

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

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

1. We have reviewed the accompanying unaudited Condensed Consolidated Interim Financial Statements of **MINDSPACE BUSINESS PARKS REIT** ("the REIT") and its subsidiaries (the "Special Purpose Vehicles") (together referred as the "Mindspace Group"), which comprise the unaudited Condensed Consolidated Balance Sheet as at September 30, 2020, the unaudited Condensed Consolidated Statement of Profit and Loss, including other comprehensive income, the unaudited Condensed Consolidated Statement of Cash Flow for quarter and six months ended September 30, 2020, the unaudited Condensed Consolidated Statement of changes in Unitholders' Equity for the six months ended September 30, 2020, along with summary of the significant accounting policies and select explanatory notes (together hereinafter referred as the "Condensed Consolidated Interim Financial Statements").
2. The Condensed Consolidated Interim Financial Statements, which is the responsibility of the Investment Manager and approved by the Governing Board of the Investment Manager, have been prepared in accordance with the requirements of SEBI (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 (the "SEBI circular"); recognition and measurement principles laid down in the Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with the SEBI circular, including any guidelines and circulars issued thereunder. Our responsibility is to issue a report on the Condensed Consolidated Interim Financial Statements based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Investment Manager's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

The Condensed Consolidated Interim Financial Statements include the financial information of the entities listed in Annexure A to this report.



**Deloitte  
Haskins & Sells LLP**

3. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Condensed Consolidated Interim Financial Statements have not been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting", as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with the SEBI circular, including any guidelines and circulars issued thereunder, has not disclosed the information required to be disclosed including the manner in which it is to be disclosed in terms of the SEBI circular, or that it contains any material misstatement.
4. We draw attention to Note 47 to the Condensed Consolidated Interim Financial Statements regarding freehold land and building thereon (Paradigm, Malad) held by Avacado Properties and Trading (India) Private Limited which is presently under litigation. Pending the outcome of proceedings and a final closure of the matter, no adjustments have been made in the Condensed Consolidated Interim Financial Statements for the quarter and six months ended September 30, 2020. Our conclusion is not modified in respect of this matter.

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



**Nilesh Shah**  
Partner

Membership No. 49660  
UDIN: 20049660AAAAC4947

Mumbai, November 11, 2020

# Deloitte Haskins & Sells LLP

Annexure "A"

List of entities included in the Condensed Consolidated Interim Financial Statements

## Special Purpose Vehicles:

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



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**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 30 September 2020 (Unaudited)	As at 31 March 2020 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	1,641	-
Capital work-in-progress		22	-
Investment property	6	191,439	-
Investment property under construction	7	17,117	-
Intangible assets	8	1	-
Financial assets			
- Investments	9	18	-
- Other financial assets	10	1,229	-
Deferred tax assets (net)	11	1,674	-
Non-current tax assets (net)	12	1,478	-
Other non-current assets	13	1,179	-
<b>Total non-current assets</b>		<b>215,798</b>	<b>-</b>
<b>Current assets</b>			
Inventories	14	61	-
Financial assets			
- Trade receivables	15	267	-
- Cash and cash equivalents	16 A	5,355	0
- Other bank balances	16 B	272	-
- Other financial assets	17	671	-
Other current assets	18	391	-
<b>Total current assets</b>		<b>7,017</b>	<b>0</b>
<b>Total assets before regulatory deferral account</b>		<b>222,815</b>	<b>0</b>
Regulatory deferral account - assets	19	152	-
<b>Total assets</b>		<b>222,967</b>	<b>0</b>



**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 30 September 2020 (Unaudited)	As at 31 March 2020 (Audited)
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Corpus	20	0	0
Unit Capital	21	162,839	-
Other equity	22	572	(49)
<b>Equity attributable to controlling interest of Mindspace REIT</b>		<b>163,411</b>	<b>(49)</b>
<b>Non-controlling interest</b>	57	<b>9,306</b>	-
<b>Total equity</b>		<b>172,717</b>	<b>(49)</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
- Borrowings	23	30,775	-
- Other financial liabilities	24	2,230	-
Provisions	25	8	-
Deferred tax liabilities (net)	26	67	-
Other non-current liabilities	27	590	-
<b>Total non-current liabilities</b>		<b>33,670</b>	-
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
- Borrowings	28	1,462	-
- Trade payables	29		-
- total outstanding dues of micro enterprises and small enterprises		86	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		830	-
- Other financial liabilities	30	13,265	49
Provisions	31	58	-
Other current liabilities	32	849	-
<b>Total current liabilities</b>		<b>16,550</b>	<b>49</b>
<b>Total equity and liabilities before regulatory deferral account</b>		<b>222,937</b>	<b>0</b>
Regulatory deferral account - liabilities	19	30	-
<b>Total equity and liabilities</b>		<b>222,967</b>	<b>0</b>
<b>Significant accounting policies</b>	3		
See the accompanying notes to the Condensed Consolidated Financial Statements	4-59		

As per our report of even date attached:

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



**Nilesh Shah**  
Partner  
Membership number: 49660

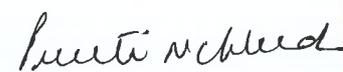
Place: Mumbai  
Date : 11 Nov 2020

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

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

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

Place: Mumbai  
Date : 11 Nov 2020

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

Place: Mumbai  
Date : 11 Nov 2020

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



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

	Note	For the quarter ended 30 September 2020 (Unaudited)	For the quarter ended 30 June 2020 (Unaudited)	For the half year ended 30 September 2020 (Unaudited)	From 18 November 2019 to 31 March 2020 (Audited)*
<b>Other comprehensive income</b>					
A. (i) Items that will not be reclassified to profit or loss					
- Remeasurements of defined benefit liability/ (asset)		-	-	-	-
(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 Mindspace REIT</b>					
<b>Other comprehensive income attributable to non controlling interests</b>					
<b>Total comprehensive income for the period</b>		<b>684</b>	<b>(5)</b>	<b>679</b>	<b>(49)</b>
<b>Total comprehensive income/(loss) for the period attributable to Mindspace REIT</b>		<b>626</b>	<b>(5)</b>	<b>621</b>	<b>(49)</b>
<b>Total comprehensive income for the period attributable to non controlling interests</b>		<b>58</b>	<b>-</b>	<b>58</b>	<b>-</b>
Earnings per unit	53				
Basic		<b>1.55</b>	<b>Not Applicable</b>	<b>3.06</b>	<b>Not Applicable</b>
Diluted		<b>1.55</b>	<b>Not Applicable</b>	<b>3.06</b>	<b>Not Applicable</b>

