



**TRANSCRIPT OF 2nd ANNUAL MEETING OF UNITHOLDERS OF MINDSPACE BUSINESS
PARKS REIT**



Mr. Narendra Rahalkar

Compliance Officer:

Good afternoon, ladies and gentlemen. First and foremost, I wish good health to each one of you and your family Members. I'm Narendra Rahalkar, Compliance Officer extend a warm welcome to all unit holders to the Second Annual meeting of Mindspace Business Parks REIT held through electronic means in accordance with the SEBI REIT Regulations 2014 read with relevant circulars issued by SEBI. The facility to join this meeting through electronic means has been made available for unit holders. The unit holders who have joined this meeting are kept on mute mode by the moderator to avoid any disturbance during the meeting.

Before we proceed further, I would like to introduce the Members of the Governing Board of K Raheja Corp Investment Managers LLP, acting as Manager to Mindspace Business Parks REIT, who have joined this meeting.

-Mr. Deepak Ghaisas. He's an Independent Member and Chairperson of the Governing Board, the Stakeholders Relationship Committee and the Investment Committee and Member of the Audit Committee, who shall also preside over this meeting as the Chairperson.

-Next we have Mr. Bobby Parikh. He's an Independent Member and Chairperson of the Audit Committee and the Nomination and Remuneration Committee.

-Next, we have Mr. Ravi Raheja. He's a Non Independent Member of the Governing Board and Member of the Nomination and Remuneration Committee and Stakeholders Relationship Committee.

-Ms. Manisha Girotra, Independent Member of the Governing Board and Member of Nomination and Remuneration Committee and Investment Committee,

- Mr. Manish Kejriwal, Independent Member of the Governing Board and Member of the Nomination and Remuneration Committee and Investment Committee and -

-Mr. Neel Raheja, Non Independent Member of the Governing Board and Member of the Audit committee, Stakeholders Relationship Committee and Investment Committee have not been able to attend this meeting due to their prior commitments.

With us, we also have Mr. Vinod Rohira, CEO and Ms. Preeti Chheda, CFO of the Manager to Mindspace Business Parks REIT. Further, the representatives of the trustees, statutory auditor, secretarial auditor and scrutinizer have also joined this meeting. The meeting will commence with the Chairperson addressing the unit holders of Mindspace REIT. It will be followed by a presentation from Mr. Vinod Rohira, CEO on the operational and financial performance of Mindspace Business Parks REIT for the financial year 21-22.



During this meeting, if a unit holder faces any technical issue, he may contact the helpline number mentioned in the notice, which is 18003094001. I repeat the helpline number for resolving any technical issues is 18003094001. Mindspace REIT has engaged KFin Technologies for hosting this meeting through electronic means, and also for providing remote E voting and E-voting facility at this meeting. Makarand M Joshi & Company, Practicing Company Secretary is appointed as a scrutinizer by the Manager to scrutinize the remote E voting and E voting during the meeting, to ensure that the same is carried out in a fair and transparent manner. The notice of this meeting and annual report for the financial year 21-22, along with the login credentials had already been circulated to the eligible unit holders. The notice and the annual report are also available on the website of Mindspace REIT, BSE limited and the National Stock Exchange of India Limited. The cutoff date fixed for identifying the unit holders who shall be eligible to vote through remote E voting facility and for participation and voting at this meeting was June 22, 2022. Further, the facility of remote E voting in respect of the business to be transacted at this meeting began at 9:00 am on June 25, 2022 and ended at 5:00 pm on June 28, 2022, and has now been disabled.

As all resolutions mentioned in the notice of the annual meeting have already been put to vote through E voting, there will be no proposing or seconding of the resolutions. Similarly, the facility for appointment of proxy and voting by show of hands by unit holder is also not available for this meeting. The facility to express views or ask questions during this meeting was provided to unit holders by registering themselves from 9:00 am on June 25, 2022 to 5:00 pm June 27, 2022. Once the question and answer session commences, the moderator from KFin will announce names of the unit holders who have registered as speaker unit holders one by one. Unit holders who have not registered their queries through speaker registration can raise their queries through chat box during the meeting. With this I hand over the proceedings of the meeting to Mr. Deepak Ghaisas, Chairperson.

Sir, you are on mute.

Mr. Deepak Ghaisas

Chairperson:

Thank you Narendra. Since the requisite quorum is present, I call the meeting to order. I approve and authorize the commencement of the E voting during the meeting, which shall remain open till 15 minutes after the conclusion of the proceedings of the meeting. Can I get the confirmation that the voting is open?



