



Date: May 14, 2021

To,

**The National Stock Exchange of India Ltd.**

Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C/1, G- Block,  
Bandra Kurla Complex,  
Bandra (E), Mumbai- 400051.

**BSE Limited**

25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400001

**Scrip Symbol "MINDSPACE" (Units)**

**Scrip Code "543217" (Units) and  
Scrip Code "960104", "960327", 973069  
and "973070" (Debentures)**

**Subject: Outcome of the Meeting of the Governing Board ("Board") of K Raheja Corp Investment Managers LLP ("Manager"), manager to Mindspace Business Parks REIT ("Mindspace REIT") held on Friday, May 14, 2021**

Dear Sir/Madam,

We wish to inform you that the Governing Board of the Manager of Mindspace REIT, at its meeting held on Friday, May 14, 2021, through audio-visual electronic communication has, *inter-alia*:

- i. approved the Audited Condensed Standalone Financial Statements and Audited Condensed Consolidated Financial Statements of Mindspace REIT for the quarter, half year and financial year ended March 31, 2021;
- ii. adopted the Audited Standalone Financial Statements and Audited Consolidated Financial Statements of Mindspace REIT (which shall form part of the annual report) and report on performance of Mindspace REIT for the financial year ended March 31, 2021, subject to approval by the unitholders;
- iii. declared distribution of Rs. 2852 million / Rs. 4.81 per Unit for the quarter ended March 31, 2021. The distribution comprises Rs. 2633 million / Rs. 4.44 per Unit in form of dividend and Rs. 219 million / Rs. 0.37 per Unit in form of interest. Together with the distribution made in the previous quarter, the distributions for the full year ended March 31, 2021, aggregating to Rs. 5687 million / Rs. 9.59 per Unit;
- iv. adopted valuation report for financial year ended March 31, 2021, issued by Mr. Shubhendu Saha, valuer of Mindspace REIT, subject to approval by the unitholders; and

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**K Raheja Corp Investment Managers LLP**

**LLP Identification Number (LLPIN): AAM-1179**

**Regd. Office: Raheja Tower, plot No. C-30, Block 'G', Bandra Kurla Complex, Bandra (E), Mumbai – 400 051**

**Phone: +91 – 22- 2656 4000 | mindspacereit.com**

- v. declared Net Asset Value of Rs. 345.19 per Unit for Mindspace REIT as on March 31, 2021, as per Regulation 10(22) of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, based on the valuation report dated May 8, 2021, issued by Mr. Shubhendu Saha, valuer of Mindspace REIT;

Further, we have enclosed the following:

1. Press Release in connection with the i) Audited Condensed Standalone Financial Statements and Audited Condensed Consolidated Financial Statements of Mindspace REIT for the quarter, half year and financial year ended March 31, 2021 and ii) Audited Standalone Financial Statements and Audited Consolidated Financial Statements of Mindspace REIT for the financial year ended March 31, 2021, as **Annexure 1**;
2. Earnings presentation for the quarter, half year and financial year ended March 31, 2021, comprising of the business and financial results of Mindspace REIT and the performance of Mindspace REIT as **Annexure 2**;
3. Summary Valuation Report for the financial year ended March 31, 2021, issued by Mr. Shubhendu Saha, valuer of Mindspace REIT as **Annexure 3**;
4. Independent Property Consultant Report issued by Cushman & Wakefield India Private Limited, on review of the assumptions and the methodologies used for the valuation by Mr. Shubhendu Saha, valuer of Mindspace REIT in his Valuation Report for the financial year ended March 31, 2021, as **Annexure 4**; and
5. Audited Condensed Standalone Financial Statements and Audited Condensed Consolidated Financial Statements of Mindspace REIT for the quarter and financial year ended March 31, 2021 along with the statutory Auditors Report thereon as **Annexure 5**.

The details of related party transactions are set out at page nos. 26 to 27 of the Audited Condensed Standalone Financial Statements and at page nos. 58 to 59 of the Audited Condensed Consolidated Financial Statements of Mindspace REIT, which are enclosed as **Annexure 5**.

Computation of Net Asset Value is set out at page no. 8 of Audited Condensed Consolidated Financial Statements, which is enclosed as **Annexure 5**.

You are requested to note that the financial statements of the Manager for the year ended March 31, 2021, have not been disclosed, since there is no material erosion in the Manager's net worth as on March 31, 2021, compared to March 31, 2020, as judged by Axis Trustee Services Limited, Trustee of Mindspace REIT.

We also wish to inform you that record date for the distribution to unitholders for the quarter ended March 31, 2021, will be Friday, May 21, 2021, and the payment of distribution will be made on or before Saturday, May 29, 2021, subject to applicable taxes.

Please take the same on your record.

Thanking you,

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

Rohit Bhase

**Authorised Signatory**

**Name: Rohit Bhase**

**Designation: Compliance Officer**

**Place: Mumbai**

**Encl: As above**



## Mindspace REIT Announces Results for Q4 & 12M FY2021 Declares Distribution of INR 4.81 per unit

**Mumbai, May 14, 2021:** Mindspace Business Parks REIT (BSE: 543217 | NSE: MINDSPACE) ('Mindspace REIT'), owner and developer of quality Grade A office portfolio located in four key office markets of India, reported results for the quarter and financial year ended March 2021.

### Distribution

The Governing Board of K Raheja Corp Investment Managers LLP, Manager to Mindspace REIT approved a distribution of **INR 2,852 Mn** or **INR 4.81 p.u.** for Q4 FY2021 at its meeting held earlier today. Distribution comprises 92.3% dividend (INR 4.44 p.u.) and 7.7% is in the form of interest (INR 0.37 p.u.). The record date for the distribution is 21 May 2021, payment of the distribution shall be processed on or before 28 May 2021.

The cumulative distribution of 9.59 p.u. in H2 FY2021 translates into an annualized yield of 7.0% on issue price of INR 275 p.u. (in line with Projections).

### Performance Highlights

<u>Particulars</u>	<u>Unit</u>	<u>Q4 FY21</u>	<u>FY21</u>
Gross Leasing	<u>msf</u>	1.5	3.5
Average Rent (Gross Leasing)	<u>INR psf pm</u>	73	69
Re-leasing*	<u>msf</u>	0.8	2.2
Re-leasing Spread	<u>%</u>	16.1	19.1
Net Operating Income	<u>INR Mn</u>	3,579	13,741
Distribution	<u>INR Mn</u>	2,852	5,687 <sup>#</sup>
Distribution	<u>INR per unit</u>	4.81	9.59 <sup>#</sup>

\* Re-leasing includes extensions and leasing of vacant area  
# for H2 FY2021

### Performance Update for Q4 FY2021

- **Leased c.0.63 msf to one of Asia's leading data centre operators** at Mindspace, Airoli West
- **Portfolio size** has now increased from 29.5 msf to **30.2 msf**
- **Completed area constitutes over 92%** of the Portfolio value
- Continued to **collect over 99% of Gross Contracted Rentals**
- **Committed Occupancy** of **84.2%**
- **Same Store Committed Occupancy** of **86.8%**

### Financial Update for Q4 FY2021

- Raised **INR 3,750 Mn** via **MLDs at 6.65% p.a.** (Rating - CRISIL PP MLD AAA r/Stable)
- Raised **INR 750 Mn** via **NCDs at 6.69% p.a. payable quarterly** (Rating - CRISIL AAA/Stable)



- **Average cost of debt at 7.1%** at March 31, 2021
- Robust balance sheet with **low net debt to market value of 14.0%**
- **NAV of INR 345.2** p.u. as of 31 March 2021 vs INR 338.4 as of 30 September 2020

#### **Other Updates for Q4 FY2021**

- **“Commercial Project of the year”** award by Realty Conclave for Gera Commerzone Kharadi
- Received **ISO 45001 certification** for Mindspace Airoli East, Mindspace Airoli West, Mindspace Malad & Commerzone Yerwada

**Speaking on the results, Mr. Vinod Rohira, Chief Executive Officer, Mindspace Business Parks REIT** said, *“We delivered the financial performance in line with our projections. Our operating performance remained stable with collections continuing to be over 99% through the pandemic. We achieved a healthy gross leasing of 1.5 million sq. ft. during this quarter and diversified our tenant mix by signing up with a data centre tenant at our Mindspace Airoli (West) park. Growth in demand for technology services has helped earnings and hiring of IT companies rise during the pandemic and we expect this trajectory to continue in the long-term. We also see a growing need to return back to offices as soon as the situation improves and as offices continue to be preferred places to work, providing an inclusive environment for employees to ideate, collaborate and optimize output. These are expected to lead to renewed demand for Grade A commercial real estate. We continue to invest in enhancements of our Parks and maintenance of high standards of health and safety so as to keep our parks ready for our tenants when they return to their workplace. We have seamlessly integrated sustainable social, environmental, and governance practices into our developments and operations. Partnering with the governments and other institutions to support their efforts to mitigate the impact of pandemic continues to be one of our key focus areas.”*

#### **Investor Communication and Quarterly Investor Call Details**

Mindspace REIT has disclosed the following information pertaining to the financial results and business performance (i) audited condensed standalone and audited condensed consolidated financial statements for the quarter, half year and financial year ended 31 March 2021 (*The condensed consolidated financial results include financial results of Asset SPVs for a cumulative eight month period from 01 August 2020 to 31 March 2021*) and (ii) an earnings presentation covering Q4 and 12M FY2021 results. All these documents are available on Mindspace REIT’s website at <https://www.mindspacereit.com/investor-relations/financial-updates/#ir>

Mindspace REIT is also hosting an earnings conference call on 17 May, 2021 at 16:00 hours Indian Standard Time to discuss the Q4 and 12M FY2021 results. The dial in details have are available on our website at [https://www.mindspacereit.com/investor\\_relations/presentations/#ir](https://www.mindspacereit.com/investor_relations/presentations/#ir) and have also been filed with the stock exchanges.

A replay of the call will be available till 16 May 2021 on Mindspace REIT’s website at [https://www.mindspacereit.com/investor\\_relations/presentations/#ir](https://www.mindspacereit.com/investor_relations/presentations/#ir)

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### **About Mindspace Business Parks REIT**

*Mindspace Business Parks REIT, sponsored by K Raheja Corp group, listed on the Indian bourses in August 2020. The REIT owns quality office portfolios located in four key office markets of India, namely Mumbai Region, Pune, Hyderabad and Chennai. It has a total leasable area of 30.2 msf, with superior infrastructure and amenities, and is one of the largest Grade-A office portfolios in India. The portfolio consists of 5 integrated business parks and 5 quality independent office assets. It has a diversified and high-quality tenant base, with over 160 tenants as of March 31, 2021. Most of the buildings in the portfolio are either Gold or Platinum Green Building Certified (IGBC/LEED). The assets provide a community-based ecosystem and have been developed to meet the evolving standards of tenants, and the demands of 'new age*



businesses', making it amongst the preferred options for both multinational and domestic corporations. To know more visit [www.mindspacereit.com](http://www.mindspacereit.com)

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Q4 & FY21  
Results Presentation

14<sup>th</sup> May 21

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## Note:

1. The consolidated financial results include financial results of Asset SPVs for a cumulative eight-month period from 01 Aug 20 to 31 Mar 21
2. In the presentation, Revenue from Operations & NOI, and Operating numbers for the full year have been calculated on a pro forma basis beginning 01 Apr 20 for comparison purpose
3. All the financial numbers in the presentation have been rounded off unless otherwise stated
4. Mindspace Business Parks REIT is referred to as Mindspace REIT in the presentation
5. 'The Square Avenue 61 (BKC)' & 'The Square Signatures Business Chambers (Nagar Road - Pune)' are referred as "The Square BKC" and "The Square Nagar Road" respectively in the presentation



# Key Updates



# Mindspace REIT – Year at a Glance (FY21)

1

## Operating Highlights

3.5 <sub>msf</sub> Gross Leasing <sup>(1)</sup>	2.2 <sub>msf</sub> Re-leased <sup>(2)</sup>	1.3 <sub>msf</sub> New area Leased
19.1 % Re-leasing Spread	INR 69 <sub>psf</sub> Average rent for Gross Leasing	8.0 % Increase in In-place rent

2

## Financial Highlights

INR 5,687 <sub>Mn</sub> Distribution for H2 FY21 (INR 9.59 p.u.)	7.0 % Distribution Yield <sup>(3)</sup>	INR 13,741 <sub>Mn</sub> NOI (12.1% growth y-o-y)
7.1 % Weighted Average Cost of Debt	c.210 <sub>bps</sub> Savings in Borrowing cost over Mar 20	14.0 % Net Debt to Market Value

3

## Other Highlights



1. Gross Leasing includes pre-leasing of 0.63 msf of data center at Mindspace Airol West


2. Re-leasing includes extensions and vacant area leasing

3. Annualized distribution yield basis H2 FY21 distribution calculated on issue price


4. Includes one pre-certified building

# Key Updates for Q4 FY21


## Operational

- 
- Gross Leasing of 1.5 msf including leasing of 0.63 msf to Princeton Digital as data center
  - Committed Occupancy of 84.2%<sup>(1)</sup>
  - Same Store Committed Occupancy of 86.8%
  - Re-leasing spread of 16.1%<sup>(2)</sup> on 0.8 msf Re-leased during the quarter
  - Achieved an average rent of INR 73 psf / month across 14 tenants
  - Collections of more than 99% of Gross Contracted Rentals<sup>(3)(4)</sup>

## Financial

- 
- Declared distribution of INR 2,852 Mn / INR 4.81 p.u.
  - NOI for Q4 FY21 at INR 3,579 Mn
  - Raised INR 3,750 Mn via MLD at 6.65% p.a.<sup>(5)</sup> & INR 750 Mn via NCD at c.6.69% p.a. payable quarterly
  - Weighted average cost of debt reduced from 7.3% p.a. (Dec 20) to 7.1% p.a. (Mar 21)
  - Net Debt to Market Value remains low at 14.0%<sup>(6)</sup>
  - NAV as of 31 Mar 21 - INR 345.2 p.u. vs 30 Sep 20 – INR 338.4 p.u.

## Others

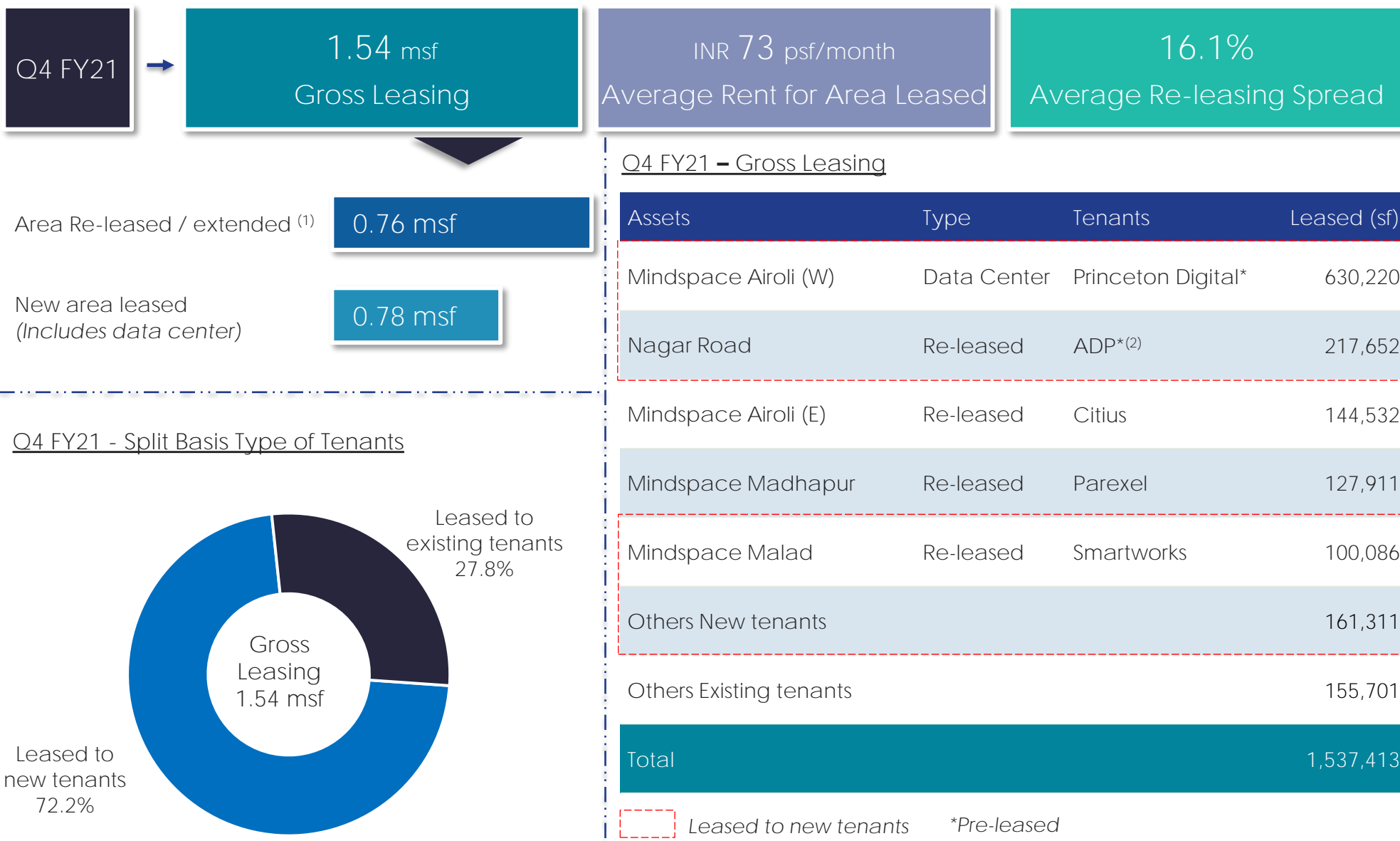
- 
- **“Commercial Project of the year”** award by Realty Conclave for Gera Commerzone Kharadi
  - Received ISO 45001 certification for Mindspace Airoli East, Mindspace Airoli West, Mindspace Malad Mindspace Madhapur & Commerzone Yerwada

1. Committed Occupancy / Expiry factors in contracts expiring on 31 Mar 21 & another tenant due for expiry on 30 Apr 21  
2. Re-leasing spread includes spread on extensions and vacant area leasing  
3. Collections are as of 30 Apr 21  
4. Gross Contracted Rentals is the sum of Base Rentals and fit-out rent to be invoiced for Occupied Area that is expected to be received from the tenants

5. pursuant to the agreements entered with them  
Market Linked Debentures (MLDs) - G-Sec linked subject to terms and conditions mentioned in the Information Memorandum  
6. Net Debt and Market value as of 31 Mar 21; For the purpose of LTV calculation, Net Debt is considered post accounting & minority adjustment

## Leasing Overview – Q4 FY21

1.54 msf leases signed across 14 tenants including 0.63 msf let to data center tenant



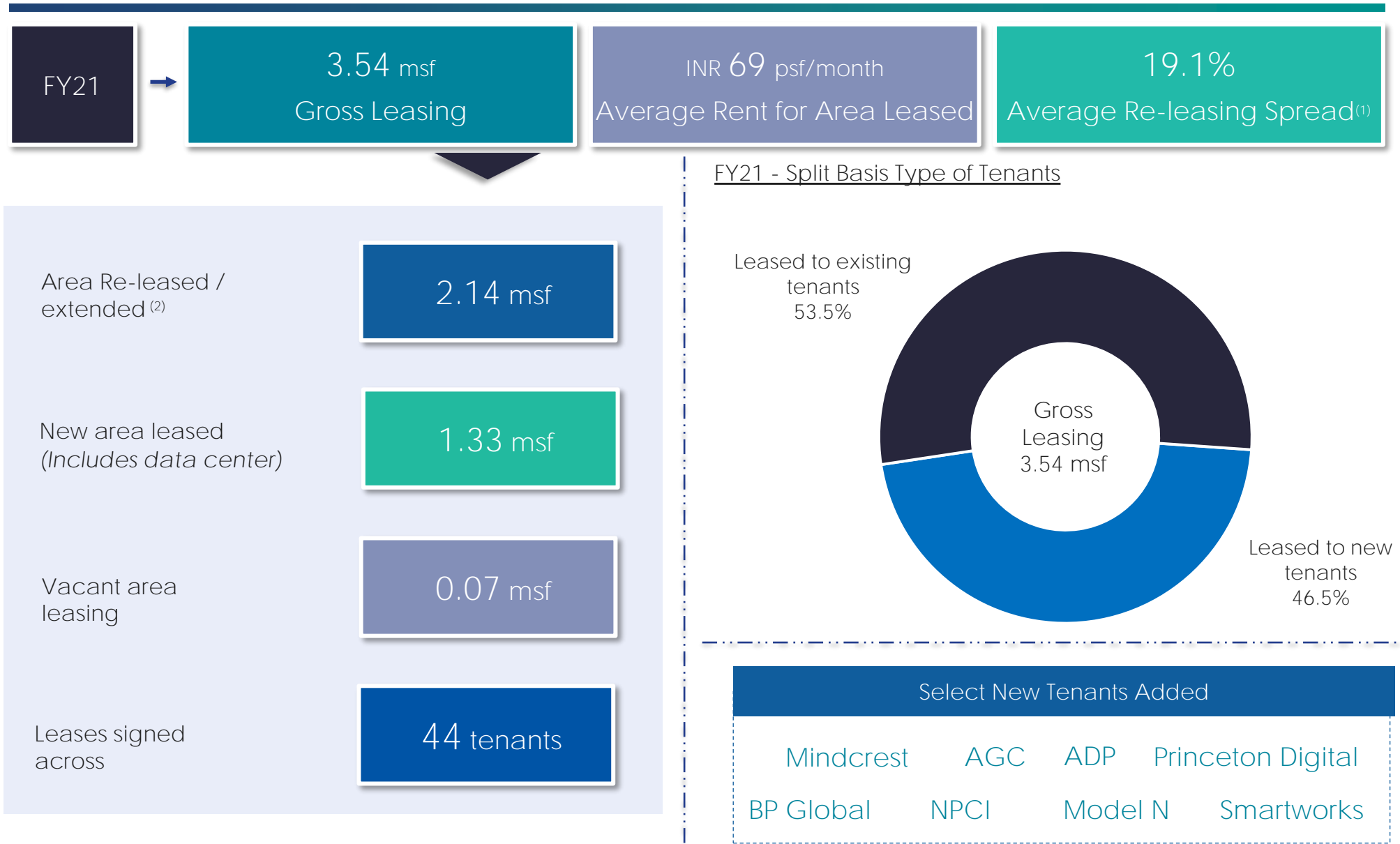
Note: All leasing numbers include LOIs signed

1. Includes Re-leasing of contractual expiries, leasing of early terminations and extensions granted for expiring leases

2. Includes pre-leased area of 29 ksf

## Leasing Overview – FY21

3.54 msf leases signed across 44 tenants



Note: All leasing numbers include LOIs signed

1. Includes spread on leasing of vacant area as on 31 Mar 20

2. Includes Re-leasing of contractual expiries, leasing of early terminations and extensions granted for expiring leases

# Delivered Sustainable Financial Performance

Performance driven by revenue management and cost efficiencies

	Revenue from Operations <sup>(1)</sup> (INR Mn)	NOI (INR Mn)	Key Points
FY21	16,293	13,741	NOI growth for FY21 over FY20: 12.1%
Q4 FY21	4,265	3,579	
Q3 FY21	4,163	3,578	
FY 2020	15,501	12,257	
			NOI for FY21 driven by top-line expansion and cost optimization
			Maintained over 80% NOI margin

Note:

1. Excludes revenue from works contract services in Gera Commerzone Kharadi

# Mindspace REIT Declares Distribution for Q4 FY21

Q4 Distribution of INR 2,852 Mn, INR 4.81 per unit resulting in Distribution Yield<sup>(1)</sup> of 7.0%

## Key Dates



Period

Jan 21 to Mar 21

Declaration Date

14 May 21

Record Date

21 May 21

Payment Date

On or before  
28 May 21

Distribution Yield<sup>(1)</sup>

7.0%

Distribution Amount

INR 2,852 Mn

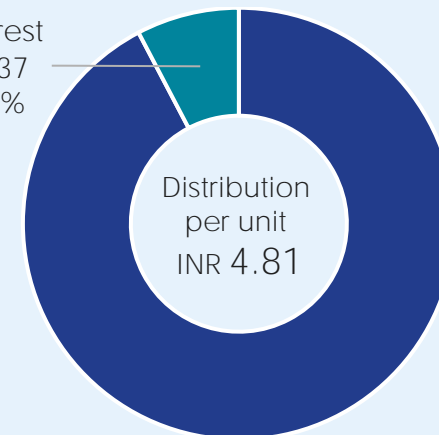
Outstanding Units

593,018,182

Distribution per unit

INR 4.81

Interest  
₹0.37  
7.7%



Dividend  
₹4.44  
92.3%

Majority of the distribution is in the form of dividend which is tax-exempt in the hands of Unitholders

Note:

1. Annualized distribution yield basis H2 FY21 distribution calculated on issue price

# De-risked Portfolio with 92.3% Completed Assets (by Value)

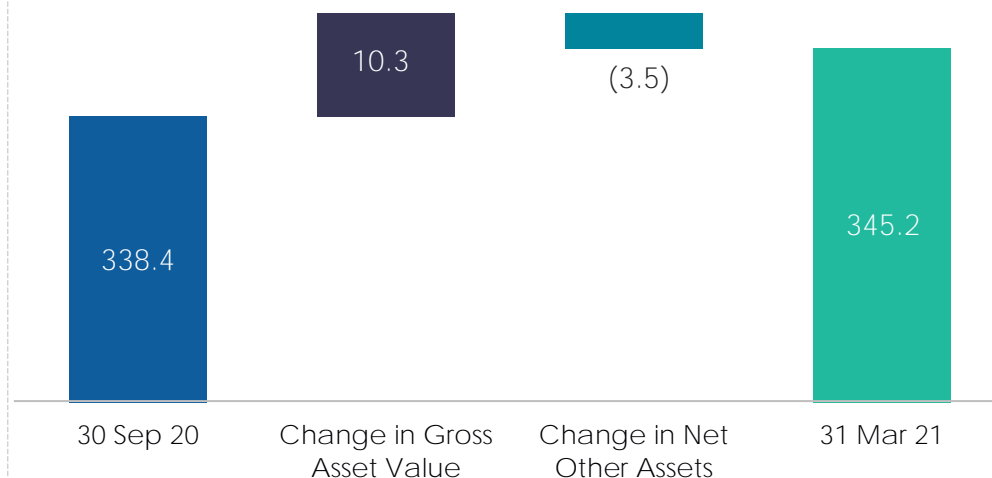
## Statement of Net Assets at Fair Value

(INR Mn)

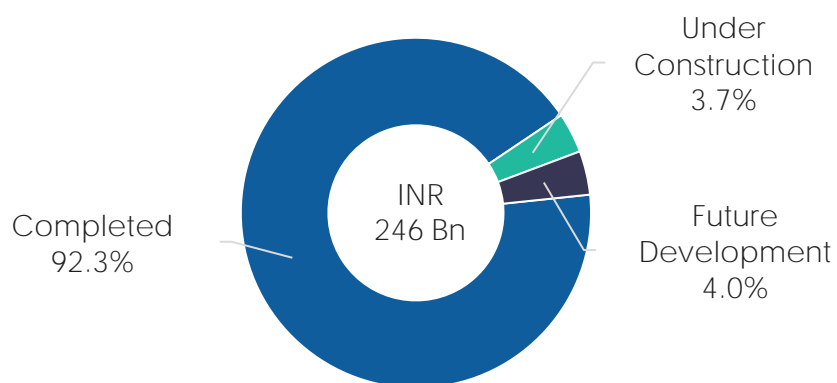
Sr. No.	Particulars	31 Mar 21
A	Fair Value of Real Estate Assets <sup>(1)</sup>	246,167
B	Other Assets at Book Value	7,445
C	Other Liabilities at Book Value	48,906
D	Net Assets Value(A+B-C)	204,706
E	No. of Units (Mn)	593
NAV		INR 345.2 p.u.

## Movement of NAV

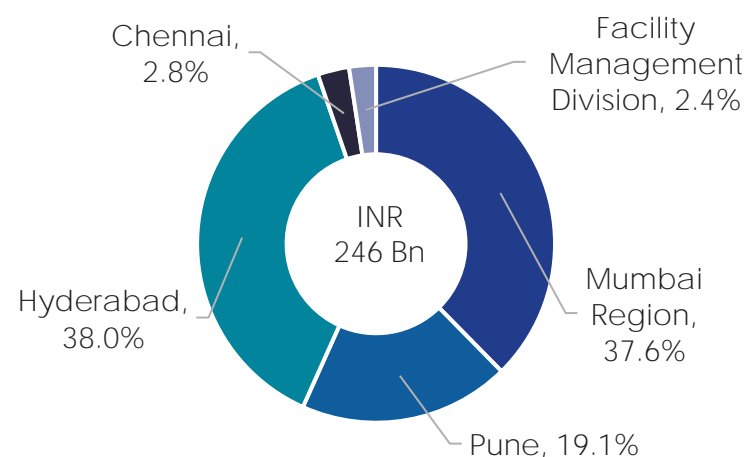
(INR p.u.)



## Completed Assets form 92.3% of the Market Value<sup>(1)</sup>



## Breakup of Market Value basis Geography



Note:

1. Includes Real Estate & Facility Management Division



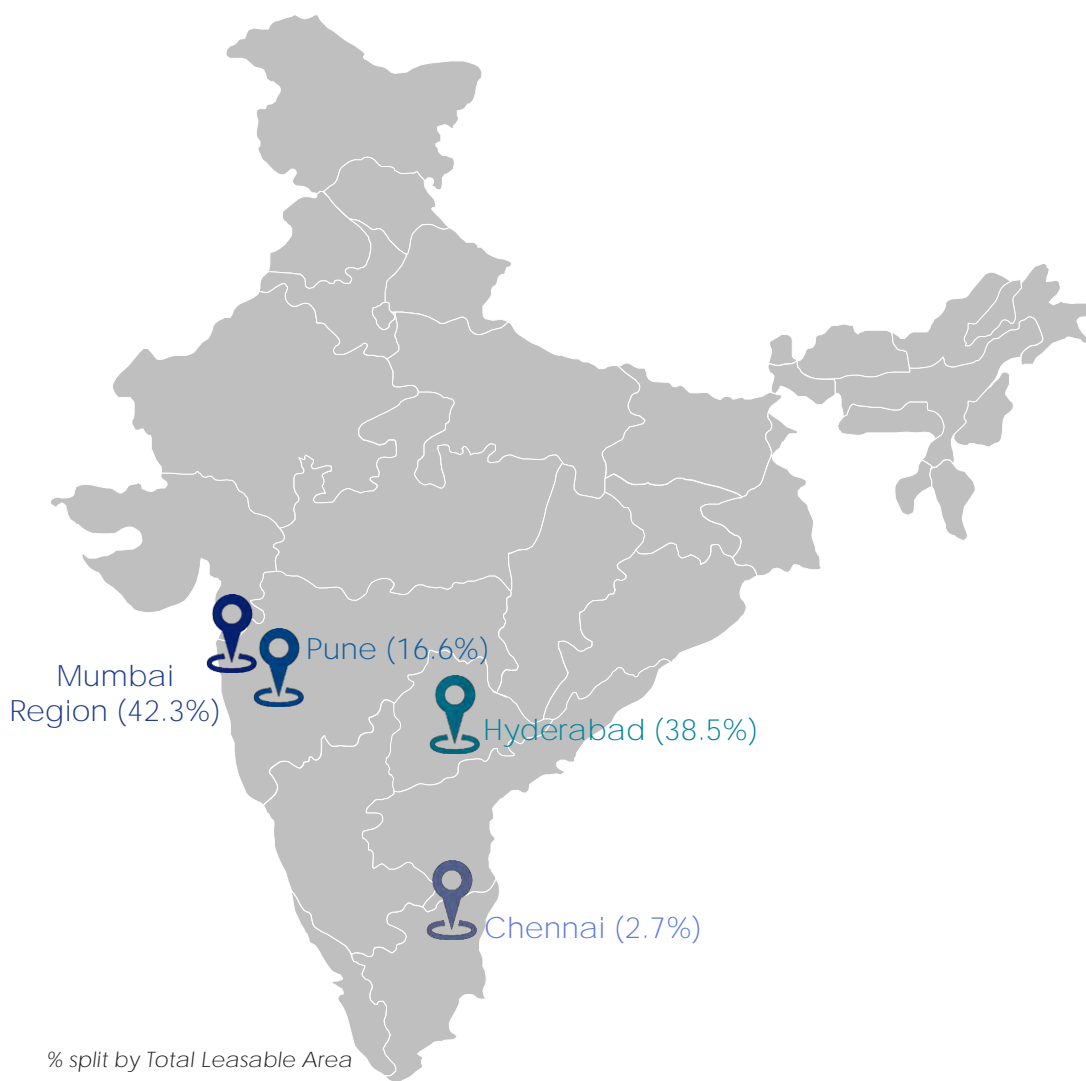
# Portfolio Overview

**MINDSPACE**

BUSINESS PARKS REIT

# Portfolio Overview

Mindspace REIT is one of the largest Grade-A office portfolios in India



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

INR 55.9 psf  
In-place Rent

86.8%  
Same Store Committed  
Occupancy

84.2%  
Committed Occupancy

13.8%  
Mark to Market Potential<sup>(2)</sup>

6.0 years  
WALE

92.3%  
Market Value<sup>(3)</sup> of  
Completed Area

14.0%  
Net Debt to Market Value<sup>(3)(4)</sup>

1. Comprises 23.9 msf Completed Area, 2.1 msf of Under-Construction area and 4.3 msf Future Development Area  
2. Market Rent of INR 63.6 psf (FY22) considered for calculating MTM potential (basis management estimates)

3. Market value as of 31 Mar 21  
4. For the purpose of LTV calculation, Net Debt as of 31 Mar 21 has been considered post accounting & minority interest adjustment

# Five Integrated Business Parks

Mindspace Madhapur  
Hyderabad | 10.6 msf



Completed Area: 10.0 msf; Committed Occupancy: 88.0%

Mindspace Airoli East  
Mumbai Region | 6.8 msf



Completed Area: 4.7 msf; Committed Occupancy: 91.2%

Mindspace Airoli West  
Mumbai Region | 5.1 msf<sup>(1)</sup>



Completed Area: 3.5 msf;  
Committed Occupancy: 68.5%

Gera Commerzone Kharadi  
Pune | 2.6 msf <sup>(2)</sup>



Completed Area: 1.3 msf;  
Committed Occupancy: 93.1%

Commerzone Yerwada  
Pune | 1.7 msf <sup>(2)</sup>



Completed Area: 1.7 msf;  
Committed Occupancy: 99.9%

Note: Above areas include Under-Construction Area and Future Development Area

1. Leasable Area increased due to addition of 0.63 msf as data center
2. Total Leasable Area for these assets comprises only Asset SPVs' share of the area

# Five Quality Independent Office Assets

Commerzone Porur  
Chennai | 0.8 msf <sup>(1)</sup>



Completed Area: 0.8 msf; Leased: 67 ksf

Paradigm, Mindspace Malad  
Mumbai Region | 0.7 msf



Completed Area: 0.7 msf; Committed Occupancy: 94.0%

The Square, BKC  
Mumbai Region | 0.1 msf



Completed Area: 0.1 msf;  
Refurbishment under process; Leased: 32 ksf

Mindspace Pocharam  
Hyderabad | 1.0 msf



Completed Area: 0.4 msf;  
Committed Occupancy: 71.1%

The Square, Nagar Road  
Pune | 0.8 msf <sup>(2)</sup>



Completed Area: 0.7 msf;  
Committed Occupancy: 100%

Note: Above areas include Under-Construction Area and Future Development Area

1. Total Leasable Area for these assets comprises only Asset SPVs' share of the area
2. Leasable Area increased due to planned conversion of multiplex area into office space

# Marquee Tenant Base

Leading MNCs and Fortune 500 companies across sectors

## Technology

Accenture Wipro  
Syntel IBM Verizon  
Here Solutions

## Financial Services

Barclays BNY Mellon  
UBS Fiserv Allstate  
Bank of America

## Diversified

Amazon Qualcomm  
Citius UGH Model N  
Schlumberger

82.9%

40.3%

35.0%

Share of foreign MNCs in  
rentals <sup>(1)</sup>

Share of top 10 tenants in  
rentals <sup>(1)</sup>

Share of Fortune 500  
companies in rentals <sup>(1)(2)</sup>

Note :

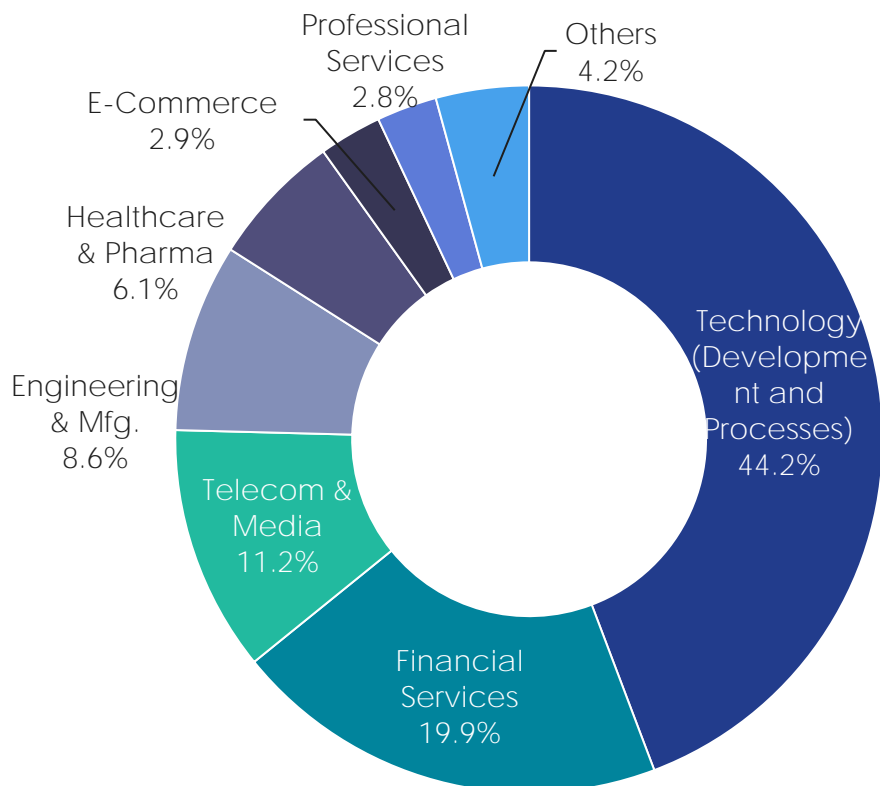
1. Represents % of Gross Contracted Rentals as on 31 Mar 21

2. Fortune 500 Global List of Mar 21

# Diversified Portfolio of Marquee Tenants

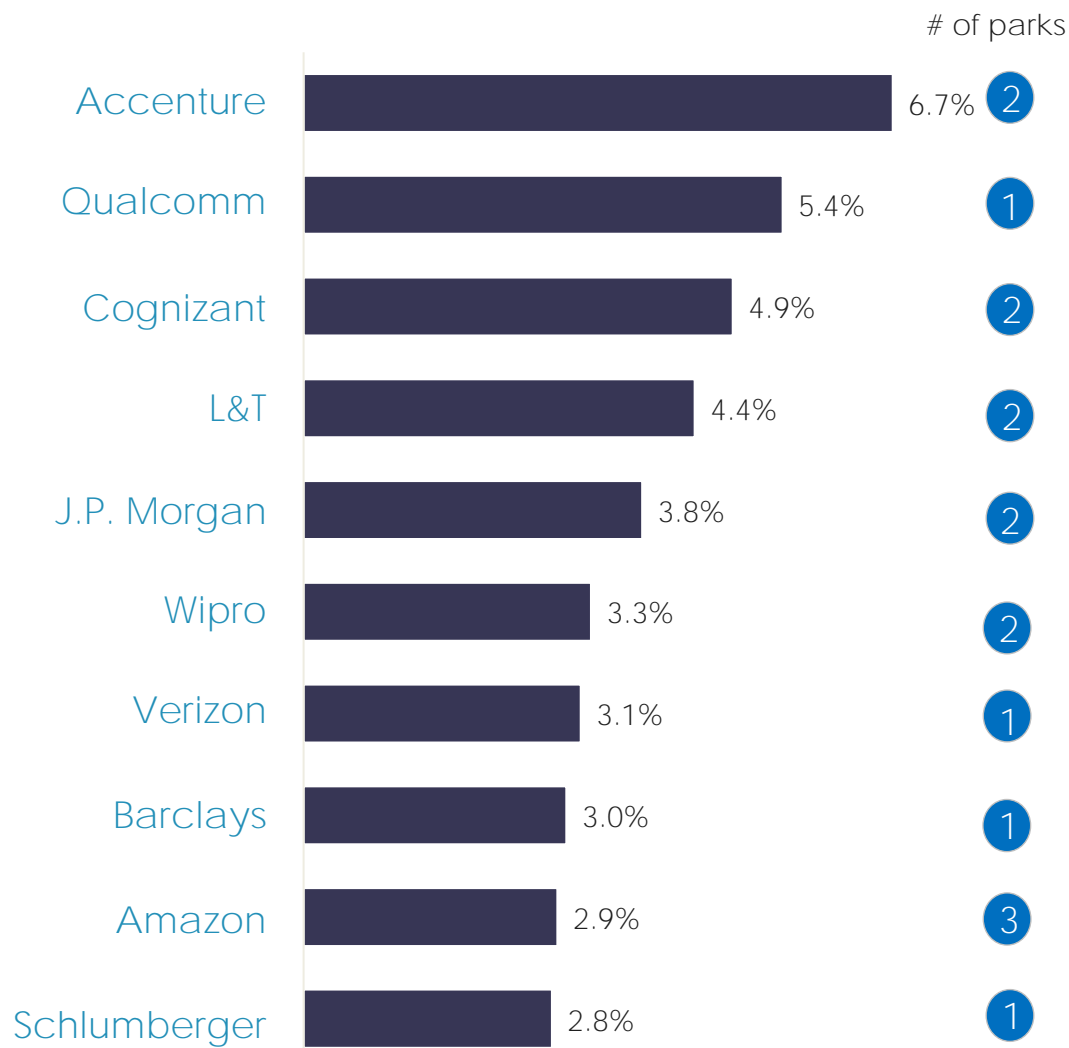
## Top 10 tenants contributing 40.3% of Gross Contracted Rentals

Diversified tenant mix across sectors  
% split by Gross Contracted Rentals<sup>(1)</sup>



0.6% Gross Contracted Rentals from industries severely impacted by Covid 19<sup>(2)</sup>

Top 10 tenants Gross Contracted Rentals contribution (40.3%)  
% of total Gross Contracted Rentals<sup>(1)</sup>



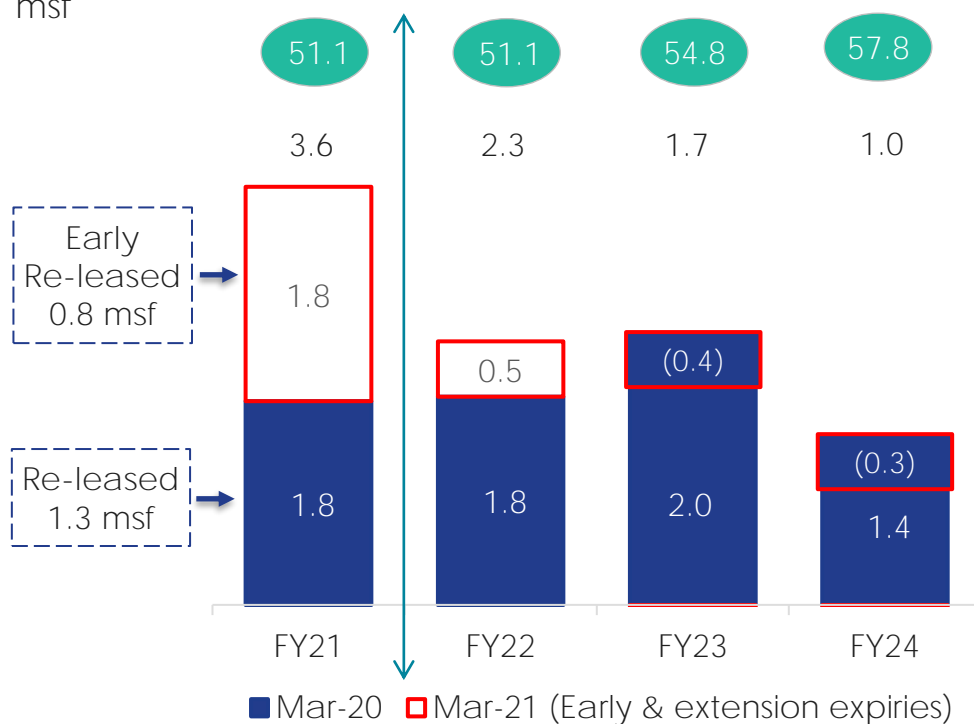
Note:  
1. Basis Gross Contracted Rentals as on 31 Mar 21, excluding areas vacated as on 31 Mar 21  
2. Severely impacted industries include education, entertainment and events, food and beverage, co-working and hospitality

# Lease Expiry Profile

Active discussions on with existing and new tenants for renewal / Re-leasing

Tenant uncertainty over future lease commitments likely to persist for few quarters

Area Expiry – YoY  
msf

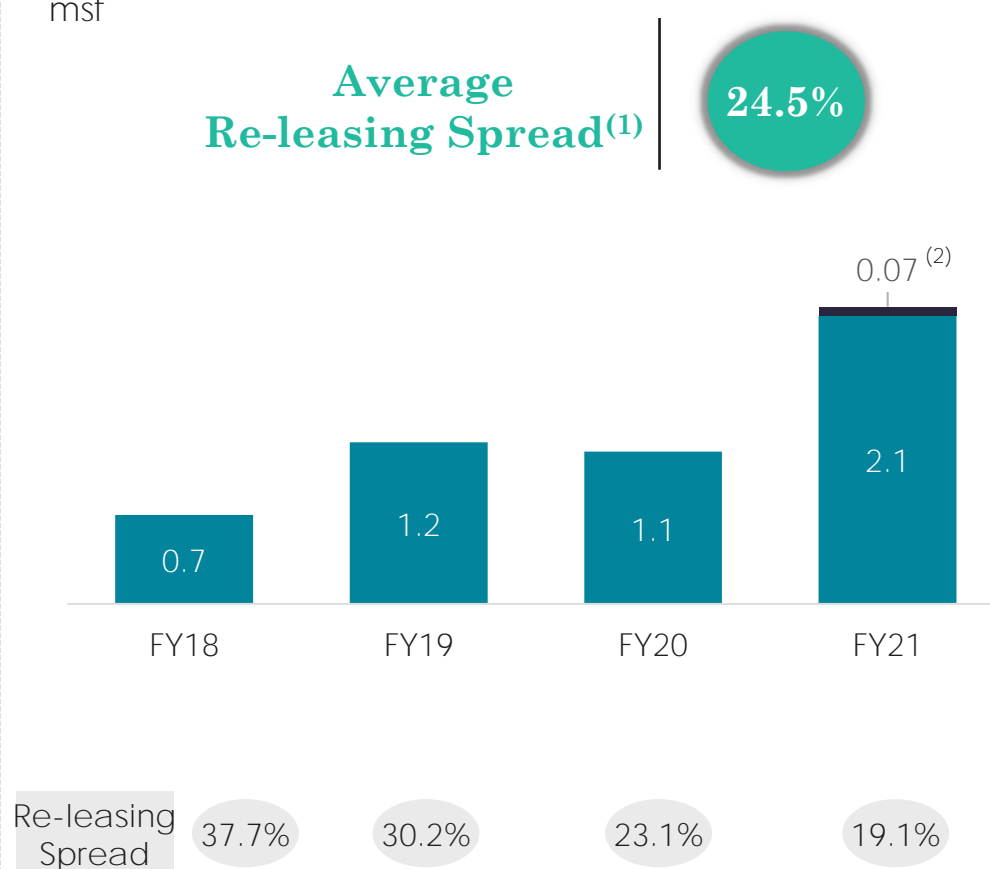


Expiries <sup>(3)</sup>	%	10.3%	7.4%	5.4%
MTM Opportunity	%	15.0%	25.2%	16.7%

● Rent at expiry (INR psf/month)

Track record of achieving Re-leasing spread across parks

Area Re-leased (since Apr 17)  
msf



Note:

1. Re-leasing spread includes spread on extensions and vacant area

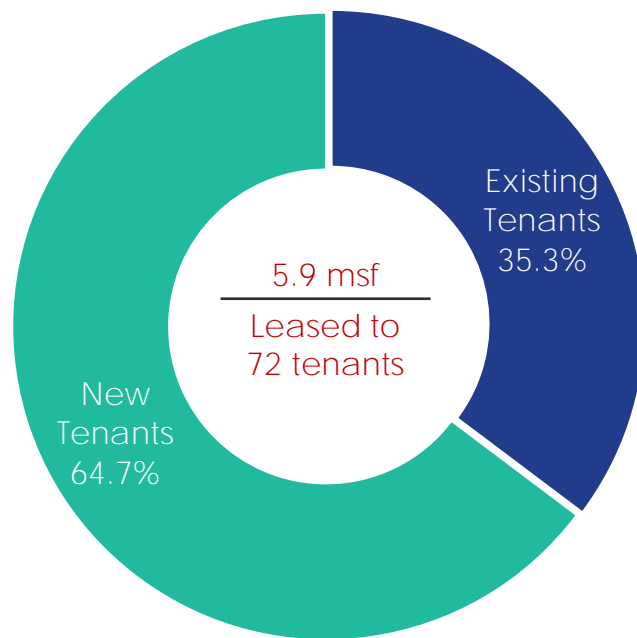
2. Leasing of vacant area as on 31 Mar 20