Significant accounting policies 3

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

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

As per our report of even date attached:

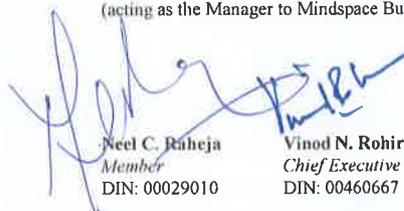
for Deloitte Haskins & Sells LLP  
Chartered Accountants  
Firm's registration number: 117366W/W-100018



Niles Shah  
Partner  
Membership number: 49660

Place: Mumbai  
Date : 11 Nov 2020

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



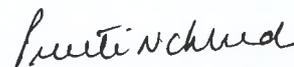
Neel C. Raheja  
Member  
DIN: 00029010

Place: Mumbai  
Date : 11 Nov 2020



Vinod N. Rohira  
Chief Executive Officer  
DIN: 00460667

Place: Mumbai  
Date : 11 Nov 2020



Preeti N. Chheda  
Chief Financial Officer  
DIN: 08066703

Place: Mumbai  
Date : 11 Nov 2020

**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 30 September 2020 (Unaudited)	For the quarter ended 30 June 2020 (Unaudited)	For the half year ended 30 September 2020 (Unaudited)	From 18 November 2019 to 31 March 2020 (Audited)*
<b>A Cash flows from operating activities</b>				
Profit before tax	1,042	(5)	1,037	(49)
Adjustments for:				
Depreciation and amortisation expense	496	-	496	-
Finance costs	501	-	501	-
Interest income	(33)	-	(33)	-
Provision for doubtful debts (net)	23	-	23	-
Net gains/(losses) on financial assets at fair value through profit or loss	(3)	-	(3)	-
Gain on redemption of mutual fund units	(1)	-	(1)	-
Lease Rent	(5)	-	(5)	-
Foreign exchange fluctuation loss (net)	9	-	9	-
<b>Operating profit/(loss) before working capital changes</b>	<b>2,029</b>	<b>(5)</b>	<b>2,024</b>	<b>(49)</b>
<b>Movement in working capital</b>				
Decrease in inventories	(2)	-	(2)	-
Decrease in trade receivables	155	-	155	-
Decrease in other non-current financial assets	22	-	22	-
(Increase) in other current financial assets	(61)	-	(61)	-
Decrease / (increase) in other non-current assets	(60)	-	(60)	-
Decrease / (increase) in other current assets	14	-	14	-
Increase / (decrease) in other non current financial liabilities	42	-	42	-
Increase in other current financial liabilities	(269)	3	(266)	49
(Decrease) / increase in other non-current liabilities and provisions	17	-	17	-
(Decrease) / increase in other current liabilities and provisions	214	-	214	-
(Decrease) / increase in regulatory deferral account (assets / liabilities)	15	-	15	-
(Decrease) / increase in trade payables	82	2	84	-
<b>Cash generated/(used in) from operations</b>	<b>2,198</b>	<b>(0)</b>	<b>2,198</b>	<b>0</b>
Direct taxes paid net of refund received	(223)	-	(223)	-
<b>Net cash generated/(used in) from operating activities (A)</b>	<b>1,975</b>	<b>(0)</b>	<b>1,975</b>	<b>0</b>
<b>B Cash flows from investing activities</b>				
Expenditure incurred on investment property and investment property under construction including capital advances, net of capital creditors	(1,348)	-	(1,348)	-
Purchase of property, plant and equipment and intangible assets	(1)	-	(1)	-
Investment in mutual fund	(4,600)	-	(4,600)	-
Proceeds from redemption of investment in mutual fund	4,601	-	4,601	-
Movement in fixed deposits with maturity more than three months	119	-	119	-
Loans repayment received from body corporates	12,382	-	12,382	-
Purchase of Investments (Preference shares)	(334)	-	(334)	-
Interest received	1,488	-	1,488	-
<b>Net cash generated from investing activities ( B )</b>	<b>12,307</b>	<b>-</b>	<b>12,307</b>	<b>-</b>



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

**Significant accounting policies - refer note 3**

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

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

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

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

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 : 11 Nov 2020

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

A. Corpus	Amount
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 period	-
<b>Closing balance as at 30 September 2020</b>	<b>0</b>

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

B. Unit Capital	Amount
Balance as on 18 November 2019*	-
Units issued during the period	-
<b>Balance as at 31 March 2020</b>	<b>-</b>
Balance as at 1 April 2020	-
Add: Units issued during the period (refer note 19)	163,080
Less: Issue expenses	(241)
<b>Balance as at 30 September 2020</b>	<b>162,839</b>

C. Other equity	Amount
Retained Earnings	
Balance as on 18 November 2019*	-
Loss for the period	(49)
<b>Balance as at 31 March 2020</b>	<b>(49)</b>
Balance as at 1 April 2020	(49)
Add: Profit / (loss) for the period	621
Add: Other comprehensive income	-
<b>Balance as at 30 September 2020</b>	<b>572</b>

**Significant accounting policies - refer note 3**

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

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

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  
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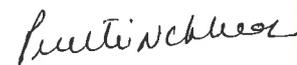
**Nilesh Shah**  
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Chief Executive Officer  
DIN: 00460667



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

Place: Mumbai  
Date : 11 Nov 2020

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

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

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

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

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

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

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

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



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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%



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**2 Basis of preparation**

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

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

**Basis of Consolidation**

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

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

- a) The financial statements of the Mindspace Business Parks Group are consolidated for like items and intragroup balances and transactions for assets and liabilities, equity, income, expenses and cash flows between entities of the Mindspace Business Parks Group are eliminated in full upon consolidation.
- b) Andhra Pradesh Industrial Infrastructure Corporation Limited, which is a shareholder in Intime, KRIT and Sundew have not agreed to exchange their equity interest in the SPVs (Intime, KRIT and Sundew), thus, the Mindspace Business Parks REIT has recorded a non-controlling interests for these SPVs. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interest proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.
- c) The figures in the notes to accounts and disclosures have been Consolidated line by line and Inter-company transactions and balances including unrealised profits are eliminated in full on consolidation.
- d) MBPPL has four wholly owned subsidiaries namely Sampada Eastpro Private Ltd, Educator Protech Private Ltd, Dices Realcon Private Ltd and Happy Eastcon Private Ltd ('four subsidiaries'). As on 30 September 2020, the carrying value of these investments in the books of MBPPL is Nil. Moreover, MBPPL has applied to Registrar of Companies (ROC) for 'striking of the names of these subsidiaries from the Registrar of Companies. Since these subsidiaries are not part of the Mindspace Business Parks Group's real estate investment trust structure, these subsidiaries have not been Consolidated in these Condensed Consolidated Financial Statements.
- e) The Mindspace Business Parks Group holds 4% of the equity share capital of Stargaze Properties Private Limited, a company involved in the real estate development. The Mindspace Business Parks Group is of the view that it is not able to exercise significant influence over Stargaze Properties Private Limited and hence it has not been accounted using equity method.

