shall also be managed by KRC Infrastructure and Projects Private Limited on completion.

#### 4.9.14 Key Assumptions

Existing Operational Building which will be under facility management	Total area of ~24.7 million sq ft. as at (March 31, 2020) Mix of SEZ and non SEZ building.	The revenue of facility management is linked to the expense for such facility plus mark up, the growth in the revenues from existing tenants
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Expansion in Existing business and Buildings under construction	Total area of ~3.8 million sq ft. are in line with the inflation expectation of 5%. For future development/proposed buildings, revenue and margins of existing properties is considered as a base to compute the projected cash flows of new buildings. Growth in revenue is linked to the improvement in occupancy plus 5% revenue growth from existing tenants. Initially those buildings are likely to have lower margins due to lesser occupancy.
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For the purpose of arriving at terminal year income multiple, Indian and International comparable companies listed on various stock exchanges were studied. It was observed that International companies with primary business of facility/property management trade at 10 - 13 times EV/EBITDA multiple. However, there are very limited comparable facility management listed companies. Listed comparable in India trades at around 17x EV/EBITDA multiple. This comparable company offers facility management services in India including security services, cash logistic etc. Given the fact that facility/property management business is limited to Subject Properties within the portfolio as well as properties with ownership interests of/owned by third parties within the same parks as the Subject Properties of the portfolio, we have considered the EV/EBITDA multiple of 13x to compute the exit value post 10 years of cashflows. For the purpose of discounting the future cash flows, a Weighted Average Cost of Capital (WACC) of 11.75% has been used.

#### 4.9.15 Market Value of Facility Management Services

The market value of the full ownership interest in the facility/property management business, as on 30 September 2020 is as follows:

INR 5,758 Million  
(Indian Rupees Five Billion Seven Hundred and Fifty-Eight Million Only)

## 4.10 THE SQUARE, NAGAR ROAD, PUNE

### 4.10.1 Property Name

The Square is a commercial office development located within the Secondary Business District East (SBD East) micro-market at Nagar Road, Pune in the state of Maharashtra.

### 4.10.2 Address

The Square, Ahmednagar Road, Village Vadgaon Sheri, Taluka Haveli, District Pune, Maharashtra, 411014

### 4.10.3 Land/Plot Area

Based on the review of Title Report/Architect's Certificate (for Mindspace Business Parks Private Limited), it is understood that the total land area of the Subject Property is approximately 10.1 acres.

### 4.10.4 Brief Description

The Square is a Grade A, Office Building in Viman Nagar, Pune. The Subject Property has two buildings - IT building and Mall building (an erstwhile retail development converted into IT/ITeS Office). The Mall building houses a PVR multiplex and remaining space is used as an office space by IT/ITeS occupiers.

The Mall building is located at the entrance of the Subject Property and IT building situated behind it. There is one main entrance to the Subject Property from Nagar Road. IT building is also facilitated with separate gate which is accessible from the lane connecting Nagar Road.

The Subject Property is well connected to major locations in the city via road network. The distance of the Subject Property from major landmarks in the city is as follows:

- Approximately 1 km from Viman Nagar Chowk
- Approximately 4-5 kms from International Airport Pune
- Approximately 7-8 kms from Pune Railway Station
- Approximately 10-11 kms from Shivajinagar
- Approximately 11-12 kms from Pune University