3. Basis Completed Area as of 31 Mar 21

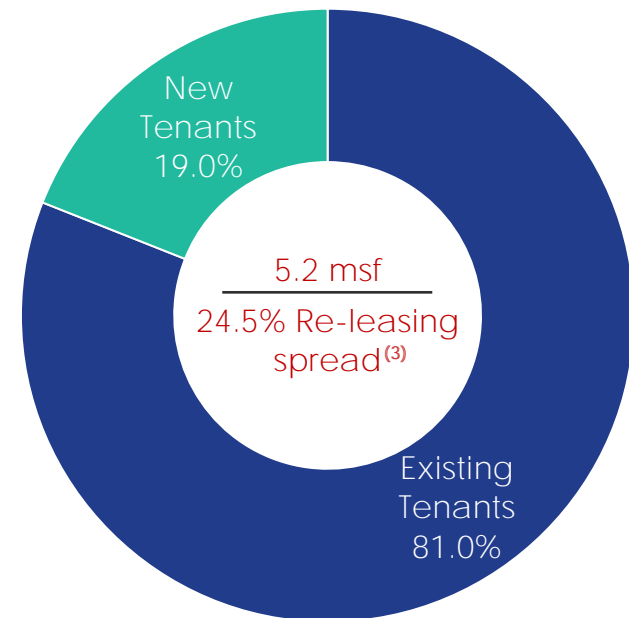
# Ability to Attract New Tenants along with Existing Tenant Retention

11.1 msf leased since Apr 17, including 5.2 msf at 24.5% Re-leasing spread

New Area leased  
% split by area <sup>(1)</sup>



Existing Area Re-leased / Vacant Area leasing  
% split by area <sup>(1)</sup>



New Tenants Added	Princeton Digital	Smartworks	Telstra
BP Global	Model N	NPCI	Mindcrest

New addition in Q4 FY21

Syntel	Paraxel	Amazon	Existing Tenants
J.P Morgan	Citius	Verizon	

Note:  
1. For the period Apr 17 – Mar 21; Includes Committed and Pre-Leased Area



# Projects Updates



# Development Progress

## Hyderabad



### Mindspace Madhapur (B22)

- Leasable area: 0.1 msf
- Status: OC received<sup>(1)</sup>
- Balance cost: INR 123 Mn
- Pre-leased to Chalet Hotels
- Rent Commencement – Q3 FY22

## Mumbai Region



### Mindspace Airoli, West (B9)

- Leasable area: 1.0 msf
- Status: Façade WIP
- Estimated completion: Phased completion targeted over FY22 to match with the demand
- Balance cost: INR 1,240 Mn
- SEZ de-notification awaited
- Pre-leased: 127k sf

## Pune



### Commerzone Kharadi (B5)

- Leasable area: 0.7 msf
- Status: 5th Floor slab WIP
- Estimated completion : Q1 FY23
- Balance cost: INR 1,814 Mn
- Awarded IGBC Gold Pre-Certification
- Active on-going discussions on pre-leasing

Balance Capex – INR 13,244<sup>(2)</sup> Mn (excluding approval cost)

Note: As of 31 Mar 21

1. OC received post 31 Mar 21
2. Ongoing projects / projects commencing in FY22 INR 8,269 Mn, recently completed projects INR 1,051 Mn, upgrades INR 2,937 Mn and fit-out / general development INR 987 Mn

# Commerzone Kharadi, Pune – Select Images

Integrated “Business Ecosystem” with various on-site facilities and amenities

Panoramic view of the park



Spacious lobby with Amphitheater



Attractive Aesthetics



Biophilic Landscape



# Mindspace Airoli East, Mumbai Region - Upgrade (1/2)

Utilising Covid-19 downtime efficiently to create a “WOW” factor

Outside Seating



Refurbished Hardscape & Landscape



Attractive Aesthetics



Recreational Spaces



## Mindspace Airoli East, Mumbai Region - Upgrade (2/2)

Before

Old Pedestrian Walkway



Current

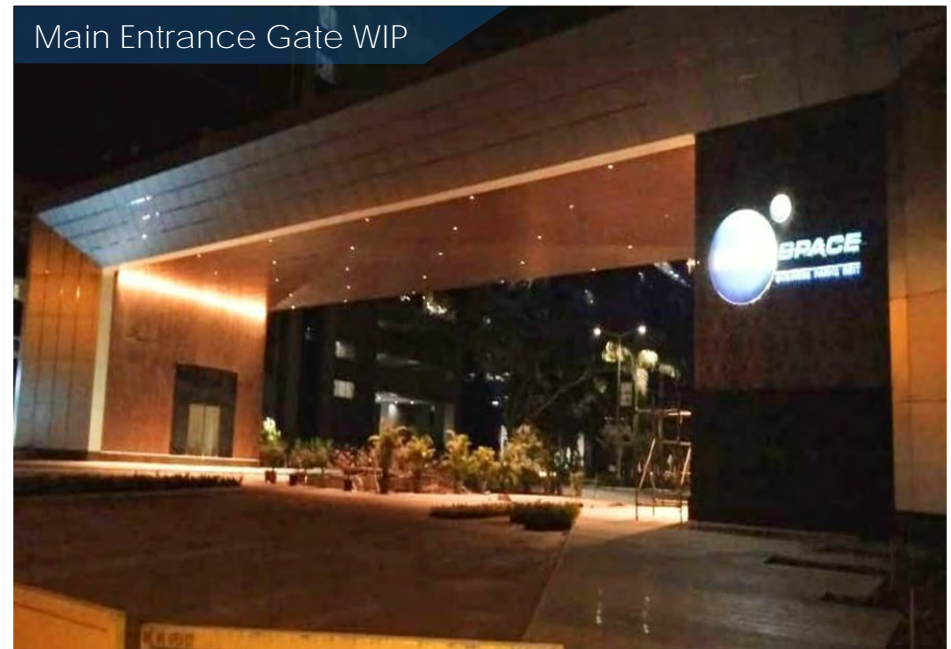
Pedestrian Walkway



Old Entrance Gate



Main Entrance Gate WIP



# Mindspace Madhapur, Hyderabad – Upgrade (1/2)

Before

Old Gate



Current

Main Entrance Gate



Old Building



Façade Upgrade



## Mindspace Madhapur, Hyderabad – Upgrade (2/2)

Current Status

Elevated boardwalks for ease of movement



Final Intent

Perspective



Well spread F&B spaces across the Park



Perspective





# Data Center Mumbai Region



# Data Center Industry Overview

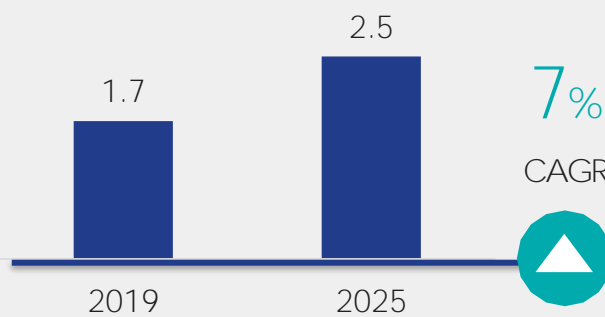
## India: Well Poised to be the Next Data Centre Hub

### Key Drivers<sup>(1)</sup>

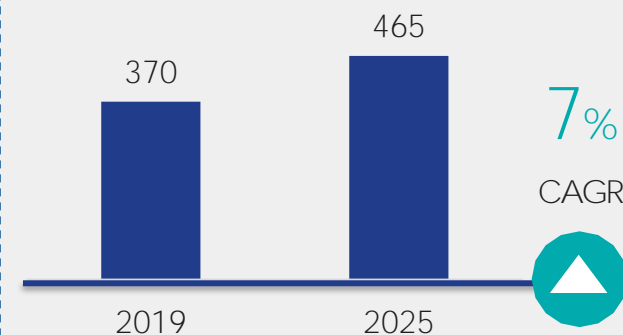
- Internet penetration and data traffic
- Cloud adoption
- Big data analytics & IoT
- Improved fiber connectivity
- Data localization laws

### India's data center capacity to grow at 2x CAGR of global capacity<sup>(1)</sup>

#### Total Area (msf)



#### Power Capacity (MW)



#### Mumbai

- Excellent connectivity via 12 submarine network cables
- Robust power supply infrastructure
- Clean title land parcels available in proximity to large corporate head quarters
- Financial & commercial capital of India

#### Chennai

- Connected to 7 submarine network cables
- Access to industrial hub
- Preferred disaster recovery location

Implication on  
Mindspace REIT

Specialized Built-to-suit  
solutions

Tenant diversification  
opportunity

Higher tenant stickiness

Developing expertise via thorough research to tap into the top data center demand

1. Source: India The Next Datacentre Hub report by NASSCOM (February 2021)

# Let 0.63 msf to Princeton Digital Group, a leading Data Centre Operator

Tenure: 40 (20+10+10) years; Lock-in: 15 years

## 1 Terms of Erstwhile MoU

- Option with Gigaplex to sell 16.4 acres to KRCPL <sup>(1)</sup>
- Consideration : INR 1.26 Bn <sup>(2)</sup>

## 2 Revised Terms as per Final Agreement

- Option for c.5.7 acres to continue
- Remaining land to be retained for Data Center and potential future development

## 3 Project Layout



## 4 Key Terms of Data Centre Deal <sup>(3)</sup>

Approx. Gross Area to be used

- c.7.4 acres <sup>(4)</sup>

Estimated Leasable Area

- c.6,30,220 sf (Total for 2 buildings)

Tenure

- Tenure – 20+10+10 years
- Lock-in – 15 years

Estimated Value Accretion

- INR 1.24 Bn / INR 2.1 p.u. <sup>(5)</sup>

1. K Raheja Corp Private Limited  
 2. Basis consideration as per erstwhile MOU  
 3. Revised terms as per final agreement

4. Including proportionate road area  
 5. Based on Valuation by Independent Valuer



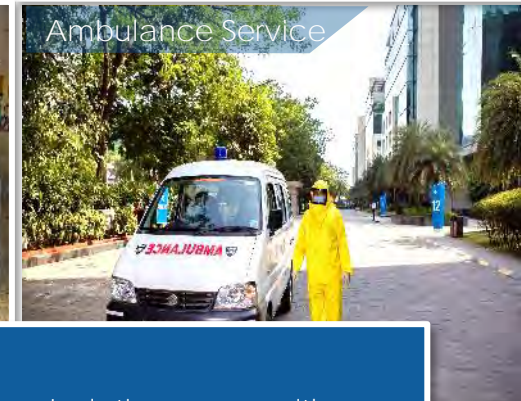
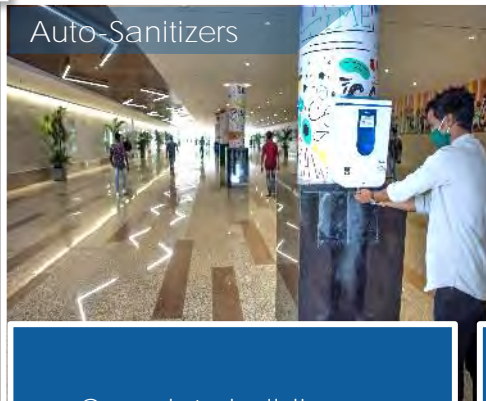
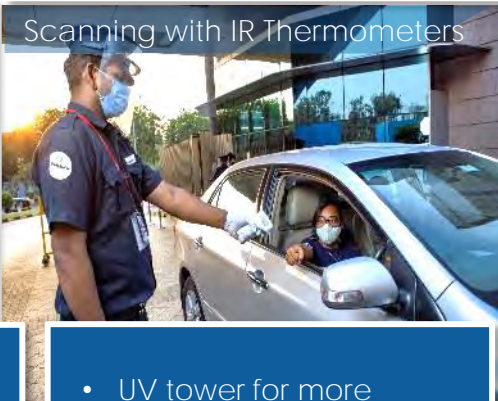
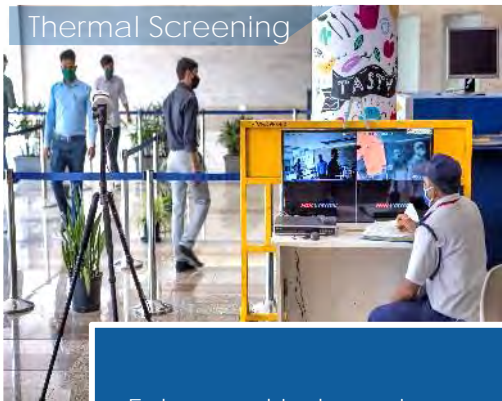
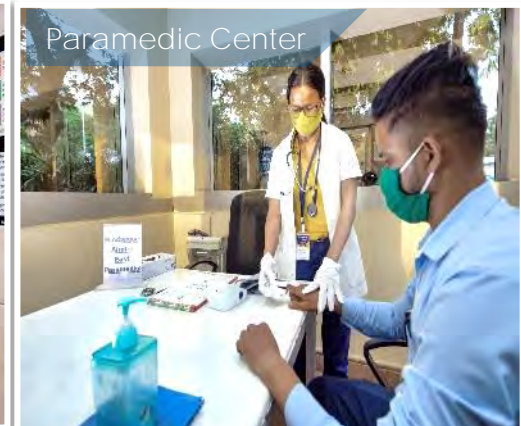
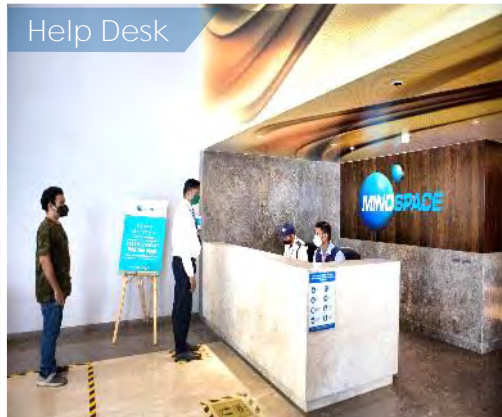
# COVID 19 Preparedness

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# Stringent COVID-19 Safety Protocols at our Parks

Strong commitment to provide a safe working environment for our tenants



Enhanced indoor air quality via:

- Increase fresh air changes
- Increase in filter cleaning frequency
- Change of AHU filter to MERV 13
- Integration of UV lights inside AHU

- UV tower for more frequented touch points in common areas
- Introduced building entry – auto sanitizer and disinfection tray
- Screening & monitoring with the usage of Mindspace App

- Complete building sanitization and fumigation of affected areas
- Touchless elevator for minimizing touchpoints

- Isolation rooms with paramedic facilities
- Ambulance services in the premises
- Tie ups with hospitals

Note:

1. UVGI – Ultraviolet Germicidal Irradiation; AHU – Air Handling Unit; UV – Ultraviolet

## Tenant Voice for Services Offered at Our Parks

### Mindspace Madhapur

*"During this journey we would like to thank you for being with us for all the necessary support extended till date and hoping the same on coming days for ensuring safety for all of us, it took time for all of us to understand or take decisions in order to resume back with confidence since the pandemic but with all good safety measures and support we could be back, it's also great to see during this downtime there are lot of upliftment or upgradations happening around Mindspace Madhapur campus which would be greatly appreciated by all once most of the employee are back to office while there is normalcy."*

- Global Financial Service Provider

### Mindspace Airoli (East & West)

*"On behalf of the company, we wish to thank each one of you for all the valuable support provided during this crucial period. In spite of facing multiple challenges in this pandemic scenario, the require support and services for the buildings was never impacted. Apart from managing regular operations seamlessly, immediate implementation of COVID related critical initiatives has given us great comfort and confidence to initiate Return To Office process for our employees at both Airoli (E) and Airoli (W) campuses. We request to pass on our sincere gratitude to entire Camplus team and extended teams for providing their require support at all the times."*

- Global IT Service Provider (Fortune 500)

### Commerzone Yerwada

*"Phenomenal support extended by Commerzone Yerwada - Camplus team during Covid-19 lockdown. Appreciate the way the team proactively implemented Covid-19 safety measures at the very onset of the pandemic. This has been quite reassuring for us and our employees. Appreciate your professionalism and sincerely hope this relationship grows many times, in the years to come."*

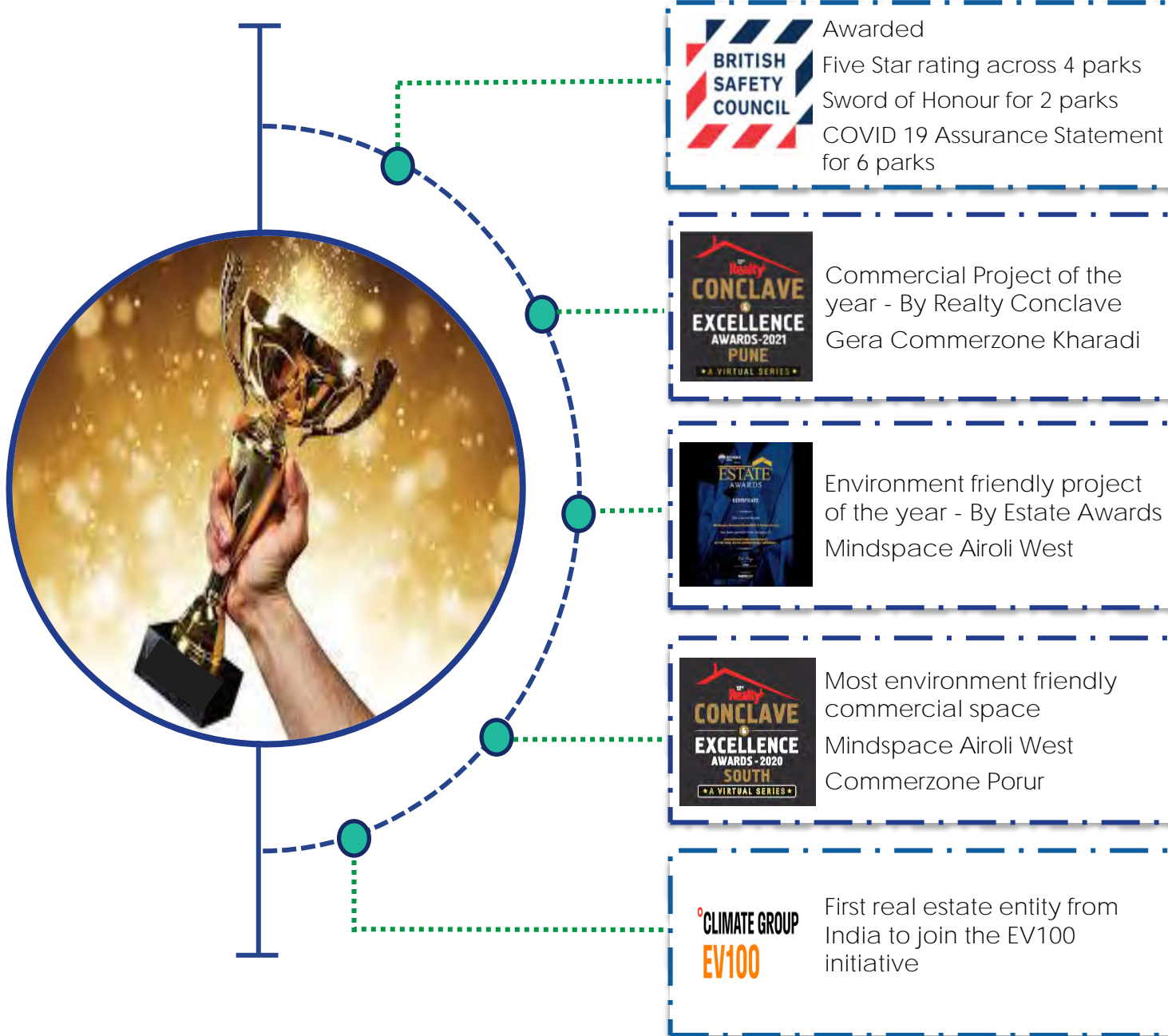
- Global Technology Development Company



# ESG via Value Creation



# Key Achievements and Awards



Received  
certification  
across 5 parks

Note:  
1. Includes pre-certified buildings

# Our Commitment to Build an ESG Centric Ecosystem



Renewable  
Energy  
through  
Solar PV  
Panels



Waste  
Management



Organic  
Farming



Preserving  
Nature



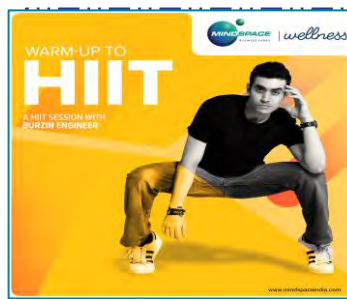
Green  
Sustainable  
Development



Sewage  
Treatment



Electrical  
charging  
stations



Tenant  
Engagement



Robust  
Corporate  
Governance

Integration of sustainability into the fabric of assets, operations and culture

## Ongoing Social Initiatives

### Durgam Cheruvu Lake Makeover, Hyderabad



- Continued partnership with TSIC and GHMC <sup>(1)</sup> for Durgam Cheruvu Lake makeover
- Undertook extensive cleaning of the stubborn water hyacinth transforming it into a healthy lake
- Laid walking and jogging tracks, curating an open gym and play area

#### Project Goals:

- Create a working and active waterfront development
- Ensure the existing fabric of the area is unaltered
- Protect and enhance the biodiversity of the lake and its surroundings
- Adopt an ecologically sensitive low carbon footprint approach

## Social Welfare Initiatives



#### Contributing to COVID-19 relief:

- Working closely with NGO & Governments to provide necessary relief measures
- Entered tie-ups for specific projects related to oxygen concentrations, setting up temporary hospital infrastructure for immediate need of patients
- Ensured availability of food, adequate medical aid and sanitized living spaces for labor at our sites

#### Others Health Care Initiatives:

- Providing health infrastructure and medical equipment for Diabetic Association of India
- Contribution channelized towards Parkinson's disease and Movement Disorder Society

Note:

1. TSIC - Telangana State Industrial Infrastructure Corporation Ltd.; GHMC - Greater Hyderabad Municipal Corporation (GHMC),

## Changing Lives via Supporting the Cause of Education

### Room to Read



*"At Room to Read, we feel honoured to partner with Mindspace to bring quality educational opportunities to children in the underserved communities in India. We thank you for your continued commitment towards our mission of aiding in child education and gender equality in education."*

**-Sourav Banerjee, Country Director, Room to Read India"**



**Room to Read®**

17  
Libraries Set-up

2,394 students & 105 teachers  
benefited through distribution of 12,149  
books across 17 schools

2,152  
Literacy kits provided to  
students

### DEEDS Public Charitable Trust



*"Thank you for supporting us in these trying times especially when the pandemic has wrecked havoc in the country. By supporting us you have believed in our cause of making the deaf financially self-reliant and help them contribute to the mainstream society by educating them, enabling them and thus, empowering them by giving them suitable placements."*

**- Pratibha K. Rao, Chief Operating Office, DEEDS Public Charitable Trust**



**Turning Disabilities into Abilities**  
DEEDS Public Charitable Trust

10  
hearing impaired teachers  
benefitted from the program

150  
Students benefitted from the  
program during FY21



# Financial Updates



## Stable NOI Growth Driven by Effective Cost and Revenue Management

Assets	Revenue from Operations (INR Mn)			NOI (INR Mn)			% of NOI	
	Q3 FY21	Q4 FY21	FY21	Q3 FY21	Q4 FY21	FY21	Q3 FY21	Q4 FY21
Mindspace Airoli (E)	908	895	3,578	697	707	2,823	19.8%	
Mindspace Airoli (W)	506	529	2,040	423	407	1,623	11.4%	
Mindspace Malad	192	185	774	174	161	690	4.5%	
Mumbai Region	1,606	1,608	6,392	1,294	1,275	5,136	35.6%	
Gera Commerzone Kharadi	287	326	1,010	258	258	846	7.2%	
The Square Nagar Road	144	116	624	118	86	512	2.4%	
Commerzone Yerwada	391	398	1,535	323	325	1,259	9.1%	
Pune	822	839	3,169	699	669	2,616	18.7%	
Mindspace Madhapur	1,691	1,776	6,591	1,514	1,569	5,827	43.8%	
Mindspace Pocharam	24	25	105	22	16	85	0.4%	
Hyderabad	1,715	1,801	6,696	1,536	1,585	5,912	44.3%	
Facility Management Business <sup>(1)</sup>	183	216	399	62	63	125	1.8%	
Others <sup>(2)</sup>	12	8	20	(13)	(13)	(48)	(0.4%)	
Inter Company Eliminations	(175)	(208)	(383)					
<b>Total</b>	<b>4,163</b>	<b>4,265</b>	<b>16,293</b>	<b>3,578</b>	<b>3,579</b>	<b>13,741</b>	<b>100.0%</b>	

### NOI (Q4 vs Q3) - Reasons for variances

- Mindspace Airoli West – Lower due to reduction in Net CAM Income, reduction in Net Power Income, compensated by escalation
- Mindspace Malad - Lower due to exit in Q3 and Q4 compensated by Income from Sale of Scrap
- The Square Nagar Road - Reduction in Facility + Fit-out rentals and Net CAM Income on account of tenant exit in Q3 and Q4

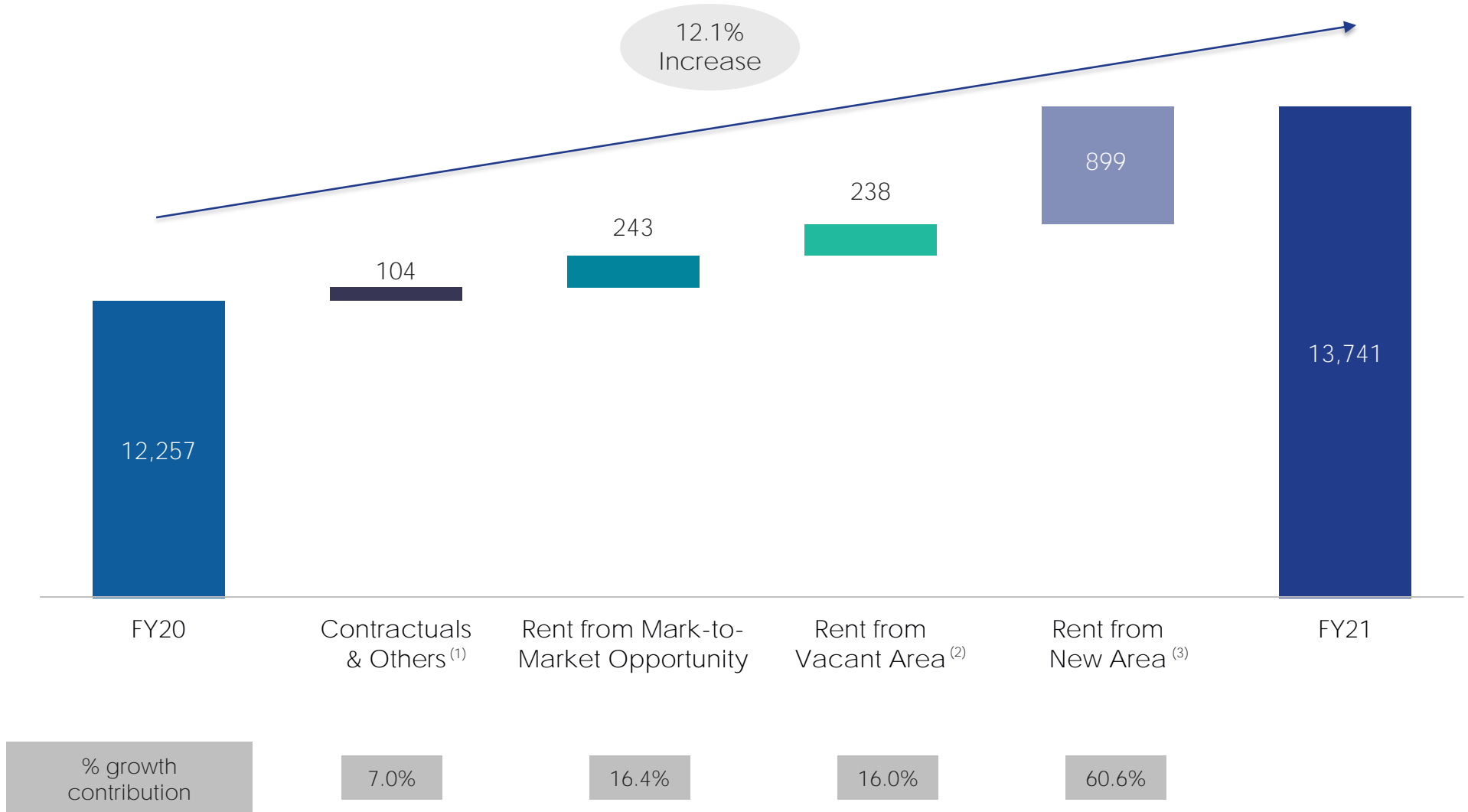
Note:

1. KRC Infra has commenced facility management business from 01 Oct 20 under brand name "CAMPLUS"
2. Others include Commerzone Porur completed in June 2020 & The Square BKC

# Stable NOI Growth

NOI growth driven primarily by rent from new area

NOI bridge for FY21  
INR MM



Notes:

1. Includes contractual escalations, reduction in rent on account of area vacated; others primarily include NOI from in-house facility management division, Fit-out Income / Income from Finance Lease Receivable, Net Power Income, impact of

Ind AS adjustments, downtime vacancy allowance and other direct operating expenses

2. Incremental rent from area which was not generating rent as on 31 Mar 19

3. Incremental rent from new area which started generating rent for the first time

## Q4 FY21: NDCF Build-up

Particulars (INR Mn)	Q4 FY21	H2 FY21
Revenue from Operations <sup>(1)</sup>	4,341	8,504
Property Taxes & Insurance	(163)	(297)
Other Direct Operating Expenses <sup>(1)</sup>	(598)	(1,049)
Net Operating Income (NOI)	3,579	7,157
Property Management Fees	(109)	(214)
Net Other Expenses	(163)	(284)
EBITDA	3,307	6,659
Cash Taxes (Net of Refunds)	33	(345)
Working Capital changes and other changes <sup>(2)</sup>	(218)	(684)
Cashflow from Operations	3,122	5,630
Capex including capitalized Interest <sup>(2)</sup>	(859)	(2,599)
Net Debt (repayment) / drawdown <sup>(3)</sup>	1,330	3,827
Finance Costs paid for the period (excluding interest to REIT) <sup>(4)</sup>	(383)	(859)
Proceeds to shareholders other than Mindspace REIT	(231)	(418)
NDCF (SPV Level) <sup>(5)</sup>	2,980	5,581
Net Distributions from SPV to REIT	2,935	5,799
Other Inflows / (Outflows) at REIT Level	(69)	(93)
NDCF (REIT Level)	2,867	5,706
Distributions	2,852	5,687
Dividend	2,633	5,153
Interest	219	534

Note: Numbers till NDCF (SPV level) do not include REIT standalone numbers

1. Excludes INR 72 Mn in Q4 FY21 & INR 141 Mn in H2 FY21 of revenue from works contract services in Gera, Commerzone Kharadi
2. INR 469 Mn for Q4 & INR 603 Mn for H2 FY21 has been transferred from Capex to Working Capital changes pursuant to lease commencement of Fit-outs

3. Net of investments in Fixed deposits & Mutual Funds

4. Net of Interest income

5. Net of repayment of REIT Debt by SPV which was further reinvested by REIT

# Low Leverage Offers Balance Sheet Headroom for Future Growth

Strategy to embed a blend of short term and long-term debt with a mix of instruments

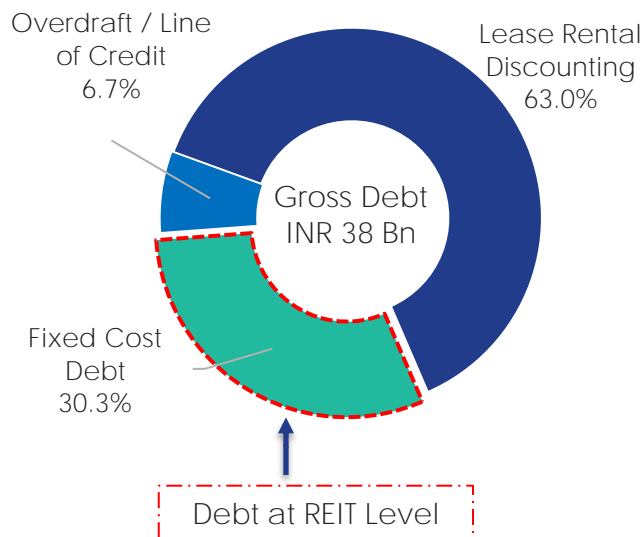
CRISIL : CCR AAA/Stable<sup>(1)</sup>  
ICRA : ICRA AAA (Stable)<sup>(1)</sup>

14.0%  
Net Debt to  
Market Value<sup>(2)</sup>

INR 6.4 Bn  
Undrawn Committed  
Facilities

INR 34 Bn  
Net Debt

## Composition of debt



## Breakup of Debt basis type

% of Fixed Cost Debt

30.3%

Fixed Cost Debt – Avg. Cost

6.5% p.a.

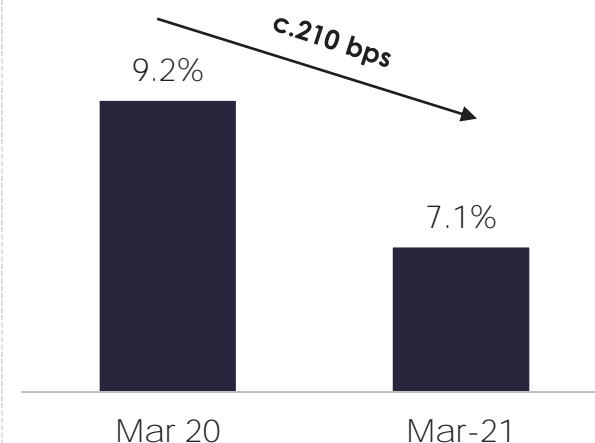
Variable Cost Debt - Avg. Cost

7.3% p.a.

Average Term to Maturity

6.4 years

## Reduction in weighted average cost of debt (p.a.)



## Debt Issuance during the Quarter

- Market Linked Debentures (CRISIL PP-MLD AAAR/Stable) of INR 3,750 Mn at 6.65% p.a.
- Non-convertible debentures (CRISIL AAA/Stable) of INR 750 Mn at c.6.69%<sup>(3)</sup> p.a. payable quarterly

Note:

- CRISIL rating note Mar 21 & ICRA rating note Aug 20
- Net Debt and Market value as of 31 Mar 21; For the purpose of Net Debt to Market Value calculation, Net Debt is considered

post accounting & minority interest adjustment

- Market Linked Debentures (MLDs) - G-Sec linked subject to terms and conditions mentioned in the Information Memorandum



Price  
Performance &  
Unitholding

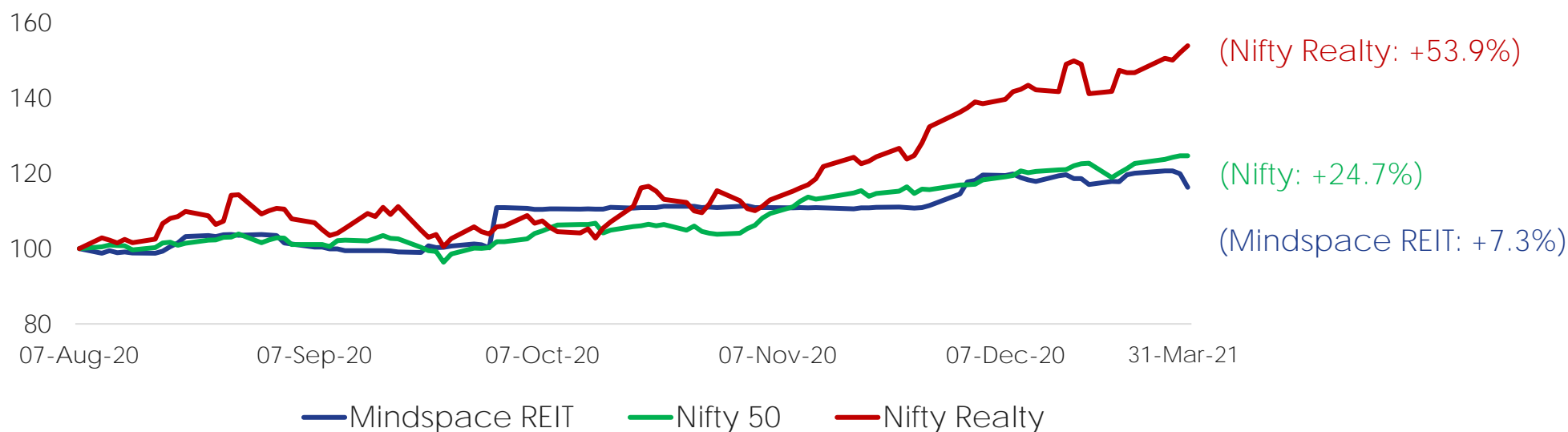


## Stable Price Performance

Included in "MSCI India Domestic Small Cap Index" and various other MSCI and FTSE indices

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

Stock Symbol – NSE : Mindspace; BSE : 543217



Offer Price

INR 275 p.u.

Price at listing date

INR 304 p.u.

As on 31 Mar 21

INR 295 p.u.

High since listing

INR 352 p.u.

Low since listing

INR 292 p.u.

7.0%

Distribution yield<sup>(2)</sup>

7.3%

Increase in unit price since listing<sup>(3)</sup>

Note: As on 31 Mar 21

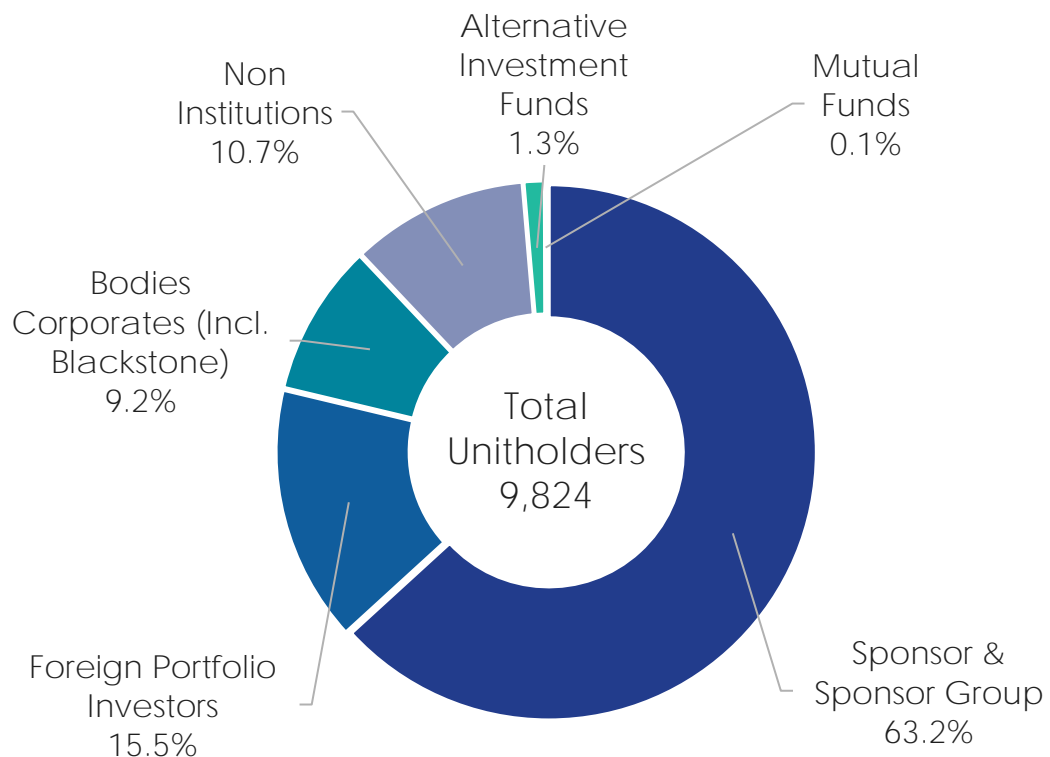
1. Rebased to 100

2. Annualized distribution yield basis H2 FY21 distribution calculated on issue price

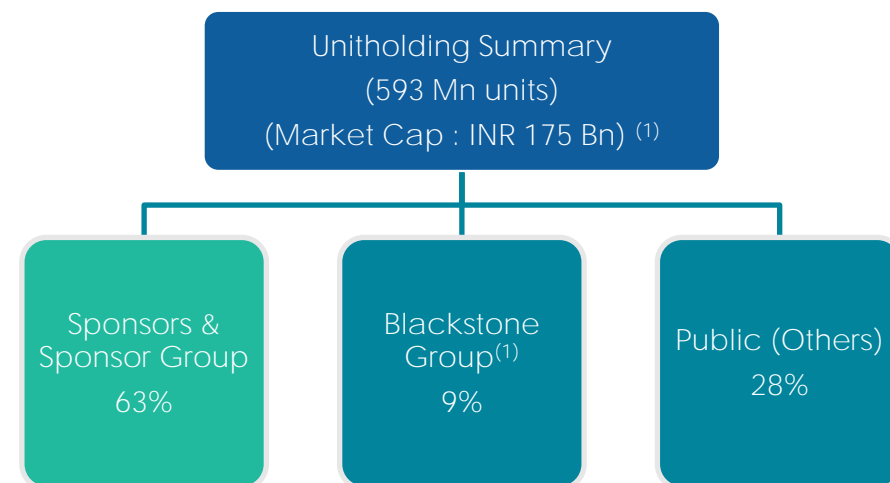
3. Increase is over offer price

# Unitholding Summary

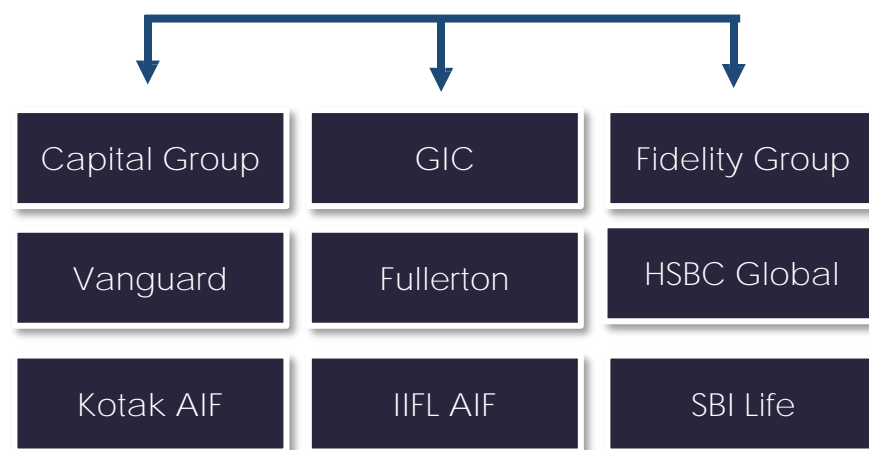
Unit-holder Pattern as on 31 Mar 21



Unitholding Summary



Marquee Investors <sup>(1)</sup>



Note:

1. As of 31 Mar 21
2. Blackstone Group has a lock in of 1 year from the date of listing



fiserv.