**3 Significant accounting policies**

**(a) Functional and presentation currency**

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

**(b) Basis of measurement**

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

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

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

The preparation of the Condensed Consolidated Financial Statements in conformity with generally accepted accounting principles in India (Ind AS) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates. Estimated and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

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

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

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



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

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

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

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

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

**(e) Measurement of fair values**

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

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

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

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

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

**3.1 Financial guarantee contracts**

The Group on a case to case basis elects to account for financial guarantee contracts as a financial instruments or as an insurance contracts as specified in Ind AS 109 on Financial Instruments and Ind AS 104 on Insurance contracts. The Group has regarded all its financial guarantee contracts as insurance contracts. At the end of each reporting period, the Group performs a liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cash flows), and any deficiency is recognised in Ind AS Consolidated statement of profit and loss.

**3.2 Property, plant and equipment**

**(a) Recognition and measurement**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Depreciation is charged when the assets are ready for their intended use. Purchase price or construction cost is defined as any consideration paid or fair value of any other consideration given to acquire the asset.

**(b) Subsequent expenditure**

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Mindspace Business Parks Group. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Mindspace Business Parks Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Condensed Consolidated Statement of Profit and Loss during the reporting period in which they are incurred.

**(c) Depreciation / Amortisation**

Depreciation / amortisation is provided using straight line method as per the useful life of the assets estimated by the management over the balance useful life. The estimated useful lives of the assets, which are higher than, lower than or equal to those prescribed under Schedule II of the Companies Act 2013, are listed in the table below. Depreciation on addition / deletion of property, plant and equipment made during the year is provided on pro-rata basis from / to the date of such addition / deletion.

The assets and estimated useful life are as under:

Asset group	Estimated Useful Life (in years)	
	Power assets	Other assets
Right to use - Leasehold land	Balance Lease term	-
Buildings*	75/90	-
Plant and machinery	15	15
Electrical installation*	15	15
Computers	3	3
Temporary Structure*	-	1
Office equipment*	4	4
Furniture and fixtures*	-	7
Vehicles*	-	5

\* For these class of assets, based on technical assessment the management believes the useful life of the assets is appropriate which is different than those prescribed under Part C of Schedule II of the Companies Act, 2013.

(1) Based on internal assessment the management believes the residual value of all assets is estimated to be 5% of the original cost of those respective assets.

(2) Assets individually costing less than Rs 5,000 are fully written off in the year of acquisition.

(3) The estimated useful lives, residual values and depreciation method are reviewed at the end of the reporting period with the effect of any changes in the estimation accounted for on a prospective basis.

**(d) De-recognition**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Condensed Consolidated Statement of Profit and Loss.



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(e) **Capital work in progress**

Property, plant and equipment under construction is disclosed as capital work in progress which is carried at cost less any recognized impairment losses. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use.

Advance paid and expenditure incurred on acquisition / construction of property, plant and equipment which are not ready for their intended use at each balance sheet date are disclosed under other non current assets as advances on capital account and capital work-in-progress respectively.

3.3 **Intangible assets**

(a) **Recognition and measurement**

An intangible asset is an identifiable non-monetary asset without physical substance. Intangible assets with finite useful lives that are acquired separately are initially measured at its cost and then carried at the cost less accumulated amortisation and impairment, if any. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less impairment, if any.

(b) **Subsequent expenditure**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the Condensed Consolidated Statement of Profit and Loss as incurred.

(c) **Amortisation**

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in the Condensed Consolidated Statement of Profit and Loss on a straight line method over the estimated useful lives of intangible assets, from the date that they are available for use.

Asset group	Estimated Useful Life (in years)
	Other assets
Computer Softwares	3
Trademarks	10

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

(d) **De-recognition**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal, gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Condensed Consolidated Statement of Profit and Loss when the asset is derecognised.

3.4 **Investment property**

(a) **Recognition and measurement**

Properties including land, building and other assets, which are held either for long-term rental yield or for capital appreciation or for both, and which are not occupied substantially by the Mindspace Business Parks Group are classified as investment property.

Investment properties are initially recognised at cost, including related transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the requirement of Ind AS 16's requirements for cost model i.e. Cost less depreciation less impairment losses, if any. Depreciation is charged when the investment property is ready for its intended use. Cost comprises of direct expenses like land cost, site labour cost, material used for project construction, project management consultancy, costs for moving the plant and machinery to the site and general expenses incurred specifically for the respective project like insurance, design and technical assistance, and construction overheads are allocated on a reasonable basis to the cost of the project.

Plant and machinery, furniture and fixtures, office equipment and electrical equipments which are physically attached to the commercial buildings are considered as part of investment property.

Acquisitions and disposals are accounted for at the date of completion of acquisitions and disposals.

(b) **Subsequent expenditure**

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Mindspace Business Parks Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

(c) **Depreciation / Amortisation**

Depreciation / amortisation is provided using straight line method as per the useful life of the assets estimated by the management over the balance useful life. The estimated useful lives of the assets, which are higher than, lower than or equal to those prescribed under Schedule II of the Companies Act 2013 and listed in the table below. Depreciation on addition / deletion of investment property made during the year is provided on pro-rata basis from / to the date of such addition / deletion.

Asset group	Estimated Useful Life (in years)
Right to use - Leasehold land	Balance Lease term
Buildings*	75/90
Infrastructure and development	15
Roadwork*	15
Plant and machinery	15
Office equipment*	4
Furniture and fixtures*	7
Electrical installation*	15

\* For these class of assets, based on technical assessment the management believes the useful life of the assets is appropriate which is different than those prescribed under Part C of Schedule II of the Companies Act, 2013.