Moderator :

Yes sir. Voting lines are open sir.

Mr. Deepak Ghaisas

Chairperson :

Thank you. A warm welcome to the Second Annual Meeting of unitholders of Mindspace Business Parks REIT. I would like to begin by wishing good health to each of you and your families. I hope you and your families have been safe and doing well. It has been almost two years since Mindspace REIT listed on exchange and the journey so far has been very exciting. The investor interest in your REIT continues to grow. Since listing time Mindspace REIT has seen unitholders base more than triple from 7901 unit holders on our IPO to 24683 unit holders at the end of financial year 2022. SEBI's decision to reduce the trading lot size and increase awareness amongst the investors of REIT as a stable asset class has aided the expansion of our unit holder base. Despite the challenges posted by the pandemic, Mindspace REIT has delivered a cumulative return of 36.5% since listing till end of financial year 2022. During the year, we added a market global investor, Abu Dhabi Investment Authority, known as ADIA to our portfolio, who is now the largest non-sponsor unitholder. Financial year 2022 witnessed two waves of pandemic induced disruptions. Despite the disruptions, our leasing team has done a phenomenal job and managed to lease 4.5 million square feet in our REIT portfolio, making it one of the best years in terms of leasing. My congratulations to them. If one were to add the leasing done in the ROFO portfolio, the cumulative number jumps to 7.4 million square feet. As we had indicated during the last Annual Meeting, the fundamentals of the office market in India continues to remain strong. With the pandemic appearing to gradually slow down and back to office trends now visible across sectors, we expect the tailwind to continue. Also, few trends have been coming to the foray, such as a rise in demand for grade A asset with the best asset managed ecosystem occupiers desire to provide experiential workspaces that focus on promoting employee wellbeing and improving productivity and record hiring by IT companies and GCCs and GICs that these are the global companies leading to new demand for office space. As of March 31, 2022, our portfolio houses 77.2% foreign MNCs with 36.5% of our gross contracted rentals coming from Fortune 500 companies. Despite constantly being in the shadow of pandemic, the reputation in the market, proven track record of delivery, quality of asset and our strong relationship which we have cultivated in our tenants over the years have helped us lease over 8.1 million square feet over last two financial years, that is financial year 21 and financial year 22. We are keen to attract the millennial workforce of India and towards that



endeavor, we utilized the downtime to upgrade our offerings and create modern experiential and aspirational work ecosystem.

Given the scope and complexity of the task at hand, it was efficient and prudent to complete them during the downtime. For example, we have added a new one kilometer long skywalk and Mindspace Madhapur in Hyderabad. It allows seamless connectivity from the metro station into the office building within our park, reducing the carbon footprint generated by last mile transportation and taking away the discomfort caused by vehicular traffic to pedestrian movement, thereby reducing the anxiety of having to navigate heavy traffic to reach their office buildings. The skywalk also houses Vantage Cafe, which hosts kiosks, and breakout spaces, providing for food, recreation, and entertainment zones. Many such initiatives are underway across our parks. The large occupiers are already back in the market and are taking up spaces to cater to their long term back to office footprint strategies. They are scouting for space in quality under construction assets as they expect the significant portion of their workforce to be back in the office and in a few quarters. We were able to attract their demand and record strong pre leasing activity in our under construction assets. Given the strong demand for space, we are working towards the advancing. The construction timelines of some of our future development and are also evaluating redeveloping opportunities at some of our parks. I'm happy to inform our unit holders that the portfolio size of your REIT has grown from 30.2 million square feet at the end of last financial year to 31.8 million square feet now as a result of these initiatives. We are constantly evaluating opportunities to add new assets, while being cognizant about the incorporating deals that are value assertive, and to the unit holders. The REIT has received ROFO notice from the sponsors to acquire a fully leased 1.8 million square feet asset in Madhapur, Hyderabad. This asset is located close to our existing Mindspace Madhapur Park and compliments our existing offerings. We have onboard advisors to evaluate this asset and the valuation is in progress. With regard to our financial performance for the financial year 21-22, our revenue from operations grew by 7.4% year on year to 17.5 billion and our net operating income grew by 8.2% year on year to rupees 14.9 billion. Our in space rentals have grown by 10.3% year on year to rupees 61.7 per square feet per month. We have distributed 10.9 billion as dividend during the year, that is rupees 18.4 per unit, which translates into annualized distribution here of 6.7% on the issue price. In financial year 22, we further optimized our operating costs, leading to increased net operating income margins to 84.9%. We also achieved a further reduction of over 50 bps in our cost of borrowing from 7.1% at the end of financial year 21 to 6.6% at the end of financial year 22.