PVR

# Market Updates



# Resilient Technology Sector Expected to Drive the Long-term Office Demand

Stem Workforce	Global Capability Centres	Global Capability Centres	Cost advantage
2.6 Mn STEM Graduates annually <sup>(1)</sup>	1,400 # GCCs in India	45% India GCCs as a % of Global GCCs	81% Lower cost structure than US Tier-II cities

## Technology Sector: Key trends

India has been at the forefront of delivering technological services

Indian tech companies have fared well as compared to their global counterparts

Strong pick-up in hiring activity for Technology sector

Rapid digitization, Cloud adoption, cybersecurity expected to drive the demand



Estimated to translate into renewed demand for Grade-A Office spaces once the normalcy returns

## Long term fundamentals of the office industry remain intact

1

### Short-term headwinds

- Deferment of large consolidation
- Demand uncertainty to continue for 3-4 quarters
- Higher focus on health and safety measures
- Gradual recovery expected in leasing activity
- Construction delays, limited access to capital to affect future market supply
- Rentals broadly estimated to remain unchanged

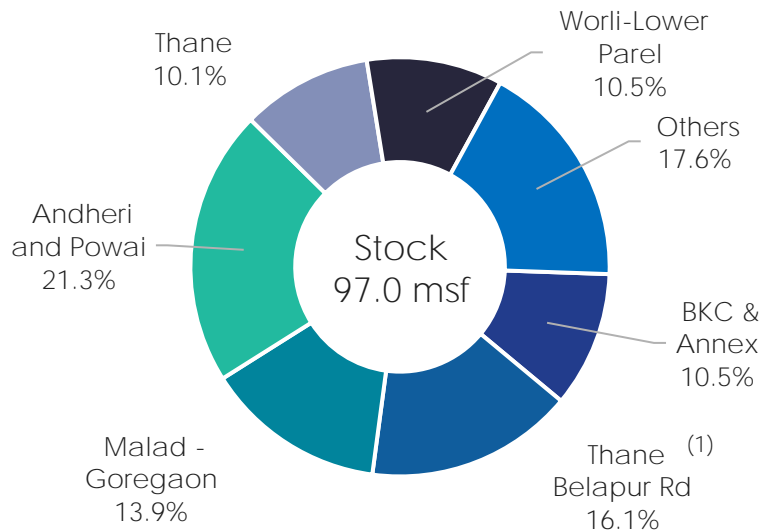
2

### Medium- to long-term recovery

- Preference to operate from secured office environments
- Global business relocation due to cost advantages and availability of talent pool
- Shift to Grade-A assets with campus styled development, high on COVID-19 and other health and safety protocols
- Upward rental movement expected with a more sustained return of demand

# Mumbai Region

## Grade-A Office Stock Mar 21



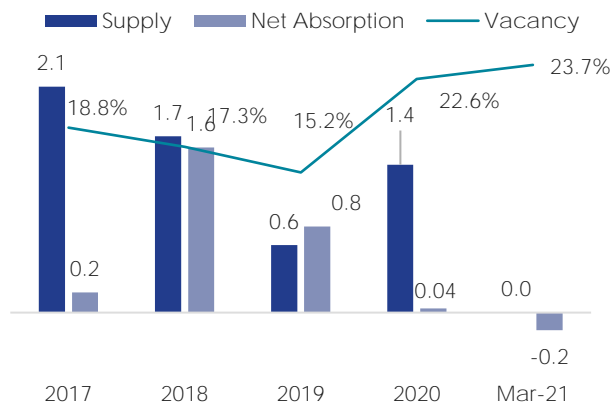
Primarily BFSI and IT-BPM segment tenants

## Key Updates

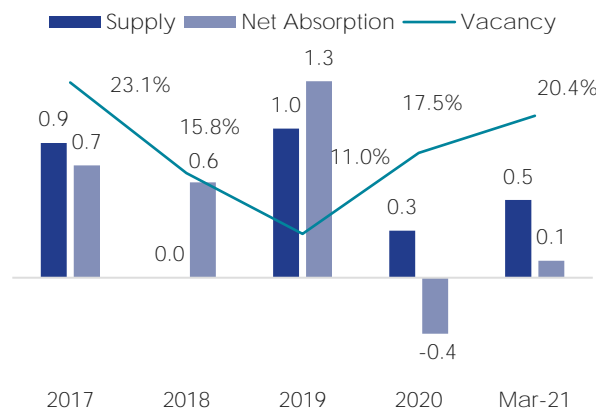
- Leasing to gain momentum in second half of 2021 driven by BFSI, engineering and manufacturing amongst others
- Currently vacancy in Thane Belapur road is high primarily due to new supply and subdued demand
- Trans harbor sea link & new airport expected to shift the demand epicenter, the micro market is seeing increasing traction from BFSI sector
- In Malad-Goregaon, vacancies are expected to decline due to high pre-commitments
- Rents in our micro-markets have remained stable since 2019 and are expected to remain flat in the near term

## Supply, net absorption and vacancy trend analysis – Mumbai Region Micro-Markets

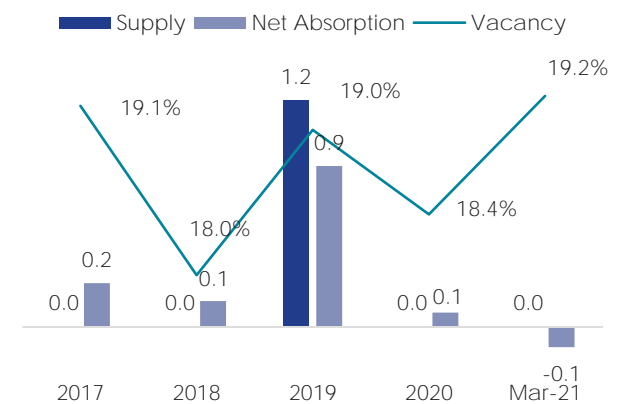
### Thane Belapur Rd



### BKC & Annex

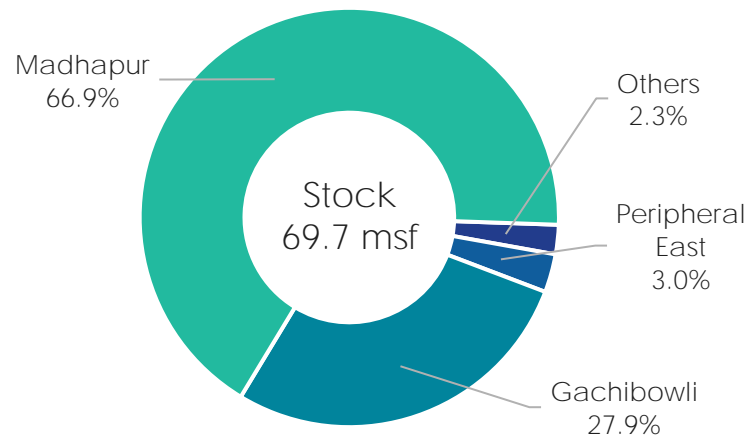


### Malad-Goregaon



# Hyderabad

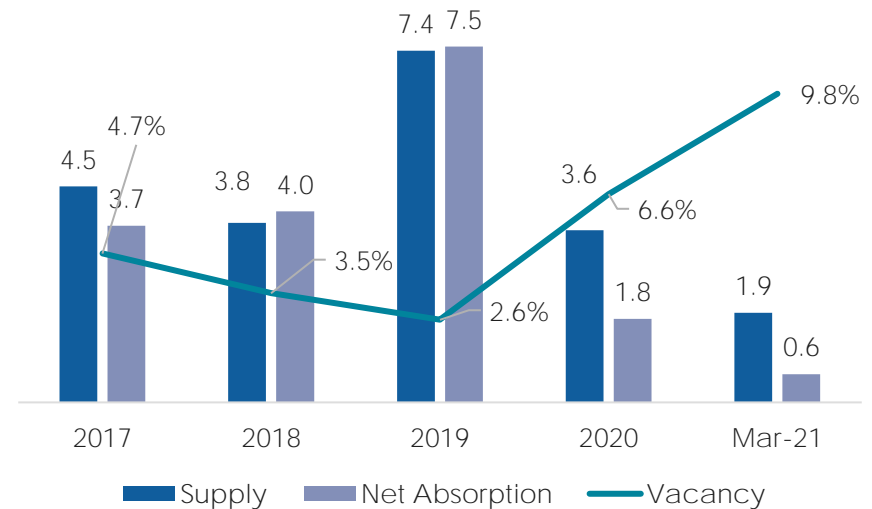
## Grade-A Office Stock Mar 21



Technology Sector is the Dominant Demand Driver

## Supply, net absorption and vacancy trend analysis

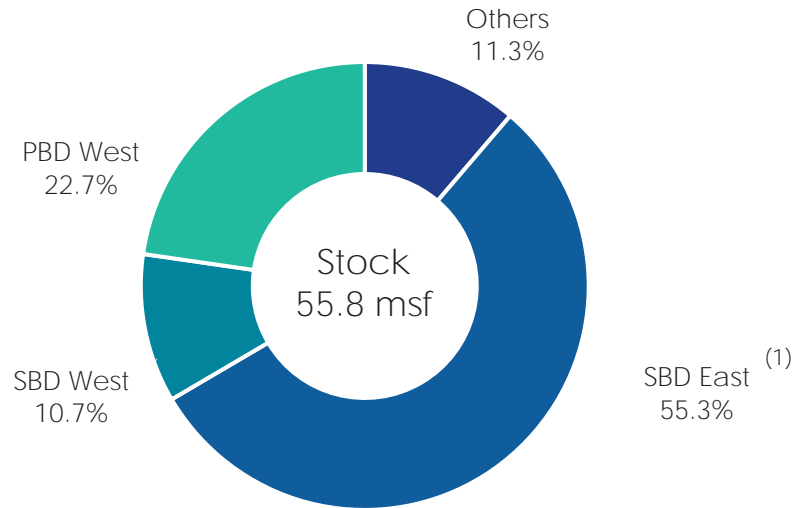
Micro-Markets<sup>(1)</sup>: Madhapur



## Key Updates

- Most preferred office space micro market in Hyderabad due to good physical and social infrastructure
- Delay in supply and soft demand expected for the next 6 to 12 months
- Pre-commitment levels continue to be strong
- Rentals are expected to remain stable over next 8 to 12 months

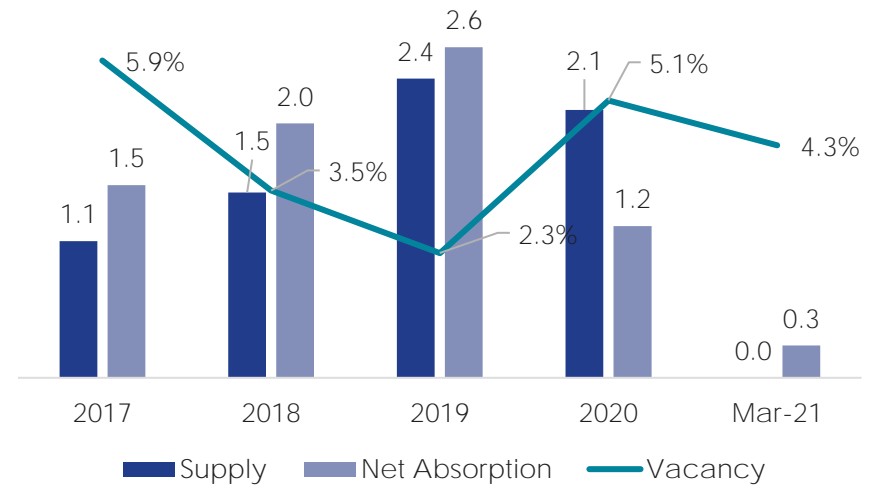
## Grade-A Office Stock Mar 21



## Technology Sector is the Dominant Demand Driver

## Supply, net absorption and vacancy trend analysis

### Micro-Market: SBD East

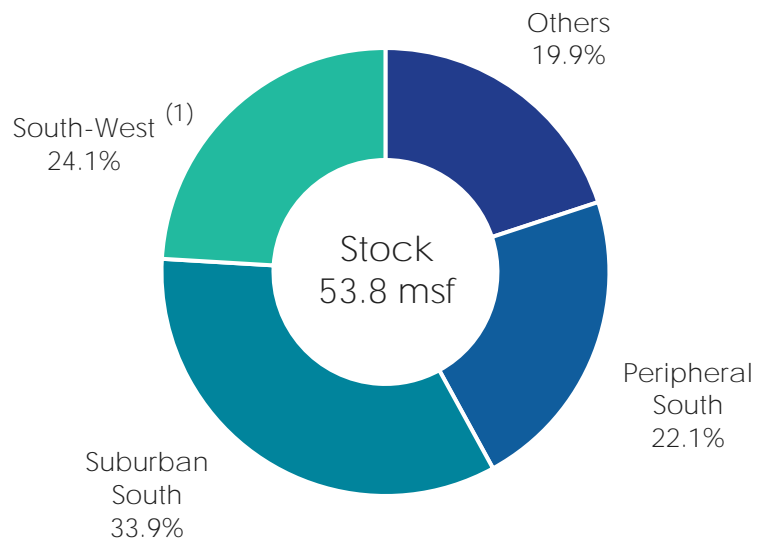


## Key Updates

- One of the best performing micro-market of the city
- Presence of strong social and physical infrastructure and proximity to International Airport led SBD East to emerge as a preferred commercial destination
- Vacancy albeit single digit, has increased marginally due to the impact of pandemic
- Rentals have increased consistently for past few years and are expected to remain stable over next 12 months along with slightly longer time to lease

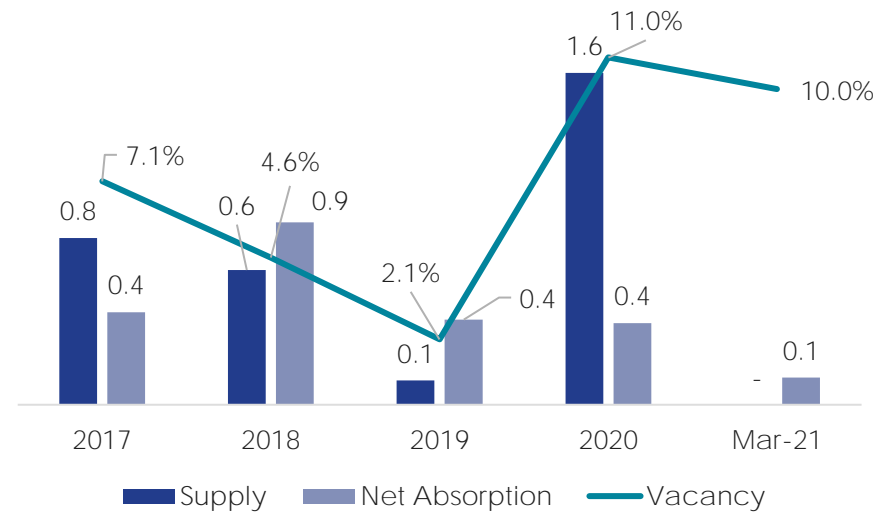
# Chennai

## Grade-A Office Stock Mar 21



## Supply, net absorption and vacancy trend analysis

### Micro-Market: South-West



## Key Updates

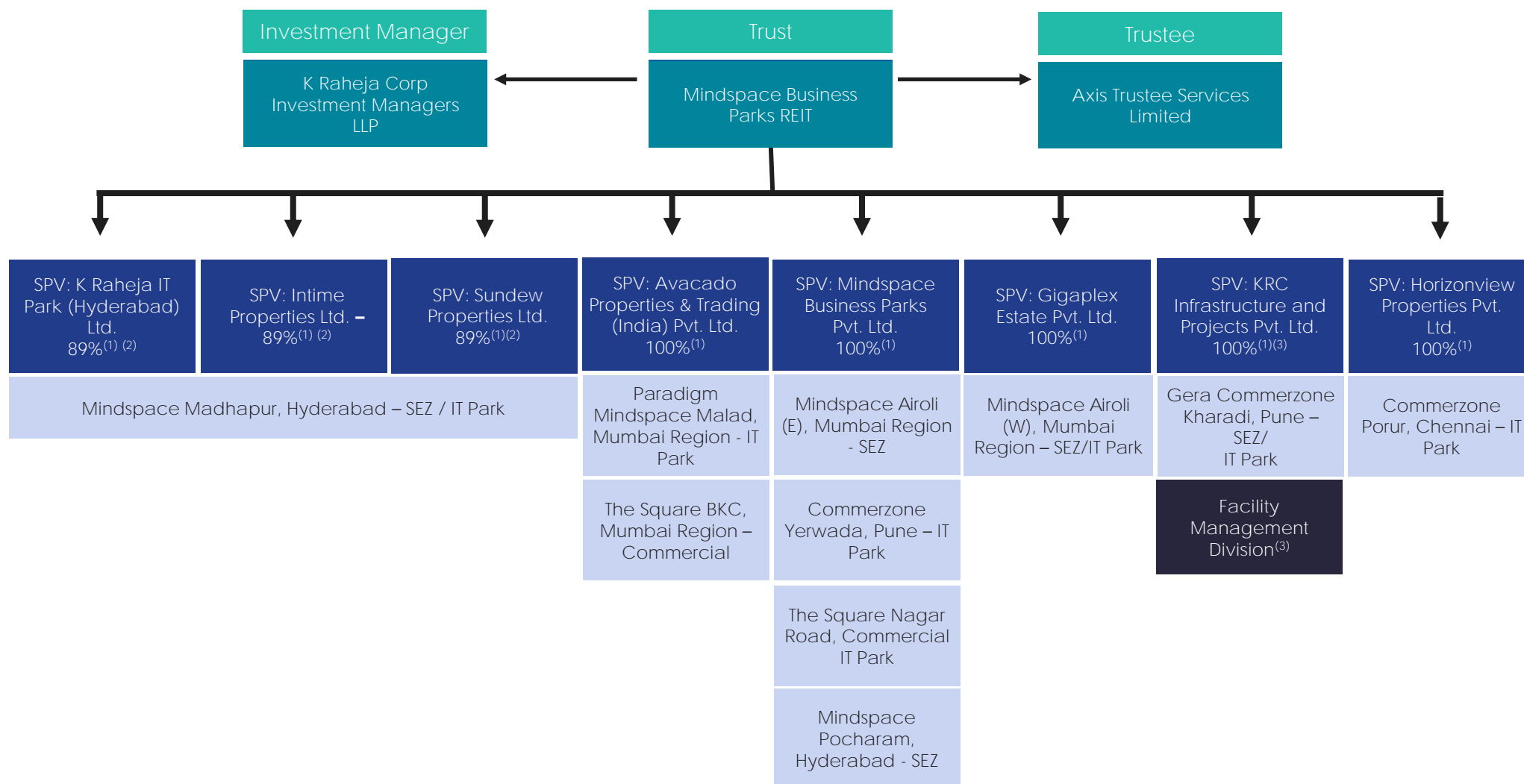
- South-West micro market enjoys a good connectivity and well-developed social infrastructure
- Rents have largely remained stable and are expected to remain at the current levels in the near term
- Expected to witness increased demand for office space in the medium term
- Vacancy expected to come down post an increase in CY 2020



# Annexure



# Mindspace REIT Structure



Note:

1. % indicates Mindspace REIT's shareholding in respective Asset SPVs
2. 11% shareholding in these Asset SPVs is held by Telangana State Industrial Infrastructure Corporation Limited (TSIIC)
3. KRC Infra has commenced facility management division from 01 Oct 20 under brand name "CAMPLUS"

## Portfolio Summary

23.9 msf of Completed area with Committed Occupancy of 84.2% & WALE of 6.0 years

Asset	Total Leasable Area (msf)	Completed Area (msf)	UC/Future Area (msf)	Occupancy (%)	Committed Occupancy (%)	WALE (years)	In-place Rent (INR psf)
Mindspace Airoli East	6.8	4.7	2.1	91.2%	91.2%	4.5	51.8
Mindspace Airoli West	5.1	3.5	1.7	66.4%	68.5%	6.7	56.0
Mindspace Malad	0.7	0.7	-	70.1%	94.0%	3.3	93.1
The Square BKC	0.1	0.1	-	0.0%	27.4%	-	-
Mumbai Region	12.8	9.0	3.8	78.8%	81.9%	5.1	56.1
Gera Commerzone Kharadi	2.6	1.3	1.3	93.1%	93.1%	11.0	71.0
The Square Nagar Road	0.8	0.7	0.1	73.4%	100.0%	5.5	61.3
Commerzone Yerwada	1.7	1.7	-	97.4%	99.9%	5.1	59.2
Pune	5.0	3.7	1.4	91.3%	97.5%	7.3	63.7
Mindspace Madhapur	10.6	10.0	0.6	86.6%	88.0%	6.4	53.8
Mindspace Pocharam	1.0	0.4	0.6	71.1%	71.1%	1.8	21.3
Hyderabad	11.6	10.4	1.3	86.0%	87.4%	6.3	52.8
Commerzone Porur	0.8	0.8	-	5.3%	8.3%	8.3	64.0
Chennai	0.8	0.8	-	5.3%	8.3%	8.3	64.0
Portfolio Total	30.2	23.9	6.4	81.8%	84.2%	6.0	55.9

Note: As of 31 Mar 21

## Breakup of Lease Expiry Profile

Asset	FY22			FY23			FY24		
	Area Expiring (msf)	% of Gross Contracte d Rentals	Rent at Expiry (INR psf)	Area Expiring (msf)	% of Gross Contracte d Rentals	Rent at Expiry (INR psf)	Area Expiring (msf)	% of Gross Contracte d Rentals	Rent at Expiry (INR psf)
Mindspace Airoli East	0.91	20.2%	50.6	0.35	7.0%	51.8	0.23	5.3%	52.0
Mindspace Airoli West	0.18	8.2%	57.5	0.22	8.7%	51.6	0.12	5.1%	54.5
Mindspace Malad	0.01	0.7%	73.9	0.10	19.5%	92.2	0.09	17.6%	104.6
The Square BKC	-	-	-	-	-	-	-	-	-
Mumbai Region	1.10	14.1%	51.9	0.67	9.0%	57.9	0.44	6.7%	63.1
Gera Commerzone Kharadi	-	-	-	-	-	-	-	-	-
The Square Nagar Road	-	-	-	-	-	-	-	-	-
Commerzone Yerwada	0.13	7.5%	59.8	0.24	9.8%	51.6	0.13	11.0%	78.2
Pune	0.13	3.7%	59.8	0.24	4.8%	51.6	0.13	5.4%	78.2
Mindspace Madhapur	0.90	9.9%	53.2	0.75	7.4%	53.0	0.40	4.0%	52.2
Mindspace Pocharam	0.13	52.3%	22.4	-	-	-	0.08	35.2%	25.7
Hyderabad	1.04	10.4%	49.2	0.75	7.4%	53.0	0.48	4.4%	47.7
Commerzone Porur	-	-	-	-	-	-	-	-	-
Chennai	-	-	-	-	-	-	-	-	-
Portfolio Total	2.27	10.3%	51.1	1.66	7.4%	54.8	1.04	5.4%	57.8

Note: As of 31 Mar 21

## Balance Sheet as on 31 Mar 21

Balance Sheet (INR Mn)	31 Dec 20	31 Mar 21
Sources of Funds		
Total Equity <sup>(1)</sup>	1,73,930	172,134
Sub-Total	1,73,930	172,134
Liabilities		
Debt <sup>(2)</sup>	36,590	37,858
Security Deposits	8,084	8,366
Other Liabilities <sup>(3)</sup>	4,388	4,360
Sub-Total	49,061	50,584
<b>Total</b>	<b>2,22,991</b>	<b>222,718</b>
Application of Funds		
Assets		
Investment Property / Property Plant Equipment	1,92,768	196,136
Investment Property Under Construction / Capital Work In Progress	18,688	15,339
Cash and Bank <sup>(4)</sup>	3,847	3,662
Other Assets <sup>(5)</sup>	7,688	7,581
<b>Total</b>	<b>2,22,991</b>	<b>222,718</b>

### Notes

- 1) SPV financials are consolidated starting 01 Aug 20. Acquisition of the shares of Asset SPVs by Mindspace REIT has been accounted as acquisition of group of assets. Requirements in Ind AS 103 for business combination accounting have not been applied to this transaction
- 2) Debt is prior to minority interest adjustment
- 3) Other Liabilities primarily include Trade Payables, Capital Creditors, Retention Money, Advances from customers and Statutory Dues
- 4) Distributions received from SPVs were held in cash at REIT Level as at 31 Dec 20 and as at 31 Mar 21
- 5) Other Assets primarily include Deferred Tax Assets, Advance Tax, Capital Advances, Security Deposits, Unbilled Revenue

## Debt Maturity Schedule as on 31 Mar 21

Description (INR Mn)	Fixed/Free Float	Total Facility	Undrawn Facility	Principal O/S	Interest Rate (p.a.p.m.)	Wgt. Avg. Maturity (Years)	Principal Repayment						
							FY22	FY23	FY24	FY25	FY26	FY27 & Beyond	Total
At REIT Level													
MLD (Tranche 1)	Fixed	5,000	-	5,000	6.60%	1.1	-	5,000	-	-	-	-	5,000
NCD (Tranche 1)	Fixed	2,000	-	2,000	6.42%	2.7	-	-	2,000	-	-	-	2,000
MLD (Tranche 2)	Fixed	3,750	-	3,750	6.46%	3.1	-	-	-	3,750	-	-	3,750
NCD (Tranche 2)	Fixed	750	-	750	6.64%	3.1	-	-	-	750	-	-	750
At SPV Level													
TL - MBPPL	Free Float	14,993	-	13,224	7.36%	9.3	1,514	1,231	1,432	1,627	1,868	5,552	13,224
TL - Sundew	Free Float	10,814	-	4,804	7.19%	7.9	421	370	427	500	600	2,487	4,804
TL - KRC Infra	Free Float	5,550	1,363	4,172	7.20%	8.9	332	301	368	476	566	2,127	4,172
LAP - Horizonview	Free Float	1,000	500	500	7.20%	2.8	-	-	-	500			500
TL - Gigaplex	Free Float	1,000	113	887	7.25%	2.9	119	79	689	-	-	-	887
OD / LOC	Free Float	7,028	4,473	2,555	7.79%	6.1	-	-	189	-	-	2,367	2,555
Total		51,885	6,448	37,642	7.09%	6.4	2,387	6,981	5,604	7,103	3,034	12,533	37,642
Repayment (%)							6.3%	18.5%	14.9%	18.9%	8.1%	33.3%	100%

MLD – Market Linked Debentures  
NCD – Non-Convertible Debentures

TL – Term Loan  
LAP – Loan Against Property

Note: As of 31 Mar 21

## Summary of Valuation as on 31 Mar 21

### Project wise Market Value breakup<sup>(1)</sup>

Asset	Market Value (INR Mn)			Market Value (%)		
	Completed	UC/Future Dev.	Total	Completed	UC/Future Dev.	Total
Mindspace Airoli East	40,849	1,850	42,699	16.6%	0.8%	17.3%
Mindspace Airoli West	28,720	7,754	36,474	11.7%	3.1%	14.8%
Mindspace Malad	9,569	-	9,569	3.9%	0.0%	3.9%
The Square BKC	3,905	-	3,905	1.6%	0.0%	1.6%
Mumbai Region	83,043	9,604	92,647	33.7%	3.9%	37.6%
Gera Commerzone Kharadi	13,360	5,539	18,899	5.4%	2.2%	7.7%
The Square Nagar Road	8,115	354	8,468	3.3%	0.1%	3.4%
Commerzone Yerwada	19,606	-	19,606	8.0%	0.0%	8.0%
Pune	41,081	5,892	46,973	16.7%	2.4%	19.1%
Mindspace Madhapur <sup>(2)</sup>	89,468	1,360	90,828	36.3%	0.6%	36.9%
Mindspace Pocharam	1,177	1,568	2,746	0.5%	0.6%	1.1%
Hyderabad	90,645	2,928	93,574	36.8%	1.2%	38.0%
Commerzone Porur	6,993	-	6,993	2.8%	0.0%	2.8%
Chennai	6,993	-	6,993	2.8%	0.0%	2.8%
Facility Management Business	5,327	652	5,979	2.2%	0.3%	2.4%
Portfolio Total	227,090	19,077	246,167	92.3%	7.7%	100.0%

#### Note:

1. Includes Real Estate & Facility Management Division
2. The Market Value of Mindspace Madhapur is with respect to 89.0% ownership of the respective Asset SPVs that own Mindspace Madhapur

# ROFO Assets to Add Further Scale And Growth

Strong pipeline spread across Mumbai Region, Chennai and Hyderabad

3 currently  
identified assets

8.6 msf  
total potential

4.6 msf  
by FY23

10  
year ROFO term<sup>(2)</sup>

Hyderabad | 1.8 msf  
Commerzone Madhapur

Status:

- 13<sup>th</sup> floor completed
- Expected completion:  
Phase 1 – Q2 FY22  
Phase 2 – Q4 FY22



Chennai | 1.8 msf  
Commerzone Pallikaranai

Status:

- Tower 2: 4th Floor reinforcement WIP
- Expected completion: Block 1 – Yet to commence  
Block 2 – Q3 FY23



Mumbai Region | 5.0 msf  
Mindspace Juinagar

Status:

- Completed: 0.8 msf<sup>(1)</sup>
- UC: 0.2 msf
- Future Development: 4.0 msf



Note: Area represent Sponsor Group's share; ROFO Assets comprises only commercial development within the park

1. Committed Occupancy of 55.1%; Completed area as on 31 Mar 21

2. Effective from Aug 20

## 11 Research Houses Covering Mindspace REIT

Research House	Analyst	Email Id
Ambit Capital	Karan Khanna	<a href="mailto:karan.khanna@ambit.co">karan.khanna@ambit.co</a>
Bank of America	Kunal Tayal	<a href="mailto:kunal.tayal@bofa.com">kunal.tayal@bofa.com</a>
CITI Research	Atul Tiwari	<a href="mailto:atul.tiwari@citi.com">atul.tiwari@citi.com</a>
Credit Suisse	Lokesh Garg	<a href="mailto:lokesh.garg@credit-suisse.com">lokesh.garg@credit-suisse.com</a>
ICICI Securities	Adhidev Chattopadhyay	<a href="mailto:adhidev.chattopadhyay@icicisecurities.com">adhidev.chattopadhyay@icicisecurities.com</a>
IIFL Securities	Mohit Agrawal	<a href="mailto:mohit.agrawal@iiflcap.com">mohit.agrawal@iiflcap.com</a>
JM Financial	Manish Agrawal	<a href="mailto:manish.agrawal@jmfl.com">manish.agrawal@jmfl.com</a>
Kotak Securities	Murtuza Arsiwalla	<a href="mailto:murtuza.arsiwalla@kotak.com">murtuza.arsiwalla@kotak.com</a>
Morgan Stanley	Sameer Baisiwala	<a href="mailto:sameer.baisiwala@morganstanley.com">sameer.baisiwala@morganstanley.com</a>
Nirmal Bang	Amit Agarwal	<a href="mailto:amit.agarwal@nirmalbang.com">amit.agarwal@nirmalbang.com</a>
UBS Securities	Sourabh Taparia	<a href="mailto:sourabh.taparia@ubs.com">sourabh.taparia@ubs.com</a>

## Key Definitions

Asset SPVs	Collectively, Avacado, Gigaplex, Horizonview, Intime, KRIT, KRC Infra, MBPPL and Sundew
Committed Occupancy (%)	$\frac{\text{Occupied Area} + \text{Committed Area}}{\text{Completed Area}}$
Committed Area	Completed Area which is unoccupied but for which letter of intent/ agreement to lease have been signed
Completed Area	Leasable Area for which occupancy certificate has been received; Completed Area comprises Occupied Area, Committed Area and Vacant Area
Future Development Area	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
Gross Contracted Rentals (INR)	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 $\frac{(\text{Base Rentals for the specified period})}{\text{Occupied Area} \times \text{monthly factor}}$
Market Rent (psf per month)	Manager's estimate of Base Rent that can be expected from leasing of the assets to potential tenants
Market Value	Market value (adjusted for non-controlling interest) as determined by Valuer as of 31 Mar 21
Msf	Million square feet
Net Operating Income (NOI)	Net Operating Income calculated as Revenue from operations less: direct operating expenses (which includes Maintenance services expense, property tax, insurance expense, cost of material sold and cost of power purchased)
Occupied Area	Completed Area for which lease agreements / leave and license agreements have been signed with tenants
Pre-Leased 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
Portfolio	Assets which will be directly or indirectly owned by Mindspace REIT in terms of the REIT Regulations
Re-leasing spread	Refers to the change in Base Rent between new and expiring leases, expressed as a percentage
Same Store Committed Occupancy (%)	Represents Committed Occupancy for the Portfolio for areas where occupancy certificate was received on or before 31 Mar 20
Total Leasable Area	Total Leasable Area is the sum of Completed Area, Under Construction Area and Future Development Area
Under Construction Area	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





accenture

# Thank You

Investor Relations Enquiries: Kedar Kulkarni  
(Finance & Investor Relations)

Email id: [ir@mindspacereit.com](mailto:ir@mindspacereit.com)

**MINDSPACE**

BUSINESS PARKS REIT

# **Summary Valuation Report: Portfolio of Mindspace Business Parks REIT**

Date of Valuation: 31 March 2021

Date of Report: 8 May 2021

**Submitted to:**

**K Raheja Corp Investment Managers LLP**

## 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 exchanges. 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	5.1
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	0.8
9	Commerzone Porur, Chennai	0.8
10	Mindspace Pocharam, Hyderabad	1.0

The Subject Properties comprise land for future development a 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 Properties 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 exchanges together with the clarifications, guidelines and notifications thereunder in the Indian stock exchanges 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 exchanges together with the clarifications, guidelines and notifications thereunder in the Indian stock exchanges.
- 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. The outbreak of COVID-19, declared by the World Health Organisation as a Global Pandemic on the 11th March 2020, and has continued to impact many aspects of daily life and the global economy. Individual markets have reacted differently to the COVID-19 outbreak, aftermath and further waves. Travel, movement and operational restrictions have been implemented by many countries. In some cases, lockdowns have been applied to varying degrees and to reflect further waves of COVID-19. The pandemic and the measures taken to tackle COVID-19 continue to affect economies and real estate markets globally. 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. Although these may imply a new stage of the crisis, they are not unprecedented in the same way as the initial impact. As per WHO, there are more than 250 COVID-19 vaccine candidates at different stages of trials. COVID-19 vaccine in India was launched on 16 January 2021. This was initially deployed to essential services workers and senior citizens. The coverage has now been expanded to people aged 18 years and above and with increased coverage in subsequent months, it can reasonably be expected that disruptions caused by the pandemic would subside in the coming year. The commercial real estate sector has so far shown reasonable resilience to the disruptions caused by Covid-19. With the gained intelligence about the pandemic and rapid progress witnessed in the development and deployment of the vaccine, we expect the corporates to resume their operations from their respective office spaces, as the situation starts to stabilize soon. This is expected to be followed by the demand for commercial office spaces, which have been vacated due to pandemic over the last year, to come back and then the demand for additional commercial office spaces is expected to arise, as the deferred corporate decision-making starts to materialize. Therefore, we expect slow recovery in the demand for commercial real estate in short-mid term before the demand resumes its long-term trajectory.
- 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 reports 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 Properties 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 exchanges together with the clarifications, guidelines and notifications thereunder in the Indian stock exchanges 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 1<sup>st</sup> 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 market 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 31 March 2021.

S. No.	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	89,468	1,360	90,828	89%
2	MindSpace Airoli East, Mumbai Region	Completed- 4.7 Under-construction/ Future development – 2.1 <sup>3</sup>	40,849	1,850	42,699	100%
3	MindSpace Airoli West, Mumbai Region	Completed – 3.5 Under-construction/ Future development – 1.7	28,720	7,754	36,474	100%
4	Paradigm MindSpace Malad, Mumbai Region	Completed - 0.7	9,569	-	9,569	100%
5	The Square, BKC, Mumbai Region	Completed – 0.1	3,905	-	3,905	100%
6	Commerzone Yerwada, Pune	Completed – 1.7	19,606	-	19,606	100%
7	Gera Commerzone Kharadi, Pune	Completed – 1.3 Under-construction/ Future development – 1.3	13,360	5,539	18,899	100%
8	The Square, Nagar Road, Pune	Completed - 0.7 Under-construction/ Future development – 0.1	8,115	354	8,468	100%
9	Commerzone Porur, Chennai	Completed – 0.8	6,993	-	6,993	100%
10	MindSpace Pocharam, Hyderabad	Completed - 0.4 Under-construction/ Future development – 0.6	1,177	1,568	2,746	100%
Sub-Total			221,762	18,425	240,187	
11	Facility Management Business		5,327	652	5,979	
Total			227,090	19,077	246,167	

<sup>1</sup> Based on Architect's Certificate, Rent Rolls, Lease Deeds/Leave and License Agreements

<sup>2</sup> 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 TSIC)

<sup>3</sup> 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

### 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 (Dated: 17 June 2020) (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 and did not receive the occupancy certificate by 31 March 2021. The property received the occupancy certificate on 6 May 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 Certificate (Dated: 17 June 2020) etc. shared by the Client, the Subject Property has completed and operational buildings collectively admeasuring approximately 5.6 million sq.

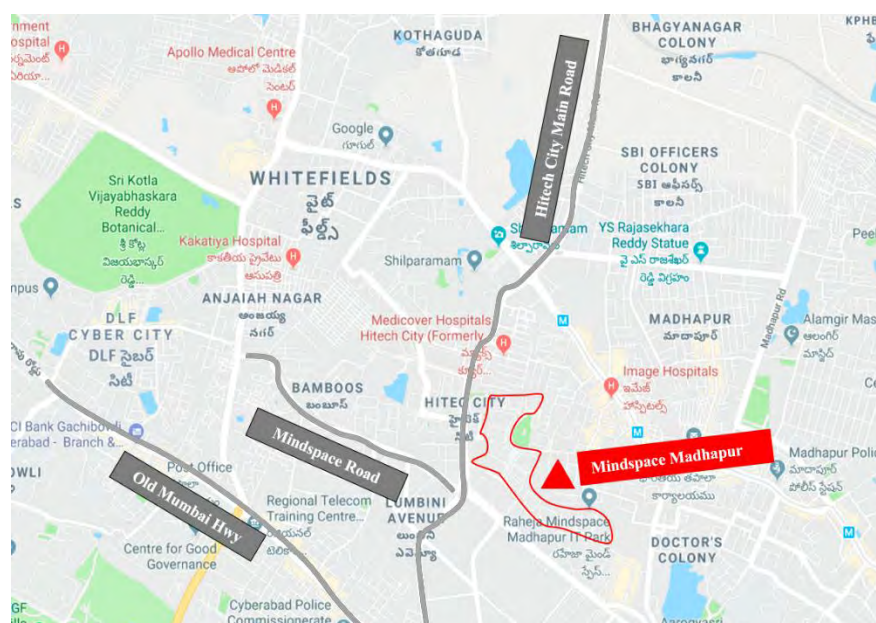
ft. of leasable area. Six operational buildings namely Buildings 12A, 12B, 12C, 14, 12D and 20 are SEZs and one operational building (Building 11) and another under-construction building (Building 22 – Hotel building) are Non-SEZ.

The building wise Leasable Area break up for the Subject Property is mentioned in the table below:

Particulars	Leasable Area (sq. ft.)	Usage type	Status
Building 11	590,271	Non-SEZ	Completed
Building 12A	856,837	SEZ	Completed
Building 12B	668,727	SEZ	Completed
Building 12C	786,257	SEZ	Completed
Building 14	529,307	SEZ	Completed
Building 20	910,385	SEZ	Completed
Building 12D	1,246,518	SEZ	Completed
Building 22	127,398	Non- SEZ	Under-construction
<b>Total</b>	<b>5,715,701</b>		

Source: Architect's Certificate (Dated: 17 June 2020), 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 31/03/2021)</b>		
Lease Completion	Qtr, Year	Q3 FY 2021-22
Current Effective Rent	INR/sq ft/mth	53
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: 270 Building 12D <sup>1</sup> : 605 Building 12D <sup>1</sup> (Fitout): 419 Under-construction (Bldg 22): 123
Expected Completion	Qtr, Year	Upgradation: Q2 FY 2022-23 Building 12D (Fitout): Q2 FY 2021-22 Building No. 22: Q1 FY 2021-22
<b>Other Financial Assumptions</b>		
Cap Rate	%	8.00
WACC (Complete/Operational)	%	11.75
WACC (Under-construction/Future Development) <sup>2</sup>	%	11.75

Note:

<sup>1</sup> Building 12D CAPEX represents pending payment of INR 605 Million. Capital Expenditure of INR 419 Million is planned for tenant specific fitouts for Building 12D. Fitout rent is being charged to the tenant against the same and is also accounted for in the cashflows.

<sup>2</sup> Building 22, which has already been pre-leased to Chalet hotels, is already complete and work on the services have also progressed significantly with the lessee having started its share of internal finishes and fit-outs. It is designated as under construction in accordance with the SEBI (REIT) regulations as it had not received the Occupancy Certificate as on 31 March 2021, however, it has received the Occupancy Certificate as on 6 May 2021, making the risk profile of the building similar to a completed building

## 4.1.8 Market Value

The market value of the full ownership interest of Mindspace REIT in the Subject Property as on 31 March 2021 is as follows:

NR 50,664 Million<sup>1</sup>  
(Indian Rupees Fifty Billion Six Hundred and Sixty-Four Million Only)

Note:

<sup>1</sup> 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 (K Raheja IT Park (Hyderabad) Ltd ) 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 (Dated: 17 June 2020) (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 (K Raheja IT Park (Hyderabad) Ltd ), 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 Certificate (Dated: 17 June 2020) 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.

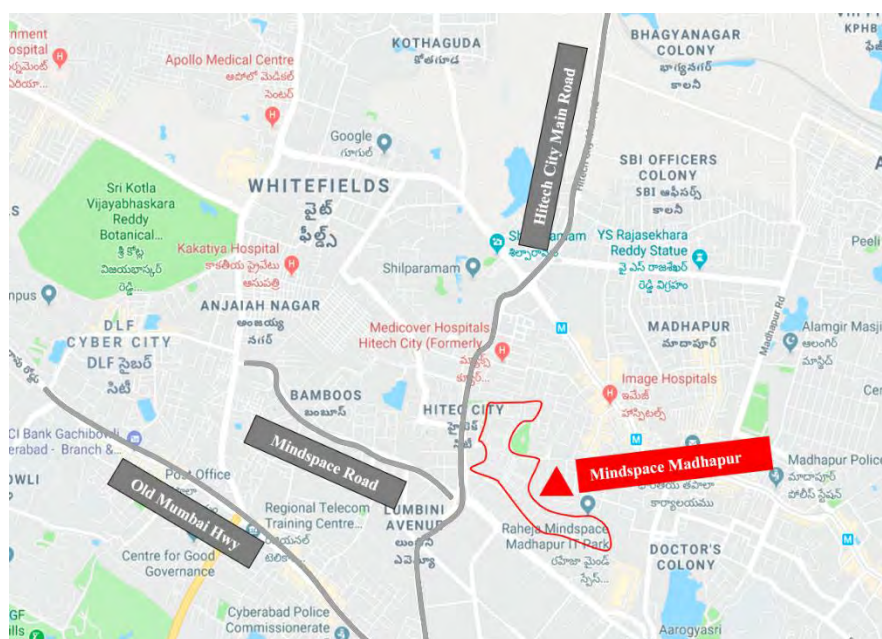
The building wise Leasable Area break up for the Subject Property is mentioned in the table below:

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	415,392	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	337,289	Non-SEZ	Completed
Additional Development Potential	500,000	Non-SEZ	Future Development
Amenities*	5,297	Non-SEZ	Completed
<b>Total</b>	<b>3,177,931</b>		

Source: Architect's Certificate (Dated: 17 June 2020), 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 31/03/2021)</b>		
Lease Completion	Qtr, Year	Q4 FY 2022-23
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	Upgrade Capex: 560
Expected Upgrade Completion	Qtr, Year	Upgradation: Q1 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 31 March 2021 is as follows

INR 24,373 Million<sup>1</sup>

(Indian Rupees Twenty-Four Billion Three Hundred and Seventy-Three Million Only)

*Note:*

<sup>1</sup> The valuation presented is for 89% interest in the Subject Property.

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

### 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 (Dated: 17 June 2020) (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

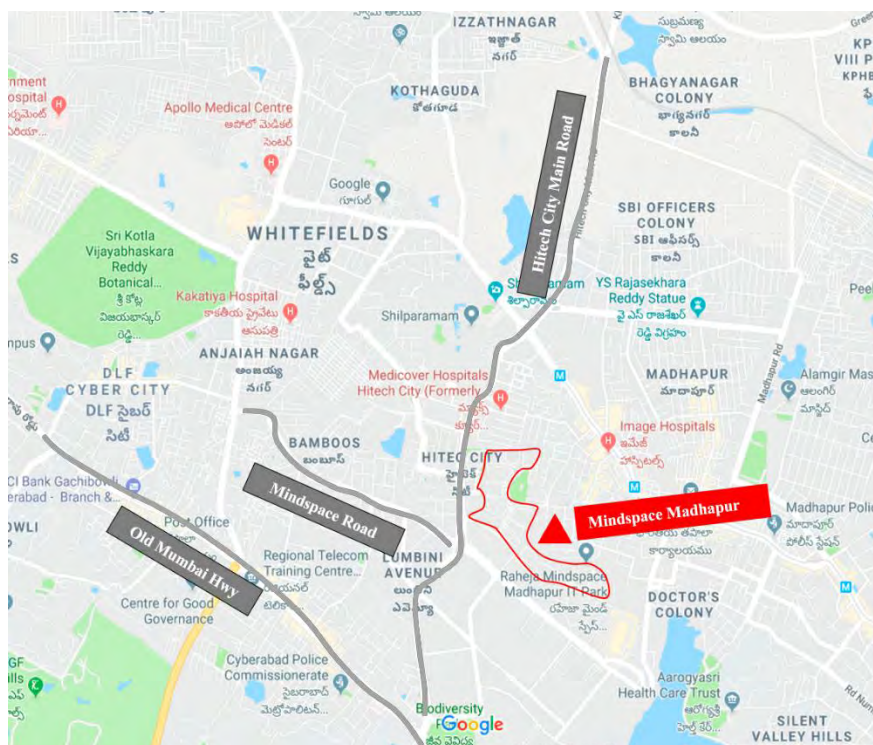
Based on the review of various documents like title reports, rent rolls, lease deeds, Architect's Certificate (Dated: 17 June 2020) etc. shared by the Client, the Subject Property has completed and operational buildings collectively admeasuring approximately 1.7 million sq. ft. of leasable area. Subject 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.)	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 (Dated: 17 June 2020), 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 31/03/2021)</b>		
Lease Completion	Qtr, Year	Q3 FY 2021-22
Current Effective Rent	INR/sq ft/mth	56
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: 63
Expected Upgrade Completion	Qtr, Year	Q4 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 31 March 2021 is as follows

INR 15,790 Million <sup>1</sup>

(Indian Rupees Fifteen Billion Seven Hundred and Ninety Million Only)

Note:

<sup>1</sup> 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 (Dated: 15 June 2020) (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 Dominos, Faasos, Jumbo King 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 (Dated: 15 June 2020), 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	5,331	SEZ	Completed
Building 15	800,000	Non-SEZ	Future Development
Retail Space (High Street)	50,000	Non-SEZ	Future Development
<b>Total</b>	<b>5,556,122</b>		

Source: Architect's Certificate (Dated: 15 June 2020), 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 31/03/2021)</b>		
Lease Completion	Qtr, Year	Q3 FY 2022-23
Current Effective Rent	INR/sq ft/mth	52
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: 1,450 Future Development: 4,300
Expected Completion	Qtr, Year	Building 15- Q4 FY 2024-25 High Street- 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

Note:

<sup>1</sup> Includes capex for Upgrade, Development of High Street / Retail space. It also includes warm-shell conversion of Building 7 as assumed by the Valuer.

#### 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.

**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

Following are the key assumptions for in accordance with the Commission order dated 30 March 2020:

Assumptions	Unit	Figure
Gross Fixed Assets (GFA)	INR Million	489
Accumulated Depreciation YTD FY20	INR Million	-112
Notional Equity (30% of GFA)	INR Million	147
Notional Debt as on March 2020 (70% of GFA)	INR Million	342
Depreciation rate (Straight Line Method)	% pa	5.3%
Remaining License Period	Years	12
WACC	%	10.5%

#### 4.4.12 Market Value

The market value of the full ownership interest in the Subject Property as on 31 March 2021 is as follows

INR 42,699 Million

(Indian Rupees Forty-Two Billion Six Hundred and Ninety-Nine 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 31 March 2021, as mentioned hereunder:

INR 218 Million

(Indian Rupees Two Hundred and Eighteen 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 (Dated: 15 June 2020) (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, under construction building 9 and Future Development Building 8 and Building 10, which are part of Gigaplex IT park located in Airoli West, Navi Mumbai. Gigaplex is spread over 50 acres comprising of 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

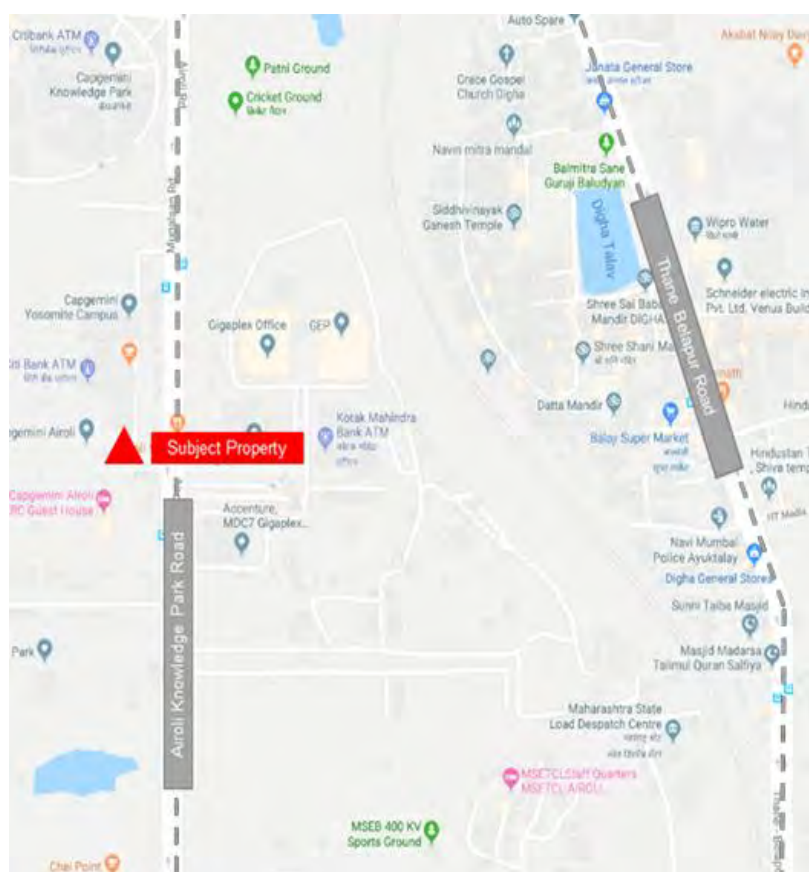
Based on the review of various documents like title reports, rent rolls, lease deeds, Architect's certificates (Dated: 15 June 2020) etc. shared by the Client, the Subject Property has ready and operations buildings collectively admeasuring approximately 3.5 million sq. ft. of leasable area. Out of the 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	715,271	SEZ	Completed
Building 3	740,153	SEZ	Completed
Building 4	831,730	SEZ	Completed
Building 5	374,635	SEZ	Completed
Building 6	391,777	SEZ	Completed
Centre Court	796	SEZ	Completed
Building 9	1,033,590	Non-SEZ	Under-construction
Building 8	315,110	Data Center	Future Development
Building 10	315,110	Data Center	Future Development
<b>Total</b>	<b>5,127,833</b>		

Source: Architect's Certificate (Dated: 15 June 2020), 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 31/03/2021)</b>		
Lease Completion	Qtr, Year	Q4 FY 2024-25
Current Effective Rent	INR/sq ft/mth	56
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> : 1,259 Future Development (Bldg 8 & Bldg 10): 3,575
Expected Completion	Qtr, Year	Under-construction (Bldg 9): Q4 FY 2021-22 Future Development (Bldg 8): Q3 FY 2022-23 Future Development (Bldg 10): Q3 FY 2024-25
<b>Other Financial Assumptions</b>		
Cap Rate	%	8.00
WACC (Complete/Operational)	%	11.75
WACC (Under-construction/Future Development)	%	13.10

<sup>1</sup> Total Remaining Capital Expenditure includes the pending payments of INR 4 Million relating to Building 4 and remaining capital expenditure of INR1,255 Million for Building 9.

#### 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.

**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 in accordance with the Commission order dated 30 March 2020:

Assumptions	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	18
WACC	%	10.50

#### 4.5.12 Market Value

The market value of the full ownership interest in the Subject Property as on 31 March 2021 is as follows

INR 36,474 Million

(Indian Rupees Thirty-Six Billion Four Hundred and Seventy-Four 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 9.08 acres with available FSI of 30,025 sqm as on 31 March 2021, as mentioned hereunder:

INR 548 Million

(Indian Rupees Five Hundred and Forty-Eight 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 (Dated: 15 June 2020) (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

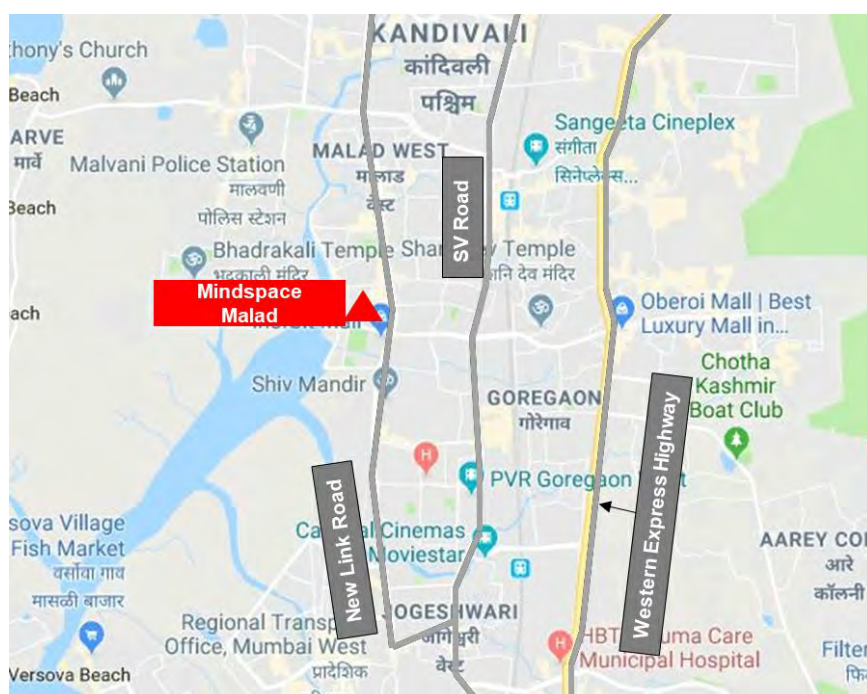
Based on the review of various documents like title reports, rent rolls, lease deeds, Architect's certificates (Dated: 15 June 2020) etc. shared by the Client, the Subject Property has ready buildings collectively admeasuring approximately 0.7 million sq. ft. of leasable area.