Based on internal assessment the management believes the residual value of all assets is estimated to be 5% of the original cost of those respective assets.

Assets individually costing less than Rs 5,000 are fully written off in the year of acquisition.

The estimated useful lives, residual values and depreciation method are reviewed at the end of the reporting period with the effect of any changes in the estimation accounted for on a prospective basis.



**(d) Fair Value**

Fair value of investment property is based on a valuation by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued. The fair value of investment property is disclosed in the Statement of Net assets at Fair Value.

**(e) De-recognition**

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Condensed Consolidated Statement of Profit and Loss in the period in which the property is de-recognised.

**(f) Investment properties under construction**

Property that is being constructed for future use as investment property is accounted for as investment property under construction until assets are ready for their intended use.

Direct expenses like land cost, site labour cost, material used for project construction, project management consultancy, costs for moving the plant and machinery to the site and general expenses incurred specifically for the respective project like insurance, design and technical assistance, and construction overheads are taken as the cost of the project.

Investment properties under construction represent the cost incurred in respect of areas under construction of the real estate development projects less impairment losses, if any.

Advance paid for acquisition of investment property which are not ready for their intended use at each balance sheet date are disclosed under other non current assets as capital advance.

**3.5 Impairment of assets**

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

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

**3.6 Borrowing costs**

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of cost of such assets. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

Capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the general borrowings.

Capitalisation of borrowing costs is suspended during the extended period in which active development is interrupted. Capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing cost incurred by the SPVs on inter-company loans is continued to be capitalised only to the extent the Mindspace Group has incurred external borrowing cost.

**3.7 Inventories**

**(a) Measurement of inventory**

Inventories comprise of building material and components. Contractual work in progress, in respect of third party customers, is classified as work in progress. The Mindspace Business Parks Group measures its inventories at the lower of cost and net realisable value.

**(b) Cost of inventories**

The cost of inventories of building material and components and work in progress comprise all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average basis.

**(c) Net realisable value**

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**3.8 Revenue recognition**

**(a) Facility rentals**

Revenue from property leased out under an operating lease is recognised over the lease term on a straight line basis, except where there is an uncertainty of ultimate collection.

**(b) Maintenance services**

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

**(c) Revenue from power supply**

Revenue from power supply is accounted for on the basis of billings to consumers and includes unbilled revenues accrued up to the end of the accounting year. The Mindspace Business Parks Group determines surplus/deficit i.e. excess/ shortfall of aggregate gain over return on equity entitlement for the period in respect of its operations based on the principles laid down under the respective Tariff Regulations as notified by Maharashtra Electricity Regulatory Commission (MERC), on the basis of the tariff order issued by it. In respect of such surplus/deficit, appropriate adjustments as stipulated under the regulations are made during the period. Further, any adjustments that may arise on annual performance review by the MERC under the tariff regulations is made after the completion of such review.

**(d) Finance Lease**

For assets let out under finance lease, the Mindspace Business Parks Group recognises a receivable at an amount equal to the net investment in the lease. Rentals received are accounted for as repayment of principal and finance income. Minimum lease payments receivable on finance leases are apportioned between the finance income and the reduction of the outstanding receivable. The finance income allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining net investment in the finance lease.

Contingent rents are recorded as income in the periods in which they are earned.

**(e) Sale of surplus construction material and scrap**

Revenue from sale of surplus construction material is recognised on transfer of risk and rewards of ownership which is generally on dispatch of material.



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- 3.9 Interest income :**  
(i) Interest income is recognised on time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.  
(ii) Delayed payment charges and interest on delayed payments are recognised, on time proportion basis, except when there is uncertainty of ultimate collection.
- 3.10 Tax expense**  
Income tax expense comprises current tax and deferred tax charge or credit. It is recognised in the Statement of Profit and Loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income in which case, the current and deferred tax are also recognised in equity and other comprehensive income respectively.
- (a) Current tax**  
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by end of reporting period.
- (b) Deferred tax**  
Deferred tax asset/liability is recognised on temporary differences between the carrying amounts of assets and liabilities in the Condensed Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets and liabilities are measured that are expected to apply to the period when the asset is realised or the liability is settled, using the tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Mindspace Business Parks Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.  
Deferred tax is not recognised for:  
- Temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; and  
- Temporary differences related to investments in subsidiaries, associates, and joint arrangements to the extent that the Mindspace Business Park Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;  
Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.  
The carrying amount of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.  
Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.  
For operations carried out under tax holiday period (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 Condensed Consolidated Statement of Profit and Loss and shown as MAT credit entitlement under deferred tax assets. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.
- 3.11 Earnings per unit (EPU):**  
The basic earnings per unit is computed by dividing the net profit/ (loss) attributable to the unit holders of the Mindspace REIT by the weighted average number of units outstanding during the reporting period. The number of units used in computing diluted earnings/ (loss) per unit comprises the weighted average units considered for deriving basic earnings/ (loss) per unit and also the weighted average number of units which could have been issued on the conversion of all dilutive potential units.  
Dilutive potential units are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per unit, only potential equity units that are dilutive and which either reduces earnings per unit or increase loss per units are included.
- 3.12 Provisions, contingent liabilities and contingent assets**  
Provisions are recognised when the Mindspace Business Parks Group has a present legal or constructive obligation as a result of a past event, it is probable that the Mindspace Business Parks Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.  
The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.  
Contingent liabilities are disclosed when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.  
A contingent asset is disclosed when there would be a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Mindspace Business Parks Group.  
Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.
- 3.13 Foreign currency transactions and translations**  
Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Condensed Consolidated Statement of Profit and Loss of the year.  
Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the year-end and not covered by forward contracts, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognised in the Condensed Consolidated Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.



3.14 Leases

As a Lessor

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

Leases for which the Mindspace Business Parks Group is a lessor is classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Mindspace Business Parks Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Mindspace Business Parks Group's net investment in the leases. Finance lease income is allocated to reporting periods so as to reflect a constant periodic rate of return on the Mindspace Business Parks Group's net investment outstanding in respect of the leases.

As a Lessee

The Mindspace Business Parks Group assesses whether a contract is or contains a lease, at inception of a contract. The Mindspace Business Parks Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Mindspace Business Parks Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Mindspace Business Parks Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the condensed Consolidated balance sheet as Lease Liability.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Mindspace Business Parks Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate,
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is measured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used),
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Mindspace Business Parks Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets'. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

The Mindspace Business Parks Group applies Ind AS 36 Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 3.4.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the Condensed Consolidated Statement of Profit and Loss.