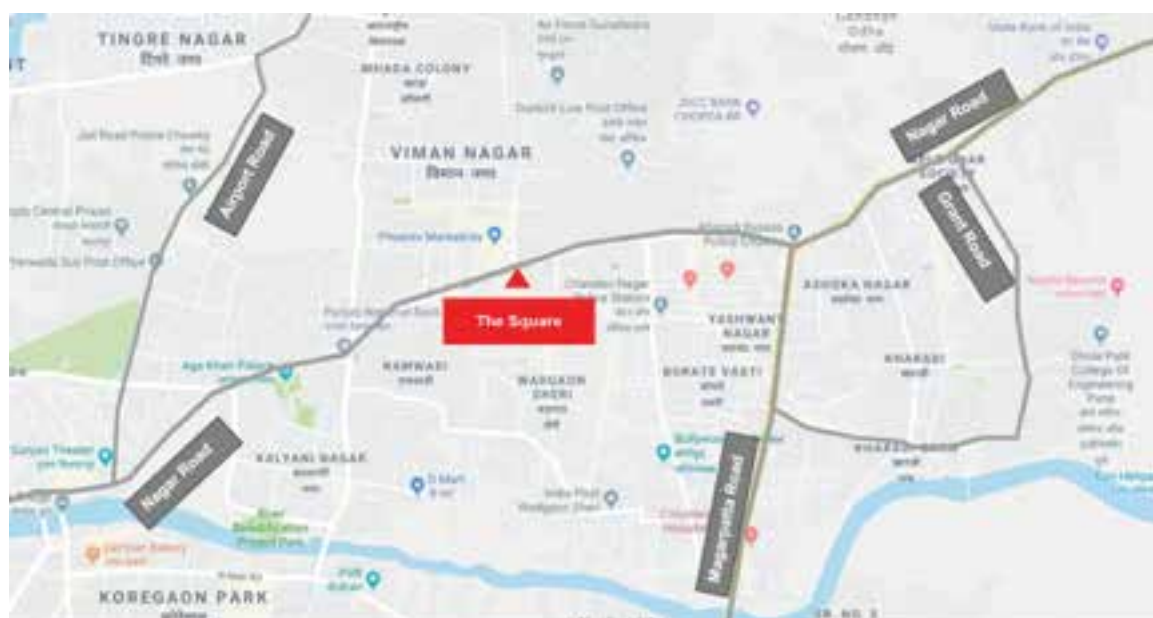
#### 4.10.5 Statement of Assets

Based on the review of various documents like title reports, rent rolls, lease deeds, Architect's certificates etc. shared by the Client, the Subject Property has two ready and operational buildings collectively admeasuring approximately 0.7 million sq. ft. of leasable area. The building wise break up for the Subject Property is mentioned in the table below:

Particulars	Leasable area (sq ft)	Usage type	Status
IT Building	187,020	Non-SEZ	Completed
Mall Building	555,802	Non-SEZ	Completed
<b>Total</b>	<b>742,822</b>		

*Source: Architect's Certificate, Rent Rolls, Lease Deeds/Leave and License Agreements*

#### 4.10.6 Location Map



(Map not to scale)



**4.10.7 Key Assumptions**

Particulars	Unit	Information
<b>Revenue Assumptions (as on 30/09/2020)</b>		
Lease Completion	Qtr, Year	N.A.
Current Effective Rent	INR/sq ft/mth	65
Achievable Market Rent	INR/sq ft/mth	78
Parking Charges	INR/bay/mth	2,000
<b>Development Assumptions</b>		
Remaining Capital Expenditure	INR Million	Upgrade Capex: 30
Expected Completion	Qtr, Year	Q2 FY2021-22
<b>Other Financial Assumptions</b>		
Cap Rate	%	8.00
WACC (Complete/Operational)	%	11.75
WACC (Under-construction/ Future Development)	%	N.A.

**4.10.8 Market Value**

The market value of the full ownership interest in the Subject Property, as on 30 September 2020, is as follows

INR 8,092 Million  
(Indian Rupees Eight Billion and Ninety-Two Million Only)

## 4.11 Commerzone Porur, Chennai

### 4.11.1 Property Name

Commerzone Porur is a commercial office development located within the South West micro-market at Porur, Chennai in the state of Tamil Nadu.

### 4.11.2 Address

The address of the Subject property is No. 111/168, Mount Poonamalle Road, Porur, Chennai – 600116

### 4.11.3 Land/Plot Area

Based on the review of Title Report/Architect's Certificate (for Horizonview Properties Private Limited), it is understood that the total land area of the subject property is approximately 6.1 acres.

### 4.11.4 Brief Description

The Subject Property is a completed IT Park named "Commerzone" spread across a land area of the approximately 6.1 acres consisting of two Towers. The economic interest of the Mindspace REIT in the Subject property is approximately 0.8 million sq. ft., The other amenities in the park include crèche, gym, food court, etc.

The Subject Property is well connected to major locations in the city via road network. The distance of the Subject Property from major landmarks in the city is as follows:

- Approximately 2-3 kms from MIOT International Hospital
- Approximately 11-12 kms from Chennai International Airport
- Approximately 7-8 kms from Guindy Metro Station
- Approximately 22-23 kms from MGR Central Railway station

### 4.11.5 Statement of Assets

Based on the review of various documents like title reports, lease deeds, Architect's certificates etc. shared by the Client, the Subject Property is an under-construction building which consists of two towers collectively admeasuring approximately 0.8 million sq. ft. of leasable area. The building wise break up for the Subject Property is mentioned in the table below:

Particulars	Leasable area (sq ft) (Mindspace REIT Share) <sup>(1)</sup>	Usage type	Status
Tower A&B	809,794	Non-SEZ	Under-construction

*Source: Architect's Certificate*

Note:  
1. As Informed by the Client

#### 4.11.6 Location Map



(Map not to scale)

**4.11.7 Key Assumptions**

Particulars	Unit	Information
<b>Revenue Assumptions (as on 30/09/2020)</b>		
Lease Completion	Qtr, Year	Q4 FY 2021-22
Current Effective Rent	INR/sq ft/mth	N.A.
Achievable Market Rent	INR/sq ft/mth	63
Parking Charges	INR/bay/mth	2,500
<b>Development Assumptions</b>		
Remaining Capital Expenditure	INR Million	Finishing Works: 584
Expected Completion	Qtr, Year	Q4 FY 2020-21
<b>Other Financial Assumptions</b>		
Cap Rate	%	8.00
WACC (Complete/Operational)	%	11.75
WACC (Under-construction/ Future Development)	%	N.A.