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	383,251	IT Park	Completed
Building 2	345,282	IT Park	Completed
<b>Total</b>	<b>728,533</b>		

Source: Architect's Certificate (Dated: 15 June 2020), 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 31/03/ 2021)</b>		
Lease Completion	Qtr, Year	Q2 FY 2021-22
Current Effective Rent	INR/sq ft/mth	91
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 Capex <sup>1</sup> : 198
Expected Completion	Qtr, Year	Q3 FY 2022-23
<b>Other Financial Assumptions</b>		
Cap Rate	%	8.00
WACC (Complete/Operational)	%	11.75
WACC (Under-construction/Future Development)	%	N.A.

Note:

<sup>1</sup> In addition to the Upgrade CAPEX, we have provisioned for bareshell to warmshell conversion CAPEX (valued at INR 145 mn) which has been adjusted to the warmshell property value

## 4.6.8 Market Value

The market value of the full ownership interest in the Subject Property, as on 31 March 2021, is as follows

INR 9,569 Million  
(Indian Rupees Nine Billion Five Hundred and Sixty-Nine Million Only)

## 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 (Dated: 11 June 2020) (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

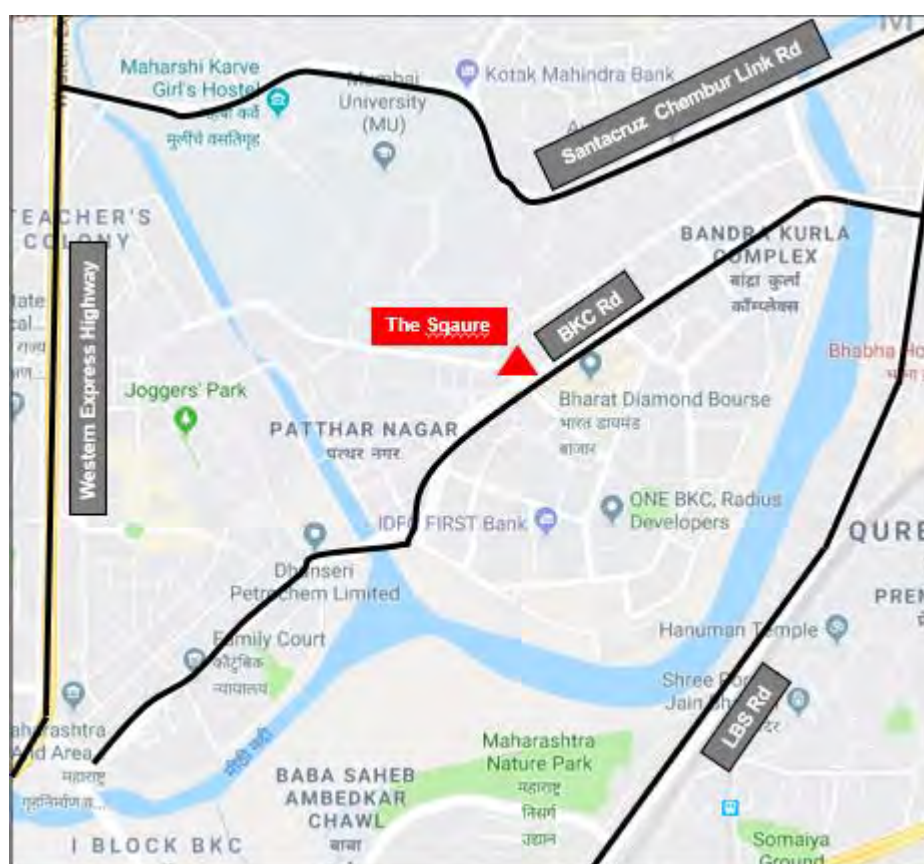
#### 4.7.5 Statement of Assets

Based on the review of various documents like title reports, rent rolls, lease deeds, Architect's certificates (Dated: 11 June 2020) 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 (Dated: 11 June 2020)

#### 4.7.6 Location Map



(Map not to Scale)

## 4.7.7 Key Assumptions

Particulars	Unit	Information
<b>Revenue Assumptions (as on 31/03/2021)</b>		
Lease Completion	Qtr, Year	Q4 FY 2021-22
Current Effective Rent	INR/sq ft/mth	260
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: 155
Expected Completion	Qtr, Year	Q2 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 31 March 2021 is as follows:

INR 3,905 Million  
(Indian Rupees Three Billion Nine Hundred and Five 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 (Dated:31 March 2020) (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 (Dated:31 March 2020) 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;

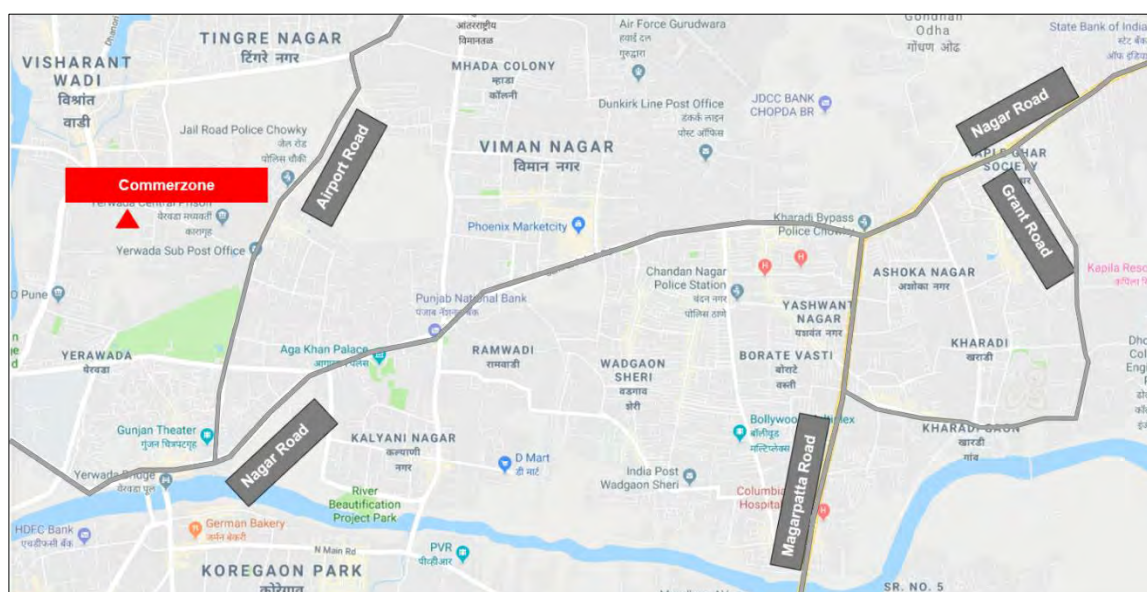
The building wise Leasable Area break up for the Subject Property is mentioned in the table below:

Particulars	Leasable Area (sq. ft.) <sup>1</sup>	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	372,858	Non-SEZ	Completed
Building 8	424,132	Non-SEZ	Completed
Amenity Building	79,521 <sup>1</sup>	Non-SEZ	Completed
<b>Total</b>	<b>1,677,139</b>		

Source: Architect's Certificate (Dated:31 March 2020), Rent Rolls, Lease Deeds//Leave and License Agreements

<sup>1</sup> Area under full ownership of Mindspace REIT

#### 4.8.6 Location Map



## 4.8.7 Key Assumptions

Particulars	Unit	Information
<b>Revenue Assumptions (as on 31/03/2021)</b>		
Lease Completion	Qtr, Year	N.A.
Current Effective Rent	INR/sq ft/mth	60
Achievable Market Rent	INR/sq ft/mth	78
Parking Charges	INR/bay/mth	2,000
<b>Development Assumptions</b>		
Remaining Capital Expenditure	INR Million	N.A.
Expected Completion	Qtr, Year	N.A.
<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 31 March 2021 is as follows:

INR 19,606 Million

(Indian Rupees Nineteen Billion Six Hundred and Six 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.*

## 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 (Dated:31 March 2020) (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**

Buildings 3 and 6 which are operational SEZ buildings, admeasure ~ 1.3 Million sq. ft. of leasable area. Building 3 (2B+G+12) is currently fully occupied and Building 6 (4B+G+13) is partially occupied.

#### **Under-Construction –**

Buildings 4 and 5 (4B+G+13 each) which are IT buildings, admeasure ~1.3 Million sq. ft. of leasable area. Building 5 is under construction with 4 basements, the podium floor and three floors completed and casting of 4th floor in progress. Building 4 is currently vacant land with portion of excavation completed.

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

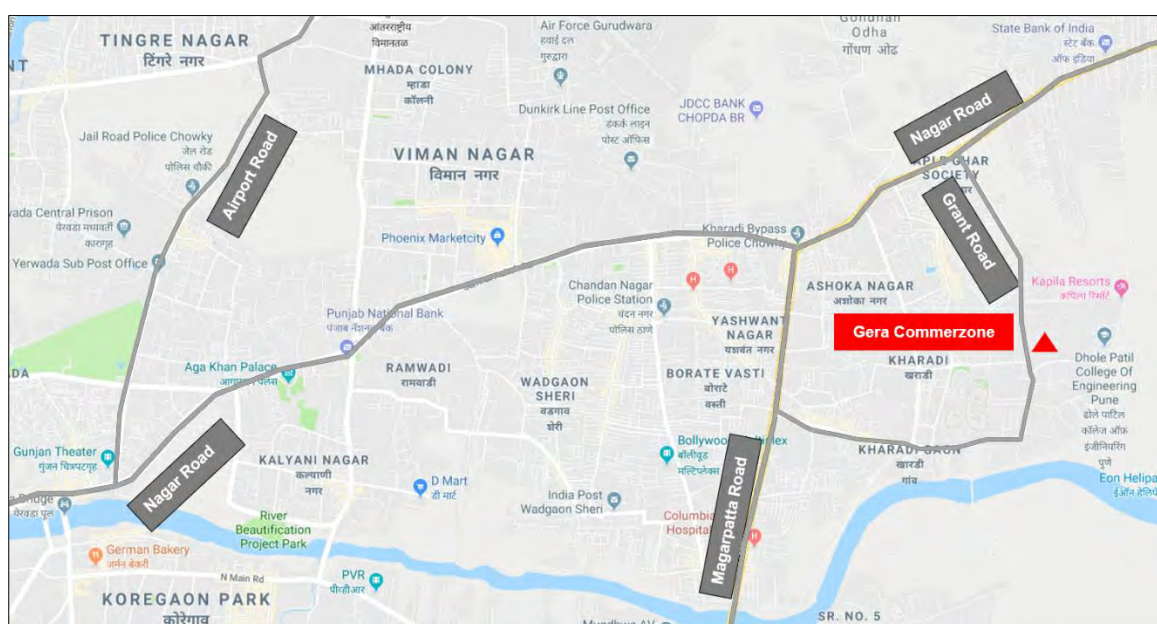
#### 4.9.5 Statement of Assets

Based on the review of various documents like title reports, rent rolls, lease deeds, Architect's certificates (Dated:31 March 2020) 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:

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 (Dated: 31 March 2020), 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 31/03/2021)</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> : 1,935 Future Development (Building 4): 2,756
Expected Completion	Qtr, Year	Under Construction (Building 5): Q1 FY 2022-23 Future Development (Building 4): 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

*Note: In addition to above mentioned construction cost:*

1. Total Remaining Capital Expenditure includes the pending payments of INR 120 Million relating to Building 6 and construction cost of building 5.
2. The construction cost of Building 1 (INR 1,731 million) is loaded on buildings 5 and 4 apportioned to the area of respective building.
3. Cost to be incurred towards approvals/premiums of INR 645 million is loaded on the buildings 5 and 4 in accordance to the construction timelines.
4. Cost of INR 190 million against MLCP (Multi-Level Car Park) is loaded on the Buildings 5 and 4 in accordance to the construction timelines
5. Construction cost is including the PSS (Project Support Services) cost and General Development (GD) cost.
6. Cost of INR 73 million towards general development is planned to be incurred

#### 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.

**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.

Assumptions	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	22
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 31 March 2021, is as follows

INR 18,899 Million

(Indian Rupees Eighteen Billion Eight Hundred and Ninety-Nine Million Only)

*Note: 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 1<sup>st</sup> day of the quarter following the listing of Mindspace REIT. For the purpose of valuation, it is assumed that the Facilities Management Services has commenced 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 ~24.8 million sq ft. as at (March 31, 2021) 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 are in line with the inflation expectation of 5%.
Expansion in Existing business and Buildings under construction	Total area of ~3.3 million sq ft.	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.

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. There is only listed comparable company, which 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 31 March 2021 is as follows:

INR 5,979 Million

(Indian Rupees Five Billion Nine Hundred and Seventy-Nine 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 (Dated: 31 March 2020) (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 Subject Property, a Grade A IT Park, comprises of two blocks, an IT building and a building that was a mall earlier and is now being used as commercial office space - the Mall block. The main entrance to the Subject Property is from Nagar Road. Further, the IT building is also facilitated with a separate gate which is accessible from the lane connecting Nagar Road.

#### **Completed Buildings – IT Building and Mall Block (Completed Portion)**

The ready/operational buildings collectively admeasure ~0.7 million sq. ft. of leasable area. The Mall Block is located at the entrance of the Subject Property and the IT building is located behind the Mall Block.

#### **Under-Construction/Redevelopment (U/C) – Mall Block (Partial)**

Part of the Mall Block admeasuring ~0.06 million sq. ft. of leasable area is currently under redevelopment. This area under redevelopment was earlier used as multiplex facility and now getting converted to commercial office space after making suitable alterations and refurbishments and thus categorised as under-construction/redevelopment.

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

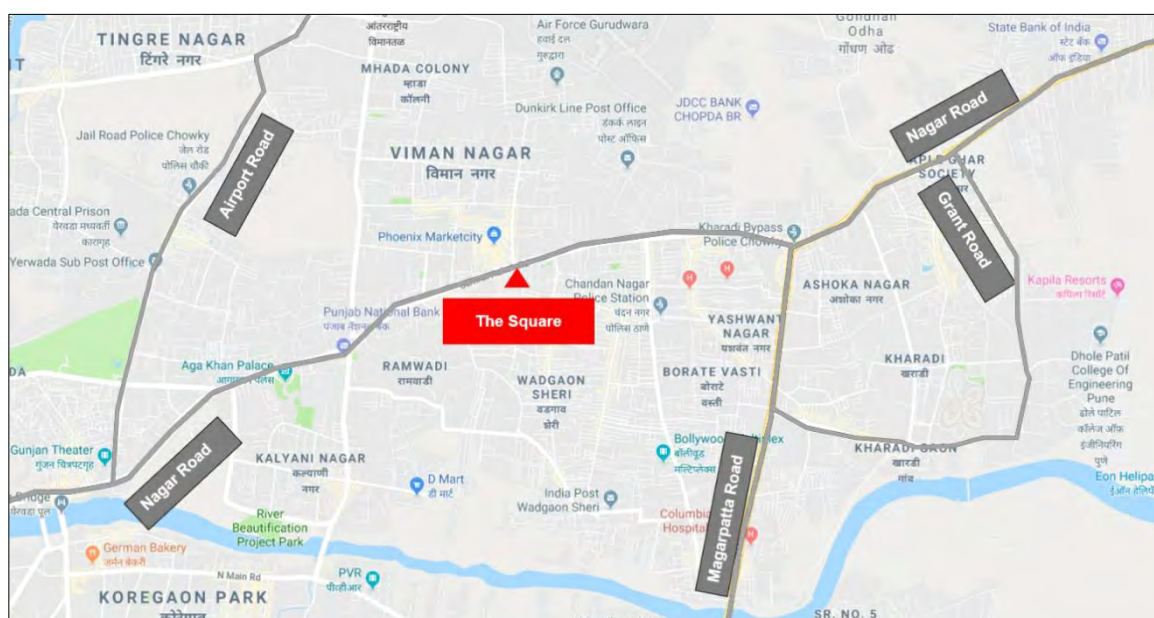
#### 4.10.5 Statement of Assets

Based on the review of various documents like title reports, rent rolls, lease deeds, Architect's certificates (For Completed Portion - Dated: 31 March 2020; Mall Block (U/C) – Dated: 31 March 2021) 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 Block (Completed)	521,382	Non-SEZ	Completed
Mall Block (U/C)	58,196	Non-SEZ	Under - Construction
<b>Total</b>	<b>766,598</b>		

Source: Architect's Certificate (Completed Portion - Dated: 31 March 2020; Mall Block (U/C) – Dated: 31 March 2021), 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 31/03/2021)</b>		
Lease Completion	Qtr, Year	Q3 FY2021-22
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	Under Construction <sup>1</sup> : 288
Expected Completion	Qtr, Year	Q4 FY2021-22
<b>Other Financial Assumptions</b>		
Cap Rate	%	8.00
WACC (Complete/Operational)	%	11.75
WACC (Under-construction/Future Development)	%	13.10

<sup>1</sup> Total Remaining Capital Expenditure includes the pending payments of INR 288 million for redevelopment of Mall Block (U/C) area.

## 4.10.8 Market Value

The market value of the full ownership interest in the Subject Property, as on 31 March 2021, is as follows

INR 8,468 Million  
(Indian Rupees Eight Billion Four Hundred and Sixty- Eight 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 (Dated: 17 June 2020) (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

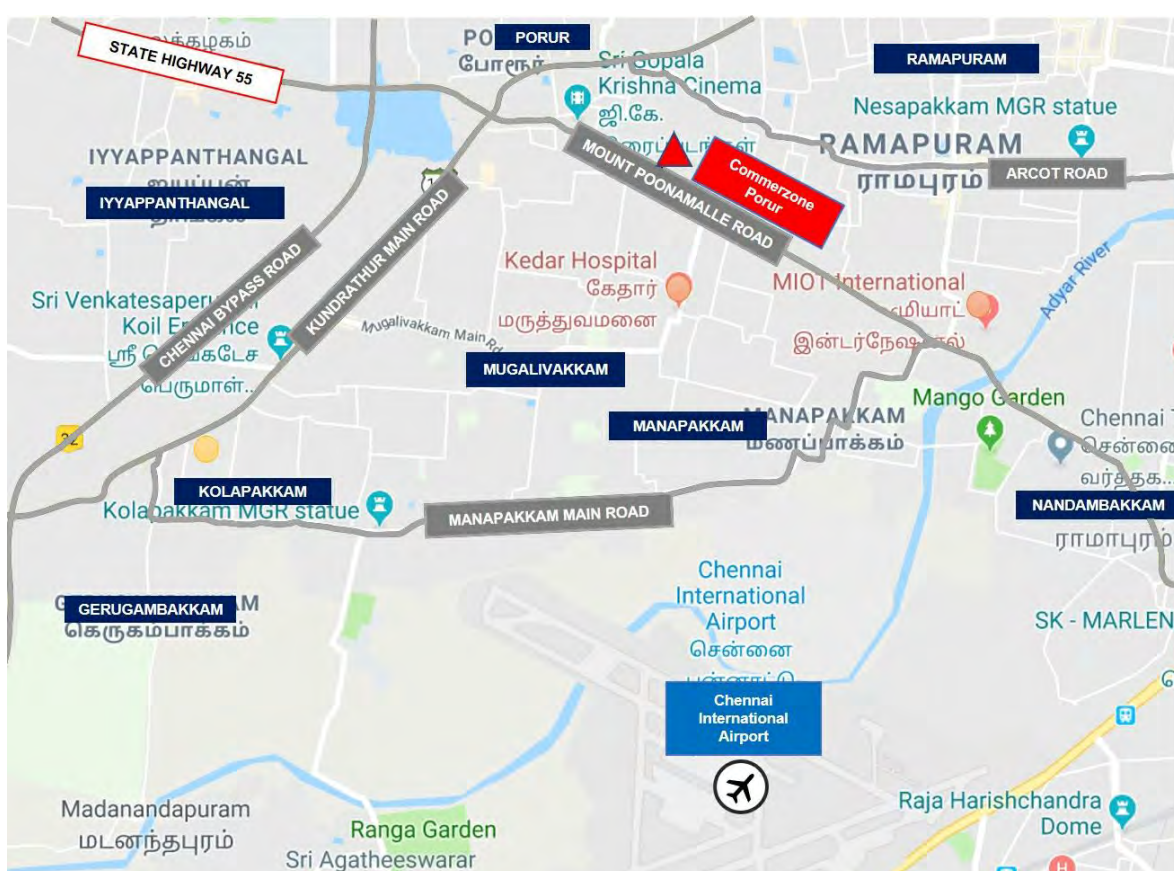
Based on the review of various documents like title reports, lease deeds, Architect's certificates (Dated: 17 June 2020) etc. shared by the Client, the Subject Property consists of two towers collectively admeasuring approximately 0.8 million sq. ft. of leasable area. The building wise break up for the 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 (Dated: 17 June 2020)

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 31/03/2021)</b>		
Lease Completion	Qtr, Year	Q2 FY 2022-23
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: 362
<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 31 March 2021 is as follows;

INR 6,993 Million

(Indian Rupees Six Billion Nine Hundred and Ninety-Three 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 (Dated: 17 June 2020) (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

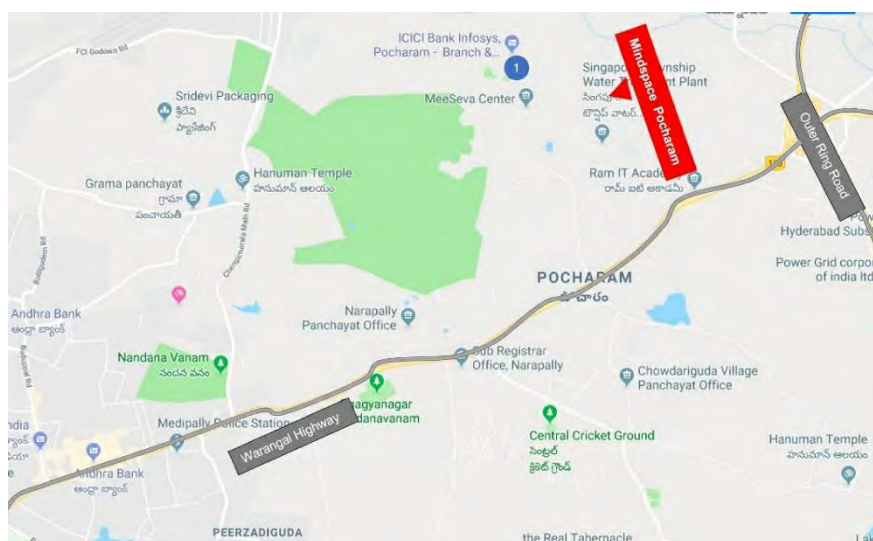
Based on the review of various documents like title reports, rent rolls, lease deeds, Architect's Certificate (Dated: 17 June 2020) etc. shared by the Client, the Subject Property has one operational building and one under-construction building collectively admeasuring approximately 0.6 million sq. ft. 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 (Dated: 17 June 2020), 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 31/03/2021)</b>		
Lease Completion	Qtr, Year	Q3 FY 2023-24
Current Effective Rent	INR/sq ft/mth	21
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: 55
Expected Completion	Qtr, Year	Q2 FY 2022 - 2023
<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 31 March 2021 is as follows:

INR 2,746 Million <sup>1</sup>

(Indian Rupees Two Billion Seven Hundred and Fifty-Six Million Only)

Note:

<sup>1</sup> Future development is being valued as market value of underlying land

The above value includes the market value of land for future development based on market comparables, admeasuring approximately 59.0 acres as on 31 March 2021, as mentioned hereunder:

INR 1,204 Million

(Indian Rupees One Billion Two Hundred and Four Million Only)

The above value of land for future development includes approximately 40.0 acres land parcel valued at INR 816 Million (Indian Rupees Eight Hundred and Sixteen Million Only), which may be considered for sale.

**Strictly Confidential  
For Addressee Only**

**Independent Property  
Consultant Report on the  
Valuation Methodology of  
Mindspace Business Parks  
REIT**

**Report for**

**K Raheja Corp Investment  
Managers LLP**

**Report Date**

**10 May 2021**





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**From:**  
**Cushman & Wakefield (India) Pvt Ltd**  
A – 502,5th Floor, A Wing, One BKC,  
Bandra Kurla Complex, Bandra (East)  
Mumbai – 400 051

**To:** **K Raheja Corp Investment Managers LLP**

**Property:** **Mindspace Business Parks REIT**

**Report Date:** **10 May 2021**

## **A REPORT**

### **1 Instructions - Appointment**

Cushman & Wakefield India Pvt. Ltd. (C&WI) as an independent international property consultant has been instructed by K Raheja Corp Investment Managers LLP (the 'Client', the 'Instructing Party') in its capacity as manager of Mindspace Business Parks REIT ("Mindspace REIT") to perform an independent review (the "Engagement"), of the Stated Procedure (as defined below), used for the valuation of the properties (the "Properties") owned by SPVs (as defined below), which in turn will be owned by Mindspace Business Parks REIT and provide an independent report ("Report"). This agreement sets out the scope and other understanding between the parties ("Agreement").

The Properties considered as part of this study are detailed in Part B of this report. The exercise has been carried out in accordance with the instructions (Caveats & Limitations) detailed in Annexure 1 of this report. The extent of professional liability towards the Client is also outlined within these instructions.

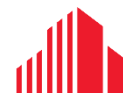
### **2 Professional Competency of C&WI Valuation & Advisory Services India**

C&WI Valuation & Advisory Services India is an integral part of C&WI Global Valuation & Advisory Services team. The Global Valuation & Advisory team comprises of over 1,970+ professionals across approximately 150+ offices globally and India VAS team comprises of more than 50 professionals.

C&WI Valuation & Advisory Services India have completed over 9,997 valuation and advisory assignments across varied asset classes/ properties worth USD 446 billion.

We provide quality valuation, risk advisory and consulting services across a range of property types including residential, hospitality, retail, commercial, institutional, Special Economic Zone (SEZ), industrial, etc. We derive global best practices while maintaining the complexities of Indian real estate markets and are ideally positioned to help solve any valuation related real estate challenge, ranging from single asset valuations to valuation of multi-market and multi-property portfolios.

In India, we have our presence since 1997. Our dedicated and experienced professionals provide quality services from 7 offices across India (Mumbai, Bengaluru, Chennai, Kolkata, Gurgaon, Hyderabad and Pune). We have a strong team of experienced and qualified professionals dedicated to offer Valuation & Advisory services in various locations across the country. C&WI India recognizes that no uniform norms and standards for real estate valuation currently exist in India. With this context and background, C&WI utilizes internationally accepted valuation techniques customized to Indian context based on best practices in the Industry.



Our professionals have diverse backgrounds such as RICS, CAs, CFAs, MBAs, Architects, Planners, Engineer's etc. We are preferred valuers for global and domestic banks, financial institutions, Asset Reconstruction Companies (ARC's), Private Equity Funds, Non-Banking Financial Company (NBFC) etc.

### **3 Disclosures**

C&WI has not been involved with the acquisition or disposal, within the last twelve months, of any of the properties being considered for the Engagement. C&WI has no present or planned future interest in the Client, Trustee, Mindspace REIT, the Sponsors and Sponsor Group to Mindspace REIT or the Special Purpose Vehicles (SPVs) and the fee for this Report is not contingent upon the review contained herein. C&WI has also prepared the Industry Report which covers the overview of the commercial real estate markets, the drivers and trends in the relevant cities/micro-markets. Our review should not be construed as investment advice; specifically, we do not express /any opinion on the suitability or otherwise of entering into any financial or other transaction with the Client or the SPVs.

C&WI shall keep all the information provided by Client confidential.

### **4 Purpose**

The purpose of the Engagement is to review the assumptions and methodologies as set out in Annexure 2 ("Stated Procedure") which have been used for 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. It is hereby clarified that we are not undertaking a valuation under the SEBI REIT Regulations or any other enactment and the scope of work is expressly limited to what is stated herein.

With respect to the aforementioned disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, this independent report is intended to be filed with the Securities and Exchange Board of India ("SEBI"), stock exchanges, trustee or any other relevant regulator within or outside India, and in any other documents to be issued or filed in relation to Mindspace Business Parks REIT.

### **5 Scope of Work**

C&WI has given its views in relation to the Stated Procedure and this Engagement should not be considered as an audit of a valuation or an independent valuation of a Property. C&WI has not developed its own opinion of value but has reviewed the Stated Procedure in light of the framework contained in the RICS Valuation Global Standards 2019 ("Red Book") which is compliant with the IVSC International Valuation Standards issued on 31 July 2019, effective from 31 January 2020.

C&WI review is limited, by reference to the date of this report and to the facts and circumstances relevant to the Properties at the time, to review and assess, under the Red Book standards:

- whether the key assumptions as set out in the Stated Procedure are reasonable; and
- whether the methodology followed as set out in the Stated Procedure is appropriate;

### **6 Approach & Methodology**

C&WI has prepared the Industry report including overview of the commercial office scenario for each of the markets/ sub-markets where Properties are present., C&WI has visited the Properties during the study.



C&WI has been provided with the information such as rent rolls, sample agreement copies, approval plans and other information such as valuation Methodology and key assumptions including achievable rental for the property, rental growth rate, construction timelines, Capitalisation rates, Discount rates etc. An extract of the Methodology and Key assumptions is provided in Annexure 2

## **7 Authority (in accordance with this Agreement)**

The Manager acknowledges and agrees that C&WI's services hereunder (including, without limitation, the Deliverables itself and the contents thereof) are being provided by C&WI solely to the Manager in relation to Mindspace Business Parks REIT. If the Manager desires to use the Deliverables or C&WI's name in any other offering other than as contemplated under this Agreement, then the Manager shall obtain C&WI's prior written approval for such usage. The Manager shall indemnify C&WI for any losses suffered by C&WI due to such usage other than as prescribed under this Agreement. Additionally, the Manager herewith consents to provide or cause to be provided, an indemnification agreement in C&WI's favor, reasonably satisfactory to C&WI to indemnify C&WI for any use of the Report other than for the purpose permitted under this Agreement. It is however clarified that the indemnity shall not cover any losses resulting from the use of the Report for statutory /other reporting for sharing with REIT investors/unitholders for Mindspace Business Parks REIT.

## **8 Third Party Claim Indemnity (in accordance with this Agreement)**

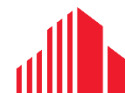
The Report issued shall be used by the Manager in relation to the purpose stated previously. In the event the Manager (i) uses the Report not (i) in accordance with the terms of this Agreement / as per purpose permitted under this Agreement or (ii) permits reliance thereon by, any person or entity as not authorized by C&WI in writing to use or rely thereon, the Manager hereby agrees to indemnify and hold C&WI, its affiliates and their respective shareholders, directors, officers and employees (collectively the "Representatives"), harmless from and against all damages, expenses, claims and costs, including reasonable attorneys' fees, incurred in investigating and defending any claim, arising from or in any way connected to the use of , or reliance upon, the Report. Notwithstanding the forgoing, the Manager shall not be liable under this clause if such damages, expenses, claims and costs incurred as a result of C&WI's or any of its affiliates' or any of their respective Representatives' gross negligence, fraud, wilful misconduct, or breach of their confidentiality obligations under this Agreement.

C&W disclaims any and all liability to any party other than the Manager.

## **9 Limitation of Liability (in accordance with this Agreement)**

C&WI endeavors to provide services to the best of its ability and professional standards and in bonafide good faith. Subject to the terms and conditions in this Agreement, C&WI's total aggregate liability to the Manager arising in connection with the performance or contemplated performance of the services herein, regardless of cause and/or theory of recovery, shall not exceed the professional indemnity insurance limited to Indian Rupees INR 50 million

In the event that C&WI is subject to any claims in connection with, arising out of or attributable to in any legal proceedings In all such cases, the Manager agrees to reimburse/ refund to C&WI, the actual cost (which shall include legal fees and external counsel's fee) incurred by C&WI while becoming a necessary party/respondent.



## **10 Disclaimer**

C&WI will neither be 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.

## **11 Disclosure and Publications**

You must not disclose the contents of this report to a third party in any way, except as allowed under the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars. As per the terms and regulation 2(1) of the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars.



## **B REVIEW FINDINGS**

Our exercise has been to review the Stated Procedure, which has been used, for conducting valuation of Properties in connection with 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, in accordance with IVS 104 of the IVSC International Valuation Standards issued on 31 July 2019, effective from 31 January 2020.

The approach adopted by C&WI would be to review the Stated Procedure, which would have a significant impact on the value of Properties, such as:

- Achievable rental for the property
- Rental Growth rate
- Construction timelines
- Capitalisation rate
- Discount rate

C&WI has:

- Independently reviewed the key assumptions as set out in the Stated Procedure and is of the opinion that they are reasonable;
- Independently reviewed the approach and methodology followed and analysis as set out in the Stated Procedure, to determine that it is in line with the guidelines followed by RICS and hence is appropriate;

C&WI finds the assumptions, departures, disclosures, limiting conditions as set out in the Stated Procedure, relevant and broadly on lines similar to RICS guidelines. No other extraordinary assumptions are required for this review.

The outbreak of COVID-19, declared by the World Health Organisation as a Global Pandemic on the 11th March 2020, and has continued to impact many aspects of daily life and the global economy. Individual markets have reacted differently to the COVID-19 outbreak, aftermath and further waves. In India, the government has imposed travel, movement and operational restrictions to contain the spread of Covid-19 which has caused business disruption impacting the economic activity.

As per WHO, there are more than 250 COVID-19 vaccine candidates at different stages of trials. COVID-19 vaccine in India was launched on 16 January 2021. This was initially deployed to essential services workers and senior citizens. The coverage has now been expanded to people aged 18 years and above and with increased coverage in subsequent months, it can reasonably be expected that disruptions caused by the pandemic would subside in the coming year.

The commercial real estate sector has so far shown reasonable resilience to the disruptions caused by Covid-19. With the gained intelligence about the pandemic and rapid progress witnessed in the development and deployment of the vaccine, we expect the corporates to resume their operations from their respective office spaces, as the situation starts to stabilize soon. This is expected to be followed by the demand for commercial office spaces, which have



been vacated due to pandemic over the last year, to come back and then the demand for additional commercial office spaces is expected to arise, as the deferred corporate decision-making starts to materialize.

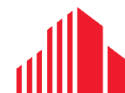
Therefore, we expect slow recovery in the demand for commercial real estate in short-mid term before the demand resumes its long-term trajectory.

We observe that the assumptions noted in Annexure 2, reflect these factors.

Below is the summary of the portfolio of the properties as of March 31, 2021 which is spread across Hyderabad, Mumbai, Pune and Chennai that has been reviewed:

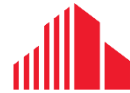
Sr No	Location	Project	Area	
			Completed (In msf)	Under Construction / Future Development (In msf)
1	Hyderabad	Intime, Mindspace Madhapur, Hyderabad	1.7	-
2	Hyderabad	KRIT, Mindspace Madhapur, Hyderabad	2.7	0.5
3	Hyderabad	Sundew, Mindspace Madhapur, Hyderabad	5.6	0.1
<b>Total Mindspace Madhapur, Hyderabad</b>			<b>10.0</b>	<b>0.6</b>
4	Mumbai	Mindspace Airoli East	4.7	2.1 <sup>1</sup>
5	Mumbai	Mindspace Airoli West	3.5	1.7
6	Mumbai	Mindspace Malad, Mumbai	0.7	-
7	Mumbai	The Square, Bandra Kurla Complex	0.1	-
8	Pune	Commerzone, Yerwada, Pune	1.7	-
9	Pune	Gera Commerzone, Kharadi, Pune	1.3	1.3
10	Pune	The Square, Nagar Road, Pune	0.7	0.1
11	Chennai	Commerzone Porur, Chennai	0.8	-
12	Hyderabad	Mindspace Pocharam, Hyderabad (including land area for future development)	0.4	0.6
<b>Total</b>			<b>23.9</b>	<b>6.4</b>

(1) 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.



Below is the Property wise analysis:

- **Mindspace, Madhapur (Intime):** C&WI view of the market rent for the asset would be in the range of INR 65-70 per sft per month. This is keeping in mind the latest transactions within the park and competing office parks in the vicinity. C&WI considers the discount rate appropriate and cap rate in line with the market.
- **Mindspace, Madhapur (KRIT):** C&WI view of the market rent for the asset would be in the range of INR 65-70 per sft per month. This is keeping in mind the latest transactions within the park and competing office parks in the vicinity. C&WI considers the discount rate appropriate and cap rate in line with the market. It also includes land area planned to be utilized for future development of around 0.50 msf.
- **Mindspace, Madhapur (Sundew):** C&WI view of the market rent for the asset would be in the range of INR 65-70 per sft per month. This is keeping in mind the latest transactions within the park and competing office parks in the vicinity. C&WI considers the discount rate appropriate and cap rate in line with the market.
- **Mindspace Airoli East:** C&WI view of the market rent for the asset would be in the range of INR 55-60 per sft per month. This is keeping in mind the latest transactions within the park and competing office parks in the vicinity. C&WI considers the discount rate appropriate and cap rate in line with the market. It also includes land area for future development (which may be considered for sale) admeasuring approximately 1.76 acres.
- **Gigaplex Airoli West:** C&WI view of the market rent for the asset would be in the range of INR 53-55 per sft per month. This is keeping in mind the latest transactions within the park and competing office parks in the vicinity. C&WI considers the discount rate appropriate and cap rate in line with the market. It also includes 2 land parcels for future development admeasuring approximately 5.66 acres (which may be considered for sale) and 3.42 acres respectively.
- **Mindspace Malad, Mumbai:** C&WI view of the market rent for the asset would be in the range of INR 85-90 per sft per month. This is keeping in mind the latest transactions within the park and competing office parks in the vicinity. C&WI considers the discount rate appropriate and cap rate in line with the market.
- **The Square, BKC:** The Property was acquired in August 2019. Considering the prime location on the main arterial road of BKC with good frontage, enhanced signage opportunity makes it relevant for tenants who are looking for a marquee building in the leading business district of the city, C&WI view of the market rent for the asset would be in the range of INR 250-275 per sft per month. C&WI considers the discount rate appropriate and cap rate in line with the market.



- **Commerzone, Yerwada:** C&WI view of the market rent for the asset would be in the range of INR 75-80 per sft per month. This is keeping in mind the latest transactions within the park and competing office parks in the vicinity. C&WI considers the discount rate appropriate and cap rate in line with the market.
- **Commerzone, Kharadi:** C&WI view of the market rent for the asset would be in the range of INR 75-80 per sft per month. This is keeping in mind the latest transactions within the park and competing office parks in the vicinity. C&WI considers the discount rate appropriate and cap rate in line with the market.
- **The Square – Nagar Road:** C&WI view of the market rent for the asset would be in the range of INR 75-80 per sft per month. This is keeping in mind the latest transactions within the park and competing office parks in the vicinity. C&WI considers the discount rate appropriate and cap rate in line with the market.
- **Commerzone Porur:** C&WI view of the market rent for the asset would be in the range of INR 60-65 per sft per month. This is keeping in mind the latest transactions within the competing office parks in the vicinity. C&WI considers the discount rate appropriate and cap rate in line with the market.
- **Mindspace, Pocharam:** C&WI view of the market rent for the asset would be in the range of INR 22-25 per sft per month. This is keeping in mind the latest transactions within the park and competing office parks in the vicinity. C&WI considers the discount rate appropriate and cap rate in line with the market. It also includes land area for future development admeasuring approximately 59.0 acres (approximately 40.0 acres out of which may be considered for sale).

Considering the above-mentioned points, C&WI considers the market assumptions and the approach to valuation for the above Properties to be reasonable and in line with international standards (RICS).



Signed for and on Behalf of Cushman & Wakefield India Pvt. Ltd

**Somy Thomas, MRICS**  
Managing Director,  
Valuation and Advisory Services

**Shailaja Balachandran, MRICS**  
Director,  
Valuation and Advisory Services

**Nikhil Shah**  
Assistant Vice President,  
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**Anuradha Vijay, MRICS**  
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**Ankur Gupta, CFA**  
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**Sahil Shroff**  
Senior Manager,  
Valuation and Advisory Services



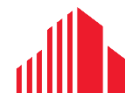


## Annexure 1: Instructions (Caveats & Limitations)

1. The Independent Property Consultant Report is not based on comprehensive market research of the overall market for all possible situations. Cushman & Wakefield India (hereafter referred to as "C&WI") has covered specific markets and situations, which are highlighted in the Report.

The scope comprises of reviewing the assumptions and methodology in the Stated Procedure, for valuation of the Properties. C&WI did not carry out comprehensive field research-based analysis of the market and the industry given the limited nature of the scope of the assignment. In this connection, C&WI has relied on the information supplied to C&WI by the Client

2. In conducting this assignment, C&WI has carried out analysis and assessments of the level of interest envisaged for the Property(ies) under consideration and the demand-supply for the commercial sector in general. The opinions expressed in the Report will be subject to the limitations expressed below.
  - a. C&WI has endeavoured to develop forecasts on demand, supply and pricing on assumptions that would be considered relevant and reasonable at that point of time. All of these forecasts are in the nature of likely or possible events/occurrences and the Report will not constitute a recommendation to Mindspace REIT or (Client or its affiliates and subsidiaries or its customers or any other party to adopt a particular course of action. The use of the Report at a later date may invalidate the assumptions and basis on which forecasts have been generated and is not recommended as an input to a financial decision.
  - b. Changes in socio-economic and political conditions could result in a substantially different situation than those presented at the stated effective date. C&WI assumes no responsibility for changes in such external conditions.
  - c. In the absence of a detailed field survey of the market and industry (as and where applicable), C&WI has relied upon secondary sources of information for a macro-level analysis. Hence, no direct link is to be established between the macro-level understandings on the market with the assumptions estimated for the analysis.
  - d. The services provided is limited to review of assumptions and valuation approach and other specific opinions given by C&WI in this Report and does not constitute an audit, a due diligence, tax related services or an independent validation of the projections. Accordingly, C&WI does not express any opinion on the financial information of the business of any party, including the Client and its affiliates and subsidiaries. The Report is prepared solely for the purpose stated and should not be used for any other purpose.
  - e. While the information included in the Report is believed to be accurate and reliable, no representations or warranties, expressed or implied, as to the accuracy or completeness of such information is being made. C&WI will not undertake any obligation to update, correct or supplement any information contained in the Report.
  - f. In the preparation of the Report, C&WI has relied on the following information:
    - i. Information provided to C&WI by the Client and subsidiaries and third parties,;
    - ii. Recent data on the industry segments and market projections;
    - iii. Other relevant information provided to C&WI by the Client and subsidiaries at C&WI's request;



- iv. Other relevant information available to C&WI; and
  - v. Other publicly available information and reports.
- 3. The Report will reflect matters as they currently exist. Changes may materially affect the information contained in the Report.
- 4. In the course of the analysis, C&WI has relied on information or opinions, both written and verbal, as currently obtained from the Clients as well as from third parties provided with, including limited information on the market, financial and operating data, which would be accepted as accurate in bona-fide belief. No responsibility is assumed for technical information furnished by the third-party organizations and this is bona-fidely believed to be reliable.
- 5. No investigation of the title of the assets has been made and owners' claims to the assets is assumed to be valid. No consideration will be given to liens or encumbrances, which may be against the assets. Therefore, no responsibility is assumed for matters of a legal nature.



## **Annexure 2: Extract of Methodology & Key Assumptions for the Valuation of Properties**

### **Valuation Approach and Methodology**

- **PURPOSE 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 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.

- **BASIS OF VALUATION**

It is understood that the valuation is required by the Client 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 and for accounting purposes. Accordingly, the valuation exercise has been carried out to estimate the "Market Value" of the Subject Property in accordance with IVS 104 of 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 date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.'

- **VALUATION APPROACH**

The basis of valuation for the Subject Property being Market Value, the same may be derived by any of the following approaches:

- **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.

- **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).



- *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.

- *Income Approach - Discounted Cash Flow Method*

Using the 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.

- *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.

- **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, a mix of Market Approach and Discounted Cash Flow method, as the case may be 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").

- Asset-specific Review:

1. 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.
2. For anchor/large tenants, adjustments on marginal rent or additional lease-up timeframe have been adopted upon lease reversion.
3. 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.
4. Physical site inspections were undertaken to assess the current status of the Subject Properties.

- Micro-market Review:

The review was carried out in the following manner:

1. 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 (view on achievable rent for the Subject Properties for leasing vacant spaces as well as upon re-leasing).
2. The historical leasing to be analysed 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.

- Cash Flow Projections:



1. The cash flows for the operational and under-construction/future development area have been projected separately to arrive at their respective value estimates.
2. 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).

3. 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.



4. 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.



## **Key Assumptions**

### **1. Intime, Mindspace Madhapur, Hyderabad**

Particulars	Units of measure	Details
<b>Property details</b>		
Type of property		Completed
Leasable area	sq. ft.	1,729,877
Area leased	sq. ft.	1,513,079
Vacancy	%	12.5%
Vacant area	sq. ft.	216,798
<b>Key Assumptions</b>		
Achievable Rental per month	INR per sq. ft.	68
Rental Growth Rate per annum	%	5.0%
Normal Market lease tenure	years	9
Construction start date	date	n.a.
Construction end date	date	n.a.
Capitalization Rate	%	8.00%
Discount Rate	%	11.75%

*n.a. - not applicable*

### **2. KRIT, Mindspace Madhapur, Hyderabad**

Particulars	Units of measure	Details
<b>Property details</b>		
Type of property		Completed
Leasable area	sq. ft.	2,677,931
Area leased	sq. ft.	2,245,354
Vacancy	%	16.2%
Vacant area	sq. ft.	432,577
<b>Key Assumptions</b>		
Achievable Rental per month	INR per sq. ft.	68
Rental Growth Rate per annum	%	5.0%
Normal Market lease tenure	years	9
Construction start date	date	n.a.
Construction end date	date	n.a.
Capitalization Rate	%	8.0%
Discount Rate	%	11.75%

*n.a. - not applicable*

*Has additional land area planned to be utilized for future development of around 0.50 msf.*



### 3. Sundew, Mindspace Madhapur, Hyderabad

Particulars	Units of measure	Details	
<b>Property details</b>			
Type of property		Completed	Under Construction
Leasable area	sq. ft.	5,588,303	127,398
Area leased	sq. ft.	5,425,334	127,398
Vacancy	%	2.9%	0.0%
Vacant area	sq. ft.	162,970	-
<b>Key Assumptions</b>			
Achievable Rental per month	INR per sq. ft.	68	68
Rental Growth Rate per annum	%	5.0%	5.0%
Normal Market lease tenure	years	9	9
Construction start date	date	n.a.	01-Apr-18
Construction end date	date	n.a.	06-May-21
Capitalization Rate	%	8.0%	8.0%
Discount Rate	%	11.75%	11.75%

n.a. - not applicable

### 4. Mindspace Airoli East

Particulars	Units of measure	Details		
<b>Property details</b>				
Type of property		Completed	Future Development	Future Development
Leasable area	sq. ft.	4,706,122	50,000	800,000
Area leased	sq. ft.	4,292,557	-	-
Vacancy	%	8.8%	100.0%	100.0%
Vacant area	sq. ft.	413,565	50,000	8,00,000
<b>Key Assumptions</b>				
Achievable Rental per month	INR per sq. ft.	58	63	58
Rental Growth Rate per annum	%	5.0%	5.0%	5.0%
Normal Market lease tenure	Years	9	9	9
Construction start date	Date	n.a.	01-Oct-21	01-Oct-22
Construction end date	Date	n.a.	31-Dec-22	31-Mar-25
Capitalization Rate	%	8.0%	8.0%	8.0%
Discount Rate	%	11.75%	13.10%	13.10%

n.a. - not applicable

1) 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.

2) It has additional land area for future development (which may be considered for sale) admeasuring approximately 1.76 acres.



## 5. Mindspace Airoli West

Particulars	Units of measure	Details		
<b>Property details</b>				
Type of property		Completed	Under-construction <sup>2</sup>	Future Development <sup>1</sup>
Leasable area	sq. ft.	3,464,023	1,033,590	630,220
Area leased	sq. ft.	2,373,421	126,671	630,220
Vacancy	%	31.5%	83.1%	0.0%
Vacant area	sq. ft.	1,090,602	859,142	-
<b>Key Assumptions</b>				
Achievable Rental per month	INR per sq. ft.	54	54	75
Rental Growth Rate per annum	%	5.0%	5.0%	4.0%
Normal Market lease tenure	years	9	9	40
Construction start date	Date	n.a.	01-Oct-17	Bldg 8 – 01-Sep-23 Bldg 10 – 01-Sep-21
Construction end date	Date	n.a.	31-Mar-22	Bldg 8 – 31-Dec-24 Bldg 10 – 31-Dec-22
Capitalization Rate	%	8.0%	8.0%	8.0%
Discount Rate	%	11.75%	13.10%	13.10%

n.a. - not applicable

Note: <sup>1</sup>Building 8 and Building 10 are the planned data centers. The rental assumptions and lease tenure are taken as per the signed lease contract.

