



Borrowing Policy

The Manager has adopted the borrowing policy pursuant to a resolution of its Governing Board of the Manager on December 24, 2019. The borrowing policy aims to outline the framework to be followed by Mindspace REIT or Holding Company or the Asset SPVs, in respect of their borrowing. The key terms of the borrowing policy are set forth:

- (i) Mindspace REIT/ Asset SPVs may raise debt and make borrowings and deferred payments from time to time, including through issuance of debt securities, availing loans from banks and financial institutions or raising debt in any other form as permissible under applicable law. However, such borrowings and deferred payments shall not include any refundable security deposits from tenants;
- (ii) The Manager shall ensure that all funds borrowed by Mindspace REIT/ Asset SPVs are in compliance with the REIT Regulations;
- (iii) Where required, the Manager shall ensure that in case of issuance of debt securities by Mindspace REIT/ Asset SPVs, such debt securities are listed on a recognized stock exchange;
- (iv) The Manager shall cause Mindspace REIT/ Asset SPVs to borrow or incur financial indebtedness for the purpose of its business operations subject to requisite approval of the Governing Board or such committee of the Governing Board as may be constituted in this regard, board of directors or committees of the Asset SPVs (in respect of financial indebtedness of Asset SPVs) and the Unitholders, where required, in accordance with the REIT Regulations;
- (v) The Manager shall ensure that in the event the value of funds borrowed from related parties in a Financial Year, exceeds 10% of the total consolidated borrowings of Mindspace REIT, Holding Company(ies) and/ or Asset SPVs, approval from the Unitholders shall be obtained prior to entering into any such subsequent transaction with any related party, in accordance with Regulation 22 of the REIT Regulations and the request for such approval shall be accompanied by a transaction document;
- (vi) Mindspace REIT shall be permitted to borrow monies through any permitted means, by any instrument, in Indian or foreign currency, as permitted by applicable law, including as prescribed by the RBI;
- (vii) Mindspace REIT also has the power to create, mortgage, pledge or secure any of its Assets including shares / interest in Holding Company(ies) or SPVs or provide guarantees or other collateral in order to borrow funds. However, the Manager shall ensure, in accordance with Regulation 20(2) of the REIT Regulations, the aggregate consolidated borrowings and deferred payments of Mindspace REIT, Holding Company(ies) and Asset SPVs, net of cash and cash equivalents shall not exceed 49% of the value of the REIT Assets, or such other percentage as may be prescribed under the REIT Regulations from time to time. Such borrowings and deferred payments shall not include any refundable security deposits from tenants;
- (viii) In accordance with Regulation 20(3) of the REIT Regulations, in the event the aggregate consolidated borrowings and deferred payments of Mindspace REIT, net of cash and cash equivalents exceed 25% of the value of Mindspace REIT Assets or such other threshold as may be prescribed under REIT Regulations from time to time, for any further borrowing: (a) credit rating shall be obtained from a credit rating agency registered with SEBI; and (b) an approval from Unitholders shall be obtained in the manner specified under Regulation 22 of the REIT Regulations, namely where the votes cast in favour of a resolution shall be more than the votes cast against such resolution, or such other percentage as may be prescribed under the REIT Regulations;
- (ix) In the event either of the conditions (as specified above) with respect to the aggregate consolidated borrowings of Mindspace REIT are breached on account of market movements of the price of the underlying assets or securities, the Manager shall inform the Trustee at the earliest and ensure that such condition is satisfied within six months of the breach, in accordance with the REIT Regulations;



- (x) Any such obligation will not allow the Manager to make the liabilities of Mindspace REIT or its Unitholders unlimited;
- (xi) In addition to the above, any borrowing by the Asset SPVs will be in accordance with the conditions prescribed under applicable law;
- (xii) Any variation to the borrowing policy shall be only with the approval of the Governing Board of the Manager, and where required under the applicable law, with the approval of the Unitholders ;
- (xiii) The Manager shall disclose to the Designated Stock Exchanges, in the event additional borrowing by any of Mindspace REIT, its Holding Company(ies) or Asset SPVs, results in such borrowing exceeding 5% of the value of the REIT Assets during the year; and

Notwithstanding the above, the borrowing policy will stand amended to the extent of any change in applicable law, including any amendment to the REIT Regulations, without any action from the Manager or approval of the Unitholders.