**4.11.8 Market Value**

The market value of the economic interest of Mindspace REIT in the Subject Property, as on 30 September 2020 is as follows;

INR 6,204 Million

(Indian Rupees Six Billion Two Hundred and Four Million Only)

**Note:**

*The above-mentioned value includes the undivided ownership share in the common facilities and infrastructure of the entire campus.*

## 4.12 Mindspace Pocharam, Hyderabad

### 4.12.1 Property Name

Mindspace Pocharam is a commercial office development located within the Peripheral East micro-market in Hyderabad in the state of Telangana.

### 4.12.2 Address

Mindspace Pocharam, Survey Nos. 2/1 (part), 2/2 (part), 2/3 (part), 2/4 (part), 6, 7, 8, 9 and 10 (part) Pocharam Village, Ghatkesar Mandal, Medchal Malkajigiri, Telangana

### 4.12.3 Land/Plot Area

Based on the review of Title Report/Architect's Certificate (for Mindspace Business Parks Private Limited), it is understood that the underlying land area of the Subject Property is approximately 66.5 acres.

### 4.12.4 Brief Description

Mindspace, located in Pocharam, Hyderabad is an SEZ property and has three components i.e. one operational building, one under-construction building and approximately 59.0 acres of land for future development. Building 8 is an operational building while Building 9 is under-construction building.

The Subject Property is well connected to major locations in the city via road network. The distance of the Subject Property from major landmarks in the city is as follows:

- Approximately 1 km from Hyderabad – Warangal National Highway (NH-202)
- Approximately 3 km from Outer Ring Road at Ghatkesar
- Approximately 25 km from Secunderabad Railway Station
- Approximately 55 km from Shamshabad International Airport

### 4.12.5 Statement of Assets

Based on the review of various documents like title reports, rent rolls, lease deeds, Architect's certificates etc. shared by the Client, the Subject Property has one operational building and one under-construction building collectively admeasuring approximately 0.6 million sq. ft. of leasable area. In addition to these two buildings, the Subject Property has approximately 59.0 acres of land for future development. There is a potential to develop approximately 0.4 million sq. ft. of leasable area in the area which is expected to continue as SEZ.