3.15 Financial instruments

1 Initial recognition and measurement

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

2 Financial assets:

(a) Classification of financial assets:

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



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

(b) Subsequent Measurement

(i) Debt instruments:

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

**Financial assets at amortised cost**

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

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

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

**Financial assets at fair value through the Condensed Consolidated Statement of Profit and Loss (FVTPL)**

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

(ii) Equity instruments:

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

**Investments in equity instruments at FVTPL:**

Investments in equity instruments are classified as at FVTPL, unless the Mindspace Business Parks Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.

**Investments in equity instruments at FVTOCI:**

On initial recognition, the Mindspace Business Parks Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserve for 'equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Condensed Consolidated Statement of Profit and Loss on disposal of the investments, but is transferred to retained earnings.

(c) Impairment of financial assets:

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

(d) Derecognition of financial assets:

A financial asset is primarily derecognised when:

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

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

### 3 Financial liabilities and equity instruments

(a) Classification as debt or equity

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

(b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Mindspace Business Parks Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

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

(c) Compound financial instruments

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

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

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

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



**(d) Financial Liabilities**

**• Recognition, measurement and classification**

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

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

**• Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Gains and losses are recognized in the Condensed Consolidated Statement of Profit and Loss when the liabilities are derecognized.

**4 Offsetting of financial instruments**

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

**3.16 Cash and cash equivalents**

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

**3.17 Statement of Cash flow**

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

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

As per para 8 of Ind AS 7 "where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents. Bank overdraft, in the Condensed Consolidated Balance Sheet, is included as 'borrowings' under Financial Liabilities.

**3.18 Employee benefits plan**

**Disclosure pursuant to Ind AS – 19 'Employee benefits'**

**(1) Short term employee benefits**

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 the Mindspace Business Parks Group has no further defined obligations beyond the monthly contributions.

**Defined benefit plan**

The Mindspace Business Parks Group's gratuity benefit scheme is a defined benefit plan. The 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 Condensed 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. The 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. The 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 Condensed 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 total assets and fair values of the total liabilities of individual SPVs. The fair value of the assets are reviewed regularly by Management with reference to independent assets and market conditions existing at the reporting date, using generally accepted market practices. The independent valuers are leading independent appraisers with a recognised and relevant professional qualification and with recent experience in the location. Judgment is also applied in determining the extent and frequency of independent appraisals. Such independent appraisals and the assumptions used are reviewed at each balance sheet date.



**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)

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

The Mindspace Business Parks Group has elected to present earnings before interest, depreciation and amortisation, regulatory income / expense and tax as a separate line item on the face of the Condensed Consolidated Statement of Profit and Loss. The Mindspace Business Parks Group measures earnings before interest, depreciation and amortisation, regulatory income / expense and tax on the basis of profit/ (loss) from continuing operations.

**3.21 Subsequent events**

The Condensed Consolidated Financial Statements are adjusted to reflect events that occur after the reporting date but before the Condensed Consolidated Financial Statements are issued. The Condensed Consolidated Financial Statements have their own date of authorisation, which differs from that of the financial statements of the entities which are part of Mindspace REIT group. Therefore, when preparing the Condensed Consolidated Financial Statements, management considers events up to the date of authorisation of these financial statements.

**3.22 Errors and estimates**

The Mindspace Business Parks Group revises its accounting policies if the change is required due to a change in Ind AS or if the change will provide more relevant and reliable information to the users of the Condensed Consolidated financial statement. Changes in accounting policies are applied retrospectively.

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

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

**3.23 Non-controlling interests**

Non-controlling interests represent the share of reserves and capital attributable to the shareholders of the SPVs who have not agreed to exchange their shares in the SPVs for units of Mindspace REIT and will not become the unitholders of Mindspace REIT. Below is the list of shareholders of the SPVs for whom non-controlling interest has been recognised. Non-controlling interests in the results and equity of subsidiaries are shown separately in the Condensed Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Balance Sheet respectively.

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.

**3.24 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 Board of Directors of the Manager. A corresponding amount is recognised directly in equity.



MINDSPACE BUSINESS PARKS REIT  
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4 Pursuant to the share acquisition agreements entered between Mindspace REIT, Sponsor Group and Blackstone Entities for acquisition of the shares of the Asset SPVs held by the Sponsor Group and Blackstone Entities, the acquisition was effected on 30 July 2020. However, consolidation of the financials of these Assets SPVs has been done effective 1 August 2020 considering the impact of 1 day operation on the financial results is immaterial

5 Property, plant and equipment

Particulars	Power assets				Other assets						Total	
	Right of use - Leasehold Land	Buildings	Plant and machinery	Electrical Installation	Temporary Structure	Plant and machinery	Electrical Installation	Office equipment	Computers	Furniture and fixtures		
<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	-	301	32	5	1	15	1,683	
Additions during the period	-	-	-	-	-	1	0	-	0	-	1	
Disposals	-	-	-	-	-	-	-	-	-	-	-	
At 30 September 2020	1	467	711	150	-	302	32	5	1	15	1,684	
<b>Accumulated depreciation</b>												
At 18 November 2019	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2020	-	-	-	-	-	-	-	-	-	-	-	-
At 1 April 2020	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the period	-	1	11	3	-	24	0	3	0	1	43	
Disposals	-	-	-	-	-	-	-	-	-	-	-	
At 30 September 2020	-	1	11	3	-	24	0	3	0	1	43	
<b>Carrying amount (net)</b>												
At 31 March 2020	-	-	-	-	-	-	-	-	-	-	-	-
At 30 September 2020	1	466	700	147	-	278	32	2	1	14	1,641	

Note - refer note 46 for Asset acquisition



6 Investment property

Particulars	Freehold Land	Right of use - Leasehold Land	Buildings	Infrastructure and development	Roadwork	Plant and machinery	Furniture and fixtures	Electrical installation	Total
Gross block (cost or deemed cost)									
At 18 November 2019	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2020	-	-	-	-	-	-	-	-	-
As at 1 April 2020	-	-	-	-	-	-	-	-	-
Additions due to Asset acquisition	70,081	23,388	88,099	3,421	29	5,214	70	888	191,190
Additions during the period	-	-	495	24	-	114	11	59	703
Disposals	-	-	-	-	-	-	-	-	-
At 30 September 2020	70,081	23,388	88,594	3,445	29	5,328	81	947	191,893
Accumulated amortisation									
At 18 November 2019	-	-	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2020	-	-	-	-	-	-	-	-	-
As at 1 April 2020	-	-	-	-	-	-	-	-	-
Charge for the period	-	73	207	48	0	108	4	14	454
Disposals	-	-	-	-	-	-	-	-	-
At 30 September 2020	-	73	207	48	0	108	4	14	454
Carrying amount (net)									
At 31 March 2020	-	-	-	-	-	-	-	-	-
At 30 September 2020	70,081	23,315	88,387	3,397	29	5,220	77	933	191,439