<sup>2</sup>The total leasable area includes 47,777 Sq. Ft. of Food Court area which is assumed to be leased out on expenditure reimbursement basis

It has additional 2 land parcels for future development admeasuring approximately 5.66 acres (which may be considered for sale) and 3.42 acres respectively.

## 6. Mindspace Malad, Mumbai

Particulars	Units of measure	Details
<b>Property details</b>		
Type of property		Completed
Leasable area	sq. ft.	728,533
Area leased	sq. ft.	684,520
Vacancy	%	6.0%
Vacant area	sq. ft.	44,013
<b>Key Assumptions</b>		
Achievable Rental per month	INR per sq. ft.	86
Rental Growth Rate per annum	%	5.0%
Normal Market lease tenure	years	9
Construction start date	date	n.a.
Construction end date	date	n.a.
Capitalization Rate	%	8.0%
Discount Rate	%	11.75%

n.a. - not applicable



## 7. The Square, Bandra Kurla Complex

Particulars	Units of measure	Details
<b>Property details</b>		
Type of property		Completed
Leasable area	sq. ft.	115,000
Area leased	sq. ft.	31,500
Vacancy	%	72.6%
Vacant area	sq. ft.	83,500
<b>Key Assumptions</b>		
Achievable Rental per month	INR per sq. ft.	260
Rental Growth Rate per annum	%	5.0%
Normal Market lease tenure	years	9
Construction start date	date	n.a.
Construction end date	date	n.a.
Capitalization Rate	%	7.75%
Discount Rate	%	11.75%

n.a. - not applicable

## 8. Commerzone, Yerwada, Pune

Particulars	Units of measure	Details
<b>Property details</b>		
Type of property		Completed
Leasable area	sq. ft.	1,677,139
Area leased	sq. ft.	1,675,971
Vacancy	%	0.1%
Vacant area	sq. ft.	1,168
<b>Key Assumptions</b>		
Achievable Rental per month	INR per sq. ft.	78
Rental Growth Rate per annum	%	5.0%
Normal Market lease tenure	years	9
Construction start date	date	n.a.
Construction end date	date	n.a.
Capitalization Rate	%	8.0%
Discount Rate	%	11.75%

n.a. - not applicable



## 9. Gera Commerzone, Kharadi, Pune

Particulars	Units of measure	Details		
<b>Property details</b>				
Type of property		Completed <sup>1</sup>	Under Construction	Future Development
Leasable area	sq. ft.	1,284,467	675,617	605,500
Area leased	sq. ft.	1,195,418	-	-
Vacancy	%	3.7%	100.0%	100.0%
Vacant area	sq. ft.	46,336	675,617	605,500
<b>Key Assumptions</b>				
Achievable Rental per month	INR per sq. ft.	78	78	78
Rental Growth Rate per annum	%	5.0%	5.0%	5.0%
Normal Market lease tenure	years	9	9	9
Construction start date	date	n.a.	01-Apr-19	01-Oct-21
Construction end date	date	n.a.	30-Jun-22	31-Dec-23
Capitalization Rate	%	8.0%	8.0%	8.0%
Discount Rate	%	11.75%	13.10%	13.10%

Note: <sup>1</sup>The total leasable area includes 42,713 Sq. Ft. of Food Court area which is assumed to be leased out on expenditure reimbursement basis

n.a. - not applicable

## 10. The Square, Nagar Road, Pune

Particulars	Units of measure	Details	
<b>Property details</b>			
Type of property		Completed	Under Construction
Leasable area	sq. ft.	708,402	58,196
Area leased	sq. ft.	708,402	29,291
Vacancy	%	0.0%	49.7%
Vacant area	sq. ft.	-	28,905
<b>Key Assumptions</b>			
Achievable Rental per month	INR per sq. ft.	78	78
Rental Growth Rate per annum	%	5.0%	5.0%
Normal Market lease tenure	years	9	9
Construction start date	date	n.a.	01-Apr-21
Construction end date	date	n.a.	31-Mar-22
Capitalization Rate	%	8.0%	8.0%
Discount Rate	%	11.75%	13.10%

n.a. - not applicable



## 11. Commerzone Porur, Chennai

Particulars	Units of measure	Details
<b>Property details</b>		
Type of property		Completed
Leasable area	sq. ft.	809,794
Area leased	sq. ft.	67,092
Vacancy	%	91.7%
Vacant area	sq. ft.	742,702
<b>Key Assumptions</b>		
Achievable Rental per month	INR per sq. ft.	63
Rental Growth Rate per annum	%	5.0%
Normal Market lease tenure	years	9
Construction start date	date	n.a.
Construction end date	date	n.a.
Capitalization Rate	%	8.0%
Discount Rate	%	11.75%

n.a. - not applicable

## 12. Mindspace Pocharam, Hyderabad (including land area for future development)

Particulars	Units of measure	Details	
<b>Property details</b>			
Type of property		Completed	Under Construction
Leasable area	sq. ft.	377,422	192,681
Area leased	sq. ft.	268,472	-
Vacancy	%	28.9%	100.0%
Vacant area	sq. ft.	108,950	192,681
<b>Key Assumptions</b>			
Achievable Rental per month	INR per sq. ft.	22	22
Rental Growth Rate per annum	%	5.0%	5.0%
Normal Market lease tenure	years	9	9
Construction start date	date	n.a.	01-Apr-18
Construction end date	date	n.a.	30-Sep-23
Capitalization Rate	%	8.0%	8.5%
Discount Rate	%	12.25%	13.60%

n.a. - not applicable

It has additional land area for future development admeasuring approximately 59.0 acres (approximately 40.0 acres out of which may be considered for sale).

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**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF CONDENSED STANDALONE  
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)**

**Opinion**

We have audited the accompanying condensed standalone financial statements of Mindspace Business Parks REIT (the "REIT") which comprise the condensed standalone Balance Sheet as at March 31, 2021, the condensed standalone Statement of Profit and Loss, including other comprehensive income, the condensed standalone Statement of Cash flow for the year ended March 31, 2021, the condensed standalone Statement of Changes in Unitholders' Equity for the year ended March 31, 2021, Statement of Net Assets at Fair value as at March 31, 2021, Statement of Total Returns at Fair Value and the Statement of Net Distributable Cash Flows for the year then ended along with summary of the significant accounting policies and select explanatory notes.

In our opinion and to the best of our information and according to the explanations given to us, the condensed standalone financial statements:

- i. give the information required by the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 (the "REIT regulations") in the manner so required; and
- ii. give a true and fair view in conformity with the Indian Accounting Standards 34 "Interim Financial Reporting" ("Ind AS 34") and other accounting principles generally accepted in India to the extent not inconsistent with the REIT Regulations, of the state of affairs of the REIT as at March 31, 2021, its profit including other comprehensive income, cash flows, statement of changes in Unitholders' equity for the year ended March 31, 2021, net assets at fair value as at March 31, 2021, total returns at fair value and net distributable cash flows for the year ended on that date and other financial information of the REIT.

**Basis for Opinion**

We conducted our audit of the condensed standalone financial statements in accordance with the Standards on Auditing (the "SAs"), issued by Institute of Chartered Accountants of India (the "ICAI"). Our responsibilities under those Standards are further described in Auditor's Responsibilities for the condensed standalone financial statements section below. We are independent of the REIT in accordance with the Code of Ethics issued by the ICAI, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained



by us is sufficient and appropriate to provide a basis for our audit opinion on the condensed standalone financial statements.

**Emphasis of matter**

We draw attention to Note 2 which describes the Basis of preparation of condensed standalone financial statements and Note 12(a)(i) which describes the presentation of "Unit Capital" as "Equity" instead of compound financial instrument to comply with the REIT Regulations. Our opinion is not modified in respect of this matter.

**Management's Responsibility for the Condensed Standalone Financial Statements**

The condensed standalone financial statements are the responsibility of the Investment Manager (the "Management") and has been approved by the Governing Board of the Investment Manager for the issuance. The condensed standalone financial statements for the year ended March 31, 2021 have been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the condensed standalone financial statements for the quarter, half year and year ended March 31, 2021 that give a true and fair view of the state of affairs as at March 31, 2021, its profit including other comprehensive income and cash flows for the quarter, half year and year ended on March 31, 2021, its statement of changes in Unitholders' equity for the year ended March 31, 2021, net assets at fair value as at March 31, 2021, total returns at fair value for the year ended March 31, 2021 and its net distributable cash flows for the quarter, half year and year ended March 31, 2021 and other financial information of the REIT in conformity with the REIT Regulations, Indian Accounting Standards 34, "Interim Financial Reporting" ("Ind AS 34") and other accounting principles generally accepted in India, to the extent not inconsistent with REIT Regulations. This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the REIT and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the condensed standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the condensed standalone Financial Statements, the Management is responsible for assessing the REIT's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management of Investment Manager either intends to liquidate the REIT or to cease operations, or has no realistic alternative but to do so.

The Management is also responsible for overseeing the financial reporting process of the REIT.

**Auditor's Responsibility for the Condensed Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the condensed standalone financial statements for the year ended March 31, 2021 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but



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is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these condensed standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the condensed standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the REIT's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management.
- Evaluate the appropriateness and reasonableness of disclosures made by the Management in terms of the requirements specified under REIT Regulations.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the REIT to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the REIT to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the condensed standalone financial statements, including the disclosures, and whether the condensed standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the condensed standalone financial statements of the REIT to express an opinion on the condensed standalone financial statements.

Materiality is the magnitude of misstatements in the condensed standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the condensed standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the condensed standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.



A handwritten signature in blue ink, consisting of a stylized 'D' followed by some illegible characters.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Other Matter**

The condensed standalone financial statements includes the financial information for the Quarter and Half Year ended March 31, 2021 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter and first half year of the current financial year respectively which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.

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



Nilesh Shah  
Partner

(Membership No.49660)  
(UDIN: 21049660AAAAABN9742)

Mumbai, May 14, 2021

**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 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Financial assets			
- Investments	4	1,53,103	-
- Loans	5	21,178	-
- Other financial assets	6	213	-
Other non-current assets	7	4	-
<b>Total non-current assets</b>		<b>1,74,498</b>	<b>-</b>
<b>Current assets</b>			
Financial assets			
- Cash and cash equivalents	8	2,938	0
- Other financial assets	9	2	-
Other current assets	10	10	-
<b>Total current assets</b>		<b>2,950</b>	<b>0</b>
<b>Total assets</b>		<b>1,77,448</b>	<b>0</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Corpus	11	0	0
Unit capital	12	1,62,839	-
Other equity	13	2,950	(49)
<b>Total equity</b>		<b>1,65,789</b>	<b>(49)</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Borrowings	14	11,425	-
- Other financial liabilities	15	193	-
<b>Total non-current liabilities</b>		<b>11,618</b>	<b>-</b>
<b>Current liabilities</b>			
Financial liabilities			
- Trade payables	16	-	-
- total outstanding dues of micro and small enterprises; and			
- total outstanding dues of Creditors other than micro and small enterprises.		13	-
- Other financial liabilities	17	19	49
Other current liabilities	18	6	-
Current tax liabilities (net)	19	3	-
<b>Total current liabilities</b>		<b>41</b>	<b>49</b>
<b>Total equity and liabilities</b>		<b>1,77,448</b>	<b>0</b>

Significant accounting policies

3

See the accompanying notes to the standalone Financial Statements

4 - 36

As per our report of even date attached.

**for Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's registration number: 117366W/W-100018

for and on behalf of the Governing Board of

**K Raheja Corp Investment Managers LLP**

(acting as the Manager to Mindspace Business Parks REIT)


**Nilesb Shah**

Partner

Membership number: 49660

Place: Mumbai

Date : 14-May-2021


**Neel C. Raheja**

Member

DIN: 00029010

Place: London

Date : 14-May-2021

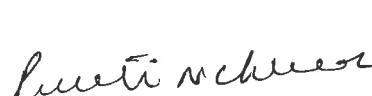

**Vinod N. Rohira**

Chief Executive Officer

DIN: 00460667

Place: Mumbai

Date : 14-May-2021


**Preeti N. Chheda**

Chief Financial Officer

DIN: 08066703

Place: Mumbai

Date : 14-May-2021

**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 31 March 2021 (Audited)**	For the quarter ended 31 December 2020 (Unaudited)	For the quarter ended 31 March 2020 (Unaudited)	For the half year ended 31 March 2021 (Audited)**	For the half year ended 30 September 2020 (Unaudited)	For the year ended 31 March 2021 (Audited)	From 18 November 2019 to 31 March 2020 (Audited)*
<b>Income and gains</b>							
Interest	355	309	-	664	125	789	-
Dividend	2,681	2,663	-	5,344	-	5,344	-
Other Income	7	1	-	8	4	12	-
<b>Total Income</b>	<b>3,043</b>	<b>2,973</b>	<b>-</b>	<b>6,016</b>	<b>129</b>	<b>6,145</b>	<b>-</b>
<b>Expenses</b>							
Valuation expenses	3	0	-	3	6	9	-
Audit fees	4	1	-	5	2	7	-
Insurance expenses	0	0	-	0	0	0	-
Management fees	17	17	-	34	-	34	-
Trustee fees	0	1	-	1	1	2	-
Legal and professional fees	9	6	13	15	2	17	25
Other expenses	2	5	3	7	0	7	23
<b>Total Expenses</b>	<b>35</b>	<b>30</b>	<b>17</b>	<b>65</b>	<b>11</b>	<b>76</b>	<b>49</b>
<b>Earnings/ (loss) before finance costs, depreciation, amortisation and tax</b>	<b>3,008</b>	<b>2,943</b>	<b>(17)</b>	<b>5,951</b>	<b>118</b>	<b>6,069</b>	<b>(49)</b>
Finance costs	131	97	-	228	2	230	-
Depreciation and amortisation expense	-	-	-	-	-	-	-
<b>Profit/ (loss) before tax</b>	<b>2,877</b>	<b>2,846</b>	<b>(17)</b>	<b>5,723</b>	<b>116</b>	<b>5,839</b>	<b>(49)</b>
<b>Tax expense:</b>							
Current tax	3	0	-	3	2	5	-
Deferred tax	-	-	-	-	-	-	-
<b>Profit/ (loss) for the period / year</b>	<b>2,874</b>	<b>2,846</b>	<b>(17)</b>	<b>5,720</b>	<b>114</b>	<b>5,834</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 / year</b>	<b>2,874</b>	<b>2,846</b>	<b>(17)</b>	<b>5,720</b>	<b>114</b>	<b>5,834</b>	<b>(49)</b>
<b>Earning per unit</b>							
Basic	4.85	4.80	Not Applicable	9.65	0.56	14.67	Not Applicable
Diluted	4.85	4.80	Not Applicable	9.65	0.56	14.67	Not Applicable

Significant accounting policies 3  
See the accompanying notes to the Standalone Financial Statements. 4 - 36

\*Since Mindspace REIT was registered pursuant to a trust deed dated 18 November 2019, the management has provided the information in Standalone Statement of Profit and Loss with effect from said period i.e. 18 November 2019 for the period ended 31 March 2020.

\*\* refer note 35  
As per our report of even date attached.

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

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

**Nilesh Shah**  
Partner  
Membership number: 49660

**Neel C. Raheja**  
Member  
DIN: 00029010

**Vinod N. Rohira**  
Chief Executive Officer  
DIN: 00460667

**Preeti N. Chheda**  
Chief Financial Officer  
DIN: 08066703

Place: Mumbai  
Date : 14-May-2021

Place: ~~London~~  
Date : 14-May-2021

Place: Mumbai  
Date : 14-May-2021

Place: Mumbai  
Date : 14-May-2021

**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Standalone Statement of Cash Flows**  
**(all amounts in Rs. million unless otherwise stated)**

	For the quarter ended 31 March 2021 (Audited)***	For the quarter ended 31 December 2020 (Unaudited)	For the quarter ended 31 March 2020 (Unaudited)	For the half year ended 31 March 2021 (Audited)***	For the half year ended 30 September 2020 (Unaudited)	For the year ended 31 March 2021 (Audited)	From 18 November 2019 to 31 March 2020 (Audited)*
<b>Cash flows from operating activities</b>							
Profit/ (loss) before tax	2,877	2,846	(17)	5,723	116	5,839	(49)
<b>Adjustments:</b>							
Interest income	(355)	(309)	-	(664)	(125)	(789)	-
Dividend income	(2,681)	(2,663)	-	(5,344)	-	(5,344)	-
Guarantee commission fees	(7)	-	-	(7)	-	(7)	-
Net gains/(losses) on financial assets at fair value through profit or loss	-	-	-	-	(3)	(3)	-
Gain on redemption of mutual fund units	(9)	(1)	-	(1)	(1)	(2)	-
Finance costs	131	97	-	228	2	230	-
<b>Operating cash flows before working capital changes</b>	<b>(35)</b>	<b>(30)</b>	<b>(17)</b>	<b>(65)</b>	<b>(11)</b>	<b>(76)</b>	<b>(49)</b>
<b>Changes in:</b>							
(Increase) / Decrease in financial and other assets	(2)	(4)	1	(6)	(7)	(13)	-
Increase / (Decrease) in financial and other liabilities	(3)	11	16	8	(34)	(26)	49
Increase / (Decrease) in Trade payables	9	(5)	-	4	8	12	-
<b>Cash (used in)/ generated from operations</b>	<b>(31)</b>	<b>(28)</b>	<b>0</b>	<b>(59)</b>	<b>(44)</b>	<b>(103)</b>	<b>0</b>
Income taxes paid, net	(1)	(2)	-	(3)	-	(3)	-
<b>Net cash generated / (used in) from operating activities</b>	<b>(32)</b>	<b>(30)</b>	<b>0</b>	<b>(62)</b>	<b>(44)</b>	<b>(106)</b>	<b>0</b>
<b>Cash flow from investing activities</b>							
Loans given to SPVs	(8,030)	(8,360)	-	(16,390)	(10,292)	(26,682)	-
Loans repaid by SPV	3,560	1,760	-	5,320	184	5,504	-
Purchase of Investments (Preference shares)	-	-	-	-	(334)	(334)	-
Investment in mutual fund	(1,255)	(1,670)	-	(2,925)	(4,600)	(7,525)	-
Proceeds from Redemption of mutual fund	1,255	1,671	-	2,926	4,601	7,527	-
Proceeds from Redemption of Preference shares	-	-	-	-	337	337	-
Investment in fixed deposits	(82)	(205)	-	(287)	(100)	(387)	-
Maturity proceeds of fixed deposits	83	205	-	288	100	388	-
Dividend received	2,681	2,663	-	5,344	-	5,344	-
Interest received	255	201	-	456	125	581	-
<b>Net cash (used in) investing activities</b>	<b>(1,533)</b>	<b>(3,735)</b>	<b>-</b>	<b>(5,268)</b>	<b>(9,979)</b>	<b>(15,247)</b>	<b>-</b>
<b>Cash flow from financing activities</b>							
Proceeds received as initial corpus	-	-	-	-	10,000	10,000	0
Proceeds from issue of units	-	-	-	-	-	150	-
Loans taken from SPV	-	150	-	150	-	150	-
Loans repaid to SPV	-	(150)	-	(150)	-	(150)	-
Collection towards Offer For Sale	-	-	-	-	35,000	35,000	-
Payment to Sponsor Group and Blackstone entities in respect of Offer For Sale	-	(27)	-	(27)	(34,973)	(35,000)	-
Expenses incurred towards Initial Public Offering	-	(10)	-	(10)	(254)	(264)	-
Proceeds from issue of debentures	4,500	2,000	-	6,500	5,000	11,500	-
Distribution to unit holders	(2,835)	-	-	(2,835)	-	(2,835)	-
Recovery Expense Fund Deposits	(1)	-	-	(1)	-	(1)	-
Interest paid	(37)	(2)	-	(39)	-	(39)	-
Debentures issue expenses	(32)	(34)	-	(66)	(4)	(70)	-
<b>Net cash generated from financing activities</b>	<b>1,595</b>	<b>1,927</b>	<b>-</b>	<b>3,522</b>	<b>14,769</b>	<b>18,291</b>	<b>0</b>
<b>Net increase in cash and cash equivalents</b>	<b>30</b>	<b>(1,838)</b>	<b>0</b>	<b>(1,808)</b>	<b>4,746</b>	<b>2,938</b>	<b>0</b>
<b>Cash and cash equivalents at the beginning of the period / year</b>	<b>2,908</b>	<b>4,746</b>	<b>-</b>	<b>4,746</b>	<b>0</b>	<b>0</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the period / year</b>	<b>2,938</b>	<b>2,908</b>	<b>0</b>	<b>2,938</b>	<b>4,746</b>	<b>2,938</b>	<b>0</b>



**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Standalone Statement of Cash Flows**  
**(all amounts in Rs. million unless otherwise stated)**

	For the quarter ended 31 March 2021 (Audited)***	For the quarter ended 31 December 2020 (Unaudited)	For the quarter ended 31 March 2020 (Unaudited)	For the half year ended 31 March 2021 (Audited)***	For the half year ended 30 September 2020 (Unaudited)	For the year ended 31 March 2021 (Audited)	From 18 November 2019 to 31 March 2020 (Audited)*
Cash and cash equivalents comprise:							
Cash on hand	-	-	-	-	-	-	-
Balances with banks							
- in current accounts**	2,888	2,860	0	2,888	4,617	2,888	0
- in escrow accounts	-	-	-	-	34	-	-
Fixed deposits with original maturity less than 3 months	50	48	-	50	95	50	-
Cash and cash equivalents at the end of the period / year (refer note 8)	2,938	2,908	0	2,938	4,746	2,938	0

Note: The Trust has issued Units in exchange for investments in SPVs during the quarter ended 30 September 2020. The same has not been reflected in Standalone Statement of Cash Flows during the year ended 31 March 2021 since these were non-cash transactions. (refer note 12(iii))

Significant accounting policies 3  
See the accompanying notes to the Standalone Financial Statements. 4-36

\*Since Mindspace REIT was registered pursuant to a trust deed dated 18 November 2019, the management has provided the information in Standalone Statement of Cash Flows with effect from said period i.e. 18 November 2019 for the period ended 31 March 2020.

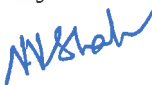
\*\* Rs. 4,600 million were invested in Axis Overnight Fund by Mindspace REIT on 29 September 2020, redeemed on 30 September 2020 and proceeds were received on 1 October 2020.

\*\*\* refer note 35

As per our report of even date attached.

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

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



Nilesh Shah  
Partner  
Membership number: 49660

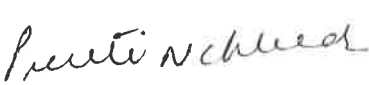
Neel C. Raheja  
Member  
DIN: 00029010

Place: London  
Date : 14-May-2021



Vinod N. Rohira  
Chief Executive Officer  
DIN: 00460667

Place: Mumbai  
Date : 14-May-2021



Preeti N. Chheda  
Chief Financial Officer  
DIN: 08066703

Place: Mumbai  
Date : 14-May-2021

**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)

<b>A. Corpus</b>	<b>Amount</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 year	-
<b>Closing balance as at 31 March 2021</b>	<b>0</b>

\*\* Corpus received during the period Rs. 10,000 (Rupees Ten Thousand only)

<b>B. Unit Capital</b>	<b>Amount</b>
Balance as on 18 November 2019*	-
Units issued during the year	-
Balance as on 31 March 2020	-
<b>Balance as on 1 April 2020</b>	<b>-</b>
Add : Units issued during the year (refer note 12)	1,63,080
Less : Issue expenses	(241)
<b>Closing balance as at 31 March 2021</b>	<b>1,62,839</b>

<b>C. Other equity</b>	<b>Retained Earnings</b>
Particulars	
Balance as on 18 November 2019*	-
Loss for the period	(49)
Other comprehensive income for the period	-
<b>Balance at 31 March 2020</b>	<b>(49)</b>
<b>Balance as at 1 April 2020</b>	<b>(49)</b>
Profit for the year ended 31 March 2021	5,834
Other comprehensive income for the year	-
***Less: Distribution to Unitholders for the quarter ended 31 December 2020	(2,835)
<b>Closing balance as at 31 March 2021</b>	<b>2,950</b>


\*Since Mindspace REIT was registered pursuant to a trust deed dated 18 November 2019, the management has provided the information in Standalone Statement of changes in Unit holder's equity with effect from said period i.e. 18 November 2019 for the year ended 31 March 2020.

\*\*\*The distributions made by Mindspace REIT to its Unitholders are based on the Net Distributable Cash flows (NDCF) of Mindspace REIT under the REIT Regulations.


As per our report of even date attached.

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


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

  
**Nilesh Shah**  
Partner  
Membership number: 49660

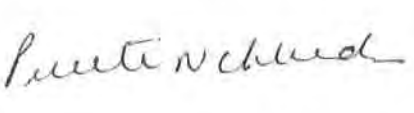
Place: Mumbai  
Date : 14-May-2021

  
**Neel C. Raheja**  
Member  
DIN: 00029010

Place: Mumbai  
Date : 14-May-2021

  
**Vinod N. Rohira**  
Chief Executive Officer  
DIN: 00460667

Place: Mumbai  
Date : 14-May-2021

  
**Preeti N. Chheda**  
Chief Financial Officer  
DIN: 08066703

Place: Mumbai  
Date : 14-May-2021

**MINDSPACE BUSINESS PARKS REIT****RN:IN/REIT/19-20/003****Statement of Net Assets at fair value**

(all amounts in Rs. million unless otherwise stated)

Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

**A) Statement of Net Assets at fair value**

S.No	Particulars	Unit of measurement	As at 31 March 2021	
			Book Value	Fair Value
A	Assets	Rs in million	1,77,448	2,11,694
B	Liabilities	Rs in million	11,659	11,659
C	Net Assets (A-B)	Rs in million	1,65,789	2,00,035
D	No. of units	Numbers	5930,18,182	5930,18,182
E	NAV (C/D)	Rs	279.57	337.32

**Notes****1) Measurement of fair values:**

The fair value of investments in SPVs are computed basis the fair value of the underlying Investment property, Investment property under development, Property, Plant and Equipment and Capital Work-in-progress as at 31 March 2021 along with book values of other assets and liabilities accounted in the respective SPV financial statements as at 31 March 2021. 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.

**2) Break up of Net asset value as at 31 March 2021**

Particulars	As at 31 March 2021
Fair Value of Investments in SPVs	2,08,527
Add: Other assets	3,167
Less: Liabilities	(11,659)
Net Assets	2,00,035

3) The Trust holds investment in SPVs which in turn hold the properties. Hence, the breakup of property wise fair values has been disclosed in the Consolidated financial statements.

**B) Statement of Total Returns at fair value**

S.No	Particulars	For the half year ended	For the half year ended	For the year ended
		31 March 2021	30 September 2020	31 March 2021
A	Total comprehensive income	5,720	114	5,834
	Add : Changes in fair value not recognised in the other comprehensive			
B	income and other adjustments	844	1,833	2,677
<b>C=(A+B) Total Return</b>		<b>6,564</b>	<b>1,947</b>	<b>8,511</b>

Note: Total Return for the purpose of Standalone financials has been considered based on the total return of Mindspace REIT on a consolidated basis adjusted for consolidation adjustments.

As per our report of even date attached.

**for Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's registration number: 117366W/W-100018

for and on behalf of the Governing Board of

**K Raheja Corp Investment Managers LLP**

(acting as the Manager to Mindspace Business Parks REIT)

**Nilesh Shah**

Partner

Membership number: 49660

**Neel C. Raheja**

Member

DIN: 00029010

**Vinod N. Rohira**

Chief Executive Officer

DIN: 00460667

**Preeti N. Chheda**

Chief Financial Officer

DIN: 08066703

Place: Mumbai

Date : 14-May-2021

Place: London

Date : 14-May-2021

Place: Mumbai

Date : 14-May-2021

Place: Mumbai

Date : 14-May-2021

**MINDSPACE BUSINESS PARKS REIT****RN:IN/REIT/19-20/003**

(all amounts in Rs.million unless otherwise stated)

**Net Distributable Cash Flows (NDCF) pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016**

SI No	Particulars	For the quarter ended 31 March 2021 (Audited)	For the quarter ended 31 December 2020 (Unaudited)	For the year ended 31 March 2021 (Audited)
1	Cash flows received from Asset SPVs including but not limited to:			
	· interest	255	201	456
	· dividends (net of applicable taxes)	2,681	2,663	5,344
	· repayment of REIT Funding	-	-	-
	· proceeds from buy-backs/ capital reduction (net of applicable taxes)	-	-	-
	· redemption proceeds from preference shares or any other similar instrument	-	-	-
2	Add: Proceeds from sale of investments, assets, sale of shares of Asset SPVs, liquidation of any other asset or investment (incl. cash equivalents) or any form of fund raise at Mindspace REIT level adjusted for the following: <sup>(3) &amp; (4)</sup>	5,200	2,420	7,620
	· applicable capital gains and other taxes, if any	-	-	-
	· debts settled or due to be settled from sale proceeds	-	-	-
	· transaction costs	(30)	(20)	(50)
	· proceeds re-invested or planned to be reinvested in accordance with the REIT regulations	-	-	-
	· any acquisition	-	-	-
	· investments as permitted under the REIT regulations	-	-	-
	· lending to Asset SPVs	(5,170)	(2,400)	(7,570)
	as may be deemed necessary by the Manager			
3	Add: Proceeds from sale of investments, assets or sale of shares of Asset SPVs not distributed pursuant to an earlier plan to re-invest in accordance with the REIT Regulations, if such proceeds are not intended to be invested subsequently	-	-	-
4	Add: Any other income received by Mindspace REIT not captured herein	1	1	2
5	Less: Any other expenses paid by Mindspace REIT not captured herein	(39)	(33)	(72)
6	Less: Any expense in the nature of capital expenditure at Mindspace REIT level	-	-	-
7	Less: Net debt repayment / (drawdown), redemption of preference shares / debentures / any other such instrument / premiums / any other obligations / liabilities, etc., as maybe deemed necessary by the Manager	-	-	-
8	Add/Less: Other adjustments, including but not limited to net changes in security deposits, working capital, etc., as may be deemed necessary by the Manager <sup>(5) &amp; (6)</sup>	(31)	7	(24)
9	Less: Interest paid on external debt borrowing at Mindspace REIT level	-	-	-
10	Less: Income tax and other taxes (if applicable) at the Standalone Mindspace REIT level	-	-	-
	<b>Net Distributable Cash Flows (NDCF)</b>	<b>2,866</b>	<b>2,839</b>	<b>5,706</b>

**Notes:**

- The Governing Board of the Manager to the Trust, in their meeting held on 14 May 2021, has declared distribution to unitholders of Rs 4.81 per unit which aggregates to Rs 2,866 million for the quarter ended 31 March 2021. The distributions of Rs 4.81 per unit comprises Rs. 4.44 per unit in the form of dividend and Rs 0.37 per unit in the form of interest payment.  
Along with distribution of Rs. 4.78 per unit for the quarter ended 31 December 2020, the cumulative distribution for the year ended 31 March 2021 aggregates to Rs. 9.59 per unit
- Statement of Net Distributable Cash Flows have not been disclosed for all the comparative periods since the first distribution of the REIT as stated in the Final Offer Document was made upon completion of the first full quarter after the listing of the Units on the Stock Exchanges i.e. 31 December 2020.  
For the quarter ended 31 December 2020, lending to SPVs from fund raised at REIT level in previous quarter has been excluded for the purpose of NDCF calculation
- Repayment of REIT funding which is further lent to SPVs has been captured under "Liquidation of assets"
- Lending to and repayment from SPVs within the same quarter has been adjusted under "Other Adjustments"
- Borrowing from and repayment to SPVs within the same quarter has been adjusted under "Other Adjustments"

As per our report of even date attached:

for Deloitte Haskins &amp; Sells LLP

Chartered Accountants

Firm's registration number: 117366W/W-100018

for and on behalf of the Governing Board of

**K Raheja Corp Investment Managers LLP**

(acting as the Manager to Mindspace Business Parks REIT)

**Nitesh Shah**

Partner

Membership number: 49660

Place: Mumbai

Date : 14-May-2021

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**Preeti N. Chheda**

Chief Financial Officer

DIN: 08066703

Place: Mumbai

Date : 14-May-2021

**MINDSPACE BUSINESS PARKS REIT****RN:IN/REIT/19-20/003****Notes to the Condensed Standalone Financial Statements****(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 and 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 issued 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 BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on 7 August 2020.

Accordingly, the equity interest in each of the below SPVs have been transferred from the respective shareholders to 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 equity interest in Intime Properties Limited, K. Raheja IT Park (Hyderabad) Limited and Sundew Properties Limited is owned by Andhra Pradesh Industrial Infrastructure Corporation ('APIIC')

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

Name of the SPV	Activities	Equity Shareholding (in percentage) upto 30 July 2020	Equity Shareholding (in percentage) as at 31 March 2021
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%



**MINDSPACE BUSINESS PARKS REIT****RN:IN/REIT/19-20/003****Notes to the Condensed Standalone Financial Statements****(all amounts in Rs. million unless otherwise stated)**

Sundew	The SPV is engaged in development and leasing/licensing of IT park, SEZ to different customers in Hyderabad.	Genext Hardware & Parks Private Limited 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 Development 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. 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%) Capstan Trading LLP (9.50%) Anbee Constructions LLP (8.50%) Cape Trading LLP (8.50%) Ivory Properties And Hotels Private Limited Chandru L Raheja jointly with Jyoti C. Raheja Others (4.83%)	Mindspace REIT : 89% Andhra Pradesh Industrial Infrastructure Corporation Limited (11%)
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%
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 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 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 REIT : 100%



## **MINDSPACE BUSINESS PARKS REIT**

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

**Notes to the Condensed Standalone Financial Statements**  
**(all amounts in Rs. million unless otherwise stated)**

### **2 Basis of Preparation**

The Condensed Standalone Financial Statements of Mindspace Business Parks REIT comprise the Condensed Standalone Balance Sheet as at 31 March 2021, the Condensed Standalone Statement of Profit and Loss, including other comprehensive income, the Condensed Standalone Statement of Cash Flow for quarter, half year ended and year ended 31 March 2021, the Condensed Standalone Statement of Changes in Unitholders Equity for the year ended 31 March 2021, the Statement of Net Distributable Cashflows of Mindspace REIT for the period and year ended 31 March 2021, the Statement of Total Returns at Fair Value for the year ended 31 March 2021, the Statement of Net Assets at Fair Value as at 31 March 2021 and a summary of the significant accounting policies and select explanatory information and other additional financial disclosures.

The Condensed Standalone Financial Statements have been prepared in accordance with the requirements of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 ("the REIT regulations"); Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" to the extent not inconsistent with the REIT Regulations (refer note 12 on presentation of "Unit Capital" as "Equity" instead of compound instruments under Ind AS 32 – Financial Instruments: Presentation), read with relevant rules issued thereunder and other accounting principles generally accepted in India.

The Condensed Standalone Financial Statements were authorised for issue in accordance with resolution passed by the Governing Board of the Manager on behalf of Mindspace REIT on 14 May 2021.

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 year ended 31 March 2021 have been prepared in accordance with Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", to the extent not inconsistent with the REIT regulations as more fully described above and Note 12 to the condensed standalone financial statements.

### **3 Significant accounting policies**

#### **a) Functional and Presentation Currency**

The Condensed Standalone Financial Statements are presented in Indian Rupees, which is also 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;

#### **c) Use of judgments and estimates**

The preparation of the Condensed Standalone 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 Standalone Financial Statements is included in the following notes:

(i) Presentation of "Unit Capital" as "Equity" in accordance with the REIT Regulations instead of compound instrument (Note no 12)

(ii) Impairment and Fair valuation of Investments in SPVs.

(iii) recognition and measurement of provisions for contingencies and disclosure of contingent liabilities (Note 31 (a))

#### **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.

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).

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 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 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, 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, Mindspace REIT initially measures that asset or liability at the amount specified in the applicable Ind AS Standard. 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 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 Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.

**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**

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.

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 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.

**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) 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 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.



**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 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 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.

**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**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contract are measured initially at the fair value and in accordance with Ind AS 109 unless on a case to case basis company elects to account for financial guarantee as Insurance Contracts as specified under Ind AS 104.

**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 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.



**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**

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 flows**

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 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.

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**

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. Mindspace REIT measures earnings before finance cost, depreciation, amortisation and income tax on the basis of profit/ (loss) from continuing operations. In its measurement, 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.

**3.21 Distributions**

The Net Distributable Cash Flows of Mindspace REIT are based on the cash flows generated from Mindspace REIT's assets and investments.

In terms of the Distribution Policy and the REIT Regulations, not less than 90% of the NDCF of each of the Asset SPVs is required to be distributed to Mindspace REIT, in proportion of their shareholding in the Asset SPV, subject to applicable provisions of the Companies Act. Presently, NDCF to be received by Mindspace REIT from the Asset SPVs may be in the form of dividends, interest income, principal loan repayment, proceeds of any capital reduction or buyback from the Asset SPVs, sale proceeds out of disposal of investments if any or assets directly held by Mindspace REIT or as specifically permitted under the Trust Deed or in such other form as may be permissible under the applicable law.

The Manager is required to and shall declare and distribute at least 90% of the NDCF of Mindspace REIT as distributions ("REIT Distributions") to the Unitholders. Such REIT Distributions shall be declared and made for every quarter of a Financial Year.



**MINDSPACE BUSINESS PARKS REIT****RN:IN/REIT/19-20/003****Notes to the Condensed Standalone Financial Statements****(all amounts in Rs. million unless otherwise stated)****4 Non-current investments**

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Unquoted Investments in SPVs (at cost)</b> <b>(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>1,53,103</b>	<b>-</b>

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

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

Name of SPVs	Ownership Interest	
	31 March 2021	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)



**MINDSPACE BUSINESS PARKS REIT****RN:IN/REIT/19-20/003****Notes to the Condensed Standalone Financial Statements****(all amounts in Rs. million unless otherwise stated)****5 Loans**

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Unsecured, considered good</i>		
Loan to SPVs- refer Note 28	21,178	-
	<b>21,178</b>	<b>-</b>

Note : Mindspace REIT has given loan amounting Rs.26,682 million during the year ended 31 March 2021 (31 March 2020 Rs. Nil) to Gigaplex, Avacado , Horizonview, KRC Infra, MBPPL and Sundew and the outstanding balance as at end of 31 March 2021 is Rs.21,178 million (31 March 2020 Rs.Nil).

Security: Unsecured

Interest : 7.55% - 8.75% per annum for the financial year ending 31 March 2021 in accordance with interest rate policy as adopted by Mindspace REIT.

Terms of repayment:

a) Bullet repayment of Rs.9,728 million on date falling 15 years from the first disbursement date or such other date as may be mutually agreed between the Lender and the Borrower in writing.

b) Bullet repayment of Rs.5,000 million is due on 29 April 2022.

c) Bullet repayment of Rs.4,470 million is due on 17 May 2024.

d) Bullet repayment Rs.1,980 million is due on 16 December 2023.

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

**6 Other financial assets (Non-current)**

Particulars	As at 31 March 2021	As at 31 March 2020
Interest receivable on loan to SPVs	205	-
Other Receivables from related parties	8	-
	<b>213</b>	<b>-</b>

**7 Other Non-current assets**

Particulars	As at 31 March 2021	As at 31 March 2020
Prepaid Expenses	4	-
	<b>4</b>	<b>-</b>

**8 Cash and cash equivalents**

Particulars	As at 31 March 2021	As at 31 March 2020
Cash on hand	-	-
Balances with banks		
- in current accounts	2,888	0
- fixed deposits with original maturity less than 3 months	50	-
	<b>2,938</b>	<b>0</b>

**9 Other current financial assets**

Particulars	As at 31 March 2021	As at 31 March 2020
Interest receivable on loan to SPVs	2	-
	<b>2</b>	<b>-</b>

**10 Other current assets**

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Unsecured, considered good</i>		
Advance for supply of goods and rendering of services	6	-
Deposits	1	-
Prepaid Expenses	2	-
Balances with government authorities	1	-
	<b>10</b>	<b>-</b>



**MINDSPACE BUSINESS PARKS REIT**

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**Notes to the Condensed Standalone Financial Statements**

(all amounts in Rs. million unless otherwise stated)

11

**Corpus**

Corpus	Amount
As at 18 November 2019	-
Corpus received during the period *	0
As at 31 March 2020	0
As at 1 April 2020	0
Additions during the year	-
<b>Closing Balance as at 31 March 2021</b>	<b>0</b>

\* Corpus received during the period Rs.10,000 (Rupees Ten Thousand only)

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**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 year		
- pursuant to the initial public offer, issued, subscribed and fully paid-up in cash (refer note a(ii) below)	363,63,600	10,000
- in exchange for equity interest in SPVs (refer note a(iii) below)	5566,54,582	1,53,080
Less: Issue expenses (refer note below)	-	(241)
<b>Closing Balance as at 31 March 2021</b>	<b>5930,18,182</b>	<b>1,62,839</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 the Trust at least once in every six months in each financial year in accordance with the REIT Regulations. The Board of Directors of the Manager approves distributions. The distribution will be in proportion to the number of Units held by the Unitholders. Mindspace REIT declares and pays distributions in Indian Rupees. Under the provisions of the REIT Regulations, Mindspace REIT is required to distribute to Unitholders not less than 90% of the net distributable cash flows of Mindspace REIT for each financial year. Accordingly, a portion of the Unit Capital contains a contractual obligation of the Mindspace REIT to pay to its Unitholders cash distributions. Hence, the Unit Capital is a compound financial instrument which contains 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 presented as "Equity" in order to comply with the requirements of Section H of Annexure A to the SEBI Circular dated 26 December 2016 dealing with the minimum presentation and disclosure requirements for key financial statements. Consistent with Unit Capital being classified as equity, the distributions to Unitholders is also presented in Statement of Changes in Unitholders' Equity when the distributions are approved by the Board of Directors of Investment 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	293,04,371	51,71,359	344,75,730
Horizonview	364	64	428
KRC Infra	212,24,693	37,45,522	249,70,215
Gigaplex	473,34,745	3,72,113	477,06,858
Intime	467,89,935	94,84,426	562,74,361
Sundew	1019,43,753	206,64,275	1226,08,028
KRIT	774,43,859	156,98,080	931,41,939
Mindspace	1508,55,361	266,21,662	1774,77,023
<b>Total number of Units issued</b>	<b>4748,97,081</b>	<b>817,57,501</b>	<b>5566,54,582</b>

**(b) Unitholders holding more than 5 percent Units in Mindspace REIT (other than Sponsor and Sponsor Group)**

Name of the unitholder	As at 31 March 2021	
	No of Units	% holding
BREP Asia SG Pearl Holding (NQ) Pte Ltd	542,91,425	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 registration till the balance sheet date, except as disclosed above.



**MINDSPACE BUSINESS PARKS REIT**

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**Notes to the Condensed Standalone Financial Statements**

(all amounts in Rs. million unless otherwise stated)

**13 Other Equity**

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Reserves and Surplus</b>		
Retained earnings*	2,950	(49)
	<b>2,950</b>	<b>-</b>

\*Refer Condensed Standalone 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 year, the profit after tax is transferred from the statement of profit and loss to the retained earnings account.

**14 Borrowings**

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Secured</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 Series 1") (net of issue expenses, at amortised cost) (31 March 2020 : Nil) (refer Note 1)	4,975	-
10 year G-Sec linked secured, listed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures ("Market Linked Debentures / MLD Series 2") (net of issue expenses, at amortised cost) (31 March 2020 : Nil) (refer Note 2)	3,719	-
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 1) (net of issue expenses, at amortised cost) (31 March 2020 : Nil) (refer Note 3)	1,981	-
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 2) (net of issue expenses, at amortised cost) (31 March 2020 : Nil) (refer Note 4)	750	-
	<b>11,425</b>	<b>-</b>

**Note 1 :** In September 2020, Mindspace REIT 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 Series 1") 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 Series 1 is 577 days from 29 September 2020, being date of allotment of the MLD Series 1 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 year 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 year 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 MLD Series 1, 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. This MLD Series 1 was listed on BSE Limited on 13 October 2020.

**Security terms**

MLD Series 1 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the Debenture Holders)

a) First and exclusive charge registered by way of 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") of MLD Series 1.

b) A charge on the escrow account in which receivables of the Mortgaged Properties of MBPPL shall be received.

c) Corporate guarantee executed by MBPPL.

**Redemption terms:**

a) MLD Series 1 are redeemable by way of bullet payment at the end of 577 days from the date of allotment, i.e. 29 April 2022.

b) 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 Series 1 if the rating is downgraded to A+.

c) 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, all the Debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each Debenture.

d) Details of disclosure required as per SEBI circular SEBI/HO/DDHS/IDHS/CIR/P/2018/71 dated 13 April 2018 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 Series 1")	Secured	Not Applicable	Not Applicable	On Maturity	On Maturity

e) Rating agency CRISIL has assigned a rating of "CRISIL PP-MLD AAA/Stable" to MLD Series 1 of the issuer / Mindspace REIT. Subsequently there is no change in the credit rating.

**Note 2 :** In March 2021, Mindspace REIT issued 3,750 10 year G-Sec linked secured, listed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures ("Market Linked Debentures / MLD Series 2") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 375,00,00,000 (Rupees three hundred seventy five crores only). The tenure of the said MLD Series 2 is 38 months from 18 March 2021, being date of allotment of the MLD Series 2 and coupon, if any shall be payable on the Scheduled Redemption Date i.e. on maturity on 17 May 2024. The coupon payoff structure is linked to condition where the payoff will be fixed on the final fixing date i.e. 16 April 2024. If identified 10 year 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. 18 March 2021, the coupon rate will be 6.65% p.a. If identified 10 year 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 MLD Series 2, 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. This MLD Series 2 was listed on BSE Limited on 22 March 2021.



**MINDSPACE BUSINESS PARKS REIT**

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**Notes to the Condensed Standalone Financial Statements**

(all amounts in Rs. million unless otherwise stated)

**Security terms**

MLD Series 2 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the Debenture Holders):

- First and exclusive charge being created by way of equitable mortgage on the aggregate leasable area of approximately 13,71,442 Sq. Ft. or thereabouts in buildings no. 12A and Units of Building 12B of Madhapur, Hyderabad (approx. 12,69,140 sq. ft. in building no.12A and approx. 1,02,302 sq. ft. in building no. 12B) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 29,842 sq. mtrs on which the said two building no.12A and 12B, out of all those pieces and parcels of larger land that are situated, lying and being in Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad ("Mortgaged Properties"), for MLD Series 2.
- First ranking exclusive charge to be created by way of a hypothecation over the Hypothecated Properties of MLD Series 2.
- A charge on the escrow account to be created, in which receivables of the Mortgaged Properties of Sundew shall be received, save and except any common area maintenance charges payable to Sundew with respect to the maintenance of the mortgaged properties.
- Corporate guarantee executed by Sundew.

**Redemption terms:**

- MLD Series 2 are redeemable by way of bullet payment at the end of 38 months from the date of allotment, i.e. 17 May 2024.
- 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 Series 2 if the rating is downgraded to A+.
- 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, all the Debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each Debenture.

d) Details of disclosure required as per SEBI circular SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated 13 April 2018 are as follows:

Particulars	Secured / Unsecured	Previous due date		Next due date	
		Principal	Interest	Principal	Interest
10 year G-Sec linked secured, listed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures ("Market Linked Debentures / MLD Series 2")	Secured	Not Applicable	Not Applicable	On Maturity	On Maturity

e) Rating agency CRISIL has assigned a rating of "CRISIL PP-MLD AA+/Stable" to MLD Series 2 of the issuer / Mindspace REIT. Subsequently there is no change in the credit rating.

**Note 3 :** In December 2020, Mindspace Business Parks REIT issued 2,000 secured, listed, senior, taxable, non-cumulative, rated, redeemable, non-convertible debentures ("NCD Series 1") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 200,00,00,000 (Rupees two hundred crores only) with a coupon rate of 6.45% p.a. payable quarterly beginning from the end of first full quarter from the date of allotment i.e. 31 March 2021, with last coupon payment on the scheduled redemption date i.e. 16 December 2023. The tenure of the said NCD Series 1 is 36 months from 17 December 2020, being date of allotment. This NCD Series 1 was listed on BSE Limited on 21 December 2020.

**Security terms**

NCD Series 1 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders):

- First and exclusive charge registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 414,599 Sq. Ft. or thereabouts in buildings no. 1 and 5 of Commerzone Yerawada (approx. 43,200 sq. ft. in building no. 1 and approx. 371,399 in building no. 5) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 18,264 sq. mtrs on which the said two building no. 1 and 5, out of all those pieces and parcels of larger land that are situated, lying and being in Village Yerawada, Taluka Haveli, District Pune ("Mortgaged Properties") of NCD Series 1.
- A charge on the escrow account in which receivables of the Mortgaged Properties shall be received save and except any common area maintenance charges payable to MBPPL with respect to the maintenance of the mortgaged properties.
- Corporate guarantee executed by MBPPL.

**Redemption terms:**

- NCD Series 1 are redeemable by way of bullet repayment at the end of 36 months from the date of allotment, i.e. 16 December 2023.
- Interest is payable on the last day of each financial quarter in a year (starting from 31 March, 2021) until the scheduled redemption date.
- 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.
- 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, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.

e) Details of disclosure required as per SEBI circular SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated 13 April 2018 are as follows:

Particulars	Secured / Unsecured	Previous due date		Next due date	
		Principal	Interest	Principal	Interest
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 1)	Secured	On Maturity	31 March 2021	On Maturity	30 June 2021

f) Rating agency CRISIL has assigned a rating of "CRISIL AAA/Stable" to the NCD Series 1 of the issuer / Mindspace REIT. Subsequently there is no change in the credit rating.