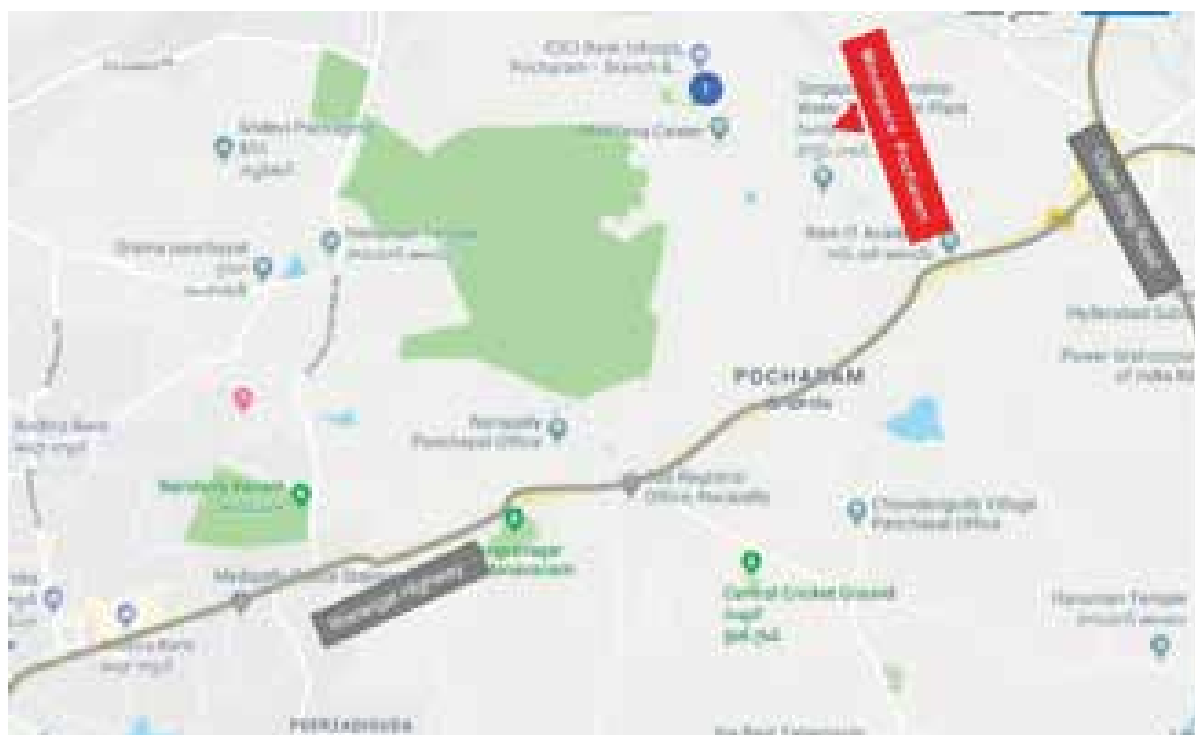


The building wise Leasable Area break up for the Subject Property is mentioned in the table below:

Particulars	Leasable area (sq ft)	Usage type	Status
Building 8	377,422	SEZ	Completed
Building 9	192,681	SEZ	Under-construction
Future Development Building	429,897	SEZ/Non-SEZ	Future Development
<b>Total</b>	<b>1,000,000</b>		

Source: Architect's Certificate, Rent Rolls, Lease Deeds/Leave and License Agreements

#### 4.12.6 Location Map



#### 4.12.7 Key Assumptions

Particulars	Unit	Information
<b>Revenue Assumptions (as on 30/09/2020)</b>		
Lease Completion	Qtr, Year	Q2 FY 2021-22
Current Effective Rent	INR/sq ft/mth	20
Achievable Market Rent	INR/sq ft/mth	22
Parking Charges	INR/bay/mth	2,000
<b>Development Assumptions</b>		
Remaining Capital Expenditure	INR Million	Under-construction: 58
Expected Completion	Qtr, Year	Q2 FY 2023 - 2024
<b>Other Financial Assumptions</b>		
Cap Rate	%	8.50
WACC (Complete/Operational)	%	12.25
WACC (Under-construction/Future Development)	%	13.60

#### 4.12.8 Market Value

The market value of the full ownership interest in the Subject Property as on 30 September 2020 is as follows:

INR 2,752 Million<sup>(1)</sup>

(Indian Rupees Two Billion Seven Hundred and Fifty-Two Million Only)

The above value includes the market value of land for future development based on market comparables, admeasuring approximately 59.0 acres as on 30 September 2020, as mentioned hereunder:

INR 1,181 Million

(Indian Rupees One Billion One Hundred and Eighty-One Million Only)

The above value of land for future development includes approximately 40.0 acres land parcel valued at INR 800 Million (Indian Rupees Eight Hundred Million Only), which may be considered for sale.

Note:

1. Future development is being valued as market value of underlying land

## SECTION 6

# Glossary



## Mindspace REIT Related Terms

Terms	Description
Asset SPVs	Collectively, Avacado, Gigaplex, Horizonview, Intime, KRIT, KRC Infra, MBPPL and Sundew
Associates	<p>Associates of a person shall be as set out within Companies Act and applicable accounting standards and shall include the following:</p> <ul style="list-style-type: none"> <li>(i) any person directly controlled by the said person;</li> <li>(ii) any person who directly controls the said person;</li> <li>(iii) where the said person is a company or a body corporate, any person(s) who is designated as a promoter of the company or body corporate and any other company or body corporate and any other company or body corporate with the same promoter; and</li> <li>(iv) where the said person is an individual, any relative of the individual</li> </ul>
Audit Committee	The audit committee of the Governing Board of the Manager
Auditors	Deloitte Haskins & Sells, LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018), statutory auditors of Mindspace REIT
Avacado	Avacado Properties and Trading (India) Private Limited
Blackstone Group	BREP Asia SBS Pearl Holding (NQ) Ltd, BREP VIII SBS Pearl Holding (NQ) Ltd, and BREP Asia SG Pearl Holding (NQ) Pte. Ltd., being certain entities affiliated with The Blackstone Group Inc.
Casa Maria	Casa Maria Properties LLP
Chalet Hotels	Chalet Hotels Limited
Commerzone Madhapur	Project situated at Survey Number 83/1, Hyderabad Knowledge City, Raidurg (Panmaktha), Serilingampally Mandal, Ranga Reddy district, Hyderabad, Telangana, India
Commerzone Porur	Completed buildings nos. A and B situated at Porur, Chennai, Tamil Nadu, India
Commerzone Yerwada	Completed and operational building nos. 1, 4, 5, 6, 7, 8 and the amenity building situated at Commerzone, Samrat Ashok Path, Off Airport Road, Yerwada, Pune, Maharashtra, India
Cushman & Wakefield	Cushman & Wakefield India Private Limited