7 Investment property under construction

The breakup of investment property under construction comprises upcoming buildings in various parks. The SPV wise details are as follows:

Particulars	As at 30 September 2020
MBPPL	3,816
Gigaplex	7,942
Sundew	585
KRIT	765
KRC Infra	3,974
Avacado	35
Total	17,117

Note - refer note 46 for Asset acquisition



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8 Intangible assets

Particulars	Trademarks
Gross block	
At 18 November 2019	-
Additions	-
Disposals	-
As at 31 March 2020	-
As at 1 April 2020	-
Additions due to Asset acquisition *	1
Disposals	
As at 30 September 2020	1
Accumulated amortisation	
At 18 November 2019	-
Charge for the year	-
Disposals	-
As at 31 March 2020	-
As at 1 April 2020	-
Charge for the period	0
Disposals	-
As at 30 September 2020	0
Carrying amount (net)	
At 31 March 2020	-
As at 30 September 2020	1

\* includes trademark and computer softwares (less than Rs 0.5 million)

Note - refer note 46 for Asset acquisition



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**9 Investment**

Particulars	As at 30 September 2020	As at 31 March 2020
<b>Financial assets</b>		
<b>Investments in equity instruments</b>		
<b>Unquoted equity shares measured at FVTOCI</b>		
2,000 equity shares of Stargaze Properties Private Limited, face value of Rs. 10 each fully paid-up (31 March 2020 : Nil)	0	-
<b>Investment in Government Securities at amortised cost</b>		
25,000 7.61% Central Government Loan (Face value Rs 100), (31 March 2020: Nil)	3	-
25,000 8.24% GOI 2027 Bond (Face value Rs 100), (31 March 2020: Nil)	3	-
25,000 7.17% Central Government Loan (Face value Rs 100), (31 March 2020: Nil)	2	-
22,000 7.26% Central Government Loan (Face value Rs 100), (31 March 2020: Nil)	2	-
22,000 7.06% Central Government Loan (Face value Rs 100), (31 March 2020: Nil)	2	-
10,000 7.72% GOI 2055 Bond (Face value Rs 100), (31 March 2020: Nil)	1	-
18,000 7.26% GOI 2029 Bond (Face value Rs 100), (31 March 2020: Nil)	2	-
28,700 7.40% GOI 2055 Bond (Face value Rs 100), (31 March 2020: Nil)	3	-
	<b>18</b>	<b>-</b>
<b>Investments measured at cost (gross)</b>	-	-
<b>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>	18	-
<b>Aggregate amount of impairment recognised</b>	-	-



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10 Other financial assets (Non current)

Particulars	As at 30 September 2020	As at 31 March 2020
<i>Unsecured, considered good</i>		
Fixed deposits with banks	29	-
Unbilled revenue	421	-
Finance lease receivable	265	-
Security deposits for development rights	6	-
Security deposits	502	-
Other receivables	6	-
	1,229	-

11 Deferred tax assets (net)

Particulars	As at 30 September 2020	As at 31 March 2020
Deferred tax assets (net)	1,674	-
	1,674	-

12 Non-current tax assets (net)

Particulars	As at 30 September 2020	As at 31 March 2020
Advance tax (net of provision for tax)	1,478	-
	1,478	-

13 Other non-current assets

Particulars	As at 30 September 2020	As at 31 March 2020
<i>Unsecured, considered good</i>		
Capital advances	879	-
Balances with government authorities	29	-
Prepaid expenses	271	-
	1,179	-

14 Inventories (valued at lower of cost and net realisable value)

Particulars	As at 30 September 2020	As at 31 March 2020
Building materials and components	61	-
	61	-



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**15 Trade receivables**

Particulars	As at 30 September 2020	As at 31 March 2020
<i>Unsecured</i>		
Considered good	267	-
Credit impaired	70	-
Less: loss allowance	(70)	-
	<u>267</u>	<u>-</u>

**16 A Cash and cash equivalents**

Particulars	As at 30 September 2020	As at 31 March 2020
Cash on hand	2	-
Balances with banks		
- in current accounts*	5,071	0
- in escrow accounts**	34	-
- in deposit accounts with original maturity of less than three months	248	-
	<u>5,355</u>	<u>0</u>

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

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

**16 B Other bank balances**

Particulars	As at 30 September 2020	As at 31 March 2020
Fixed deposits with maturity remaining upto twelve months*	272	-
	<u>272</u>	<u>-</u>

\*Includes fixed deposits with banks held as lien against loan availed to support debt servicing and bank guarantees

**17 Other financial assets**

Particulars	As at 30 September 2020	As at 31 March 2020
<i>Unsecured, considered good</i>		
Interest receivable		
- on fixed deposits	2	-
Interest accrued but not due		
- on other deposits	3	-
- from others	33	-
Security deposit for development rights	60	-
Security deposits	22	-
Unbilled revenue	282	-
Finance lease receivable	111	-
Other receivables		
- Considered good	158	-
- Credit impaired	1	-
Less: loss allowance	(1)	-
	<u>671</u>	<u>-</u>



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18 Other current financial assets

Particulars	As at 30 September 2020	As at 31 March 2020
<i>Unsecured, considered good</i>		
Deposit / advance for supply of goods and rendering of services	39	-
Balances with government authorities	147	-
Prepaid expenses	205	-
	391	-

19 Regulatory deferral accounts

Particulars	As at 30 September 2020	As at 31 March 2020
Regulatory assets	152	-
	152	-
Regulatory liabilities	30	-
	30	-