**Note 4 :** In March 2021, Mindspace Business Parks REIT issued 750 secured, listed, senior, taxable, non-cumulative, rated, redeemable, non-convertible debentures ("NCD Series 2") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 75,00,00,000 (Rupees seventy five crores only) with a coupon rate of 6.69% p.a. payable quarterly beginning from the end of first full quarter from the date of allotment i.e. 30 June 2021, with last coupon payment on the scheduled redemption date i.e. 17 May 2024. The tenure of the said NCD Series 2 is 38 months from 18 March 2021, being date of allotment. NCD Series 2 was listed on BSE Limited on 22 March 2021.

#### Security terms

NCD Series 2 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders):

- First and exclusive charge being registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 151,460 Sq. Ft. or thereabouts in building no. 4 of Commerzone Yerawada together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 9,561 sq. mtrs on which the said building, out of all those pieces and parcels of larger land that are situated, lying and being in Village Yerawada, Taluka Haveli, District Pune ("Mortgaged Properties") of NCD Series 2.
- A charge on the escrow account to be created, in which receivables of the Mortgaged Properties shall be received, save and except any common area maintenance charges payable to MBPPL with respect to the maintenance of the mortgaged properties.
- Corporate guarantee executed by MBPPL.

#### Redemption terms:

- NCD Series 2 are redeemable by way of bullet repayment at the end of 38 months from the date of allotment, i.e. 17 May 2024.
- Interest is payable on the last day of each financial quarter in a year (starting from 30 June, 2021) until the scheduled redemption date.
- 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.
- 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, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.

e) Details of disclosure required as per SEBI circular SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated 13 April 2018 are as follows :

Particulars	Secured / Unsecured	Previous due date		Next due date	
		Principal	Interest	Principal	Interest
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 2)	Secured	Not Applicable	Not Applicable	On Maturity	30 June 2021

f) Rating agency CRISIL has assigned a rating of "CRISIL AAA/Stable" to the NCD Series 2 of the issuer / Mindspace REIT. Subsequently there is no change in the credit rating.

Other requirements as per SEBI circular (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 year ended 31 March 2021
Security / Asset cover (MLD Series 1)(refer a below)	2.20
Security / Asset cover (NCD Series 1)(refer b below)	2.34
Security / Asset cover (MLD Series 2)(refer c below)	2.34
Security / Asset cover (NCD Series 2)(refer d below)	2.40
Debt-equity ratio (refer e below)	0.07
Debt-service coverage ratio (refer f below)	26.40
Interest-service coverage ratio (refer g below)	26.40
Net worth (Rs. in million) (refer h below)	1,65,789

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

- Security / Asset cover ratio (MLD Series 1) = Fair value of the secured assets as on 31 March 2021 as computed by independent valuer / (Outstanding principal amount of MLDs + Interest accrued thereon)
  - Security / Asset cover ratio (NCD Series 1) = Lower of Fair value of the secured assets as on 31 March 2021 as computed by two independent valuers / (Outstanding principal amount of NCDs + Interest accrued thereon)
  - Security / Asset cover ratio (MLD Series 2) = Fair value of the secured assets as on 31 March 2021 as computed by independent valuer / (Outstanding principal amount of MLDs + Interest accrued thereon)
  - Security / Asset cover ratio (NCD Series 2) = Fair value of the secured assets as on 31 March 2021 as computed by independent valuer / (Outstanding principal amount of NCDs + Interest accrued thereon)
  - 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
  - Net worth = Corpus + Unit capital + Other equity
- Borrowings = Non current borrowings + Current borrowings + Current maturities of long-term borrowings + Interest accrued



**15 Other financial liabilities**

Particulars	As at 31 March 2021	As at 31 March 2020
Interest accrued but not due on debentures	185	-
Other payables to related party	8	-
	<b>193</b>	<b>0</b>

**Current liabilities****16 Trade payables**

Particulars	As at 31 March 2021	As at 31 March 2020
Trade payable	-	-
- Total outstanding dues to micro and small enterprises	-	-
-Total outstanding dues other than micro and small enterprises	13	-
	<b>13</b>	<b>-</b>

**17 Other financial liabilities**

Particulars	As at 31 March 2021	As at 31 March 2020
Interest accrued but not due on debentures	2	-
Other liabilities	-	-
- to related party*	17	49
- to others	-	-
	<b>19</b>	<b>49</b>

\* Expense of Rs.17 million is payable to the Manager for Mindspace REIT Management Fees.

**18 Other current liabilities**

Particulars	As at 31 March 2021	As at 31 March 2020
Statutory dues	6	-
	<b>6</b>	<b>-</b>

**19 Current tax liabilities**

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for Income Tax (Net of Advance Tax)	3	-
	<b>3</b>	<b>-</b>



**MINDSPACE BUSINESS PARKS REIT**
**RN:IN/REIT/19-20/003**
**Notes to the Condensed Standalone Financial Statements**
**(all amounts in Rs. million unless otherwise stated)**
**20 Interest Income**

Particulars	For the quarter ended 31 March 2021	For the quarter ended 31 December 2020	For the quarter ended 31 March 2020	For the half year ended 31 March 2021	For the half year ended 30 September 2020	For the year ended 31 March 2021	From 18 November 2019 to 31 March 2020
Interest income							
- on fixed deposits	1	0	-	1	0	1	-
- on loans given to SPVs (refer note 28)	354	309	-	663	125	788	-
	355	309	-	664	125	789	-

**21 Other Income**

Particulars	For the quarter ended 31 March 2021	For the quarter ended 31 December 2020	For the quarter ended 31 March 2020	For the half year ended 31 March 2021	For the half year ended 30 September 2020	For the year ended 31 March 2021	From 18 November 2019 to 31 March 2020
Guarantee Commission Fees	7	-	-	7	-	7	-
Net gains/(losses) on financial assets at fair value through profit or loss*	-	-	-	-	3	3	-
Gain on redemption of mutual fund units	0	1	-	1	1	2	-
	7	1	-	8	4	12	-

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

**22 Other expenses**

Particulars	For the quarter ended 31 March 2021	For the quarter ended 31 December 2020	For the quarter ended 31 March 2020	For the half year ended 31 March 2021	For the half year ended 30 September 2020	For the year ended 31 March 2021	From 18 November 2019 to 31 March 2020
Bank charges	0	1	-	1	0	1	-
Filing and stamping fees	1	3	2	4	(1)	3	15
Royalty Charges	-	-	1	-	1	1	8
Marketing and advertisement expenses	0	0	-	0	0	0	-
Brokerage Expenses	-	1	-	1	-	1	-
Miscellaneous expenses	1	0	-	1	0	1	-
	2	5	3	7	0	7	23

**23 Finance costs**

Particulars	For the quarter ended 31 March 2021	For the quarter ended 31 December 2020	For the quarter ended 31 March 2020	For the half year ended 31 March 2021	For the half year ended 30 September 2020	For the year ended 31 March 2021	From 18 November 2019 to 31 March 2020
Interest expense on debentures (refer Note 14)	131	95	-	226	2	228	-
Interest expense on loans taken from SPV (refer Note 28)	-	2	-	2	-	2	-
	131	97	-	228	2	230	-

**24 Tax expense**

Particulars	For the quarter ended 31 March 2021	For the quarter ended 31 December 2020	For the quarter ended 31 March 2020	For the half year ended 31 March 2021	For the half year ended 30 September 2020	For the year ended 31 March 2021	From 18 November 2019 to 31 March 2020
Current tax	3	0	-	3	2	5	-
Deferred tax charge	-	-	-	-	-	-	-
	3	0	-	3	2	5	-

**25 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 31 March 2021	For the quarter ended 31 December 2020	For the quarter ended 31 March 2020	For the half year ended 31 March 2021	For the half year ended 30 September 2020	For the year ended 31 March 2021	From 18 November 2019 to 31 March 2020
Profit / (loss) after tax for calculating basic and diluted EPU	2,874	2,846	(17)	5,720	114	5,834	(49)
Weighted average number of Units (Nos)	5930,18,182	5930,18,182	Not Applicable	5930,18,182	2031,60,259	3975,55,169	Not Applicable
Earnings Per Unit							
- Basic (Rupees/unit)	4.85	4.80	Not Applicable	9.65	0.56	14.67	Not Applicable
- Diluted (Rupees/unit) *	4.85	4.80	Not Applicable	9.65	0.56	14.67	Not Applicable

\*Mindspace REIT does not have any outstanding dilutive units

**26 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. The REIT Management fees accrued for the quarter ended 31 March 2021 are Rs 17 million. There are no changes during the period in the methodology for computation of fees paid to the Manager.

**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 and carrying amounts of Loans given, Investments 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 the Company. 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 Mindspace REIT will continue to monitor developments to identify significant impacts, if any, on the operations.



**MINDSPACE BUSINESS PARKS REIT**
**RN:IN/REIT/19-20/003**
**Notes to the Condensed Standalone Financial Statements**
**(all amounts in Rs. million unless otherwise stated)**
**28 Related party disclosures**
**A Parties to Mindspace REIT as at 31 March 2021**

Sl. 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  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	Ravi C. Raheja Neel C. Raheja Ramesh Valecha Vinod Rohira



**MINDSPACE BUSINESS PARKS REIT**
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**(all amounts in Rs. million unless otherwise stated)**
**28 Related party disclosures**
**A Parties to Mindspace REIT as at 31 March 2021**

Sl. No.	Particulars	Name of Entities	Promoters/Partners*	Directors
14		Inorbit Malls (India) Private Limited (till 30 July 2020)	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 Ivory Properties & Hotels Pvt Ltd <del>K Raheja Corp Private Limited</del>	Ravi C. Raheja Neel C. Raheja Sunil Hingorani
15		Ivory Properties and Hotels Private Limited (till 30 July 2020)	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	Ravi C. Raheja Neel C. Raheja Ramesh Valecha Vinod Rohira
16		K Raheja Private Limited (till 30 July 2020)	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	Ravi C. Raheja Neel C. Raheja Vinod Rohira



**MINDSPACE BUSINESS PARKS REIT**
**RN:IN/REIT/19-20/003**
**Notes to the Condensed Standalone Financial Statements**
**(all amounts in Rs. million unless otherwise stated)**
**28 Related party disclosures**
**A Parties to Mindspace REIT as at 31 March 2021**

Sl. No.	Particulars	Name of Entities	Promoters/Partners*	Directors
17		Ivory Property Trust	Chandru L. Raheja Jyoti C. Raheja Ivory Properties & Hotels Pvt Ltd Ravi C. Raheja Neel C. Raheja (all are trustees)	
18		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 Chandru L. Raheja jointly with Jyoti C. Raheja, on behalf of the beneficiaries of Ivory Property Trust.	Ravi C. Raheja Neel C. Raheja Ramesh Valecha
19	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. (upto 19 February 2021) 10. Educator Protech Private Limited (upto 19 February 2021) 11. Happy Eastcon Private Limited (upto 4 February 2021) 12. Sampada Eastpro Private Limited (upto 17 March 2021)		
20	Governing Board and Key Managerial Personnel of the Manager (K Raheja Corp Investment Managers LLP)	<u><b>Governing Board</b></u> Mr. Deepak Ghaisas Ms. Manisha Girotra Mr. Bobby Parikh Mr. Alan Miyasaki Mr. Ravi C. Raheja Mr. Neel C. Raheja  <u><b>Key Managerial Personnel</b></u> Mr. Vinod Rohira Ms. Preeti Chheda		
21	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 Gencoval Strategic Services Private Limited Stemade Biotech Private Limited Hariom Infrafacilities Services Private Limited M/s Bobby Parikh & Associates		

\* only when acting collectively



**MINDSPACE BUSINESS PARKS REIT**
**RN:IN/REIT/19-20/003**
**Notes to the Condensed Standalone Financial Statements**
**(all amounts in Rs. million unless otherwise stated)**
**28 Related party disclosures**
**B Transactions during the period**

	For the quarter ended 31 March 2021	For the quarter ended 31 December 2020	For the quarter ended 31 March 2020	For the half year ended 31 March 2021	For the half year ended 30 September 2020	For the year ended 31 March 2021	From 18 November 2019 to 31 March 2020
<b>Unsecured loans given to</b>							
Avacado Properties and Trading Pvt. Ltd.	-	2,170	-	2,170	2,328	4,498	-
Gigaplex Estate Private Limited	1,200	2,430	-	3,630	3,294	6,924	-
Horizonview Properties Pvt. Ltd.	200	20	-	220	4,270	4,490	-
Sundew Properties Limited	3,970	650	-	4,620	-	4,620	-
KRC Infrastructure and Projects Private Limited	1,350	730	-	2,080	-	2,080	-
Mindspace Business Parks Private Limited	1,310	2,360	-	3,670	400	4,070	-
<b>Unsecured loans taken from</b>							
Intime Properties Limited	-	150	-	150	-	150	-
<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>							
Avacado Properties and Trading Pvt. Ltd.	400	-	-	400	-	400	-
Gigaplex Estate Private Limited	1,500	420	-	1,920	184	2,104	-
Mindspace Business Parks Private Limited	560	740	-	1,300	-	1,300	-
Sundew Properties Limited	250	230	-	480	-	480	-
KRC Infrastructure and Projects Private Limited	850	370	-	1,220	-	1,220	-
<b>Unsecured loans repaid to</b>							
Intime Properties Limited	-	150	-	150	-	150	-
<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	0	1	-	1	1	2	-
<b>Dividend Income</b>							
Intime Properties Limited	507	418	-	925	-	925	-
Sundew Properties Limited	696	561	-	1,257	-	1,257	-
K. Raheja IT Park (Hyderabad) Limited	668	534	-	1,202	-	1,202	-
Mindspace Business Parks Private Limited	810	1,150	-	1,960	-	1,960	-
<b>Interest Income</b>							
Avacado Properties and Trading (India) Private Limited	83	91	-	174	31	205	-
Gigaplex Estate Private Limited	107	111	-	218	39	257	-
Horizonview Properties Private Limited	80	87	-	167	55	222	-
KRC Infrastructure and Projects Private Limited	17	2	-	19	-	19	-
Sundew Properties Limited	21	2	-	23	-	23	-
Mindspace Business Parks Private Limited	46	16	-	62	0	62	-
<b>Interest Expense</b>							
Intime Properties Limited	-	2	-	2	-	2	-



## 28 Related party disclosures

## B Transactions during the period

	For the quarter ended 31 March 2021	For the quarter ended 31 December 2020	For the quarter ended 31 March 2020	For the half year ended 31 March 2021	For the half year ended 30 September 2020	For the year ended 31 March 2021	From 18 November 2019 to 31 March 2020
<b>Gain on Redemption of Preference Shares</b>							
Mindspace Business Parks Private Limited	-	-	-	-	3	3	-
<b>Royalty Charges</b>							
Anbee Constructions LLP	-	-	0	-	-	-	1
Cape Trading LLP	-	-	0	-	-	-	1
Mindspace Business Parks Pvt Ltd	-	-	0	-	-	-	1
Ivory Properties & Hotels Pvt Ltd	-	-	0	-	-	-	1
K. Raheja Pvt Ltd	-	-	0	-	-	-	1
K. Raheja Corp Pvt Ltd	-	-	0	-	-	-	2
<b>Reimbursement of Expenses</b>							
K Raheja Corp Investment Managers LLP*	-	12	16	12	49	61	41
*Includes fees paid to M/s Bobby Parikh & Associates amounting to Rs. 0.48 million for the year ended 31 March 2021 and Rs 1 million for the period ended 31 March 2020.							
<b>Investment Management Fees</b>							
K Raheja Corp Investment Managers LLP	17	17	-	34	-	34	-
<b>Payment to Sponsor Group in relation to Offer for Sale</b>							
Chandru L Raheja	-	0	-	0	10	10	-
Jyoti C Raheja	-	1	-	0	1,139	1,139	-
Ravi C Raheja	-	1	-	1	1,179	1,180	-
Neel C Raheja	-	1	-	1	1,179	1,180	-
Genext Hardware & Parks Private Limited	-	1	-	1	957	958	-
Inorbit Malls (India) Private Limited	-	1	-	1	1,505	1,506	-
Ivory Properties And Hotels Private Limited	-	2	-	2	3,385	3,387	-
Ivory Property Trust	-	6	-	5	10,352	10,357	-
K. Raheja Corp Private Limited	-	2	-	3	4,301	4,304	-
K. Raheja Private Limited	-	2	-	1	2,851	2,852	-
<b>Guarantee commission fees from SPV</b>							
KRC Infrastructure and Projects Private Limited	6	-	-	6	-	6	-
Horizonview Properties Private Limited	1	-	-	1	-	1	-
<b>Guarantee commission fees to SPV</b>							
Sundew Properties Limited	0	-	-	0	-	0	0
Mindspace Business Parks Pvt Ltd	-	1	-	1	8	9	-
<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	-
Chandru L. Raheja	-	-	-	-	8,984	8,984	-
Genext Hardware & Parks Private Limited	-	-	-	-	7,274	7,274	-
Inorbit Malls (I) Private Limited	-	-	-	-	1,541	1,541	-
Ivory Properties & Hotels Private Limited	-	-	-	-	3,466	3,466	-
Ivory Property Trust	-	-	-	-	13,008	13,008	-
Jyoti C. Raheja	-	-	-	-	3,912	3,912	-
K Raheja Corp Private Limited	-	-	-	-	14,468	14,468	-
K Raheja Private Limited	-	-	-	-	2,918	2,918	-
Neel C. Raheja	-	-	-	-	5,845	5,845	-
Palm Shelter Estate Development LLP	-	-	-	-	11,301	11,301	-
Raghukool Estate Development LLP	-	-	-	-	9,958	9,958	-
Ravi C. Raheja	-	-	-	-	5,846	5,846	-



**MINDSPACE BUSINESS PARKS REIT****RN:IN/REIT/19-20/003****Notes to the Condensed Standalone Financial Statements****(all amounts in Rs. million unless otherwise stated)****28 Related party disclosures****C Closing Balances**

	As at	As at
Particulars	31 March 2021	31 March 2020
<b>Unsecured loan receivable (non-current)</b>		
Mindspace Business Parks Private Limited	2,770	-
Avacado Properties and Trading (India) Private Limited	4,098	-
Gigaplex Estate Private Limited	4,820	-
KRC Infrastructure and Projects Private Limited	860	-
Sundew Properties Limited	4,140	-
Horizonview Properties Private Limited	4,490	-
<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 (non current)</b>		
Mindspace Business Parks Private Limited	16	-
Gigaplex Estate Private Limited	94	-
Sundew Properties Limited	11	-
Avacado Properties and Trading (India) Private Limited	84	-
<b>Interest receivable (current)</b>		
Mindspace Business Parks Private Limited	2	-
<b>Guarantee commission fees receivable (non current)</b>		
KRC Infrastructure and Projects Private Limited	7	-
Horizonview Properties Private Limited	1	-
<b>Other Financial Liabilities (non current)</b>		
Sundew Properties Limited	0	-
Mindspace Business Parks Private Limited	8	-
<b>Other Financial Liabilities (current)</b>		
K Raheja Corp Investment Managers LLP	17	49
<b>Co-Sponsor Initial Corpus</b>		
Anbee Constructions LLP	0	0
Cape Trading LLP	0	0
<b>Corporate guarantees outstanding</b>		
Horizonview Properties Private Limited	689	-

Note : Mindspace REIT is in process of executing the corporate guarantees given to the financial institutions amounting to Rs. 13,086 million as on balance sheet date for the loan facilities availed by the SPVs.



**29 Details of utilisation of proceeds of IPO are as follows:**

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation upto 31 December 2020	Unutilised amount as at 31 December 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	366	Refer note
<b>Total</b>	<b>10,000</b>	<b>10,000</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.

**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 31 March 2021	Unutilised amount as at 31 March 2021
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.	11,500	11,498	2
<b>Total</b>	<b>11,500</b>	<b>11,498</b>	<b>2</b>

**31 Commitments and contingencies**

**a) Contingent Liabilities**

Mindspace REIT has provided corporate guarantees for loans availed by Horizonview and the outstanding amount is Rs. 689 million.

Mindspace REIT is in process of executing corporate guarantees as on balance sheet date for loans availed by SPVs amounting to Rs 13,086 million.

**b) Statement of capital and other commitments**

i) There are no capital commitments as at 31 March 2021 and 31 March 2020.

ii) Mindspace REIT is committed to provide financial support to some of its SPVs to ensure that these entities operate on going concern basis and are able to meet their debts and liabilities as they fall due.

**32 Financial instruments :**

**(a) The carrying value and fair value of financial instruments by categories are as below:**

Particulars	Carrying value	Fair Value	Carrying value	Fair Value
	31 March 2021	31 March 2021	31 March 2020	31 March 2020
<b>Financial assets</b>				
Fair value through profit and loss	-	-	-	-
Fair value through other comprehensive income	-	-	-	-
<b>Amortised cost</b>				
Loans	21,178	-	-	-
Cash and cash equivalents	2,938	-	0	-
Other financial assets	216	-	-	-
<b>Total assets</b>	<b>24,332</b>	<b>-</b>	<b>0</b>	<b>-</b>
<b>Financial liabilities</b>				
Fair value through profit and loss	-	-	-	-
Fair value through other comprehensive income	-	-	-	-
<b>Amortised cost</b>				
Borrowings	11,425	-	-	-
Other financial liabilities	212	-	49	-
Trade payables	13	-	-	-
<b>Total liabilities</b>	<b>11,650</b>	<b>-</b>	<b>49</b>	<b>-</b>

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

**(b) Measurement of fair values**

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the Standalone financial statements

To provide an indication about the reliability of the inputs used in determining fair value, Mindspace REIT 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 - 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).



**(c) Financial instruments**

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2021:

Particulars	Total	Level 1	Level 2	Level 3
Financial assets & liabilities measured at fair value	-	-	-	-

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

Particulars	Total	Level 1	Level 2	Level 3
Financial assets & liabilities measured at fair value	-	-	-	-

**(d) Transfers between Level 1, Level 2 and Level 3**

There were no transfers between Level 1, Level 2 or Level 3 during the year ended 31 March 2021 and 31 March 2020.

**(e) 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.

iii) The fair values of borrowings at fixed rates are considered to be equivalent to present value of the future contracted cashflows discounted at the current market rate.

**33 Segment Reporting**

MindSpace REIT does not have any Operating segments as at 31 March 2021 and hence, disclosure under Ind AS 108, Operating segments has not been provided in the Standalone financial statements.

**34 Distributions**

The Governing Board of the Manager to the Trust, in their meeting held on 14 May 2021, has declared distribution to unitholders of Rs 4.81 per unit which aggregates to Rs 2,866 million for the quarter ended 31 March 2021. The distributions of Rs 4.81 per unit comprises Rs. 4.44 per unit in the form of dividend and Rs 0.37 per unit in the form of interest payment.

Along with distribution of Rs. 4.78 per unit for the quarter ended 31 December 2020, the cumulative distribution for the year ended 31 March 2021 aggregates to Rs. 9.59 per unit.

**35** The figures for the quarter ended 31 March 2021 are the derived figures between the audited figures in respect of the year ended 31 March 2021 and the published year-to-date figures up to 31 December 2020, which were subject to limited review. Further, the figures for the half year ended 31 March 2021 are the derived figures between the audited figures in respect of the year ended 31 March 2021 and the published year-to-date figures up to 30 September 2020, which were subject to limited review.

**36** "0" represents value less than Rs. 0.5 million.



**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF CONDENSED CONSOLIDATED  
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)**

**Opinion**

We have audited the accompanying condensed consolidated financial statements of Mindspace Business Parks REIT ("the Parent") and its subsidiaries (the "Special Purpose Vehicles") (together referred to as "Mindspace Group"), which comprises of the condensed consolidated Balance Sheet as at March 31, 2021, the condensed consolidated Statement of Profit and Loss, including other comprehensive income, the condensed consolidated Statement of Cashflow, the condensed consolidated Statement of Changes in Unitholders' Equity for the year ended March 31, 2021, consolidated Statement of Net Assets at fair value as at March 31, 2021 and consolidated Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows of the REIT and its special purpose vehicles for the year then ended along with summary of the significant accounting policies and select explanatory notes.

In our opinion and to the best of our information and according to the explanations given to us, the condensed consolidated financial statements:

- (i) includes the financial information of the following 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; and
- (ii) gives the information required by Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 (the "REIT regulations") in the manner so required; and
- (iii) gives a true and fair view in conformity with the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") to the extent not inconsistent with the SEBI REIT Regulations and other accounting principles generally accepted in India, of the consolidated state of affairs as at March 31, 2021, its consolidated profit including other comprehensive income, consolidated cash



flows, consolidated statement of changes in Unitholders' equity for the year ended March 31, 2021, its net assets at fair value as at March 31, 2021, total returns at fair value and net distributable cash flows of the REIT and its special purpose vehicles for the year ended on that date and other financial information of the Mindspace Group.

### **Basis for Opinion**

We conducted our audit of condensed consolidated financial statements in accordance with the Standards on Auditing (the "SAs"), issued by Institute of Chartered Accountants of India (the "ICAI"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Mindspace Group in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Emphasis of matters**

- (i) We draw attention to Note 44 to the condensed Consolidated Financial Statements regarding freehold land and building thereon (Paradigm, Malad) held by special purpose vehicle, Avacado Properties and Trading (India) Private Limited which is presently under litigation. Pending the outcome of the proceedings and a final closure of the matter, no adjustments have been made in the condensed Consolidated Financial Statements for the quarter and year ended March 31, 2021. Our opinion is not modified in respect of this matter.
- (ii) We draw attention to Note 2 which describes the Basis of presentation of consolidated financial statements and Note 20(a)(i) which describes the presentation of "Unit Capital" as "Equity" instead of compound financial instrument to comply with the REIT Regulations. Our opinion is not modified in respect of these matters.

### **Management's Responsibility for the Condensed Consolidated Financial Statements**

The condensed consolidated financial statements are the responsibility of the Parent's Investment Manager (the "Management") and has been approved by the Governing Board of Investment Manager for the issuance. The condensed consolidated financial statements have been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the condensed consolidated financial statements for the quarter, half year and year ended March 31, 2021 that give a true and fair view of the state of affairs as at March 31, 2021, its consolidated profit including other comprehensive income and consolidated cash flows for the quarter, half year and year ended on March 31, 2021, its consolidated statement of changes in Unitholders' equity for the year ended March 31, 2021, net assets at fair value as at March 31, 2021, total returns at fair value for the year ended March 31, 2021 and net distributable cash flows of the REIT and its special purpose vehicles for the quarter, half year and year ended March 31, 2021 and other financial information of the Mindspace Group in conformity with the Indian Accounting Standards



34, "Interim Financial Reporting" ("Ind AS 34") and other accounting principles generally accepted in India, to the extent not inconsistent with REIT Regulations.

The respective Board of Directors of the companies included in the Mindspace Group are responsible for maintenance of adequate accounting records for safeguarding the assets of the Mindspace Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this condensed consolidated financial statements by the Governing Board of the Investment Manager of the Parent, as aforesaid.

In preparing the condensed consolidated financial statements, the Governing Board of the Investment Manager and the respective Board of Directors of the companies included in the Mindspace Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governing Board along with respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The Governing Board and respective Board of Directors of the companies included in the Mindspace Group are responsible for overseeing the financial reporting process of the Mindspace Group.

#### **Auditor's Responsibilities for the Condensed Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the condensed consolidated financial statements for the year ended March 31, 2021 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this condensed consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the condensed consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management.
- Evaluate the appropriateness and reasonableness of disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Mindspace Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the condensed consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Mindspace Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the condensed consolidated financial statements, including the disclosures, and whether the condensed consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Mindspace Group to express an opinion on the condensed consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the condensed consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the condensed consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the condensed consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the condensed consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the condensed consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



A handwritten signature in blue ink, appearing to be 'JF' or similar, located below the stamp.

# **Deloitte Haskins & Sells LLP**

## **Other Matter**

The condensed consolidated financial statements includes financial information for the Quarter and Half Year ended March 31, 2021 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter and first half year of the current financial year respectively which were subject to limited review by us. Our report is not modified in respect of this matter.

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



Nilesh Shah  
Partner  
(Membership No.49660)  
(UDIN: 21049660AAAABO7369)

Mumbai, May 14, 2021

**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Consolidated Financial Statements**  
**Consolidated Balance Sheet**  
**(All amounts are in Rs. million unless otherwise stated)**

	Note	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	1,556	-
Capital work-in-progress		22	-
Investment property	6	1,94,579	-
Investment property under construction	7	15,317	-
Other intangible assets	8	1	-
Financial assets			
- Investments	9	18	-
- Other financial assets	10	1,927	-
Deferred tax assets (net)	11	1,543	-
Non-current tax assets (net)	12	1,064	-
Other non-current assets	13	957	-
<b>Total non-current assets</b>		<b>2,16,984</b>	<b>-</b>
<b>Current assets</b>			
Inventories	14	51	-
Financial assets			
- Trade receivables	15	214	-
- Cash and cash equivalents	16 A	3,539	0
- Other bank balances	16 B	123	-
- Other financial assets	17	1,129	-
Other current assets	18	511	-
<b>Total current assets</b>		<b>5,567</b>	<b>0</b>
<b>Total assets before regulatory deferral account</b>		<b>2,22,551</b>	<b>0</b>
Regulatory deferral account - assets		167	-
<b>Total assets</b>		<b>2,22,718</b>	<b>0</b>

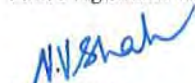


**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Consolidated Financial Statements**  
**Consolidated Balance Sheet**  
**(All amounts are in Rs. million unless otherwise stated)**

	Note	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Corpus	19	0	0
Unit Capital	20	1,62,839	-
Other equity	21	191	(49)
<b>Equity attributable to unit holders of the Mindspace REIT</b>		<b>1,63,030</b>	<b>(49)</b>
<b>Non-controlling interest</b>	53	<b>9,104</b>	<b>-</b>
<b>Total equity</b>		<b>1,72,134</b>	<b>(49)</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Borrowings	22	33,489	-
- Other financial liabilities	23	2,699	-
Provisions	24	28	-
Deferred tax liabilities (net)	25	258	-
Other non-current liabilities	26	524	-
<b>Total non-current liabilities</b>		<b>36,998</b>	<b>-</b>
<b>Current liabilities</b>			
Financial liabilities			
- Borrowings	27	2,574	-
- Trade payables	28		
- total outstanding dues of micro enterprises and small enterprises		52	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		813	-
- Other financial liabilities	29	9,172	49
Provisions	30	21	-
Other current liabilities	31	924	-
<b>Total current liabilities</b>		<b>13,556</b>	<b>49</b>
<b>Total equity and liabilities before regulatory deferral account</b>		<b>2,22,688</b>	<b>0</b>
Regulatory deferral account - liabilities		30	-
<b>Total equity and liabilities</b>		<b>2,22,718</b>	<b>0</b>
<b>Significant accounting policies</b>			
See the accompanying notes to the Condensed Consolidated Financial Statements	4-57		


As per our report of even date attached:


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

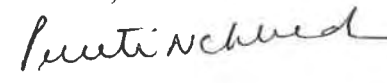


**Nilesh Shah**  
Partner  
Membership number: 49660

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**  
Member  
DIN: 00029010

  
**Vinod N. Rohira**  
Chief Executive Officer  
DIN: 00460667

  
**Preeti N. Chheda**  
Chief Financial Officer  
DIN: 08066703

Place: Mumbai  
Date : 14 May 2021

Place: London  
Date : 14 May 2021

Place: Mumbai  
Date : 14 May 2021

Place: Mumbai  
Date : 14 May 2021

**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Consolidated Financial Statements**  
**Consolidated Statement of Profit and Loss**  
**(All amounts are in Rs. million unless otherwise stated)**

	Note	For the quarter ended 31 March 2021 (Audited)**	For the quarter ended 31 December 2020 (Unaudited)	For the quarter ended 31 March 2020 (Unaudited)	For the half year ended 31 March 2021 (Audited)**	For the half year ended 30 September 2020 (Unaudited)	For the year ended 31 March 2021 (Audited)	From 18 November 2019 to 31 March 2020 (Audited)*
<b>Income and gains</b>								
Revenue from operations	32	4,341	4,301	-	8,642	2,739	11,381	-
Interest	33	82	14	-	96	37	133	-
Other income	34	46	1	-	47	4	51	-
<b>Total Income</b>		<b>4,469</b>	<b>4,316</b>	<b>-</b>	<b>8,785</b>	<b>2,780</b>	<b>11,565</b>	<b>-</b>
<b>Expenses</b>								
Cost of work contract services		69	137	-	206	68	274	-
Cost of materials sold		-	-	-	-	2	2	-
Cost of power purchased		145	137	-	282	59	341	-
Employee benefits expense	35	56	51	-	107	8	115	-
Cost of property management services	36	112	79	-	191	-	191	-
Trustee fees		0	1	-	1	1	2	-
Valuation fees		3	0	-	3	6	9	-
Insurance expense		21	19	-	40	17	57	-
Audit fees		11	6	1	17	6	23	1
Management fees		126	122	-	248	68	316	-
Repairs and maintenance	37	121	115	-	236	180	416	-
Legal & professional fees		39	30	13	69	69	138	25
Impairment Loss	7	176	-	-	176	-	176	-
Other expenses	38	497	297	3	794	245	1,039	23
<b>Total Expenses</b>		<b>1,376</b>	<b>994</b>	<b>17</b>	<b>2,370</b>	<b>728</b>	<b>3,099</b>	<b>49</b>
<b>Earnings/(loss) before finance costs, depreciation and amortisation, regulatory income / expense and tax</b>		<b>3,093</b>	<b>3,323</b>	<b>(17)</b>	<b>6,415</b>	<b>2,052</b>	<b>8,466</b>	<b>(49)</b>
Finance costs	39	607	599	-	1,206	501	1,707	-
Depreciation and amortisation expense	40	657	811	-	1,468	496	1,964	-
<b>Profit/(loss) before rate regulated activities and tax</b>		<b>1,829</b>	<b>1,912</b>	<b>(17)</b>	<b>3,741</b>	<b>1,055</b>	<b>4,795</b>	<b>(49)</b>
Add : Regulatory income/ (expense) (net)		17	21	-	38	(6)	32	-
Add : Regulatory income/(expense) (net) in respect of earlier years		(13)	(13)	-	(26)	(7)	(33)	-
<b>Profit/(loss) before tax</b>		<b>1,833</b>	<b>1,920</b>	<b>(17)</b>	<b>3,753</b>	<b>1,042</b>	<b>4,794</b>	<b>(49)</b>
Current tax	41	309	456	-	765	268	1,033	-
Deferred tax	41	249	221	-	470	158	628	-
MAT credit (entitlement) / charge	41	9	(157)	-	(148)	(68)	(216)	-
<b>Tax expense</b>		<b>567</b>	<b>520</b>	<b>-</b>	<b>1,087</b>	<b>358</b>	<b>1,445</b>	<b>-</b>
<b>Profit/(Loss) for the period/year</b>		<b>1,266</b>	<b>1,400</b>	<b>(17)</b>	<b>2,666</b>	<b>684</b>	<b>3,349</b>	<b>(49)</b>
<b>Profit/(Loss) for the period/year attributable to unit holders of Mindspace REIT</b>		<b>1,144</b>	<b>1,306</b>	<b>(17)</b>	<b>2,450</b>	<b>626</b>	<b>3,075</b>	<b>(49)</b>
<b>Profit for the period/year attributable to non-controlling interests</b>		<b>122</b>	<b>94</b>	<b>-</b>	<b>216</b>	<b>58</b>	<b>274</b>	<b>-</b>



**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Consolidated Financial Statements**  
**Consolidated Statement of Profit and Loss**  
(All amounts are in Rs. million unless otherwise stated)

	Note	For the quarter ended 31 March 2021 (Audited)**	For the quarter ended 31 December 2020 (Unaudited)	For the quarter ended 31 March 2020 (Unaudited)	For the half year ended 31 March 2021 (Audited)**	For the half year ended 30 September 2020 (Unaudited)	For the year ended 31 March 2021 (Audited)	From 18 November 2019 to 31 March 2020 (Audited)*
<b>Other comprehensive income</b>								
A. (i) Items that will not be reclassified to profit or loss								
- Remeasurements of defined benefit liability/ (asset)		(0)	-	-	-	-	(0)	-
(ii) Income tax relating to above		-	-	-	-	-	-	-
B. (i) Items that will be reclassified to profit or loss								
(ii) Income tax relating to above		-	-	-	-	-	-	-
<b>Other comprehensive income attributable to unit holders of Mindspace REIT</b>								
		(0)	-	-	-	-	(0)	-
<b>Other comprehensive income attributable to non controlling interests</b>								
		-	-	-	-	-	-	-
<b>Total comprehensive income for the period/ year</b>		<b>1,266</b>	<b>1,400</b>	<b>(17)</b>	<b>2,666</b>	<b>684</b>	<b>3,349</b>	<b>(49)</b>
<b>Total comprehensive income/(loss) for the period / year attributable to unit holders of Mindspace REIT</b>								
		<b>1,144</b>	<b>1,306</b>	<b>(17)</b>	<b>2,450</b>	<b>626</b>	<b>3,075</b>	<b>(49)</b>
<b>Total comprehensive income for the period/year attributable to non controlling interests</b>								
		<b>122</b>	<b>94</b>	<b>-</b>	<b>216</b>	<b>58</b>	<b>274</b>	<b>-</b>
Earnings per unit	49							
Basic		1.93	2.20	Not Applicable	4.13	3.06	7.74	Not Applicable
Diluted		1.93	2.20	Not Applicable	4.13	3.06	7.74	Not Applicable
Significant accounting policies	3							
See the accompanying notes to the Condensed Consolidated Financial Statements	4-57							

\* 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 half year and year ended 31 March 2020.

\*\* Refer note 55

As per our report of even date attached:

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

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

**Nilesh Shah**  
Partner  
Membership number: 49660

Place: Mumbai  
Date: 14 May 2021

**Neel C. Raheja**  
Member  
DIN: 00029010

Place: **मुंबई**  
Date: 14 May 2021

**Vinod N. Rohra**  
Chief Executive Officer  
DIN: 00460667

Place: Mumbai  
Date: 14 May 2021

**Preeti N. Chheda**  
Chief Financial Officer  
DIN: 08066703

Place: Mumbai  
Date: 14 May 2021

**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Consolidated Financial Statements**  
**Consolidated Statement of Cash Flow**  
**(All amounts are in Rs. million unless otherwise stated)**

	For the quarter ended 31 March 2021 (Audited)**	For the quarter ended 31 December 2020 (Unaudited)	For the quarter ended 31 March 2020 (Unaudited)	For the half year ended 31 March 2021 (Audited)**	For the half year ended 30 September 2020 (Unaudited)	For the year ended 31 March 2021 (Audited)	From 18 November 2019 to 31 March 2020 (Audited)*
<b>A Cash flows from operating activities</b>							
Profit before tax	1,833	1,920	(17)	3,753	1,042	4,794	(49)
Adjustments for:							
Depreciation and amortisation expense	657	811	-	1,468	496	1,964	-
Finance costs	607	599	-	1,206	501	1,707	-
Interest income	(82)	(14)	-	(96)	(37)	(133)	-
Provision for doubtful debts (net)	(12)	3	-	(9)	20	11	-
Gain on redemption of preference shares	-	-	-	-	(3)	(3)	-
Gain on redemption of mutual fund units	(3)	(1)	-	(4)	(1)	(5)	-
Lease Rent	2	3	-	5	(0)	5	-
Foreign exchange fluctuation loss (net)	-	(9)	-	(9)	9	-	-
Liabilities no longer required written back	(40)	(0)	-	(40)	-	(40)	-
Inventory written off	1	-	-	1	-	1	-
Impairment Loss	176	-	-	176	-	176	-
<b>Operating profit/(loss) before working capital changes</b>	<b>3,138</b>	<b>3,312</b>	<b>(17)</b>	<b>6,451</b>	<b>2,026</b>	<b>8,477</b>	<b>(49)</b>
<b>Movement in working capital</b>							
(Increase) / decrease in inventories	(10)	17	-	7	(2)	5	-
(Increase) / decrease in trade receivables	(382)	(45)	-	(427)	155	(272)	-
(Increase) / decrease in other non-current financial assets	(4)	5	-	1	22	23	-
(Increase) in other current financial assets	(524)	(559)	-	(1,083)	(61)	(1,145)	-
Decrease / (increase) in other non-current assets	78	(4)	-	74	(60)	14	-
Decrease / (increase) in other current assets	101	(96)	-	5	14	19	-
Increase / (decrease) in other non current financial liabilities	171	(65)	-	106	30	136	-
Increase / (decrease) in other current financial liabilities	310	125	17	435	(253)	183	49
(Decrease) / increase in other non-current liabilities and provisions	-	(17)	-	(17)	17	-	-
(Decrease) / increase in other current liabilities and provisions	(124)	(36)	-	(160)	274	114	-
(Decrease) / increase in regulatory deferral account (assets / liabilities)	(5)	(10)	-	(15)	15	0	-
(Decrease) / increase in trade payables	310	232	-	542	1	543	-
<b>Cash generated/(used in) from operations</b>	<b>3,059</b>	<b>2,858</b>	<b>0</b>	<b>5,919</b>	<b>2,178</b>	<b>8,095</b>	<b>0</b>
Direct taxes paid net of refund received	32	(380)	-	(348)	(223)	(571)	-
<b>Net cash generated/(used in) from operating activities (A)</b>	<b>3,091</b>	<b>2,478</b>	<b>0</b>	<b>5,571</b>	<b>1,955</b>	<b>7,525</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	(740)	(1,604)	-	(2,345)	(1,211)	(3,555)	-
Purchase of property, plant and equipment and intangible assets	(8)	(21)	-	(29)	(1)	(30)	-
Investment in mutual fund	(3,342)	(1,670)	-	(5,012)	(4,600)	(9,612)	-
Proceeds from redemption of mutual fund	3,346	1,670	-	5,016	4,601	9,617	-
Movement in fixed deposits	(17)	(229)	-	(246)	119	(127)	-
Loans repayment received from body corporates	0	-	-	0	12,382	12,382	-
Purchase of Investments (Preference shares)	0	-	-	-	(334)	(334)	-
Interest received	39	(11)	-	38	1,488	1,526	-
<b>Net cash (used in) / generated from investing activities (B)</b>	<b>(723)</b>	<b>(1,854)</b>	<b>-</b>	<b>(2,577)</b>	<b>12,444</b>	<b>9,867</b>	<b>-</b>



**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Consolidated Financial Statements**  
**Consolidated Statement of Cash Flow**  
**(All amounts are in Rs. million unless otherwise stated)**

	For the quarter ended 31 March 2021 (Audited)**	For the quarter ended 31 December 2020 (Unaudited)	For the quarter ended 31 March 2020 (Unaudited)	For the half year ended 31 March 2021 (Audited)**	For the half year ended 30 September 2020 (Unaudited)	For the year ended 31 March 2021 (Audited)	From 18 November 2019 to 31 March 2020 (Audited)*
<b>C Cash flows from financing activities</b>							
Proceeds from external borrowings	1,605	1,787	-	3,392	150	3,542	-
Repayment of external borrowings	(4,492)	(6,303)	-	(10,795)	(23,990)	(34,785)	-
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	-	(27)	-	(27)	(34,973)	(35,000)	-
Proceeds from issue of non-convertible debentures	4,500	2,000	-	6,500	5,000	11,500	-
Expenses incurred towards Initial Public Offering	-	(10)	-	(10)	(254)	(264)	-
Non-convertible debentures issue expenses	(32)	(34)	-	(66)	(4)	(70)	-
Proceeds from Corpus	-	-	0	-	-	-	0
Payment towards lease liabilities	(14)	1	-	(13)	(3)	(16)	-
Dividend paid (including tax)	(3,066)	(187)	-	(3,253)	-	(3,253)	-
Recovery Expense Fund Deposits	(11)	-	-	(1)	-	(1)	-
Finance costs paid	(557)	(592)	-	(1,149)	(548)	(1,697)	-
<b>Net cash generated used in financing activities (C)</b>	<b>(2,057)</b>	<b>(3,363)</b>	<b>-</b>	<b>(5,422)</b>	<b>(9,623)</b>	<b>(15,044)</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>311</b>	<b>(2,739)</b>	<b>0</b>	<b>(2,428)</b>	<b>4,776</b>	<b>2,348</b>	<b>0</b>
<b>Cash and cash equivalents at the beginning of the period/year</b>	<b>1,154</b>	<b>3,893</b>	<b>-</b>	<b>3,893</b>	<b>0</b>	<b>0</b>	<b>-</b>
<b>Cash and cash equivalents acquired due to asset acquisition (refer note 43)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(883)</b>	<b>(883)</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the period / year</b>	<b>1,465</b>	<b>1,154</b>	<b>0</b>	<b>1,465</b>	<b>3,893</b>	<b>1,465</b>	<b>0</b>
<b>Cash and cash equivalents comprises (refer note no. 16A &amp; 28)</b>							
Cash on hand	2	2	-	2	2	2	-
Balance with banks							
- on current accounts	3,060	3,051	0	3,060	5,071	3,060	0
- in escrow accounts ***	64	-	-	64	34	64	-
Deposit accounts with less than or equal to three months maturity	413	584	-	413	248	413	-
Cheques on hand	-	-	-	-	-	-	-
Less : Bank overdraft	(2,074)	(2,483)	-	(2,074)	(1,462)	(2,074)	-
<b>Cash and cash equivalents at the end of the period / year</b>	<b>1,465</b>	<b>1,154</b>	<b>0</b>	<b>1,465</b>	<b>3,893</b>	<b>1,465</b>	<b>0</b>

Significant accounting policies - refer note 3

**Note:**  
1. 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 Condensed Consolidated Statement of Cash Flows for the year ended 31 March, 2021 since these were non-cash transactions. (refer note 43)

2. During the quarter ended 31 March 2021, a total amount of Rs 469 million (including a sum of Rs 136 million incurred during the quarter ended 31 March 2021) and Rs 134 million for the quarter ended 31 December 2020 (including a sum of Rs 50 million incurred during the quarter ended 31 December 2020) has been transferred from capital expenditure to other adjustments pursuant to lease commencement of fit outs.

See the accompanying notes to the Condensed Consolidated Financial Statements - refer note 4-57

\* 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 half year and year ended 31 March 2020

\*\* Refer note 55

\*\*\* 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

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

**Nilesh Shah**  
Partner  
Membership number: 49660

**Neel C. Raheja**  
Member  
DIN: 00029010

**Vinod N. Rohira**  
Chief Executive Officer  
DIN: 00460667

**Preeti N. Chheda**  
Chief Financial Officer  
DIN: 08066703

Place: Mumbai  
Date : 14 May 2021

Place: **London**  
Date : 14 May 2021

Place: Mumbai  
Date : 14 May 2021

Place: Mumbai  
Date : 14 May 2021

**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Consolidated Financial Statements**  
**Consolidated Statement of changes in Unit holder's Equity**  
**(All amounts are in Rs. million unless otherwise stated)**

<b>A. Corpus</b>	<b>Amount</b>
Balance as on 18 November 2019*	-
Corpus received during the period**	0
<b>Balance as on 31 March 2020</b>	<b>0</b>
Balance as on 1 April 2020	0
Additions during the year	-
<b>Closing balance as at 31 March 2021</b>	<b>0</b>
** Corpus received during the period Rs. 10,000 (Rupees Ten Thousand only)	
<b>B. Unit Capital</b>	<b>Amount</b>
Balance as on 18 November 2019*	-
Units issued during the period	-
<b>Balance as at 31 March 2020</b>	<b>-</b>
<b>Balance as at 1 April 2020</b>	<b>-</b>
Add: Units issued during the period (refer note 20)	1,63,080
Less: Issue expenses	(241)
<b>Balance as at 31 March 2021</b>	<b>1,62,839</b>
<b>C. Other equity</b>	<b>Amount</b>
<b>Retained Earnings</b>	
Balance as on 18 November 2019*	-
<b>Loss for the period</b>	<b>(49)</b>
<b>Balance as at 31 March 2020</b>	<b>(49)</b>
<b>Balance as at 1 April 2020</b>	<b>(49)</b>
Add: Profit / (loss) for the year	3,075
Add: Other comprehensive income	-
Less: Distribution to Unitholders for the quarter ended 31 December 2020**	(2,835)
<b>Balance as at 31 March 2021</b>	<b>191</b>

\*\* The distributions made by Trust to its Unitholders are based on the Net Distributable Cash flows (NDCF) of Mindspace REIT under the REIT Regulations.

**Significant accounting policies - refer note 3**


See the accompanying notes to the Condensed Consolidated Financial Statements - refer note 4-57

\* 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 year ended 31 March 2020.