Facility Rentals	The sum of base rents, (adjusted for Ind AS adjustments) fit-out rents, car park and others (kiosks, signage, ATMs, towers, promotional events etc.) from each of the Asset SPVs, as applicable, and reflected as “facility rentals” in the financial statements of the relevant Asset SPVs or the Holdco, as applicable
Genext	Genext Hardware & Parks Private Limited
Gera Commerzone Kharadi	Completed building nos. 3 and 6, under-construction building no. 5 and future development of building no. 4 situated in Gera Commerzone, Kharadi, Pune, Maharashtra, India
Gigaplex	Gigaplex Estate Private Limited
Horizonview	Horizonview Properties Private Limited
IDBI	Industrial Development Bank of India
Inorbit Malls	Inorbit Malls (India) Private Limited
Intime	Intime Properties Limited
Ivory Properties	Ivory Properties and Hotels Private Limited
KRC	K Raheja Corp
KRC Infra	KRC Infrastructure and Projects Private Limited
KRCPL	K Raheja Corp Private Limited
KRIT	K.Raheja IT Park (Hyderabad) Limited
Manager	K Raheja Corp Investment Managers LLP
Magna	Magna Warehousing & Distribution Private Limited
MBPPL	Mindspace Business Parks Private Limited
Mindspace Airoli East	Completed and operational building nos. 1, 2, 3, 4, 5&6, 7, 8, 9, 10, 11, 12, 14, completed club house and the future development building nos. 15, 16 and high street retail shopping plaza situated at Mindspace, Thane Belapur Road, Airoli, Navi Mumbai, Maharashtra, India, including a portion of land admeasuring approximately 1.8 acres which is proposed to be transferred subject to receipt of all requisite prior approvals, permits, and consents from the relevant authorities, as may be required and other conditions as specified in the memorandum of understanding dated August 5, 2016, extension letters dated August 5, 2017, August 5, 2018 and August 5, 2019 and supplemental memorandum of understanding dated December 16, 2019.



Mindspace Airoli West	Completed and operational building nos. 1, 2, 3, 4, 5, 6 along with the centre court and the under-construction building no. 9 situated at Gigaplex, Plot no. 5, MIDC, Airoli Knowledge Park, Airoli, Navi Mumbai, Maharashtra, India including a portion of land admeasuring approximately 16.4 acres which is proposed to be transferred subject to conditions as specified in the memorandum of understanding dated December 16, 2019. For further details on the memorandum of understanding, see
Mindspace Business Parks Group	Collectively, Mindspace REIT and the Asset SPVs
Mindspace Madhapur	Collectively, Mindspace Madhapur (Intime), Mindspace Madhapur (KRIT) and Mindspace Madhapur (Sundew)
Mindspace Madhapur (Intime)	Completed and operational building nos. 5B, 6 and 9 situated at Mindspace, Madhapur, Hyderabad, Telangana, India
Mindspace Madhapur (KRIT)	Completed and operational building nos. 1A, 1B, 2A, 2B, 3A, 3B, 4A&B, 5A, 7, 8 and 10 and approximately 1.8 acres land for future development situated at Mindspace, Madhapur, Hyderabad, Telangana, India
Mindspace Madhapur (Sundew)	Completed and operational buildings nos. 11, 12A, 12B, 12C, 14 and 20, completed building no. 12D and the under-construction building no. 22 (hotel) situated at Mindspace, Madhapur, Hyderabad, Telangana, India
Mindspace Pocharam	Completed and operational building no. 8, under-construction building no. 9 situated at Mindspace, Pocharam, Ranga Reddy, Secunderabad, Telangana, India, including a portion of land admeasuring approximately 59.0 acres for future development out of which 40.0 acres is proposed to be transferred subject to conditions as specified in the memorandum of understanding dated December 16, 2019.
Mindspace REIT	Mindspace Business Parks REIT
Mindspace REIT Assets	The Portfolio, and such other assets as may be held by Mindspace REIT from time to time in accordance with the REIT Regulations and applicable law
Paradigm Mindspace Malad	Completed and operational building no. 12, comprising A and B wings of Paradigm Tower, situated at Chincholi Bunder Link Road, Malad (West), Mumbai, Maharashtra, India
Portfolio	Assets which will be directly or indirectly owned by Mindspace REIT prior to listing in terms of the REIT Regulations, in (i) Paradigm Mindspace Malad; (ii) Mindspace Airoli West; (iii) Commerzone Porur; (iv) Mindspace Madhapur (Intime); (v) Mindspace Madhapur (KRIT); (vi) Mindspace Madhapur (Sundew) (vii) Gera Commerzone Kharadi; (viii) Commerzone Yerwada; (ix) Mindspace Airoli East; (x) The Square, Nagar Road;

(xi) Mindspace Pocharam; ; and (xii) The Square BKC.