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**20 Corpus**

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

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

**21 Unit Capital**

A. Unit Capital	Units	Amount
As at 18 November 2020	-	-
Units issued during the year	-	-
As at 31 March 2020	-	-
As at 1 April 2020	-	-
Units issued during the year		
- pursuant to the initial public offer, issued, subscribed and fully paid-up in cash (refer note a (ii) below)	36,363,600	10,000
- in exchange for equity interest in SPVs (refer note a (iii) below)	556,654,582	153,080
Less: Issue expenses		(241)
<b>Closing balance as at 30 September 2020</b>	<b>593,018,182</b>	<b>162,839</b>

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

**(a) Terms/rights attached to Units**

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

Under the provisions of the REIT Regulations, Mindspace REIT is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of Mindspace REIT for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of Mindspace REIT to pay to its unitholders cash distributions. The Unitholders' funds could have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No. CIR/IMD/DF/146/2016 dated 29 December 2016 and No. CIR/IMD/DF/141/2016 dated 26 December 2016) issued under the REIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI circular CIR/IMD/DF/141/2016 dated 26 December 2016 dealing with the minimum disclosures for key financial statements. In line with the above, the dividend payable to unit holders is recognised as liability when the same is approved by the Governing Board of the Manager.

- (ii) Initial Public Offering of 3,63,63,600 Units for cash at price of Rs. 275 per Unit aggregating to Rs. 10000 million.

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

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

**(b) Unitholders holding more than 5 percent Units in the Trust**

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

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



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**22 Other Equity\***

Particulars	As at	
	30 September 2020	31 March 2020
<b>Reserves and Surplus</b>		
Retained earnings	572	(49)
	<b>572</b>	<b>(49)</b>

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

**Retained earnings :**

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

**23 Borrowings**

Particulars	As at	
	30 September 2020	31 March 2020
<b>Secured</b>		
Terms loans		
- from banks / financial institutions	25,803	-
Debentures		
10 year G-Sec linked secured, listed, guaranteed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures (“Market Linked Debentures / MLD”) (31 March 2020 Nil ) (net of issue expenses, at amortised cost) (31 March 2020 : Nil)	4,972	-
	<b>30,775</b>	<b>-</b>

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

**Security terms**

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

- 1 First and exclusive charge being registered simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 974,500 Sq. Ft. or thereabouts in buildings no. 6, 7 and 8 of Commerzone Yerawada (approx. 178,569 sq ft. in building no. 6, approx. 371,799 sq. ft. in building no. 7 and approx. 4,24,132 in building no. 8) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 25,313 sq. mtrs on which the said three building no. 6, 7 and 8, out of all those pieces and parcels of larger land are situate, lying and being in Village Yerawada, Taluka Haveli, District Pune (“Mortgaged Properties”).
- 2 A charge on the escrow account in which receivables of the mortgaged properties of MBPPL shall be received.
- 3 Corporate guarantee to be executed by MBPPL.
- 4 In accordance with the terms of the Mortgage Documents, MBPPL is in process of creation of first ranking exclusive charge by way of a registered simple mortgage in favour of the Debenture Trustee over the Mortgaged Properties.



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**Redemption terms:**

- These debentures are redeemable by way of bullet payment at the end of 577 days from the date of allotment, i.e. 29 April 2022.
- The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade. The Investors shall have the right to accelerate the MLD if the rating is downgraded to A+.
- Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days notice to the Issuer require the Issuer to redeem in full (or as the case may be, in part), all the Debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each Debenture.

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

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

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

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

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

<b>Particulars</b>	<b>For the half year ended 30 September 2020</b>
Security / Asset cover (refer a below)	2.32 times
Loan to value ratio (refer b below)	0.13
Debt-equity ratio (refer c below)	0.22
Debt-service coverage ratio (refer d below)	2.52
Interest-service coverage ratio (refer e below)	4.06
Net worth (refer f below)	172,717

Formulae for computation of ratios are as follows basis condensed consolidated financial statements (including non-controlling interest) :-

- Security / Asset cover ratio = Fair value of the secured assets as on 31 August 2020 as computed by independent valuers / (Outstanding principal amount of Market linked debentures + Interest accrued)
- Loan to value ratio = (Total borrowings less cash and cash equivalents and other bank balances) / Gross asset value of the group as computed by the independent valuer
- Debt equity ratio = Borrowings / Total equity
- Debt Service Coverage Ratio = Earnings before interest, depreciation and tax / (Interest expenses + Principal repayments made during the period)
- Interest Service Coverage Ratio = Earnings before interest, depreciation and tax / (Interest expenses)
- Net worth = Total equity  
 Borrowings = Non current borrowings + Current borrowings + Current maturities of long-term borrowings + Interest accrued  
 \* Excludes bullet and full repayment of external borrowings.

24 **Other financial liabilities**

<b>Particulars</b>	<b>As at 30 September 2020</b>	<b>As at 31 March 2020</b>
Security deposits	1,950	-
Retention money Payable		
- due to micro and small enterprises	19	-
- others	79	-
Interest Accrued but not due on debentures	2	-
Lease liabilities	180	-
	<b>2,230</b>	<b>-</b>

25 **Provisions**

<b>Particulars</b>	<b>As at 30 September 2020</b>	<b>As at 31 March 2020</b>
Provision for employee benefits		
- gratuity	6	-
- compensated absences	2	-
	<b>8</b>	<b>-</b>

26 **Deferred tax liabilities (net)**

<b>Particulars</b>	<b>As at 30 September 2020</b>	<b>As at 31 March 2020</b>
Deferred tax liabilities (net)	67	-
	<b>67</b>	<b>-</b>



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27 Other non-current liabilities

Particulars	As at	As at
	30 September 2020	31 March 2020
Unearned rent	420	-
Other advance	170	-
	590	-

28 Borrowings (Current)

Particulars	As at	As at
	30 September 2020	31 March 2020
<b>Secured:</b>		
Loans repayable on demand		
- overdraft from banks	1,462	-
	1,462	-

29 Trade payables

Particulars	As at	As at
	30 September 2020	31 March 2020
Trade Payables		
- total outstanding dues of micro enterprises and small enterprises	86	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	830	-
	916	-

30 Other financial liabilities (Current)

Particulars	As at	As at
	30 September 2020	31 March 2020
Current maturities of long-term debt		
- from banks / financial institutions / non convertible debentures	5,663	-
Employees dues payable	0	-
Interest accrued but not due on loans from		
- banks / financial institutions	50	-
- others	3	-
Interest accrued and due	65	-
Security deposits	5,439	-
Retention dues payable		
- due to micro and small enterprises	131	-
- others	98	-
Capital creditors		
Other than body corporates		
- Due to micro and small enterprises	373	-
- Others	1,287	-
Lease liabilities	18	-
Other liabilities*	136	49
Liability towards derivatives contract	2	-
	13,265	49