As per our report of even date attached:

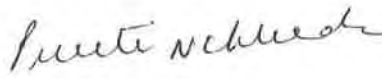
for **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
Firm's registration number: 117366W/W-100018

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

  
**Nilesh Shah**  
Partner  
Membership number: 49660

**Neel C. Raheja**  
Member  
DIN: 00029010

  
**Vinod N. Rohira**  
Chief Executive Officer  
DIN: 00460667

  
**Preeti N. Chheda**  
Chief Financial Officer  
DIN: 08066703

Place: Mumbai  
Date : 14 May 2021

Place: ~~London~~  
Date : 14 May 2021

Place: Mumbai  
Date : 14 May 2021

Place: Mumbai  
Date : 14 May 2021

**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Consolidated Financial Statements**  
**(All amounts are in Rs. million unless otherwise stated)**  
**Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016**

**A) Statement of Net Assets At Fair Value ( Total)**

S.No	Particulars	As at 31 March 2021	
		Book Value*	Fair value
A	Assets	2,22,718	2,66,099
B	Liabilities **	50,584	50,395
C	<b>Net Assets (A-B)</b>	<b>1,72,134</b>	<b>2,15,704</b>
D	Less: Non controlling interests	9,104	10,998
E	<b>Net Assets attributable to Mindspace REIT (C-D)</b>	<b>1,63,030</b>	<b>2,04,706</b>
F	No. of units	5930,18,182	5930,18,182
G	NAV (E/F)	274.92	345.19

\* as reflected in the Balance Sheet

\*\*excluding lease liabilities in Fair value

**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 2 / 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.

**Notes**

1. Project wise break up of Fair value of Assets as at 31 March 2021 is as follows

Particulars	Fair value of Investment Property, Property, Plant and Equipment, Investment property under construction and Capital work-in-progress	Other assets at book value	Total assets*
<b>Intime</b>	17,742	3,293	<b>21,035</b>
<b>KRIT</b>	27,386	6,306	<b>33,692</b>
<b>Sundew</b>	56,926	1,877	<b>58,803</b>
<b>MBPPL</b>			
MBPPL - Mindspace Airoli East	42,699		
MBPPL - Mindspace Pocharam	2,746		
MBPPL - Commerzone Yerwada	19,606	6,490	<b>80,009</b>
MBPPL - The Square, Nagar Road	8,468		
<b>Gigaplex</b>	36,474	289	<b>36,763</b>
<b>Avacado</b>			
Avacado - Mindspace Malad	9,569		
Avacado - The Square, BKC	3,905	2,699	<b>16,173</b>
<b>KRC Infra</b>	-		
KRC Infra - Gera Commerzone Kharadi	18,899	743	<b>25,621</b>
KRC Infra - Camplus	5,979		
<b>Horizonview</b>	6,993	255	<b>7,248</b>
<b>Mindspace REIT</b>	-	24,344	<b>24,344</b>
Less: Eliminations and Other Adjustments*		(37,589)	<b>(37,589)</b>
<b>Total</b>	<b>2,57,392</b>	<b>8,707</b>	<b>2,66,099</b>
Less: Non-controlling interest	(11,226)	(1,262)	<b>(12,488)</b>
<b>Total attributable to owners</b>	<b>2,46,167</b>	<b>7,445</b>	<b>2,53,611</b>



**MINDSPACE BUSINESS PARKS REIT**

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

**Condensed Consolidated Financial Statements**

**(All amounts are in Rs. million unless otherwise stated)**

\* It includes eliminations primarily pertaining to inter company lending / borrowing and consolidation adjustments

- 2 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).
- 3 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.
- 4 Power Deemed Distribution License operations in Gigaplex, MBPPL and KRC Infra have been valued by the valuer separately using Discounted Cash Flow method.
- 5 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).

**Significant accounting policies - refer note 3**

See the accompanying notes to the Condensed Consolidated Financial Statements - refer note 4-57

As per our report of even date attached:

**for Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's registration number: 117366W/W-100018



**Nilesch Shah**

Partner

Membership number: 49660

Place: Mumbai

Date : 14 May 2021

for and on behalf of the Governing Board of

K Raheja Corp Investment Managers LLP

(as Manager of the Mindspace Business Parks REIT)

**Neel C. Raheja**

Member

DIN: 00029010

Place: London

Date : 14 May 2021



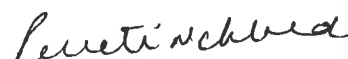
**Vinod N. Rohira**

Chief Executive Officer

DIN: 00460667

Place: Mumbai

Date : 14 May 2021



**Preeti N. Chheda**

Chief Financial Officer

DIN: 08066703

Place: Mumbai

Date : 14 May 2021

**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Consolidated Financial Statements**  
**(All amounts are in Rs. millions unless otherwise stated)**

**B) Statement of Total Return at Fair Value (Attributable to unit holders of Mindspace REIT)**

<b>Total Return - Attributable to unit holders of Mindspace REIT</b>				
<b>S.No</b>	<b>Particulars</b>	<b>For the half year ended 31 March 2021</b>	<b>For the half year ended 30 September 2020</b>	<b>For the year ended 31 March 2021</b>
A	Total comprehensive Income	2,450	626	3,076
B	Add : Changes in fair value not recognised in total comprehensive income (refer Note below)	4,321	1,227	5,548
<b>C (A+B)</b>	<b>Total Return</b>	<b>6,771</b>	<b>1,853</b>	<b>8,624</b>

**Note:**

**1 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.

2 In the above statement, changes in fair value not recognised for the half year ended 31 March 2021 have been computed based on the change in fair values from 30 September 2020 to 31 March 2021 adjusted for change in book value of Investment Property, Investment property under construction and Property, Plant and Equipment and Capital work in progress, Capital advances, Unbilled revenue, Finance lease receivable and Lease Liabilities from 30 September 2020 to 31 March 2021. Changes in fair value not recognised for the half year ended 30 September 2020 is computed based on the change in fair value from the date of acquisition of SPVs to 30 September 2020 adjusted for change in book value of Investment Property, Investment property under construction and Property, Plant and Equipment and Capital work in progress, Capital advances, Unbilled revenue, Finance lease receivable and Lease Liabilities from 31 July 2020 to 30 September 2020.

3 For the purpose of determination of fair values of Investment Property, Investment property under construction and Property, Plant and Equipment and Capital work in progress as at 31 July 2020 (30 July 2020 being the date of acquisition for SPVs), additions to Investment Property, Investment property under construction and Property, Plant and Equipment and Capital work in progress, Capital advances, Unbilled revenue, Finance lease receivable and Lease Liabilities from 1 April 2020 to 31 July 2020 are added to fair value as on 31 March 2020 (as per summary valuation report dated 10 June 2020).

**Significant accounting policies - refer note 3**

See the accompanying notes to the Condensed Consolidated Financial Statements - refer note 4-57

As per our report of even date attached:

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's registration number: 117366W/W-100018

for and on behalf of the Governing Board of

**K Raheja Corp Investment Managers LLP**

(as Manager of the Mindspace Business Parks REIT)

**Niles Shah**

Partner

Membership number: 49660

Place: Mumbai

Date : 14 May 2021

**Neel C. Raheja**

Member

DIN: 00029010

Place: London

Date : 14 May 2021

**Preeti N. Chheda**

Chief Financial Officer

DIN: 08066703

Place: Mumbai

Date : 14 May 2021

**Vinod N. Rohira**

Chief Executive Officer

DIN: 00460667

Place: Mumbai

Date : 14 May 2021

**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Consolidated Financial Statements**

**Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016**  
**(All amounts are in Rs. million unless otherwise stated)**

**Net Distributable Cash Flows (NDCF) pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016**  
**(i) Mindspace REIT Standalone**

Sr. no.	Description	For the quarter ended 31 March 2021 (Audited)	For the quarter ended 31 December 2020 ( Unaudited)	For the half year and year ended 31 March 2021 (Audited)
1.	Cash flows received from Asset SPVs including but not limited to:			
-	interest	255	201	456
-	dividends (net of applicable taxes)	2,681	2,663	5,344
-	repayment of REIT Funding	-	-	-
-	proceeds from buy-backs/ capital reduction (net of applicable taxes)	-	-	-
-	redemption proceeds from preference shares or any other similar instrument	-	-	-
2.	Add: Proceeds from sale of investments, assets, sale of shares of Asset SPVs, liquidation of any other asset or investment (incl. cash equivalents) or any form of fund raise at Mindspace REIT level adjusted for the following: <sup>(3) &amp; (4)</sup>	5,200	2,420	7,620
-	applicable capital gains and other taxes, if any	-	-	-
-	debts settled or due to be settled from sale proceeds	-	-	-
-	transaction costs	(30)	(20)	(50)
-	proceeds re-invested or planned to be reinvested in accordance with the REIT regulations	-	-	-
-	any acquisition	-	-	-
-	investments as permitted under the REIT regulations	-	-	-
-	lending to Asset SPVs	(5,170)	(2,400)	(7,570)
	as maybe deemed necessary by the Manager			
3.	Add: Proceeds from sale of investments, assets or sale of shares of Asset SPVs not distributed pursuant to an earlier plan to re-invest in accordance with the REIT Regulations, if such proceeds are not intended to be invested subsequently	-	-	-
4.	Add: Any other income received by Mindspace REIT not captured herein	1	1	2
5.	Less: Any other expenses paid by Mindspace REIT not captured herein	(39)	(33)	(72)
6.	Less: Any expense in the nature of capital expenditure at Mindspace REIT level	-	-	-
7.	Less: Net debt repayment / (drawdown), redemption of preference shares / debentures / any other such instrument / premiums / any other obligations / liabilities, etc., as maybe deemed necessary by the Manager	-	-	-
8.	Add/Less: Other adjustments, including but not limited to net changes in security deposits, working capital, etc., as may be deemed necessary by the Manager <sup>(5) &amp; (6)</sup>	(31)	7	(24)
9.	Less: Interest paid on external debt borrowing at Mindspace REIT level	-	-	-
10.	Less: Income tax and other taxes (if applicable) at the standalone Mindspace REIT level	-	-	-
	<b>Net Distributable Cash Flows (NDCF)</b>	<b>2,867</b>	<b>2,839</b>	<b>5,706</b>

**Notes:**

1. The Governing Board of the Manager to the Trust, in their meeting held on 14 May 2021, has declared distribution to unitholders of Rs 4.81 per unit which aggregates to Rs 2,866 million for the quarter ended 31 March 2021. The distributions of Rs 4.81 per unit comprises Rs. 4.44 per unit in the form of dividend and Rs 0.37 per unit in the form of interest payment.

Along with distribution of Rs. 4.78 per unit for the quarter ended 31 December 2020, the cumulative distribution for the year ended 31 March 2021 aggregates to Rs. 9.59 per unit.

2. Statement of Net Distributable Cash Flows have not been disclosed for all the comparative periods since the first distribution of the REIT as stated in the Final Offer Document was made upon completion of the first full quarter after the listing of the Units on the Stock Exchanges i.e. 31 December 2020.

3. During the quarter ended 31 December 2020, lending to SPVs from fund raised at REIT level in previous quarter has been excluded for the purpose of NDCF calculation.

4. Repayment of REIT funding which is further lent to SPVs has been captured under "Liquidation of assets"

5. Lending to and repayment from SPVs within the same quarter has been adjusted under "Other Adjustments"

6. Borrowing from and repayment to SPVs within the same quarter has been adjusted under "Other Adjustments"

**Significant accounting policies - refer note 3**

See the accompanying notes to the Condensed Consolidated Financial Statements - refer note 4-57

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 : 14 May 2021

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

**Neel C. Raheja**  
Member  
DIN: 00029010  
Place: London  
Date : 14 May 2021

**Vinod N. Rohira**  
Chief Executive Officer  
DIN: 00460667  
Place: Mumbai  
Date : 14 May 2021

**Preeti N. Chheda**  
Chief Financial Officer  
DIN: 08066703  
Place: Mumbai  
Date : 14 May 2021

**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

(All amounts are in Rs. million unless otherwise stated)

Additional disclosures as required by Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Net Distributable Cash Flows (NDCF) pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

(ii) Calculation of net distributable cash flows at each Asset SPV

For the quarter ended 31 March 2021 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Sr. no.	Description	Avacado	MBPPL	Horizonview	Gigaplex	KRC Infra	Intime	KRTT	Sundew	Elimination <sup>(3)</sup>	Total
1.	Profit after tax as per Statement of profit and loss/income and expenditure (standalone) (A)	56	649	(396)	147	(81)	228	320	469	-	1,392
2.	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	18	109	31	87	36	9	8	76	-	374
3.	Add/less: Loss/gain on sale of real estate assets	-	-	-	-	-	-	-	-	-	-
4.	Add: Proceeds from sale of real estate assets, liquidation of any other asset or investment (incl cash equivalents) or any form of fund raise at the Asset SPV level adjusted for the following:	-	750	200	-	500	250	315	3,960	(1,505)	4,470
	debts settled or due to be settled from sale proceeds	-	-	-	-	-	-	-	-	-	-
	transaction costs	-	-	-	-	-	-	-	-	-	-
	proceeds re-invested or planned to be reinvested in accordance with the REIT Regulations	-	-	-	-	-	-	-	-	-	-
	any acquisition	-	-	-	-	-	-	-	-	-	-
	investment in any form as permitted under the REIT Regulations	-	-	-	-	-	-	-	-	-	-
	as may be deemed necessary by the Manager	-	-	-	-	-	-	-	-	-	-
5.	Add: Proceeds from sale of real estate assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently	-	-	-	-	-	-	-	-	-	-
6.	Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), as may be deemed necessary by the Manager.	21	16	220	(68)	161	6	24	19	-	399
	For example, any decrease/increase in carrying amount of an asset or of a liability recognised in statement of profit and loss/income and expenditure on measurement of the asset or the liability at fair value, interest cost as per effective interest rate method, deferred tax, lease rents recognised on a straight line basis, etc	-	-	-	-	-	-	-	-	-	-
7.	Add: Cash flow received from Asset SPV and investment entity, if any including (applicable for Holdco only, to the extent not covered above):	-	-	-	-	-	-	-	-	-	-
	repayment of the debt in case of investments by way of debt	-	-	-	-	-	-	-	-	-	-
	proceeds from buy-backs/ capital reduction	-	-	-	-	-	-	-	-	-	-
8.	Add: Interest on borrowings from Mindspace REIT	-	-	-	-	-	-	-	-	-	-
9.	Add/less: Other adjustments, including but not limited to net changes in security deposits, working capital, etc., as may be deemed necessary by the Manager <sup>(2)</sup>	43	41	80	62	18	-	-	11	-	255
10.	Less: Any expense in the nature of capital expenditure including capitalized interest thereon (to the parties other than Mindspace REIT), overheads, etc. <sup>(5)</sup>	159	318	0	398	37	96	137	(561)	-	584
11.	Less: Net debt repayment / (drawdown) / redemption of preference shares / debentures / any other such instrument / premiums / accrued interest / any other obligations / liabilities etc., to parties other than Mindspace REIT, as may be deemed necessary by the Manager	(45)	(84)	(78)	(299)	(397)	(6)	(120)	129	-	(900)
12.	Less: Proceeds to shareholders other than Mindspace REIT through buyback of shares/ capital reduction/ dividend paid on preference or equity capital, buyback distribution tax if any paid on the same, and further including buyback distribution tax, if applicable on distribution to Mindspace REIT <sup>(4)</sup>	191	(916)	19	40	(267)	0	71	(3,305)	-	(4,358)
	Total Adjustments (B)	387	234	472	220	88	292	352	(83)	-	(700)
	Net-Distributable Cash Flows (C)=(A+B)	443	883	76	367	7	520	672	712	(700)	2,980

**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Consolidated Financial Statements**  
**Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016**  
**(All amounts are in Rs. million unless otherwise stated)**

**Note 1:** Statement of Net Distributable Cash Flows have not been disclosed for all the comparative periods since the first distribution of the REIT as stated in the Final Offer Document was made upon completion of the first full quarter after the listing of the Units on the Stock Exchanges i.e. 31 December 2020.

**Note 2:** Borrowing from and repayment to REIT within the same quarter has been adjusted under "Other Adjustments".

**Note 3:** For the purpose of eliminations, repayment of Inter SPV loans and repayment of loans from REIT (further lent to Asset SPVs) is considered.

**Note 4:** As per Chapter V, clause 16(a) of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time, the entity is required to distribute not less than 90% of net distributable cash flows of the entity to Mindspace REIT in proportion of its holding in the SPV subject to applicable provisions in the Companies Act, 2013. As per distribution policy adopted by the governing board of Mindspace REIT's Manager (K Raheja Corp Investment Managers LLP), any proceeds to shareholders other than Mindspace REIT is reduced to arrive at Net Distributable Cash Flows (NDCF).

The above note has been prepared as per the distribution policy adopted by the governing board of Mindspace REIT's Manager, which is forming part of the Final offer document of Mindspace REIT and does not represent amount available for declaring dividend as per section 123 of the Companies Act, 2013 read with Declaration and Payment of Dividend Rules 2014.

**Note 5:** In case of Sundew, during the quarter ended 31 March 2021, a total amount of Rs 469 million (including a sum of Rs 136 million incurred during the quarter) has been transferred from capital expenditure to other adjustments pursuant to lease commencement of fit outs.

**Significant accounting policies - refer note 3**

See the accompanying notes to the Condensed Consolidated Financial Statements - refer note 4-57

As per our report of even date attached:

for **Deloitte Haskins & Sells LLP**  
Chartered Accountants

Firm's registration number: 117366W/W-100018

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



**Nilesh Shah**  
Partner  
Membership number: 49660  
Place: Mumbai  
Date : 14 May 2021



**Vinod N. Rohira**  
Chief Executive Officer  
DIN: 00029010  
Place: London  
Date : 14 May 2021



**Preeti N. Chheda**  
Chief Financial Officer  
DIN: 08066703  
Place: Mumbai  
Date : 14 May 2021

**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

(All amounts are in Rs. million unless otherwise stated)

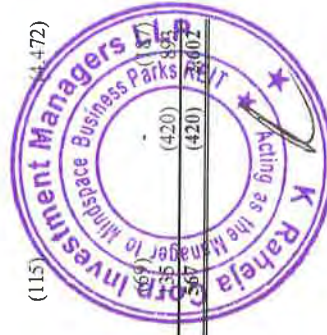
Additional disclosures as required by Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Net Distributable Cash Flows (NDCF) pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

(ii) Calculation of net distributable cash flows at each Asset SPV

For the quarter ended 31 December 2020 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Sr. no.	Description	Avacado	MBPPL	Horizonview	Gigaplex	KRC Infra	Infime	KRIT	Sundew	Elimination <sup>(4)</sup>	Total
1.	Profit after tax as per Statement of profit and loss/income and expenditure (standalone) (A)	49	708	(210)	30	53	296	351	431	-	1,709
2.	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	19	111	29	85	35	8	9	77	-	373
3.	Add/less: Loss/gain on sale of real estate assets	-	-	-	-	-	-	-	-	-	-
4.	Add: Proceeds from sale of real estate assets, liquidation of any other asset or investment (incl. cash equivalents) or any form of fund raise at the Asset SPV level adjusted for the following:	2,170	1,620	20	2,430	360	-	-	420	(420)	6,600
	· debts settled or due to be settled from sale proceeds	-	-	-	-	-	-	-	-	-	-
	· transaction costs	-	-	-	-	-	-	-	-	-	-
	· proceeds re-invested or planned to be reinvested in accordance with the REIT Regulations	-	-	-	-	-	-	-	-	-	-
	· any acquisition	-	-	-	-	-	-	-	-	-	-
	· investment in any form as permitted under the REIT Regulations as may be deemed necessary by the Manager	-	-	-	-	-	-	-	-	-	-
5.	Add: Proceeds from sale of real estate assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently	-	-	-	-	-	-	-	-	-	-
6.	Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), as may be deemed necessary by the Manager.	24	(15)	47	57	11	(15)	(22)	11	-	97
	For example, any decrease/increase in carrying amount of an asset or of a liability recognised in statement of profit and loss/income and expenditure on measurement of the asset or the liability at fair value, interest cost as per effective interest rate method, deferred tax, lease rents recognised on a straight line basis, etc.	-	-	-	-	-	-	-	-	-	-
7.	Add: Cash flow received from Asset SPV and investment entity, if any including (applicable for Holdco only, to the extent not covered above):	-	-	-	-	-	-	-	-	-	-
	· repayment of the debt in case of investments by way of debt	-	-	-	-	-	-	-	-	-	-
	· proceeds from buy-backs/ capital reduction	-	-	-	-	-	-	-	-	-	-
8.	Add: Interest on borrowings from Mindspace REIT	-	-	-	-	-	-	-	-	-	-
9.	Add/less: Other adjustments, including but not limited to net changes in security deposits, working capital, etc., as may be deemed necessary by the Manager <sup>(2)&amp;(3)</sup>	47	3	87	62	1	-	-	2	-	201
10.	Less: Any expense in the nature of capital expenditure including capitalized interest thereon (to the parties other than Mindspace REIT), overheads, etc. <sup>(6)</sup>	54	(91)	(33)	(25)	(353)	45	347	96	-	40
11.	Less: Net debt repayment / (drawdown) / redemption of preference shares / debentures / any other such instrument / premiums / accrued interest / any other obligations / liabilities etc., to parties other than Mindspace REIT, as may be deemed necessary by the Manager	(37)	3	(116)	(316)	(897)	-	(111)	(286)	-	(1,759)
12.	Less: Proceeds to shareholders other than Mindspace REIT through buyback of shares/ capital reduction/ dividend paid on preference or equity capital, buyback distribution tax if any paid on the same, and further including buyback distribution tax, if applicable on distribution to Mindspace REIT <sup>(5)</sup>	(2,277)	(1,220)	253	(1,856)	743	-	(0)	(115)	-	(4,472)
	<b>Total Adjustments (B)</b>	0	411	287	437	(101)	(52)	(66)	(66)	-	895
	<b>Net Distributable Cash Flows (C)=(A+B)</b>	49	1,119	77	467	(48)	282	508	508	(420)	2,402



**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Consolidated Financial Statements**  
**Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016**  
**(All amounts are in Rs. million unless otherwise stated)**

Note 1: Statement of Net Distributable Cash Flows have not been disclosed for all the comparative periods since the first distribution of the REIT as stated in the Final Offer Document was made upon completion of the first full quarter after the listing of the Units on the Stock Exchanges i.e. 31 December 2020.

Note 2: Lending to and repayment from REIT within the same quarter has been adjusted under "Other Adjustments".

Note 3: Borrowing from and repayment to REIT within the same quarter has been adjusted under "Other Adjustments".

Note 4: For the purpose of eliminations, repayment of loans from REIT (further lent to Asset SPVs) is considered.

Note 5: As per Chapter V, clause 16(a) of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time, the entity is required to distribute not less than 90% of net distributable cash flows of the entity to Mindspace REIT in proportion of its holding in the SPV subject to applicable provisions in the Companies Act, 2013. As per distribution policy adopted by the governing board of Mindspace REIT's Manager (K Raheja Corp Investment Managers LLP), any proceeds to shareholders other than Mindspace REIT is reduced to arrive at net distributable cash flows (NDCF).

The above note has been prepared as per the distribution policy adopted by the governing board of Mindspace REIT's Manager, which is forming part of the Final offer document of Mindspace REIT and does not represent amount available for declaring dividend as per section 123 of the Companies Act, 2013 read with Declaration and Payment of Dividend Rules 2014.

Note 6: In case of MBPPL, during the quarter ended 31st December 2020, a total amount of Rs 134 million (including a sum of Rs 50 million incurred during the quarter) has been transferred from capital expenditure to other adjustments pursuant to lease commencement of fit outs.

**Significant accounting policies - refer note 3**

See the accompanying notes to the Condensed Consolidated Financial Statements - refer note 4-57

As per our report of even date attached:

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

  
**Nitesh Shah**

Partner  
Membership number: 49660  
Place: Mumbai  
Date : 14 May 2021

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

  
**Vinod N. Rohira**

Chief Executive Officer  
DIN: 00460667  
Place: Mumbai  
Date : 14 May 2021

  
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Chief Financial Officer  
DIN: 08066703  
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**MINDSPACE BUSINESS PARKS REIT**

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(All amounts are in Rs. million unless otherwise stated)

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Net Distributable Cash Flows (NDCF) pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

(ii) Calculation of net distributable cash flows at each Asset SPV

**For the half year and year ended 31 March 2021 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016**

Sr. no.	Description	Avacado	MBPPL	Horizonview	Gigaplex	KRC Infra	Intime	KRIT	Sundew	Elimination <sup>(4)</sup>	Total
1.	Profit after tax as per Statement of profit and loss/income and expenditure (standalone) (A)	105	1,357	(606)	177	(28)	524	671	901	-	3,101
2.	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	37	220	60	172	71	17	17	153	-	747
3.	Add/Less: Loss/gain on sale of real estate assets	-	-	-	-	-	-	-	-	-	-
4.	Add: Proceeds from sale of real estate assets, liquidation of any other asset or investment (incl. cash equivalents) or any form of fund raise at the Asset SPV level adjusted for the following:	2,170	2,370	220	2,430	860	250	315	4,380	(1,925)	11,070
	debits settled or due to be settled from sale proceeds	-	-	-	-	-	-	-	-	-	-
	transaction costs	-	-	-	-	-	-	-	-	-	-
	proceeds re-invested or planned to be reinvested in accordance with the REIT Regulations	-	-	-	-	-	-	-	-	-	-
	any acquisition	-	-	-	-	-	-	-	-	-	-
	investment in any form as permitted under the REIT Regulations as may be deemed necessary by the Manager	-	-	-	-	-	-	-	-	-	-
5.	Add: Proceeds from sale of real estate assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently	-	-	-	-	-	-	-	-	-	-
6.	Add/Less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), as may be deemed necessary by the Manager	45	1	267	(11)	172	(9)	2	30	-	497
	For example, any decrease/increase in carrying amount of an asset or of a liability recognised in statement of profit and loss/income and expenditure on measurement of the asset or the liability at fair value, interest cost as per effective interest rate method, deferred tax, lease rents recognised on a straight line basis, etc	-	-	-	-	-	-	-	-	-	-
7.	Add: Cash flow received from Asset SPV and investment entity, if any including (applicable for Holdco only, to the extent not covered above):	-	-	-	-	-	-	-	-	-	-
	repayment of the debt in case of investments by way of debt	-	-	-	-	-	-	-	-	-	-
	proceeds from buy-backs/ capital reduction	-	-	-	-	-	-	-	-	-	-
8.	Add: Interest on borrowings from Mindspace REIT	90	44	167	124	19	-	-	12	-	456
9.	Add/Less: Other adjustments, including but not limited to net changes in security deposits, working capital, etc., as may be deemed necessary by the Manager <sup>(2) &amp; (5)</sup>	213	226	(32)	373	(316)	141	485	(465)	-	625
10.	Less: Any expense in the nature of capital expenditure including capitalized interest thereon (to the parties other than Mindspace REIT), overheads, etc <sup>(6) &amp; (7)</sup>	(82)	(80)	(195)	(615)	(1,294)	(6)	(231)	(156)	-	(2,659)
11.	Less: Net debt repayment / (drawdown) / redemption of preference shares / debentures / any other such instrument / premiums / accrued interest / any other obligations / liabilities etc., to parties other than Mindspace REIT, as may be deemed necessary by the Manager	(2,086)	(2,136)	272	(1,817)	476	0	71	(3,420)	-	(3,420)
12.	Less: Proceeds to shareholders other than Mindspace REIT through buyback of shares/ capital reduction/ dividend paid on preference or equity capital, buyback distribution tax if any paid on the same, and further including buyback distribution tax, if applicable on distribution to Mindspace REIT <sup>(5)</sup>	-	-	-	-	-	(114)	(149)	(155)	-	(418)
	Total Adjustments (B)	387	645	759	656	(12)	279	510	179	(1,120)	2,413
	Net Distributable Cash Flows (C)=(A+B)	492	2,002	153	833	(40)	803	1,181	1,280	(1,120)	5,513



**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Consolidated Financial Statements**  
**Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016**  
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Note 5: As per Chapter V, clause 16(a) of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time, the entity is required to distribute not less than 90% of net distributable cash flows of the entity to Mindspace REIT in proportion of its holding in the SPV subject to applicable provisions in the Companies Act, 2013. As per distribution policy adopted by the governing board of Mindspace REIT's Manager (K Raheja Corp Investment Managers LLP), any proceeds to shareholders other than Mindspace REIT is reduced to arrive at net distributable cash flows (NDCF).

The above note has been prepared as per the distribution policy adopted by the governing board of Mindspace REIT's Manager, which is forming part of the Final offer document of Mindspace REIT and does not represent amount available for declaring dividend as per section 123 of the Companies Act, 2013 read with Declaration and Payment of Dividend Rules 2014.

Note 6: In case of MBPPL, during the quarter ended 31st December 2020, a total amount of Rs 134 million (including a sum of Rs 50 million incurred during the quarter) has been transferred from capital expenditure to other adjustments pursuant to lease commencement of fit outs.

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**Significant accounting policies - refer note 3**

See the accompanying notes to the Condensed Consolidated Financial Statements - refer note 4-57

As per our report of even date attached:

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

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

**Nilesh Shah**  
Partner  
Membership number: 49660  
Place: Mumbai  
Date : 14 May 2021

**Neel C. Raheja**  
Member  
DIN: 00029010  
Place: London  
Date : 14 May 2021

**Vinod N. Rohira**  
Chief Executive Officer  
DIN: 00460667  
Place: Mumbai  
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Chief Financial Officer  
DIN: 08066703  
Place: Mumbai  
Date : 14 May 2021

**MINDSPACE BUSINESS PARKS REIT**
**RN:IN/REIT/19-20/003**
**Condensed Consolidated Financial Statements**
**Notes to Accounts**
**(All amounts are in Rs. million unless otherwise stated)**
**1 Organisation Structure**

The consolidated financial statements ('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' or "Asset 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 issued 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.

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) as at 31 March 21
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 Development 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 (11.00%) Mr. Chandru L. Raheja jointly with Mrs. Jyoti C. Raheja (9.97%) Casa Maria Properties LLP (5.85%) Raghukool Estate Development 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 Business Parks REIT : 89% Andhra Pradesh Industrial Infrastructure Corporation Limited (11%)



**MINDSPACE BUSINESS PARKS REIT**
**RN:IN/REIT/19-20/003**
**Condensed Consolidated Financial Statements**
**Notes to Accounts**
**(All amounts are in Rs. million unless otherwise stated)**

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 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 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 Development 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 Jyoti C. Raheja (6.00%) Others (4.83%)	Mindspace Business Parks REIT - 89% Andhra Pradesh Industrial Infrastructure Corporation Limited (11%)
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%
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 Development LLP Casa Maria Properties LLP (14.53%) Palm Shelter Estate Development LLP BREP Asia SG Pearl Holding (NQ) Pte. Ltd. (14.95%) Others (0.57%)	Mindspace Business Parks REIT - 100%



## 2 Basis of preparation

The Condensed Consolidated Financial Statements of Mindspace Business Parks REIT comprise the Condensed Consolidated Balance Sheet as at 31 March 2021, the Condensed Consolidated Statement of Profit and Loss, including other comprehensive income, the Condensed Consolidated Statement of Cash Flow for quarter and year ended 31 March 2021, the Condensed Statement of Changes in Unitholders Equity for the year ended 31 March 2021, the Statement of Net Distributable Cashflows of Mindspace Business Parks REIT and each of the SPVs for the period and year ended 31 March 2021, the Statement of Total Returns at Fair Value for the year ended 31 March 2021, the Statement of Net Assets at Fair Value as at 31 March 2021 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 Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 ("the REIT regulations"); Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" to the extent not inconsistent with REIT regulations. (refer note 20 on presentation of "Unit Capital" as "Equity" instead of compound instruments under Ind AS 32 – Financial Instruments: Presentation), read with relevant rules issued thereunder and other accounting principles generally accepted in India.

The Condensed Consolidated Financial Statements were authorised for issue in accordance with the resolution passed by the Governing Board of the Manager on 14 May 2021.

Statement of compliance to Ind AS:

These Consolidated financial statements for the period ended 31 March 2021 have been prepared in accordance with Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", to the extent not inconsistent with the REIT regulations as more fully described above and Note 20 to the condensed consolidated financial statements.

### Basis of Consolidation

Mindspace Business Parks Group consolidates entities which it owns or controls. The Consolidated Financial Statements comprise the financial statements of 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 Consolidated Financial Statements of Mindspace Business Parks Group are stated below:

- The financial statements of 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 Mindspace Business Parks Group are eliminated in full upon consolidation.
- 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, 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.
- 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.
- MBPPL had applied to the MCA for striking of the name of the four subsidiaries Dices Realcon Pvt Ltd, Sampada Eastpro Pvt Ltd, Happy Eastcon Pvt Ltd, Educator Protech Pvt Ltd on 19 March 2019. The application was processed and the Ministry of Corporate Affairs vide order dated 10.02.2021, 17.03.2021, 04.02.2021, 19.02.2021 issued Notice of Strike off resulting in dissolution of four subsidiaries. Accordingly, actual write off of investment has been made in the financial year ending 31st March 2021 and consequently the provision for impairment loss made is reversed. Further, in view of the current status of striking off notice, no consolidation for subsidiaries is required.
- Mindspace Business Parks Group holds 4% of the equity share capital of Stargaze Properties Private Limited, a company involved in the real estate development. 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 Consolidated Financial Statements are presented in Indian rupees, which is Mindspace Business Parks Group's functional currency and the currency of the primary economic environment in which 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 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 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 Consolidated Financial Statements is included in the following notes:

- \* Presentation of "Unit Capital" as "Equity" in accordance with the REIT Regulations instead of compound instrument (Note 20)
- \* 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
- \* Recognition and measurement of provisions for contingencies and disclosure of contingent liabilities (Note 2.2 (p) and Note 44)
- \* Applying the concentration test for acquisition made during the year.

Mindspace Group has applied judgment in determining whether the acquisition of SPVs during the year 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 43 on Asset acquisition.



**d) Current versus non-current classification**

Mindspace Business Parks Group presents assets and liabilities in the 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.

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. Mindspace Business Parks Group has identified twelve months as its operating cycle.

**(e) Measurement of fair values**

Mindspace Business Parks Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. 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, 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**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contract are measured initially at the fair value and in accordance with Ind AS 109 unless on a case to case basis company elects to account for financial guarantee as Insurance Contracts as specified under Ind AS 104.

**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 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 Mindspace Business Parks Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Consolidated Statement of Profit and Loss during the reporting period in which they are incurred.

**(c) Depreciation**

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

\* 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 Consolidated Statement of Profit and Loss.



**(c) 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 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 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.

Asset group	Estimated Useful Life
	(in years)
	<b>Other assets</b>
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 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 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 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**

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.

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 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.

**3.5 Impairment of assets**

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, 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 fair value less cost of disposal 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 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 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 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. 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.

**(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) Revenue from works contractual services**

Revenue from works contractual service is accounted for on the basis of completion of work as per the specification and agreement with the customer.

**(c) Maintenance services**

Maintenance income is recognised over a period of time for services rendered to the customers.

**(d) 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. 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.

**(e) Finance Lease**

For assets let out under finance lease, 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.

**(f) 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 Recognition of dividend income, interest income :**

- (i) Dividend income is recognised in profit or loss on the date on which Mindspace REIT group has right to receive payment is established.
- (ii) Interest income is recognised on time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.
- (iii) 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.

**(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 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 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 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 (801A 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.

**(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 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 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 Mindspace Business Parks Group has a present legal or constructive obligation as a result of a past event, it is probable that 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 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 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 Consolidated Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.



**3.14 Leases**

**As a Lessor**

Mindspace Business Parks Group enters into lease agreements as a lessor with respect to some of its investment properties.

Leases for which 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 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 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 Mindspace Business Parks Group's net investment outstanding in respect of the leases.

**As a Lessee**

Mindspace Business Parks Group assesses whether a contract is or contains a lease, at inception of a contract. 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, 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, 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 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.

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 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 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.

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 Consolidated Statement of Profit and Loss.

**3.15 Financial instruments**

**1 Initial recognition and measurement**

Financial assets and/or financial liabilities are recognised when 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 Consolidated Statement of Profit and Loss.

**2 Financial assets:**

**(a) Classification of financial assets:**

- (i) 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 Consolidated Statement of Profit and Loss), and
  - those measured at amortised cost.
- (ii) The classification is done depending upon 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) 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 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 Mindspace Business Parks Group 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 Consolidated Statement of Profit and Loss (FVTPL)**

Financial assets are subsequently measured at fair value through the 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 Consolidated Statement of Profit and Loss.

**(ii) Equity instruments:**

Mindspace Business Parks Group subsequently measures all equity investments at fair value. There are two measurement categories into which Mindspace Business Parks Group classifies its equity instruments:

**Investments in equity instruments at FVTPL:**

Investments in equity instruments are classified as at FVTPL, unless 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, 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 Consolidated Statement of Profit and Loss on disposal of the investments, but is transferred to retained earnings.

**(c) Impairment of financial assets:**

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, 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, 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:

(i) the right to receive cash flows from the asset has expired, or

(ii) Mindspace Business Parks Group has transferred its rights to receive cash flows from the asset; and

Mindspace Business Parks Group has transferred substantially all the risks and rewards of the asset, or

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 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 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 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 Mindspace Business Parks Group's own equity instrument is recognised and deducted directly in equity. No gain or loss is recognised in the Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of Mindspace Business Parks Group's own equity instruments.

**(c) Compound financial instruments**

The component parts of compound financial instruments issued by 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 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.



**(d) Financial Liabilities**

• **Recognition, measurement and classification**

Financial liabilities are classified as either held at a) fair value through the 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.

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 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 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 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 Mindspace Business Parks Group are segregated.

For the purpose of the 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 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 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**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits such as salaries, wages, etc. and are recognised in the year in which the employee rendered the related services. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the year.

**(2) Long term employee benefits**

**Defined contribution plans**

Contributions to defined contribution schemes such as provident fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Mindspace Business Parks Group's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense. The above benefits are classified as defined contribution schemes as Mindspace Business Parks Group has no further defined obligations beyond the monthly contributions.

**Defined benefit plan**

Mindspace Business Parks Group's gratuity benefit scheme is a defined benefit plan. Mindspace Business Parks Group has determined the gratuity liability based on internal calculation based on the number of years completed and last drawn basic salary as mentioned in the Payment of Gratuity Act, 1972. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, if any. The defined benefit obligation is calculated annually by actuaries / SPVs using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Statement of Profit and Loss.

**Other long term employee benefits - Compensated absences**

Benefits under compensated absences are accounted as other long-term employee benefits. Mindspace Business Parks Group has determined the liability for compensated absences based on internal calculation which is determined on the basis of leave credited to employee's account and the last drawn salary. Mindspace Business Parks Group's net obligation in respect of compensated absences is the amount of benefit to be settled in future, that employees have earned in return for their service in the current and previous years. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation / by SPVs using the projected unit credit method. Remeasurement is recognised in the Consolidated Statement of Profit and Loss in the period in which they arise. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability.

**3.19 Statement of net assets at fair value**

The disclosure of Statement of Net Assets at Fair Value comprises of the fair values of the real estate assets and facility management business as well as book values of the total liabilities and other assets of all SPVs consolidated. The fair value of the real estate assets and facility management business are reviewed regularly by the independent property valuer taking into consideration market conditions existing at the reporting date, using generally accepted market practices. The independent valuer is leading independent appraiser with a recognised and relevant professional qualification and experience. Such independent appraisals are carried out on half yearly basis.

**3.20 Statement of total returns at fair value**

The disclosure of total returns at fair value comprises of the total Comprehensive Income as per the Consolidated Statement of Profit and Loss and Other Changes in Fair Value of investment property, investment property under construction, property, plant and equipment and capital work in progress where the cost model is followed which were not recognised in total Comprehensive Income.



**3.21 Earnings before finance costs, depreciation and amortisation, regulatory income / expense and tax**

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 Consolidated Statement of Profit and Loss. 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.

**3.22 Subsequent events**

The Consolidated Financial Statements are adjusted to reflect events that occur after the reporting date but before the Consolidated Financial Statements are issued. The 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 Consolidated Financial Statements, management considers events up to the date of authorisation of these financial statements.

**3.23 Errors and estimates**

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 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.

**3.24 Non-current assets held for sale**

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in the Consolidated Statement of Profit and Loss.

Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

**3.25 Segment Information**

**Primary segment information**

The primary reportable segment is business segments.

**Business segment**

Mindspace Business Parks Group is organised into the two operating divisions - 'real estate' and 'power distribution', which are determined based on the internal organisation and management structure of Mindspace Business Parks Group and its system of internal financial reporting and the nature of its risks and its returns. The Governing Board of the manager has been identified as the chief operating decision maker (CODM). CODM evaluates Mindspace Business Parks Group's performance, allocates resources based on analysis of various performance indicators of Mindspace Business Parks Group as disclosed below.

**Real estate**

Real estate comprises development of project/property under special economic zone (SEZ), information technology parks (IT parks) and other commercial project/building. After development of the project/property, the same is leased out to the different customers. Real Estate will also include Facilities Maintenance services received from tenants for common area maintenance (CAM) services. Mindspace Business Parks Group has its project/property in Mumbai, Hyderabad, Pune and Chennai. Mindspace Business Parks Group executes works contracts for construction of buildings based on customers specification and requirements.

**Power distribution**

The state power regulator has taken on record the SEZ developer MBPPL, Gigaplex, Sundew and KRC Infra as Deemed Distribution Licensee for Power. The approved SPV being Deemed Distributor, supplies power to customers within the notified SEZ.

**Secondary segment information**

Mindspace Business Parks Group's operations are based in India and therefore Mindspace Business Parks Group has only one geographical segment - India.

**3.26 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 Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Balance Sheet respectively.

SPV	Shareholder	% Holding in SPV (As on reporting date)
KRIT	Andhra Pradesh Industrial Infrastructure Corporation Limited	11.0%
Intime	Andhra Pradesh Industrial Infrastructure Corporation Limited	11.0%
Sundew	Andhra Pradesh Industrial Infrastructure Corporation Limited	11.0%

Ind AS 110 requires entities to attribute the profit or loss and each component of other comprehensive income to the owners of Mindspace REIT and to the non-controlling interests. This requirement needs to be followed even if this results in the non-controlling interests having a deficit balance.

**3.27 Cash distribution to unit holders**

The Group 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.

**3.28 Distribution Policy**

The Net Distributable Cash Flows of Mindspace REIT are based on the cash flows generated from Mindspace REIT's assets and investments.

In terms of the Distribution Policy and the REIT Regulations, not less than 90% of the NDCF of each of the Asset SPVs is required to be distributed to Mindspace REIT, in proportion of their shareholding in the Asset SPV, subject to applicable provisions of the Companies Act or the LLP Act. Presently, NDCF to be received by Mindspace REIT from the Asset SPVs may be in the form of dividends, interest income, principal loan repayment, proceeds of any capital reduction or buyback from the Asset SPVs, sale proceeds out of disposal of investments if any or assets directly held by Mindspace REIT or as specifically permitted under the Trust Deed or in such other form as may be permissible under the applicable law.

The Manager is required to and shall declare and distribute at least 90% of the NDCF of Mindspace REIT as distributions ("REIT Distributions") to the Unitholders. Such REIT Distributions shall be declared and made for every quarter of a Financial Year.



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**Condensed Consolidated Financial Statements**

**Notes to Accounts**

(All amounts are 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**

**Reconciliation of carrying amounts for the year ended 31 March 2021**

Particulars	Power assets				Other assets					Total
	Right of use - Leasehold Land	Buildings	Plant and machinery	Electrical Installation	Right of use - plant and machinery	Plant and machinery	Electrical Installation	Office equipment	Computers	
<b>Gross block (cost)</b>										
At 18 November 2019	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
At 31 March 2020	-	-	-	-	-	-	-	-	-	-
At 1 April 2020	-	-	-	-	-	-	-	-	-	-
Additions due to Asset acquisition	1	467	711	150	63	238	32	5	1	15
Additions during the year	-	-	-	-	-	26	2	-	0	(0)
Disposals	-	-	-	-	-	-	-	-	-	-
At 31 March 2021	1	467	711	150	63	264	34	5	1	15
<b>Accumulated depreciation</b>										
At 18 November 2019	-	-	-	-	-	-	-	-	-	-
Charge for the period	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
At 31 March 2020	-	-	-	-	-	-	-	-	-	-
At 1 April 2020	-	-	-	-	-	-	-	-	-	-
Change for the year	0	4	47	3	5	89	2	3	1	1
Disposals	-	-	-	-	-	-	-	-	-	-
At 31 March 2021	0	4	47	3	5	89	2	3	1	1
<b>Carrying amount (net)</b>										
At 31 March 2020	-	-	-	-	-	-	-	-	-	-
At 31 March 2021	1	463	664	147	58	175	32	2	0	14

Note - refer note 43 for Asset acquisition



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6 Investment property

Reconciliation of carrying amounts for the year ended 31 March 2021

Particulars	Freehold Land	Right of use - Leasehold Land	Buildings	Infrastructure and development	Roadwork	Plant and machinery	Furniture and fixtures	Electrical installation	Total
<b>Gross block (cost or deemed cost)</b>									
At 18 November 2019	-	-	-	-	-	-	-	-	-
Additions during the period	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2020	-	-	-	-	-	-	-	-	-
As at 1 April 2020	-	-	-	-	-	-	-	-	-
Additions due to Asset acquisition	70,424	26,206	88,720	3,421	29	5,214	70	888	1,94,972
Additions during the year	-	-	862	112	-	436	11	113	1,534
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2021	70,424	26,206	89,582	3,533	29	5,650	81	1,001	1,96,506
<b>Accumulated depreciation</b>									
At 18 November 2019	-	-	-	-	-	-	-	-	-
Charge for the period	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2020	-	-	-	-	-	-	-	-	-
As at 1 April 2020	-	-	-	-	-	-	-	-	-
Charge for the year	-	328	822	195	1	401	10	52	1,809
Disposals	-	-	-	-	-	-	-	-	-
Impairment Loss*	-	-	118	-	-	-	-	-	118
At 31 March 2021	-	328	940	195	1	401	10	52	1,927
<b>Carrying amount (net)</b>									
At 31 March 2020	-	-	-	-	-	-	-	-	-
At 31 March 2021	70,424	25,878	88,642	3,338	28	5,249	71	949	1,94,579

Note - refer note 43 for Asset acquisition

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 31 March 2021
MBPPL*	2,203
Gigaplex	7,579
Sundew	656
KRIT	627
KRC Infra**	4,122
Avacado	130
Horizonview	0
<b>Total</b>	<b>15,317</b>

Note - refer note 43 for Asset acquisition

\*During the year ended 31 March 2021, an impairment loss of Rs 176 million has been recognized in the Statement of Profit and Loss for Mindspace Pocharam, Hyderabad and recorded as "Buildings" under Investment Property and Investment Property under construction in the financial statements of the Group ("Property"). These assets are used in the Group's "Real estate" segment. The Group has determined this Property as Cash Generating Unit (CGU) of the Group for the purpose of the Group for the purpose of Ind AS 36. The impairment charge arose due to vacancies at the Property and the Group's expectation of longer time to lease the vacant area against earlier estimates as a result of the existing market conditions due to Covid - 19 pandemic. The recoverable amount of Rs 7,746 million as at 31 March 2021 being the higher of value in use and the fair value of the Property as per Ind AS 36 is considered for impairment and has been determined at the level of the CGU. In determining value in use of the property as at 31 March 2021, the Independent Valuer has discounted the cash flows at a rate of 2.25% for completed buildings and 13.60% for under construction building on a pre-tax basis.

Net Ind AS 36 is considered for impairment and has been determined at the level of the CGU. In determining value in use of the property as at 31 March 2021, the Independent Valuer has discounted the cash flows at a rate of 2.25% for completed buildings and 13.60% for under construction building on a pre-tax basis.



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**8 Other intangible assets**  
**Reconciliation of carrying amounts for the year ended 31 March 2021**

Particulars	Trademarks
<b>Gross block</b>	
At 18 November 2019	-
Additions during the period	-
Disposals	-
As at 31 March 2020	-
As at 1 April 2020	-
Additions due to Asset acquisition *	0
Additions	1
Disposals	-
At 31 March 2021	1
<b>Accumulated amortisation</b>	
At 18 November 2019	-
Charge for the period	-
Disposals	-
As at 31 March 2020	-
As at 1 April 2020	-
Charge for the year	0
Disposals	-
At 31 March 2021	0
<b>Carrying amount (net)</b>	
At 31 March 2020	-
At 31 March 2021	1

\* Includes trademark and computer softwares (less than Rs 0.5 million)

Note - refer note 43 for Asset acquisition



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**9 Investment**

<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
<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>Unquoted 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>Investments measured at fair value through profit or loss</b>	-	-
<b>Investments measured at fair value through other comprehensive income</b>	0	-
<b>Investments measured at amortised cost</b>	<b>18</b>	<b>-</b>
<b>Aggregate amount of impairment recognised</b>	-	-
<b>Aggregate amount of quoted investments and market value thereof</b>	-	-
<b>Aggregate amount of unquoted investments</b>	<b>18</b>	<b>-</b>



**MINDSPACE BUSINESS PARKS REIT**  
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**10 Other financial assets (Non current)**

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Unsecured, considered good</i>		
Fixed deposits with banks*	201	-
Unbilled revenue	496	-
Finance lease receivable	712	-
Security deposits for development rights	6	-
Security deposits	506	-
Other receivables	6	-
	<b>1,927</b>	<b>-</b>

\* Includes fixed deposits with banks amounting to Rs. 199 million held as lien against loan availed to support debt servicing and bank guarantees.