It is further clarified that for KRIT, Intime and Sundew, all operational and financial data included in this Offer Document is without adjusting for minority interest in such Asset SPVs, unless stated specifically.

REIT assets	Real estate assets and any other assets held by the REIT, on a freehold or leasehold basis, whether directly or through a Holding Company and/or a special purpose vehicle
RPIL	RPIL Signalling Systems Limited
Shoppers Stop	Shoppers Stop Limited
Sponsor Group	Collectively, Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L Raheja, Mrs. Jyoti C. Raheja, the Sponsors, Capstan, Casa Maria, Genext, Inorbit Malls, Ivory Properties, KRCPL, KRPL, Palm Shelter, Raghukool and Ivory Property Trust
Sponsors	ACL and CTL
Stargaze	Stargaze Properties Private Limited
Summary Valuation Report	Summary valuation report issued by the Valuer in relation to Mindspace REIT
Sundew	Sundew Properties Limited
The Square, BKC	Completed and operational building C-61 located in Bandra Kurla Complex, Mumbai Region, Maharashtra.
The Square, Nagar Road	Completed and operational commercial and IT building situated at 7, Ahmednagar Road, Wadgaon Sheri, Pune, Maharashtra, India
Trion	Trion Properties Private Limited
Trust Deed	The trust deed dated November 18, 2019 entered into between the Sponsors and the Trustee
Trustee	Axis Trustee Services Limited
Unitholders	Any person or entity who holds Units of Mindspace REIT
Units	An undivided beneficial interest in Mindspace REIT, and such Units together represent the entire beneficial interest in Mindspace REIT
Valuer	Mr. Shubhendu Saha, MRICS, registered as a valuer with IBBI for the asset class 'Land and Building' under the provisions of the Companies (Registered Valuers and Valuation) Rules, 2017

## Offer Related Terms

Terms	Description
Fresh Issue	The creation and issuance of up to 36,363,600 Units aggregating up to ₹ 10,000 million by Mindspace REIT
IPO	Initial public offer by Mindspace REIT
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Non-Institutional Investor	All Bidders other than Institutional Investors (including Anchor Investors) and Strategic Investors, who have Bid for Units in the Offer
NR	Person resident outside India, as defined under FEMA and includes FPIs, FIIs, Eligible NRIs, FVCIs and multilateral and bilateral development financial institutions
NRI	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
Offer	Initial offer of up to 163,636,200 Units comprising the Fresh Issue and the Offer for Sale
Offer for Sale	Offer for Sale of up to 127,272,600 Units, aggregating up to ₹ 35,000 million, by the Selling Unitholders
Offer Price	₹ 275 per Unit, being the final price at which Units will be Allotted to successful Bidders, other than Anchor Investors and Strategic Investors, in terms of this Offer Document.
Offer Size	The Offer, aggregating up to ₹ 45,000 million
Stock Exchanges	Collectively, BSE and NSE
Base Rent (psf per month)	$\frac{\text{Base Rentals for the specified period}}{\text{Occupied Area*monthly factor}}$
Base Rentals (₹)	Rental income contracted from the leasing of Occupied Area. It does not include fit-out rent, maintenance services income, car park income and others
Committed Area	Completed Area which is unoccupied but for which letter of intent / agreement to lease have been signed
Committed Occupancy (%)	$\frac{(\text{Occupied Area} + \text{Committed Area})}{\text{Completed Area}}$
Completed Area (sf)	Leasable Area for which occupancy certificate has been received; Completed Area comprises Occupied Area, Committed Area and Vacant Area