Our prudent approach to capital deployment, strong balance sheet with low debt, optimum capital structure and the ability to generate free cash flow gives us comfortable headroom for growth and enables us to create long term sustainable value for unit holders. Governance and sustainability continue to remain our focus areas in delivering long term performance. Last two years have created a paradigm shift in perspective towards sustainability. It has pushed organizations to intensify efforts in combating material ESG issues around their businesses. We are firmly committed to delivering holistic value creation for the environment, society and our organization by integrating ESG led approach. Our ESG framework is based on three strategic pillars, which define targets under each of them: resource, conservation and efficiency, employee and community relations and responsible business conduct. We are eager to share our initiatives and plans demonstrating our commitment to ESG. We also will be coming out with our first sustainability report soon. We have aligned our ESG strategy to 10 out of 17 Sustainable Development Goals, SDGs as known, that are defined by the United Nations Development Programme UNDP.

MindSpace REIT was the first Indian real estate entity to join EB 100 initiative last year and this year, we have become the first Indian real estate entity to join climate groups RE100 initiative. As a part of this initiative, we are committed to utilizing 100% electricity from renewable resource for all areas within our portfolio by 2050 and accelerating the change towards zero carbon grids. We have implemented one of the best standards of health and safety protocols across our assets. Our efforts in this regard were recognised by the British Safety Council, which conferred on us Nine Sword of Honor Award across seven assets, a testament to high standards of occupational health and safety management. I would like to use this opportunity to inform unit holders that MindSpace REIT is now a great place to work. Certified a number of initiatives by our management and changes in our policy front are being undertaken for the benefit of our employees. We are encouraging more women to take up the leadership role across the organization. And I'm proud to inform you that 27% of our managerial workforce comprises women, which is amongst the highest in the industry.

Transparency with all stakeholders is the guiding principle of our governance framework. Our Governing Board comprises a majority of Independent Members. To conclude, despite a challenging macro environment, the REIT continues to register strong performance in terms of leasing and recorded strong net operating income growth. We continue our journey towards creating a quality



sustainable, experiential, and aspirational ecosystems that occupiers aspire to be associated with. As a REIT our objective is to maximize unitholder return in the form of regular distribution and unit price appreciation by enhancing our portfolio value through active asset management, tapping organic and inorganic growth opportunities with keeping sustainability at the forefront of all our decisions. Our very able and dynamic leadership team has the capabilities to adapt to the ever changing environment and deliver sustainable business performance. I think I must congratulate the entire management team for the last year's performance. I express my deepest gratitude to the Governing Board Members for their contribution and governance insights, our unit holders for their support and confidence, our employees for their consistent delivery despite the challenging backdrop, and each of our stakeholders for their faith. I seek your continued support and look forward to continuing this journey and creating value in the times to come. You stay well and thank you very much. Now I would like to request Vinod Rohira to make a short presentation on the performance of the Mindspace REIT for the financial year 21-22. Vinod.

Mr. Vinod Rohira
Chief Executive Officer:

Thank you very much Chairman sir. Welcome, shareholders. It's a pleasure to present to you the results for financial year 21-22.

As you can see, the cumulative portfolio now stands at 31.8 million square feet and as Chairman Sir mentioned 61.7 is our in-place rent now for the portfolio. What's important is as a takeaway, we're seeing demand rise quarter on quarter, and we saw that in the previous quarters. The vacancy spaces have now come back in demand. And that's helping a great deal with our portfolio as we can offer them ready spaces to move in as occupancies slowly start rising and clients start coming for growth and occupancies.

Next one. As you can see the performance snapshot. Cumulatively done 8.1 million square feet of gross leasing with 1.5 million square feet delivered in new developments, with an INR 28 per unit total distribution till date. A cumulative return since the listing of 36.5% and an annualized return of 21.4% since listing. And we're grateful that our expansion in unitholders is now three times or what it was when we listed. As you can see the growth trajectory here, the gross leasing ended at 4.5 million square feet, re-leased space was 2.2 million, new and vacant areas were 2.3 million out of this 4.5. And the releasing spread has been 31% with a 10.3% increase in place rent and additionally 2.9 million square feet of ROFO assets that have got leased over and about the gross leasing within the portfolio.