**11 Deferred tax assets (net)**

Particulars	As at 31 March 2021	As at 31 March 2020
Deferred tax assets (net) (refer note 41)	1,543	-
	<b>1,543</b>	<b>-</b>

**12 Non-current tax assets (net)**

Particulars	As at 31 March 2021	As at 31 March 2020
Advance tax (net of provision for tax)	1,064	-
	<b>1,064</b>	<b>-</b>

**13 Other non-current assets**

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Unsecured, considered good</i>		
Capital advances	577	-
Advance to vendors	12	-
Balances with government authorities	24	-
Prepaid expenses	344	-
	<b>957</b>	<b>-</b>

**14 Inventories (valued at lower of cost and net realisable value)**

Particulars	As at 31 March 2021	As at 31 March 2020
Building materials and components	51	-
	<b>51</b>	<b>-</b>

**15 Trade receivables**

Particulars	As at 31 March 2021	As at 31 March 2020
<i>Unsecured</i>		
Considered good	214	-
Credit impaired	62	-
Less: loss allowance	(62)	-
	<b>214</b>	<b>-</b>



**MINDSPACE BUSINESS PARKS REIT**  
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**16 A Cash and cash equivalents**

Particulars	As at 31 March 2021	As at 31 March 2020
Cash on hand	2	-
Balances with banks		
- in current accounts	3,060	0
- in escrow accounts	64	-
- in deposit accounts with original maturity of less than three months	413	-
	<b>3,539</b>	<b>0</b>

**16 B Other bank balances**

Particulars	As at 31 March 2021	As at 31 March 2020
Fixed deposits with maturity remaining upto twelve months*	123	-
	<b>123</b>	<b>-</b>

\* Includes fixed deposits with banks amounting to Rs. 122 million held as lien against loan availed to support debt servicing and bank guarantees.

**17 Other financial assets**

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Unsecured, considered good</b>		
Interest receivable		
- on fixed deposits	2	-
Interest accrued but not due		
- from others	41	-
Security deposit for development rights	61	-
Security deposits	23	-
Fixed deposits with banks*	221	-
Unbilled revenue	526	-
Finance lease receivable	209	-
Other receivables		
- Considered good	46	-
- Credit impaired	1	-
Less: loss allowance	(1)	-
	<b>1,129</b>	<b>-</b>

\* fixed deposits with banks amounting to Rs. 221 million held as lien against loan availed to support debt servicing and bank guarantees.

**18 Other current assets**

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Unsecured, considered good</b>		
Deposit / advance for supply of goods and rendering of services	61	-
Balances with government authorities	206	-
Prepaid expenses	244	-
	<b>511</b>	<b>-</b>



**19 Corpus**

Corpus	Amount
As at 18 November 2020	-
Corpus received during the period*	0
As at 31 March 2020	0
As at 1 April 2020	0
Additions during the year	-
<b>Closing balance as at 31 March 2021</b>	<b>0</b>

\* Corpus received during the previous period Rs. 10,000 (Rupees Ten Thousand only)

**20 Unit Capital**

A. Unit Capital	No.	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)	363,63,600	10,000
- in exchange for equity interest in SPVs (refer note a (iii) below)	5566,54,582	1,53,080
Less: Issue expenses	-	(241)
<b>Closing balance as at 31 March 2021</b>	<b>5930,18,182</b>	<b>1,62,839</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) The Trust has only one class of Units. Each Unit represents an undivided beneficial interest in the Trust. 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 the Trust at least once in every six months in each financial year in accordance with the REIT Regulations. The Board of Directors of the Manager approves distributions. The distribution will be in proportion to the number of Units held by the Unitholders. The Trust declares and pays distributions in Indian Rupees.

Under the provisions of the REIT Regulations, Mindspace Business Parks REIT is required to distribute to Unitholders not less than 90% of the net distributable cash flows of Mindspace Business Parks REIT for each financial year. Accordingly, a portion of the Unit Capital contains a contractual obligation of the Mindspace Business Parks REIT to pay to its Unitholders cash distributions. Hence, the Unit Capital is a compound financial instrument which contains 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 presented as "Equity" in order to comply with the requirements of Section H of Annexure A to the SEBI Circular dated 26 December 2016 dealing with the minimum presentation and disclosure requirements for key financial statements. Consistent with Unit Capital being classified as equity, the distributions to Unitholders is also presented in Statement of Changes in Unitholders' Equity when the distributions are approved by the Board of Directors of Investment 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	293,04,371	51,71,359	344,75,730
Horizonview	364	64	428
KRC Infra	212,24,693	37,45,522	249,70,215
Gigaplex	473,34,745	3,72,113	477,06,858
Intime	467,89,935	94,84,426	562,74,361
Sundew	1019,43,753	206,64,275	1226,08,028
KRIT	774,43,859	156,98,080	931,41,939
Mindspace	1508,55,361	266,21,662	1774,77,023
<b>Total number of Units issued</b>	<b>4748,97,081</b>	<b>817,57,501</b>	<b>5566,54,582</b>

**(b) Unitholders holding more than 5 percent Units in the Trust (other than Sponsor and Sponsor Group)**

Name of the unitholder	As at 31 March 2021	
	No of Units	% holding
BREP ASIA SG PEARL HOLDING (NQ) PTE LTD	542,91,425	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.



**21 Other Equity\***

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Reserves and Surplus</b>		
Retained earnings	191	(49)
	<b>191</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 year, the profit/loss after tax is transferred from the statement of profit and loss to the retained earnings account.

**22 Borrowings**

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Secured</b>		
<b>Terms loans</b>		
- from banks / financial institutions	22,064	-
<b>Debentures</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 Series 1") (net of issue expenses, at amortised cost) (31 March 2020 : Nil) (refer Note i)	4,975	-
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 1) (net of issue expenses, at amortised cost) (31 March 2020 : Nil) (refer Note ii)	1,981	-
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 Series 2") (net of issue expenses, at amortised cost) (31 March 2020 : Nil) (refer Note iii)	3,719	-
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 2) (net of issue expenses, at amortised cost) (31 March 2020 : Nil) (refer Note iv)	750	-
	<b>33,489</b>	<b>-</b>

- (i) In September 2020, Mindspace REIT 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 Series 1") 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 Series 1 is 577 days from 29 September 2020, being date of allotment of the MLD Series 1 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 year 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 year 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 MLD Series 1, 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. This MLD Series 1 was listed on BSE Limited on 13 October 2020.

**Security terms**

MLD Series 1 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the Debenture Holders):

- First and exclusive charge registered by way of 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") of MLD Series 1.
- A charge on the escrow account in which receivables of the Mortgaged Properties of MBPPL shall be received.
- Corporate guarantee executed by MBPPL.

**Redemption terms:**

- MLD Series 1 are redeemable by way of bullet payment at the end of 577 days from the date of allotment, i.e. 29 April 2022.
- 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 Series 1 if the rating is downgraded to A+.
- 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.



- (ii) In December 2020, Mindspace Business Parks REIT issued 2,000 secured, listed, senior, taxable, non-cumulative, rated, redeemable, non-convertible debentures ("NCD Series 1") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 200,00,00,000 (Rupees two hundred crores only) with a coupon rate of 6.45% p.a. payable quarterly beginning from the end of first full quarter from the date of allotment i.e. 31 March 2021, with last coupon payment on the scheduled redemption date i.e. 16 December 2023. The tenure of the said NCD Series 1 is 36 months from 17 December 2020, being date of allotment.  
This NCD Series 1 was listed on BSE Limited on 18 December 2020.

**Security terms**

NCD Series 1 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders):

- First and exclusive charge registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 414,599 Sq. Ft. or thereabouts in buildings no. 1 and 5 of Commerzone Yerawada (approx. 43,200 sq. ft. in building no. 1 and approx. 371,399 in building no. 5) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 18,264 sq. mtrs on which the said two building no. 1 and 5, out of all those pieces and parcels of larger land that are situated, lying and being in Village Yerawada, Taluka Haveli, District Pune ("Mortgaged Properties") of NCD Series 1.
- A charge on the escrow account in which receivables of the Mortgaged Properties shall be received save and except any common area maintenance charges payable to MBPPL with respect to the maintenance of the mortgaged properties.
- Corporate guarantee executed by MBPPL.

**Redemption terms:**

- NCD Series 1 are redeemable by way of bullet repayment at the end of 36 months from the date of allotment, i.e. 16 December 2023.
- Interest is payable on the last day of each financial quarter in a year (starting from 31 March, 2021) until the scheduled redemption date.
- 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.
- 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, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.

- (iii) In March 2021, Mindspace REIT issued 3,750 10 year G-Sec linked secured, listed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures ("Market Linked Debentures / MLD Series 2") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 375,00,00,000 (Rupees three hundred seventy five crores only). The tenure of the said MLD Series 2 is 38 months from 18 March 2021, being date of allotment of the MLD Series 2 and coupon, if any shall be payable on the Scheduled Redemption Date i.e. on maturity on 17 May 2024. The coupon payoff structure is linked to condition where the payoff will be fixed on the final fixing date i.e. 16 April 2024. If identified 10 year 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. 18 March 2021, the coupon rate will be 6.65% p.a. If identified 10 year 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 MLD Series 2, 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.  
This MLD Series 2 was listed on BSE Limited on 22 March 2021.

**Security terms**

MLD Series 2 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the Debenture Holders):

- First and exclusive charge being created by way of equitable mortgage on the aggregate leasable area of approximately 13,71,442.16 Sq. Ft. or thereabouts in buildings no. 12A and Units of Building 12B of Madhapur, Hyderabad (approx. 12,69,140 sq. ft. in building no. 12A and approx. 1,02,302 sq. ft. in building no. 12B) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 29,842 sq. mtrs on which the said two building no. 12A and 12B, out of all those pieces and parcels of larger land that are situated, lying and being in Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad ("Mortgaged Properties"), for MLD Series 2.
- First ranking exclusive charge to be created by way of a hypothecation over the Hypothecated Properties of MLD Series 2.
- A charge on the escrow account to be created, in which receivables of the Mortgaged Properties of Sundew shall be received, save and except any common area maintenance charges payable to Sundew with respect to the maintenance of the mortgaged properties.
- Corporate guarantee executed by Sundew.

**Redemption terms:**

- MLD Series 2 are redeemable by way of bullet payment at the end of 38 months from the date of allotment, i.e. 17 May 2024.
- 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 Series 2 if the rating is downgraded to A+.
- 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, all the Debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each Debenture.

- (iv) In March 2021, Mindspace Business Parks REIT issued 750 secured, listed, senior, taxable, non-cumulative, rated, redeemable, non-convertible debentures ("NCD Series 2") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 75,00,00,000 (Rupees seventy five crores only) with a coupon rate of 6.69% p.a. payable quarterly beginning from the end of first full quarter from the date of allotment i.e. 30 June 2021, with last coupon payment on the scheduled redemption date i.e. 17 May 2024. The tenure of the said NCD Series 2 is 38 months from 18 March 2021, being date of allotment.

NCD Series 2 was listed on BSE Limited on 22 March 2021.

**Security terms**

NCD Series 2 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders):

- First and exclusive charge being registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 151,460 Sq. Ft. or thereabouts in building no. 4 of Commerzone Yerawada together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 9,561 sq. mtrs on which the said building, out of all those pieces and parcels of larger land that are situated, lying and being in Village Yerawada, Taluka Haveli, District Pune ("Mortgaged Properties") of NCD Series 2.

- A charge on the escrow account to be created, in which receivables of the Mortgaged Properties shall be received, save and except any common area maintenance charges payable to MBPPL with respect to the maintenance of the mortgaged properties.

- Corporate guarantee executed by MBPPL.



**Redemption terms:**

- a) NCD Series 2 are redeemable by way of bullet repayment at the end of 38 months from the date of allotment, i.e. 17 May 2024.  
b) Interest is payable on the last day of each financial quarter in a year (starting from 30 June, 2021) until the scheduled redemption date.  
c) 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.  
d) 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, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.

e) Details of disclosure required as per SEBI circular SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated 13 April 2018 are as follows :

Particulars	Secured/Unsecured	Previous due date	Next due date
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 Series 1")	Secured	Principal - Not Applicable Interest - Not Applicable	Principal - On Maturity Interest - On Maturity
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 1)	Secured	Principal - Not Applicable Interest - 31 March, 2021	Principal - On Maturity Interest - 30 June, 2021
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 Series 2")	Secured	Principal - Not Applicable Interest - Not Applicable	Principal - On Maturity Interest - On Maturity
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 2)	Secured	Principal - Not Applicable Interest - Not Applicable	Principal - On Maturity Interest - 30 June, 2021

5. Rating agency CRISIL has assigned a rating of "CRISIL PP-MLD AAA/Stable" to MLD Series 1 & 2 and "CRISIL AAA/Stable" to the NCD Series 1 & 2 of the issuer / Mindspace REIT. Subsequently there is no change in the rating.



Other requirements as per SEBI circular (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	For the year ended 31 March 2021
Security / Asset cover (MLD Series 1) (refer a below)	2.20 times
Security / Asset cover (NCD Series 1) (refer b below)	2.34 times
Security / Asset cover (MLD Series 2) (refer c below)	2.34 times
Security / Asset cover (NCD Series 2) (refer d below)	2.40 times
Debt-equity ratio (refer e below)	0.22
Debt-service coverage ratio (refer f below)	1.59
Interest-service coverage ratio (refer g below)	4.96
Net worth (refer h below)	1,72,134

Formulae for computation of ratios are as follows basis consolidated financial statements (including non-controlling interest) :-

- a) Security / Asset cover ratio (MLD Series 1) = Fair value of the secured assets as on 31 August 2020 as computed by independent valuers / (Outstanding principal amount of MLD Series 1 + Interest accrued thereon)
- b) Security / Asset cover ratio (NCD Series 1) = Lower of Fair value of the secured assets as on 30 November 2020 as computed by two independent valuers / (Outstanding principal amount of NCD Series 1 + Interest accrued thereon)
- c) Security / Asset cover ratio (MLD Series 2) = Fair value of the secured assets as on 31 March 2021 as computed by independent valuer / (Outstanding principal amount of MLD Series 2 + Interest accrued thereon)
- d) Security / Asset cover ratio (NCD Series 2) = Fair value of the secured assets as on 31 March 2021 as computed by independent valuers / (Outstanding principal amount of NCD Series 2 + Interest accrued thereon)
- e) Debt equity ratio = Borrowings / Total equity
- f) Debt Service Coverage Ratio = Earnings before interest, depreciation and tax / (Interest expenses + Principal repayments made during the period\*)
- g) Interest Service Coverage Ratio = Earnings before interest, depreciation and tax / (Interest expenses {net of capitalisation})
- h) 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.

## 23 Other financial liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Security deposits	2,201	-
Retention money Payable		
- due to micro and small enterprises	76	-
- others	66	-
Interest Accrued but not due on debentures	185	-
Lease liabilities	171	-
	2,699	-

## 24 Provisions

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for employee benefits		
- gratuity	15	-
- compensated absences	13	-
	28	-

## 25 Deferred tax liabilities (net)

Particulars	As at 31 March 2021	As at 31 March 2020
Deferred tax liabilities (net) (refer note 41)	258	-
	258	-

## 26 Other non-current liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Unearned rent	514	-
Other advance	10	-
	524	-

## 27 Borrowings (Current)

Particulars	As at 31 March 2021	As at 31 March 2020
Secured:		
Loans repayable on demand		
- overdraft from banks	2,074	-
- Term loan from banks	500	-
	2,574	-



**28 Trade payables**

Particulars	As at 31 March 2021	As at 31 March 2020
Trade Payables		
- total outstanding dues of micro enterprises and small enterprises	52	-
- total outstanding dues of creditors other than micro enterprises and small enterprises *	813	-
	<b>865</b>	-

\* Expense of Rs.40 million is payable to the Manager for Management Fees. Refer note 54

**29 Other financial liabilities (Current)**

Particulars	As at 31 March 2021	As at 31 March 2020
Current maturities of long-term debt		
- from banks / financial institutions / non convertible debentures	1,491	-
Employees dues payable	0	-
Interest accrued but not due on loans from		
- banks / financial institutions	62	-
- debenture	17	-
Interest accrued and due	40	-
Security deposits	5,397	-
Retention dues payable		
- due to micro and small enterprises	128	-
- others	146	-
Capital creditors		
Other than body corporates		
- Due to micro and small enterprises	501	-
- Others	1,255	-
Lease liabilities	18	-
Other liabilities*	117	49
	<b>9,172</b>	<b>49</b>

\* Expense of Rs.17 million is payable to the Manager for Mindspace REIT Management Fees. Refer note 54

**30 Provisions (Current)**

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for employee benefits		
- gratuity	3	-
- compensated absences	3	-
Provision for tax (net of advance tax & tax deducted at source)	15	-
	<b>21</b>	-

**31 Other current liabilities**

Particulars	As at 31 March 2021	As at 31 March 2020
Unearned rent	254	-
Advances received from customers	441	-
Statutory dues	174	-
Other advances	50	-
Other payable	5	-
	<b>924</b>	-



32 Revenue from operations

Particulars	For the quarter ended 31 March 2021	For the quarter ended 31 December 2020	For the quarter ended 31 March 2020	For the half year ended 31 March 2021	For the half year ended 30 September 2020	For the year ended 31 March 2021	From 18 November 2019 to 31 March 2020
Sale of services							
Facility rentals	3,419	3,415	-	6,834	2,190	9,024	-
Maintenance services	664	601	-	1,265	400	1,665	-
Revenue from works contract services	72	138	-	210	68	278	-
Revenue from power supply	128	123	-	251	64	315	-
Other operating income							
Interest income from finance lease	39	24	-	63	14	77	-
Sale of surplus construction material and scrap	18	1	-	19	1	20	-
Service connection and other charges	1	0	-	1	1	2	-
Other operating income	-	(1)	-	(1)	1	-	-
	4,341	4,301	-	8,642	2,739	11,381	-

33 Interest

Particulars	For the quarter ended 31 March 2021	For the quarter ended 31 December 2020	For the quarter ended 31 March 2020	For the half year ended 31 March 2021	For the half year ended 30 September 2020	For the year ended 31 March 2021	From 18 November 2019 to 31 March 2020
Interest income							
- loans given to body corporates	(0)	-	-	-	22	22	-
- on fixed deposits	8	7	-	15	5	20	-
- on electricity deposits	4	6	-	10	3	13	-
- on Income-tax refunds	69	-	-	69	6	75	-
- others	1	1	-	2	1	3	-
	82	14	-	96	37	133	-

34 Other income

Particulars	For the quarter ended 31 March 2021	For the quarter ended 31 December 2020	For the quarter ended 31 March 2020	For the half year ended 31 March 2021	For the half year ended 30 September 2020	For the year ended 31 March 2021	From 18 November 2019 to 31 March 2020
Gain on redemption of mutual fund units	3	1	-	4	1	5	-
Gain on redemption of preference shares	-	-	-	-	3	3	-
Foreign exchange gain (net)	1	-	-	1	-	1	-
Liabilities no longer required written back	40	0	-	40	-	40	-
Miscellaneous income	2	0	-	2	0	2	-
	46	1	-	47	4	51	-

35 Employee benefits expense\*

Particulars	For the quarter ended 31 March 2021	For the quarter ended 31 December 2020	For the quarter ended 31 March 2020	For the half year ended 31 March 2021	For the half year ended 30 September 2020	For the year ended 31 March 2021	From 18 November 2019 to 31 March 2020
Salaries and wages	55	43	-	98	7	105	-
Contribution to provident and other funds	2	2	-	4	1	5	-
Gratuity expenses	(3)	3	-	0	0	0	-
Compensated absences	2	3	-	5	(0)	5	-
	56	51	-	107	8	115	-

\* Employee benefits expenses majorly refers to employee benefit expenses of facilities maintenance services

36 Cost of property management services

Particulars	For the quarter ended 31 March 2021	For the quarter ended 31 December 2020	For the quarter ended 31 March 2020	For the half year ended 31 March 2021	For the half year ended 30 September 2020	For the year ended 31 March 2021	From 18 November 2019 to 31 March 2020
Housekeeping services	10	10	-	20	-	20	-
Facade cleaning	1	0	-	1	-	1	-
Engineering services	18	18	-	36	-	36	-
Security expenses	16	15	-	31	-	31	-
AMC expenses	36	28	-	64	-	64	-
Garden maintenance	2	1	-	3	-	3	-
Repair and maintenance	16	2	-	18	-	18	-
Consumables	12	4	-	16	-	16	-
Electricity consumption charges	1	1	-	2	-	2	-
	112	79	-	191	-	191	-

37 Repairs and maintenance

Particulars	For the quarter ended 31 March 2021	For the quarter ended 31 December 2020	For the quarter ended 31 March 2020	For the half year ended 31 March 2021	For the half year ended 30 September 2020	For the year ended 31 March 2021	From 18 November 2019 to 31 March 2020
Repairs and maintenance:							
- building	57	51	-	108	121	232	-
- plant and machinery	59	58	-	117	51	168	-
- electrical installation	6	5	-	11	5	16	-
	121	115	-	236	180	416	-



38 Other expenses

Particulars	For the quarter ended 31 March 2021	For the quarter ended 31 December 2020	For the quarter ended 31 March 2020	For the half year ended 31 March 2021	For the half year ended 30 September 2020	For the year ended 31 March 2021	From 18 November 2019 to 31 March 2020
Rent	2	3	-	5	0	5	-
Property tax	144	115	-	259	78	337	-
Royalty	(0)	0	1	-	1	1	8
Electricity, water and diesel charges	92	69	-	161	63	224	-
Travelling and conveyance	0	3	0	3	1	4	0
Rates and taxes	20	7	-	27	1	28	-
Business support fees	15	13	-	28	9	37	-
Brokerage and commission	51	48	-	99	28	127	-
Filing fees and stamping charges	8	9	2	17	(1)	16	15
Business promotion expenses/advertising expense	1	11	-	12	9	21	-
Bank Charges	1	2	-	3	3	6	-
Bad debts written off	4	(3)	-	1	3	4	-
Corporate Social Responsibility expenses	158	18	-	176	9	185	-
Provision for Doubtful Debts (expected credit loss allowance)	(12)	3	-	(9)	20	11	-
Foreign exchange loss (net)	0	(9)	-	(9)	9	0	-
Directors' sitting fees	1	1	-	2	0	2	-
Miscellaneous expenses	12	7	-	19	12	31	-
	497	297	3	794	245	1,039	23

39 Finance costs (net of capitalisation)

Particulars	For the quarter ended 31 March 2021	For the quarter ended 31 December 2020	For the quarter ended 31 March 2020	For the half year ended 31 March 2021	For the half year ended 30 September 2020	For the year ended 31 March 2021	From 18 November 2019 to 31 March 2020
Interest expense							
- on borrowings from banks and financial institutions	483	555	-	1,038	530	1,568	-
- debentures	132	94	-	226	2	228	-
- on lease liability	4	5	-	9	4	13	-
- on others	2	3	-	5	5	10	-
Accretion of interest on 0.001% non-cumulative redeemable preference shares	-	-	-	-	4	4	-
Unwinding of interest expenses on security deposits	89	56	-	145	43	188	-
Other finance charges	8	1	-	9	8	17	-
Less: Finance costs capitalised to investment property under construction	(111)	(115)	-	(226)	(95)	(321)	-
	607	599	-	1,206	501	1,707	-

40 Depreciation and amortisation

Particulars	For the quarter ended 31 March 2021	For the quarter ended 31 December 2020	For the quarter ended 31 March 2020	For the half year ended 31 March 2021	For the half year ended 30 September 2020	For the year ended 31 March 2021	From 18 November 2019 to 31 March 2020
Depreciation / amortisation of property, plant and equipment	11	101	-	112	43	155	-
Depreciation / amortisation of investment property	646	710	-	1,356	453	1,809	-
Amortisation of intangible assets	0	0	-	0	0	0	-
Less: depreciation cost transferred to investment properties under construction	(0)	(0)	-	(0)	(0)	(0)	-
	657	811	-	1,468	496	1,964	-

41 Tax expense

Particulars	For the quarter ended 31 March 2021	For the quarter ended 31 December 2020	For the quarter ended 31 March 2020	For the half year ended 31 March 2021	For the half year ended 30 September 2020	For the year ended 31 March 2021	From 18 November 2019 to 31 March 2020
Current tax	309	456	-	765	268	1,033	-
Deferred tax charge	249	221	-	470	158	628	-
MAT credit entitlement	9	(157)	-	(148)	(68)	(216)	-
	567	520	-	1,087	358	1,445	-

42 Subsequent events

Gigaplex - Subsequent to the year ended 31 March 2021, Company has repaid all outstanding secured loans of HDFC Limited.  
MBPPL - Subsequent to the year ended 31 March 2021, the Company has repaid outstanding secured loans of Rs 85 crores to Kotak Mahindra Bank.



**MINDSPACE BUSINESS PARKS REIT****RN:IN/REIT/19-20/003****Condensed Consolidated Financial Statements****Notes to Accounts****(All amounts are in Rs. million unless otherwise stated)****43 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:

- Identified asset or liability initially measured at an amount other than cost and applied applicable standards for initial measurement of these assets and liabilities
- Plant and Machinery recognised at fair value as determined by an independent valuer
- Deducted from the gross transaction price of the group acquired, amount recognised in respect of items listed in point (a) and (b) above
- 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.

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	1,53,080
Acquisition costs	23
<b>Total transaction price</b>	<b>1,53,103</b>
Issue price per unit	275



**MINDSPACE BUSINESS PARKS REIT****RN:IN/REIT/19-20/003****Condensed Consolidated Financial Statements****Notes to Accounts****(All amounts are in Rs. million unless otherwise stated)**

Based on the above total transaction price and adjusted for the other assets and liabilities assumed, the gross transaction price is as follows:

<b>Particulars</b>	<b>Amount (in million)</b>
<b>Total Transaction Price</b>	<b>1,53,103</b>
Less: Other Assets	44,344
Add: Other Liabilities	91,570
Add: Non-Controlling Interest	9,247
<b>Gross Transaction Price</b>	<b>2,09,576</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 :

<b>Particulars</b>	<b>Amount (in million)</b>
Land – freehold and leasehold as part of Investment property	96,631
Building as part of Investment property	88,720
Investment property under construction	12,898
Property, plant and equipment and other assets	11,327
<b>Total</b>	<b>2,09,576</b>

General development costs amounting to INR 3,782 million was included as part of investment property under construction up to December 31, 2020. On review of classification, Management considers it appropriate to reclassify the same as part of Investment Property from the date of acquisition. Accordingly, it has now been reclassified as Investment Property to reflect the appropriate classification for the year ended 31 March 2021. Consequential impact on depreciation has been considered in the financial statements.

Further reclassified leasehold land of MBPPL (Airoli) amounting to Rs. 3,578 million from Freehold land during the year.

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.



**44 Contingent liabilities and Capital commitments**

Particulars	As at 31 March 2021	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	936	-
- Service-Tax matters (Refer note 2 below)	332	-
- Customs duty matters (Refer note 3 below)	25	-
- Stamp duty	65	-
- Bank guarantees to Telangana State Pollution Control Board	33	-
<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)	4,986	-

**Notes:**

- 1 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 related 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 mn was created in preceding FY 2019-20 relating to AY 2015-16 to AY 2017-18 for which CIT(A) appeals were filed against order under section 143(3) read with 153A of the Income Tax Act,1961 on account of 14A and 80IA disallowances. The appeals are disposed of by CIT(A) in current FY 2020-21 in favour of the company and hence contingent liability is Nil as at 31 March 2021.

SPVs	As at 31 March 2021	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

- 4 The SPV wise details of capital commitments are as follows:

SPVs	As at 31 March 2021	As at 31 March 2020
MBPPL	404	-
Gigaplex	938	-
Sundew	434	-
KRC Infra	2,640	-
Horizonview	167	-
KRIT	301	-
Avacado	102	-
	<b>4,986</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, 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 Company through its 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 Acres 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 aforesaid land in any manner whatsoever. Ashok Phulchand Bhandari's application to add legal representatives of deceased Defendant No.1 has been allowed. The matter is currently pending.

**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 Raju 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 Nos. 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 Nos. 4415/2017 and 4268/2017 filed in the Hon'ble Bombay High Court challenging the orders dated 14th November 2016 by Shrimant Chhatrapati 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 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. On 04.12.20 the matter was further adjourned till 24.02.21 and is now posted on 17.04.21. 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 thereafter on 23.07.20 for Admission and is yet not listed. 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 Panchasil 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 Panchasil and MBPPL providing the bifurcation of penalty of Rs. 5 millions and requesting Panchasil 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 Panchasil are both jointly liable to pay the same. MBPPL has further requested MSEDCL to confirm on the same to enable MBPPL and Panchasil to discuss/negotiate on the same. It is learnt that Panchasil 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 of which the above property is a part, continues to be retained by KRIT as at 30 June 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 12.04.21. 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 ("WSIIL") 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 WSIIL on certain conditions, and instead of using such lands for common purpose, WSIIL has been using the lands for commercial purpose. WSIIL is the erstwhile owner of the land, a portion of which was subsequently sold and transferred by WSIIL 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.

**45 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.

**46 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 total rent (lease and fitout) per annum of the relevant property in respect to operations, maintenance 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 SPVs.

Property Management fees for the quarter and year ended 31 March 2021 amounts to Rs 94 million and Rs 242 million (31 March 2020: Rs Nil). There are no changes during the period in the methodology for computation of fees paid to the 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 the total rent (lease and fitout) per annum of the relevant property in respect to general administration and other support service 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 SPVs.

Support Management fees for the quarter and year ended 31 March 2021 amounts to Rs 16 million and Rs 40 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. The REIT Management fees accrued for the quarter and year ended 31 March 2021 are Rs 17 million and Rs 44 million. There are no changes during the period in the methodology for computation of fees paid to the Investment Manager.



47 Details of utilisation of proceeds of IPO are as follows:

Particulars	Proposed utilisation	Actual utilisation upto 31 March 2021	Unutilised amount as at 31 March 2021
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	366	Refer Note
<b>Total</b>	<b>10,000</b>	<b>10,000</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.

48 Details of utilisation of proceeds of Debentures are as follows:

Particulars	Proposed utilisation	Actual utilisation upto 31 March 2021	Unutilised amount as at 31 March 2021
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.	11,500	11,498	2

49 Earnings Per Unit (EPU)

Basic EPU amounts are calculated by dividing the profit for the period attributable to Mindspace REIT by the weighted average number of units outstanding during the period. Diluted EPU amounts are calculated by dividing the profit attributable to Mindspace REIT 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 31 March, 2021	For the quarter ended 31 December, 2020	For the quarter ended 31 March, 2020	For the half year ended 31 March 2021	For the half year ended 30 September 2020	For the year ended 31 March 2021	From 18 November 2019 to 31 March 2020
Profit/ (loss) after tax for calculating basic and diluted EPU attributable to Mindspace REIT	1,144	1,306	(17)	2,450	626	3,075	(49)
Weighted average number of units (no. in million)	593	593	-	593	203	398	-
<b>Earnings Per Unit</b>							
- Basic (Rupees/unit)	1.93	2.20	Not Applicable	4.13	3.08	7.74	Not Applicable
- Diluted (Rupees/unit) *	1.93	2.20	Not Applicable	4.13	3.08	7.74	Not Applicable

\* Mindspace REIT does not have any outstanding dilutive units.



**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Consolidated Financial Statements**  
**Net Operating Income**  
**(All amounts are in Rs. million unless otherwise stated)**

**50 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 43). 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 consolidated financial statements include results of these SPVs from 1 August 2020 to 31 March 2021 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, 30 September 2020, 31 December 2020 and 31 March 2021 and year ended 31 March 2021 and 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 30 June 2020 (Unaudited)	Quarter ended 30 September 2020 (Unaudited)	Quarter ended 31 December 2020 (Unaudited)	Quarter ended 31 March 2021 (Audited)	Year ended 31 March 2021 (Audited)	Year ended 31 March 2020 (Unaudited)
Proforma Revenue from operations	3,959	4,079	4,301	4,341	16,680	17,660
Proforma direct operating expenses *	741	713	723	762	2,939	5,403
<b>Net operating income</b>	<b>3,218</b>	<b>3,366</b>	<b>3,578</b>	<b>3,579</b>	<b>13,741</b>	<b>12,257</b>

\* direct operating expenses are repairs and maintenance - buildings, repairs and maintenance plant and machinery, repairs and maintenance



**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Consolidated Financial Statements**  
**Net Operating Income**  
**(All amounts are in Rs. million unless otherwise stated)**

**51 Financial instruments**

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

<b>Financial assets</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
<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	214	-
Cash and cash equivalents	3,539	0
Other bank balances	123	-
Other financial assets	3,056	-
<b>Total assets</b>	<b>6,950</b>	<b>0</b>
<b>Financial liabilities</b>		
Borrowings (including current maturities of long-term debt)	37,554	-
Security deposits	7,598	-
Trade payables	865	-
Other financial liabilities	2,782	49
<b>Total liabilities</b>	<b>48,799</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:

a) recognised and measured at fair value

b) 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.

The following table presents the fair value measurement hierarchy of assets and liabilities measured at fair value on recurring basis as at 31 December 2020.

**Financial instruments**

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2021:

<b>Particulars</b>	<b>Date of valuation</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Financial assets measured at fair value:</b>					
FVTOCI financial investments:	31-03-2021	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 year.

**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.



**MINDSPACE BUSINESS PARKS REIT****RN:IN/REIT/19-20/003****Condensed Consolidated Financial Statements****Notes to Accounts****(All amounts are in Rs. million unless otherwise stated)****52 Segment information**

The Mindspace Group is organised into the two operating divisions - 'real estate' and 'power distribution', which are determined based on the internal organisation and management structure of the Mindspace Group and its system of internal financial reporting and the nature of its risks and its returns. The Governing Board of the manager has been identified as the chief operating decision maker (CODM). CODM evaluates the Mindspace Group's performance, allocates resources based on analysis of various performance indicators of the Group as disclosed below.

**Primary segment information**

The primary reportable segment is business segment.

**Real estate**

Real estate comprises development and management of projects under Special Economic Zone (SEZ), Information Technology Parks and other commercial assets. The Group has its project/properties in Mumbai, Hyderabad, Pune and Chennai for development and management of commercial SEZ and IT parks.

**Power distribution**

The state power regulator has taken on record the SEZ developer MBPPL, Gigaplex and KRC Infra as Deemed Distribution Licensee for Power. The approved SPVs being Deemed Distributor, supplies power to customers within the notified SEZ.

**For the quarter ended 31 March 2021**

Particulars	Real estate	Power distribution	Unallocable	Inter segment elimination	Total
Segment revenue	4,205	181	-	(46)	4,341
Segment result	2,719	8	(359)	-	2,367
Finance cost	89	1	517	-	607
Employee benefit expenses	42	-	14	-	56
Interest income / other income	-	0	128	-	128
Profit / (Loss) before tax	2,588	7	(763)	-	1,833
Tax	-	-	567	-	567
Profit / (Loss) after tax	2,588	7	(1,330)	-	1,266

**For the quarter ended 31 December 2020**

Particulars	Real estate	Power distribution	Unallocable	Inter segment elimination	Total
Segment revenue	4,166	182	-	(46)	4,301
Segment result	2,731	12	(189)	-	2,554
Finance cost	56	0	543	-	599
Employee benefit expenses	41	-	10	-	51
Interest income / other income	-	0	15	-	15
Profit / (Loss) before tax	2,635	12	(726)	-	1,920
Tax	-	-	520	-	520
Profit / (Loss) after tax	2,635	12	(1,246)	-	1,400

**For the half year ended 31 March 2021**

Particulars	Real estate	Power distribution	Unallocable	Inter segment elimination	Total
Segment revenue	8,371	363	-	(92)	8,642
Segment result	5,450	20	(547)	-	4,923
Finance cost	144	1	1,060	-	1,206
Employee benefit expenses	83	-	25	-	108
Interest income / other income	-	0	143	-	143
Profit / (Loss) before tax	5,223	19	(1,489)	-	3,753
Tax	-	-	1,087	-	1,087
Profit / (Loss) after tax	5,223	19	(2,576)	-	2,666

**For the half year ended 30 September 2020**

Particulars	Real estate	Power distribution	Unallocable	Inter segment elimination	Total
Segment revenue	2,674	98	-	(32)	2,739
Segment result	1,708	(16)	(183)	-	1,509
Finance cost	43	0	457	-	501
Employee benefit expenses	-	-	8	-	8
Interest income / other income	22	0	19	-	41
Profit / (Loss) before tax	1,688	(17)	(629)	-	1,042
Tax	-	-	358	-	358
Profit / (Loss) after tax	1,688	(17)	(987)	-	684



**MINDSPACE BUSINESS PARKS REIT****RN:IN/REIT/19-20/003****Condensed Consolidated Financial Statements****Notes to Accounts****(All amounts are in Rs. million unless otherwise stated)****For the year ended 31 March 2021**

Particulars	Real estate	Power distribution	Unallocable	Inter segment elimination	Total
Segment revenue	11,045	460	-	(124)	11,381
Segment result	7,158	3	(729)	-	6,433
Finance cost	188	1	1,519	-	1,707
Employee benefit expenses	83	-	33	-	115
Interest income / other income	22	0	162	-	185
Profit / (Loss) before tax	6,910	2	(2,118)	-	4,795
Tax	-	-	1,445	-	1,445
Profit / (Loss) after tax	6,910	2	(3,563)	-	3,350

**Other Information**

Segment assets	2,14,065	1,712	6,941	-	2,22,718
Segment liabilities	10,923	1,321	38,340	-	50,584
Capital expenditure	4,234	0	-	-	4,234
Depreciation & amortisation	1,910	54	-	-	1,964

**Secondary segment information**

Mindspace Group's operations are based in India and therefore the Group has only one geographical segment - India.

Segment accounting policies are in line with accounting policies of the Mindspace Group. In addition, the following specific accounting policies have been followed for segment reporting:

Segment revenue includes income directly attributable to the segment.

Revenue and expenses directly attributable to segments are reported under respective reportable segment.

Revenue and expenses which are not attributable or allocable to segments have been disclosed under 'Unallocable'.

Borrowings and finance cost of the Group which are not attributable or allocable to segments have been disclosed under 'Unallocable'.

**SPV wise revenue from major customers:**

Entity	For the year ended	
	31 March 2021	31 March 2020
MBPPL	439	-
Gigaplex	704	-
Sundew	329	-
Intime	552	-
KRIT	1,025	-
KRC Infra	903	-
Horizionview	8	-
Avacado	383	-



53 Non-controlling interest

Name of the entity	For the year ended 31 March 2021			
	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	94.7%	1,63,030	91.8%	3,075
<b>SPVs</b>				
Intime Properties Limited	1.1%	1,865	2.0%	67
K. Raheja IT Park (Hyderabad) Limited	1.8%	3,099	2.4%	81
Sundew Properties Limited	2.4%	4,140	3.8%	126
<b>Consolidated net assets/ Total comprehensive income</b>	<b>100%</b>	<b>1,72,134</b>	<b>100%</b>	<b>3,349</b>

The following table summarises the financial information relating to subsidiaries which have material Non-controlling interest.

(i) Intime Properties Limited

Summarised balance sheet as at 31st March 2021

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Non-current assets	17,664	-
Current assets	95	-
Non-current liabilities	(107)	-
Current liabilities	(696)	-
<b>Net assets</b>	<b>16,956</b>	<b>-</b>
NCI holdings	11.0%	11.0%
Carrying amount of Non-controlling interests	1,865	-

Summarised statement of profit & loss and Cash flow for the year ended 31st March 2021

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Total comprehensive income for the period	605	-
<b>Attributable to Non-controlling interest</b>		
Total comprehensive income for the period	67	-
<b>Cash flows from/ (used in) :</b>		
Operating activities	59	-
Investing activities	58	-
Financing activities	(116)	-
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>1</b>	<b>-</b>

(ii) K. Raheja IT Park (Hyderabad) Limited

Summarised balance sheet as at 31st March 2021

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Non-current assets	29,165	-
Current assets	121	-
Non-current liabilities	(198)	-
Current liabilities	(917)	-



**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Consolidated Financial Statements**  
**Notes to Accounts**  
**(All amounts are in Rs. million unless otherwise stated)**

Net assets	28,171	-
NCI holdings	11.0%	11.0%
Carrying amount of Non-controlling interests	3,099	-

**Summarised statement of profit & loss and Cash flow for the year ended 31st March 2021**

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Total comprehensive income for the period	739	-
<b>Attributable to Non-controlling interest</b>		
Total comprehensive income for the year	81	-
<b>Cash flows from:</b>		
Operating activities	73	-
Investing activities	69	-
Financing activities	(150)	-
Net increase in cash and cash equivalents	(8)	-

**(iii) Sundew Properties Limited**

**Summarised balance sheet as at 31st March 2021**

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Non-current assets	48,910	-
Current assets	407	-
Non-current liabilities	(9,337)	-
Current liabilities	(2,357)	-
Net assets	37,623	-
NCI holdings	11.0%	11.0%
Carrying amount of Non-controlling interests	4,140	-

**Summarised statement of profit & loss and Cash flow for the year ended 31st March 2021**

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Total comprehensive income for the period	1,149	-
<b>Attributable to Non-controlling interest</b>		
Total comprehensive income for the year	126	-
<b>Cash flows from/ (used in) :</b>		
Operating activities	140	-
Investing activities	652	-
Financing activities	(759)	-
Net increase in cash and cash equivalents	33	-
<b>Total carrying amount of NCI</b>	<b>9,104</b>	-



**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Consolidated Financial Statements**  
**Notes to Accounts**  
**(All amounts are in Rs. million unless otherwise stated)**

**54 Related Party Disclosures**

**A. Parties to Mindspace REIT as at 31 March, 2021 (Refer Note 1)**

Sl. 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 (refer note below)	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 Development 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 Development LLP Palm Shelter Estate Development LLP Mr. Neel C. Raheja Jointly with Mr. Ramesh M. Valecha	Ravi C. Raheja Neel C. Raheja Ramesh Valecha Vinod Rohira



54 Related Party Disclosures

A. Parties to Mindspace REIT as at 31 March, 2021 (Refer Note 1)

Sl. No.	Particulars	Name of Entities	Promoters/Partners *	Directors
14		Inorbit Malls (India) Private Limited (till 30 July 2020)	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 Development LLP Palm Shelter Estate Development LLP Mr. Neel C. Raheja Jointly with Mr. Ramesh M. Valecha Ivory Properties & Hotels Pvt Ltd <del>K Raheja Corp Private Limited</del>	Ravi C. Raheja Neel C. Raheja Sunil Hingorani
15		Ivory Properties and Hotels Private Limited (till 30 July 2020)	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 Development LLP Palm Shelter Estate Development LLP	Ravi C. Raheja Neel C. Raheja Ramesh Valecha Vinod Rohira
16		K Raheja Private Limited (till 30 July 2020)	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 Development LLP Palm Shelter Estate Development LLP	Ravi C. Raheja Neel C. Raheja Vinod Rohira
17		Ivory Property Trust	Chandru L. Raheja Jyoti C. Raheja Ivory Properties & Hotels Pvt Ltd Ravi C. Raheja Neel C. Raheja (all are trustees)	-
18		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 Chandru L. Raheja jointly with Jyoti C. Raheja, behalf of Ivory Property Trust	Ravi C. Raheja Neel C. Raheja Ramesh Valecha



**54 Related Party Disclosures**

**A. Parties to Mindspace REIT as at 31 March, 2021 (Refer Note 1)**

Sl. No.	Particulars	Name of Entities	Promoters/Partners *	Directors
19	Names of SPVs	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. (upto 19th February, 2021) 10. Educator Protech Private Limited (upto 19th February, 2021) 11. Happy Eastcon Private Limited (upto 4th February, 2021) 12. Sampada Eastpro Private Limited (upto 17th March, 2021)		
20	Governing Board and Key Managerial Personnel of the Manager (K Raheja Corp Investment Managers LLP )	<u>Governing Board</u> Mr. Deepak Ghaisas Ms. Manisha Girotra Mr. Bobby Parikh Mr. Alan Miyasaki Mr. Ravi C. Raheja Mr. Neel C. Raheja  <u>Key Managerial Personnel</u> Mr. Vinod Rohira Ms. Preeti Chheda		
21	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 and Associates Gencoval Strategic Services Pvt Ltd Stemade Biotech Private Limited Hariom Infrafacilities Services Private Limited		

\* only when acting collectively



54 Related party disclosures

B. Related parties with whom the transactions have taken place during the year

Particulars	Quarter ended			For half year ended		For year ended	From
	31 March 2021	31 December 2020	31 March 2020	31 March 2021	30 September 2020	31 March 2021	18 November 2019 to 31 March 2020
<b>Project Management Fees</b>							
K Raheja Corp Investment Managers LLP	110	104	-	214	68	282	-
<b>Investment Management Fees</b>							
K Raheja Corp Investment Managers LLP	17	17	-	34	-	34	-
<b>Trustee fee expenses</b>							
Axis Trustee Services Limited	0	1	-	1	1	2	-
<b>Legal &amp; professional fees</b>							
M/s Bobby Parikh and Associates	1	0	-	1	6	7	-
<b>Interest Income</b>							
Ivory Property Trust	-	-	-	-	19	19	-
<b>Rent expense</b>							
Genext Hardware & Parks Pvt. Ltd.	3	3	-	6	2	8	-
<b>Royalty Charges</b>							
Anbee Constructions LLP	-	-	0	-	-	-	1
Cape Trading LLP	-	-	0	-	-	-	1
Ivory Properties & Hotels Private Limited	-	-	0	-	-	-	1
K Raheja Private Limited	-	-	0	-	-	-	1
K Raheja Corp Private Limited	-	-	0	-	-	-	2
<b>Sitting Fees</b>							
Neel C Raheja	0	0	-	0	0	0	-
Ravi C Raheja	0	0	-	0	0	0	-
Vinod N. Rohira	0	0	-	0	-	0	-
Preeti Chheda	0	0	-	0	-	0	-
<b>Loan repaid</b>							
Ivory Property Trust	-	0	-	-	3150	3150	-
<b>Reimbursement of Expenses</b>							
K Raheja Corp Investment Managers LLP*	13	13	16	12	49	61	41

\*Includes fees paid to M/s Bobby Parikh & Associates amounting to Rs. 0.48 million for the year ended 31 March 2021 and Rs 1 million for the period ended 31 March 2020.



54 Related party disclosures

B. Related parties with whom the transactions have taken place during the year

Particulars	Quarter ended			For half year ended		For year ended	From
	31 March 2021	31 December 2020	31 March 2020	31 March 2021	30 September 2020	31 March 2021	18 November 2019 to 31 March 2020
<b>Payment to Sponsor Group companies in relation to Offer for Sale</b>							
Chandru L Raheja	-	0	-	0	10	10	-
Jyoti C Raheja	-	1	-	1	1,139	1,139	-
Ravi C Raheja	-	1	-	1	1,179	1,180	-
Neel C Raheja	-	1	-	1	1,179	1,180	-
Genext Hardware & Parks Private Limited	-	1	-	1	957	958	-
Inorbit Malls (India) Private Limited	-	1	-	1	1,505	1,506	-
Ivory Properties And Hotels Private Limited	-	2	-	2	3,385	3,387	-
Ivory Property Trust	-	6	-	6	10,352	10,357	-
K. Raheja Corp Private Limited	-	2	-	2	4,301	4,304	-
K Raheja Private Limited	-	2	-	2	2,851	2,852	-
<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	-
Chandru L. Raheja	-	-	-	-	8,974	8,974	-
Genext Hardware & Parks Private Limited	-	-	-	-	6,294	6,294	-
Inorbit Malls (I) Private Limited	-	-	-	-	1,541	1,541	-
Ivory Properties & Hotels Private Limited	-	-	-	-	3,466	3,466	-
Ivory Property Trust	-	-	-	-	2,410	2,410	-
Jyoti C. Raheja	-	-	-	-	2,745	2,745	-
K Raheja Corp Private Limited	-	-	-	-	10,064	10,064	-
K Raheja Private Limited	-	-	-	-	2,918	2,918	-
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	-



54 Related party disclosures

C. Balances

Particulars	As on 31 March 2021	As on 31 March 2020
<b>Other Receivable</b>		
Vinod N Rohira	0	-
<b>Trade Payables</b>		
K Raheja Corp Investment Managers LLP	40	-
M/s Bobby Parikh and Associates	0	-
<b>Sitting Fees Payable</b>		
Neel C.Raheja	0	-
Ravi C.Raheja	0	-
Preeti Chheda	0	-
<b>Other Financial Liabilities</b>		
K Raheja Corp Investment Managers LLP	17	49
<b>Security Deposit</b>		
K. Raheja Corp Pvt. Ltd.	2	-
<b>Co-Sponsor Initial Corpus</b>		
Anbee Constructions LLP	0	0
Cape Trading LLP	0	0

- 55 The figures for the quarter ended 31 March 2021 are the derived figures between the audited figures in respect of the year ended 31 March 2021 and the published year-to-date figures up to 31 December 2020, which were subject to limited review. Further, the figures for the half year ended 31 March 2021 are the derived figures between the audited figures in respect of the year ended 31 March 2021 and the published year-to-date figures up to 30 September 2020, which were subject to limited review.
- 56 The REIT acquired the SPVs by issuing units to the erstwhile shareholders of the SPVs on July 30, 2020. The results of the SPVs have been consolidated accordingly from such date and hence the numbers for the previous year ended March 31, 2020 are not comparable.
- 57 "0" represents value less than Rs. 0.5 million.