Fit Out Rent	In relation to the property management and support services agreement between the Manager and the Asset SPVs, the rent, fees or any other compensation for any fit-outs invoiced by the Asset SPVs as provided in the agreements for letting out of the premises in the properties of the Asset SPVs
Future Development Area (sf)	Leasable Area of an asset that is planned for future development, as may be permissible under the relevant rules and regulations, subject to requisite approvals as may be required, and for which internal development plans are yet to be finalized and applications for requisite approvals required under law for commencement of construction are yet to be received
GCC	Global Capability Centre
Grade-A	A development type whose tenant profile primarily includes multinational corporations. The development should also include adequate ceiling height, 24x7 power back-up, supply of telephone lines, infrastructure for access to internet, central air-conditioning, spacious lobbies, circulation areas, good lift services, sufficient parking facilities and should have centralized building management and security systems.
Gross Contracted Rentals (₹)	Gross Contracted Rentals is the sum of Base Rentals and fit-out rent invoiced from Occupied Area that is expected to be received from the tenants pursuant to the agreements entered into with them
In-place Rent (psf per month)	Base Rent for a specified month
Leasable Area (sf)	Square footage that can be leased to a tenant for the purpose of determining a tenant's rental obligations.
Maintenance services expense	Repairs and maintenance expenses on building, plant and machinery, electrical installations incurred by assets to provide common area maintenance (CAM) services to the tenants or third parties, if any, located within the assets
Maintenance services income	Revenue received/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
Market Rent (psf per month)	Manager's estimate of Base Rent that can be expected from leasing of the asset to a tenant
Market Value	Market Value (adjusted for non-controlling interest) as determined by the Valuer as of September 30, 2020. This includes the market value of the Portfolio and the facility management division. Facility Management Division has commenced its operations in KRC Infra from October 01, 2020.
Msf	Million square feet

NDCF	Net distributable cash flow
Net Operating Income (NOI)	Net Operating Income calculated as revenue from operations less: direct operating expenses (which includes maintenance service expenses, cost of work contract services, property tax, insurance expense, cost of materials sold, cost of power purchased and power-O&M expenses)
Occupancy (%)	Occupied Area/ Completed Area
Occupied Area (sf)	Completed Area for which lease agreements / leave and license agreements have been signed with tenants
Pre-leased Area or Pre-Committed Area	Under Construction Area for which letter of intent / agreement to lease/ lease deed/ leave and license agreement has been entered into with prospective tenants
Psf	Per square feet
Re-leasing spread	Refers to the change in Base Rent between new and expiring leases, expressed as a percentage
Rent	In relation to the property management and support services agreement between the Manager and the Asset SPVs, the aggregate of the leave and license fees, lease rent, rent, car park charges or any other compensation by whatever name called which is the income of the Asset SPVs on account of letting out in any manner of the premises comprised in the properties of the Asset SPVs
Same Store Committed Occupancy	Represents Committed Occupancy for the Portfolio for areas where occupancy certificate was received on or before September 30, 2019
Security Deposit	A non-interest bearing and refundable deposit paid by the tenant to the lessor, which is paid back upon termination of the lease agreement
Total Leasable Area	Total Leasable Area is the sum of Completed Area, Under Construction Area and Future Development Area
Total Rent	In relation to the property management and support services agreement between the Manager and the Asset SPVs, collectively, the Rent and the Fit Out Rent
Under Construction Area (sf)	Leasable Area where construction is ongoing and / or the occupancy certificate is yet to be obtained
Vacant Area	Completed Area which is unoccupied and for which no letter of intent / lease agreement / leave and license agreement has been signed
WALE	Weighted Average Lease Expiry based on area. Calculated

assuming tenants exercise all their renewal options post expiry of their initial commitment period

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Warm Shell

Space delivered to the tenant including AC ducting, basic electrical wiring and plumbing. In a warm shell lease, the client may decide to do the fit-out or ask the developer to undertake the same

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Ind AS	Companies (Indian Accounting Standards) Rules, 2015, notified on February 19, 2015 by the MCA, including any amendments or modifications thereto
IT Park	Information Technology Park
ITES	Information Technology Enabled Services
LLP	Limited Liability Partnership
LLP Act	The Limited Liability Partnership Act, 2008 along with rules prescribed therein
MahaRERA	Maharashtra Real Estate Regulatory Authority
MCA	Ministry of Corporate Affairs
MCGM	Municipal Corporation of Greater Mumbai
MCLR	Marginal Cost of funds based Lending Rate
MIDC	Maharashtra Industrial Development Corporation
MMR	Mumbai Metropolitan Region
MMRDA	Mumbai Metropolitan Region Development Authority
MoEF	Ministry of Environment, Forests and Climate Change
MPCB	Maharashtra Pollution Control Board
MRICS	Member of Royal Institution of Chartered Surveyors
NAREDCO	National Real Estate Development Council
NBFC	Non-Banking Financial Company
NCLT	National Company Law Tribunal
NCRPS	Non-Cumulative Redeemable Preference Shares
NDCF	Net Distributable Cash Flow
NSE	The National Stock Exchange of India Limited
PAN	Permanent Account Number
PMC	Pune Municipal Corporation
RBI	Reserve Bank of India
Registration Act	The Registration Act, 1908