As you can see, the financial performance with INR 10,941 million distribution for financial year 22, which is INR 18.45 per unit at a 6.7% distribution yield and an INR 14,864 million NOI which is 8.2% growth year on year. Our weighted average cost of debt stands at 6.6% c. 260 basis points savings and borrowings passed over March 2020. And our debt now stands at 15.7% to market value. Besides that, we've taken a very strong position to enhance our sustainability footprint and portfolio with the initiative of joining Climate Group BV 100, as well as RE 100 and continue to focus on creating assets, which are long term sustainable, and continue to stick to the vision of ensuring that we can get as close to the carbon neutral footprint as fast as we can, considering the opportunities and the challenges we face in that direction.

We have a robust development pipeline also in our different micro markets. As you can see from this slide, we have a million square foot getting ready in Airoli west out of that significant amount is already got pre released. And by the time we finished the building we're confident of leasing that building out completely. Another asset which is under construction in Pune is also leased out. Another asset which is getting ready, which is pre committed for a datacenter building is also on scheduled to be delivered to the client right on time. And an additional building which is under sub structure right now in Pune, which we are planning to prepone and bring supply faster because we see the opportunity of demand matching with this supply. These are just some of the initiatives we embarked on in the last couple of years taking opportunity of lower densities at our parks to actually dramatically change the experience quotient. These are not resorts, these are actually business parks, which are looking forward to attracting top talent to come and work within our gated communities. And the biggest opportunity we've been able to offer as people are now wanting to come back to work is the experiential offerings which Chairman sir also mentioned. And that's really our endeavor to ensure that we completely change the game in terms of creating the experience at the workplace.

This was the Skywalk initiative, which was inaugurated by the minister in Telangana and got tremendous reviews. And it was viral on social media that this has become the most talked about benchmark for creating an ecosystem within the large IT parks that are getting built across the country. And a lot of clients have appreciated this and a lot of developers who've come across of India to visit this to see how they can duplicate these kinds of infrastructure initiatives within their parks across India. This is just a snapshot of the New Age developments that



we are now working towards creating this asset, one amongst the best architecture awards for IT parks in the country. And we urge you to actually, if you're in Pune, do step by and come and visit this asset, so you know what new offerings of workspaces all are about.

While we look at the financial performance coupled with low leverage, as you can see, our debt is at 15.7% with a distribution amount of 10,941 million. What's important to take away from here is our weighted average cost of debt has come down from 9.2 to 6.6. While we see cost of capital moving up a little, but we are well poised with our portfolio in terms of our debt distribution to take care of this in a far more stable manner going forward.

This is a quick update on the ROFO asset This is an asset in the vicinity of Madhapur in Hyderabad, which is a 1.8 million square foot asset which is completely pre leased to a marquee tenant. And we are excited and looking forward to infuse this ROFO asset into the portfolio. Thank you very much. With this I come to an end with my presentation.

Mr. Narendra Rahalkar
Compliance Officer:

Thank you, sir.

Mr. Deepak Ghaisas
Chairperson :

Thanks Vinod. I request Narendra to proceed with the meeting. Narendra.

Mr. Narendra Rahalkar
Compliance Officer:

Thank you, sir. The report of the statutory auditors for the financial year ended March 31, 2022 does not contain any qualification, observations, comment, which may have an adverse effect on the financial reporting of Mindspace Business Park REIT. Accordingly, the said report is not required to be read out before the meeting.

Now, I would like to apprise the unit holders present at the meeting about the resolutions proposed in the notice for the unit holder's approval by simple majority. In all there are four resolutions, starting with the adoption of the audited, standalone and consolidated financial statements for the financial year ended March 31, 22 together with the reports of the statutory auditors, and the report on performance of Mindspace REIT.



Next is the valuation report issued by Mr. Shubhendu Shah for valuation of the portfolio of Mindspace REIT as at March 31, 2022.

Next is to consider and approve appointment of Deloitte Haskins and Sells, Statutory Auditors for a period of five years that is up till the financial year ending March 31, 2027.

The last resolution is to consider and approve remuneration payable to the Members of the Governing Board and Committees of K Raheja Corp Investor Managers LLP, acting as Manager to Mindspace REIT.