REIT	Real Estate Investment Trust
REIT Regulations	Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014
RERA	The Real Estate (Regulation and Development) Act, 2016
RICS	The Royal Institution of Chartered Surveyors
Rs./Rupees/INR/₹	Indian Rupees
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI Debenture Trustee Regulations	The Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993
SEBI Guidelines	Circular dated December 19, 2016 on Guidelines for public issue of units of REITs issued by SEBI as amended by circular dated January 15, 2019, circular dated December 26, 2016 on Disclosure of Financial Information in Offer Document for REITs issued by SEBI, circular dated December 29, 2016 on Continuous Disclosures and Compliances by REITs issued by SEBI, circular dated January 18, 2018 on participation by Strategic Investor(s) in InvITs and REITs issued by the SEBI, Circular dated April 23, 2019 on Guidelines for determination of allotment and trading lot size for Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs) and any other circulars, guidelines and clarifications issued by SEBI under the REIT Regulations, from time to time
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2011
Securities Act	U.S. Securities Act of 1933
SEZ	Special Economic Zone
SEZ Act	Special Economic Zones Act, 2005
SPV	Special Purpose Vehicle
TDS	Tax deducted at source
TSIIC	Telangana State Industrial Infrastructure Corporation Limited (a Government of Telangana Undertaking)
TN RERA	The Tamil Nadu Real Estate Regulatory Authority
ULC Act	Urban Land Ceiling Act, 1976
ULC Repeal Act	Urban Land (Ceiling and Regulation) Act, 1999

UPSI	Unpublished Price Sensitive Information
USD/US\$	United States Dollar

## Disclaimer

This report is prepared for unit holders pursuant to the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, and issued by K Raheja Corp Investment Managers LLP (the “**Manager**”) in its capacity as the Manager of Mindspace Business Parks REIT (“**Mindspace REIT**”). This report (a) is for information purposes only without regards to specific objectives, financial situations or needs of any particular person, (b) should not be construed as legal, tax, investment or other advice, (c) should not be considered as a recommendation to any person to purchase / subscribe to any units, debentures, bonds or any other securities / instruments issued or proposed to be issued by Mindspace REIT.

Unless otherwise stated in this report, the information contained herein is based on management information and estimates. The information contained herein is only current as of the date specified herein, has not been independently verified and is subject to change without notice and past performance is not indicative of future results.

This report comprises information given in summary form and does not purport to be complete and it cannot be guaranteed that such information is true and accurate. This report includes statements that are, or may be deemed to be, “forward-looking statements”. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance including those relating to general business plans and strategy, future outlook and growth prospects, and future developments in its businesses and its competitive and regulatory environment. Any projection of future income or performance should be viewed merely as a fair estimate of the management of Mindspace REIT, which may be dependent on several factors and in no manner should be construed as an indication of its reflection in the market price of units, debentures, bonds or any other securities / instruments issued or proposed to be issued by Mindspace REIT. No representation, warranty or undertaking, express or implied, is made or assurance given that such statements, views, projections or forecasts, if any, are correct or that any objectives specified herein will be achieved. We don’t assume responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent development, information or events, or otherwise. Neither we, nor any of our affiliates or advisors, as such, make any representation or warranty, express or implied, as to, and do not accept any responsibility or liability with respect to, the fairness, accuracy, completeness or correctness of any information or opinions contained herein and accept no liability whatsoever for any loss, howsoever, arising from any use or reliance on this report or its contents or otherwise arising in connection therewith.

This report and the information contained herein does not constitute or form part of any offer for sale or subscription of or solicitation or invitation of any offer to buy or subscribe for, or advertisement with respect to, the purchase or sale of any units, debentures, bonds or any other securities / instruments of Mindspace REIT in any jurisdiction, and no part of it shall form the basis of or be relied upon by any person in connection with any contract or commitment whatsoever.

Any recipient of this report will be solely responsible for its own assessment of the market and the market position of Mindspace REIT and the recipient will conduct its own analysis and be solely responsible for forming its own view of the potential future performance of the business of Mindspace REIT.

The distribution of this report in certain jurisdictions may be restricted by law. Accordingly, any persons in possession of this report should inform themselves about and observe any such restrictions. Furthermore, no person is authorized to give any information or make any representation which is not contained in, or is inconsistent with, this report. Any such extraneous or inconsistent information or representation, if given or made, should not be relied upon as having been authorized by or on behalf of Mindspace REIT or the Manager.



Raheja Tower, Plot No. C-30, Block 'G', Next to Bank of Baroda, Bandra Kurla Complex,  
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