Now, I would like to invite the moderator from KFin to call upon the names of unit holders who have registered themselves as speaker for this meeting. In case any questions are posed by unit holders to ask a question facility or chat box then the management will respond to such questions after the meeting is over via an email to the respective unit holders. In case any further clarifications are required, the unit holders can reach out to the Compliance Officer, Investor Relation cell of the Manager to the Mindspace REIT .Yeah, Mr. Raju.

Moderator : Yeah, I request Mina Aggarwal from Mumbai to switch on her camera and speak sir. Ms. Mina Aggarwal from Mumbai.

Speaker : I am there. I'm speaking, I'm switching on my camera. That is why. Hello.

Moderator : Right sir.

Speaker : Can you hear me sir?

Moderator : Sir, you are audible sir. Go ahead.

Speaker : Respected CEO, Vinod Rohira ji, Narendra Rahalkar, as CFO Preeti Chedda. Good afternoon and regards to everyone sir. I have gone through the annual report the way I could. It's a little complicated from the other annual reports that one would go through. The revenues was 17,501 million and you have distributed 10,941 million of that as dividends to the unit holders at the rate of 18.45. Sir, it's a very good sign and we as investors, we are happy to receive money in our hand. And I also compliment the management for all the awards that has been mentioned on page 23, especially for the new kinds of business park that the company is developing, which you also showed in your presentation. And the Airoli and Pune



leased buildings, which are under construction, also been taken up by lessees. Means there's a lot of demand for our products. And we make something which is very unique, and even that skywalk which you showed, was something very, very different. And the new leases and the renewed leases of 2.2 and 2.3, 4.5 million square feet also good. And the only thing is that the lease rental, which have been shown to be at 61.7 per square feet is a little less compared to today's time when we hear 100-150 rupees per square feet of lease rentals everywhere for commercial premises. So I feel this is a little low. And I hope when the leases are renewed, they'll be on a little higher side. And I'm signing up. I wish the company all the best, sir. Thanking you. Signing off. Vinod Aggarwal.

Mr. Vinod Rohira
Chief Executive Officer:

Thank you very much. Thank you very much.

Moderator :

Sir, since no other unit holder reached to speak, so I hand over the mike to Chairman.

Thank you, sir.

Mr. Narendra Rahalkar
Compliance Officer:

Thank you. I thank the speaker for expressing his views. And I would request Mr. Rohira or Ms Chheda, if they have to say some words to the unit holder.

Mr. Vinod Rohira
Chief Executive Officer:

Thank you very much for the feedback. It's very encouraging to have heard such positive words from your side. Just to give you a quick summary. When we launched the REIT our average in place rent was 54 rupees. And during the last two years of the pandemic, we've reached 61 rupees as an average rent across the portfolio. It's come to 64 because obviously we are renting at much higher ends now on the newer space that's getting leased, which is why the average is getting pushed up. And wherever the vacancies are, they're getting leased at higher rental. So it is in the trajectory of what you were mentioning, and we are hopeful to reach higher numbers soon. Thank you very much.

Mr. Narendra Rahalkar
Compliance Officer:

Thank you, sir. I'll proceed with the agenda of the meeting. The proceedings of the meeting, along with the consolidated results of the remote E voting and E voting during the meeting will be announced within 48 hours of the conclusion of the meeting. And the said results, along with the scrutinizers report will be intimated to the exchanges as per the applicable laws and will also be placed on



the website of Mindspace REIT and KFin Technologies Limited. Further, the transcript of this meeting shall also be made available on the website of Mindspace Business Park REIT. I offer a vote of thanks to the chair on behalf of all the unit holders and Members of the Governing Board present at the meeting. I now request the chairperson to give his closing remarks.

Mr. Deepak Ghaisas,

Chairperson :

Thanks Narendra. The voting facility will remain open for next 15 minutes to enable unit holders to cast their votes, who have not yet cast their vote on the resolution and who are otherwise not barred from doing so. Further, I authorize any one of the Chief Executive Officer or Chief Financial Officer, or the Compliance Officer of the Manager to accept, acknowledge and countersign the scrutinizers report in connection with the meeting and declare the results of the voting in accordance with the requirements described under the applicable laws. I take this opportunity to thank all the unit holders for taking their time out to join this meeting. I thank all board Members, my colleagues on the board and other invitees for attending this meeting. Please take care of yourself. Stay safe and stay healthy. I now announce the meeting as concluded. Thank you very much again. Thank you.

Mr. Narendra Rahalkar

Compliance Officer:

Thank you. The board Members can log off now. The instapoll will continue for 15 minutes.