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

31 Provisions (Current)

Particulars	As at	As at
	30 September 2020	31 March 2020
Provision for employee benefits (refer note 23 above)		
- gratuity	1	-
- compensated absences	-	-
Provision for tax (net of advance tax & tax deducted at source)	57	-
	58	-

32 Other current liabilities

Particulars	As at	As at
	30 September 2020	31 March 2020
Unearned rent	228	-
Advances received from customers	248	-
Statutory dues	306	-
Other advances	5	-
Other payable	62	-
	849	-



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<b>33 Revenue from operations</b>				
Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
<b>Sale of services</b>				
Facility rentals	2,190	-	2,190	-
Maintenance services	400	-	400	-
Revenue from works contract services	68	-	68	-
<b>Revenue from power supply</b>	64	-	64	-
<b>Other operating income</b>				
Interest income from finance lease	14	-	14	-
Sale of surplus construction material and scrap	1	-	1	-
Service connection and other charges	1	-	1	-
Other operating income	1	-	1	-
	<b>2,739</b>	<b>-</b>	<b>2,739</b>	<b>-</b>
<b>34 Interest</b>				
Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
<b>Interest income</b>				
- loans given to body corporates	22	-	22	-
- on fixed deposits	5	-	5	-
- on electricity deposits	3	-	3	-
- on Income-tax refunds	6	-	6	-
- others	1	-	1	-
	<b>37</b>	<b>-</b>	<b>37</b>	<b>-</b>
<b>35 Other income</b>				
Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
Gain on redemption of preference shares	3	-	3	-
Gain on redemption of mutual fund units	1	-	1	-
Miscellaneous income	0	-	0	-
	<b>4</b>	<b>-</b>	<b>4</b>	<b>-</b>
<b>36 Cost of work contract services</b>				
Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
Cost of work contract services	68	-	68	-
	<b>68</b>	<b>-</b>	<b>68</b>	<b>-</b>
<b>37 Cost of materials sold</b>				
Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
Cost of materials sold	2	-	2	-
	<b>2</b>	<b>-</b>	<b>2</b>	<b>-</b>



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38 Cost of power purchased

Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
Cost of power purchased	59	-	59	-
	59	-	59	-

39 Employee benefits expense

Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
Salaries and wages	7	-	7	-
Contribution to provident and other funds	1	-	1	-
Gratuity expenses	0	-	0	-
Compensated absences	(0)	-	(0)	-
	8	-	8	-

40 Repairs and maintenance

Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
Repairs and maintenance:				
- building	124	-	124	-
- plant and machinery	51	-	51	-
- computers	0	-	0	-
- electrical installation	5	-	5	-
	180	-	180	-

41 Other expenses

Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
Rent	0	-	0	-
Property tax	78	-	78	-
Royalty	-	1	1	8
Electricity, water and diesel charges	63	-	63	-
Travelling and conveyance	1	-	1	0
Rates and taxes	1	-	1	-
Business support fees	9	-	9	-
Brokerage and commission	28	-	28	-
Filing fees and stamping charges	(1)	0	(1)	15
Business promotion expenses/advertising expense	9	-	9	-
Bank Charges	3	0	3	-
Bad debts written off	3	-	3	-
Corporate Social Responsibility expenses	9	-	9	-
Provision for Doubtful Debts (expected credit loss allowance)	20	-	20	-
Foreign exchange loss (net)	9	-	9	-
Directors' sitting fees	0	-	0	-
Miscellaneous expenses	12	0	12	-
	244	1	245	23



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**42 Finance costs (net of capitalisation)**

Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
Interest expense				
- on borrowings from banks and financial institutions	530	-	530	-
- on loans from body corporates	49	-	49	-
- debentures	2	-	2	-
- on lease liability	4	-	4	-
- on others	5	-	5	-
Accretion of interest on 0.001% non-cumulative redeemable preference shares	4	-	4	-
Unwinding of interest expenses on security deposits	43	-	43	-
Other finance charges	8	-	8	-
Less: Finance costs capitalised to investment property under construction	(144)	-	(144)	-
	<b>501</b>	<b>-</b>	<b>501</b>	<b>-</b>

**43 Depreciation and amortisation**

Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
Depreciation / amortisation of property, plant and equipment	43	-	43	-
Depreciation / amortisation of investment property	453	-	453	-
Amortisation of intangible assets	0	-	0	-
Less: depreciation cost transferred to investment properties under construction	(0)	-	(0)	-
	<b>496</b>	<b>-</b>	<b>496</b>	<b>-</b>

**44 Tax expense**

Particulars	For the quarter ended 30 September 2020	For the quarter ended 30 June 2020	For the half year ended 30 September 2020	From 18 November 2019 to 31 March 2020
Current tax	268	-	268	-
Deferred tax charge	158	-	158	-
MAT credit entitlement	(68)	-	(68)	-
	<b>358</b>	<b>-</b>	<b>358</b>	<b>-</b>

**45 Subsequent events**

- (i) KRC Infra has commenced facility management business with effect from 1 October, 2020 under the brand name CAMPLUS for providing facilities management services to the assets in our Portfolio and third parties, if any, located within the assets.
- (ii) Subsequent to the period ended September 30, 2020, Gigaplex has repaid outstanding loan of Rs. 2,430 million and Avacado has repaid outstanding loan of Rs. 2,200 million of HDFC Limited.



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

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

**46 Asset Acquisition**

The Mindspace REIT entered into share acquisition agreements with shareholders of 8 Asset SPVs (refer note 1 under accounting policies for list of these SPVs) for acquisition of shares of the Asset SPVs in exchange for the units of Mindspace REIT. The acquisition was effected on 30th July 2020 ("Acquisition Date").

Requirements of Ind AS 103 apply to a transaction in which assets acquired and liabilities assumed constitute a business. However, para B7A and B7B of Ind AS 103 allow an optional concentration test to perform simplified assessment of whether acquired set of activities and assets is not a business. The consequence of the test is that if the concentration test is met, the set of activities and assets is determined not to be a business and no further assessment is needed.

REIT has opted to apply optional concentration test in respect of acquisition of these SPVs. Acquired SPVs are engaged in the business of real estate development and leasing. Major asset pool of these SPVs comprise of investment property and investment property under construction. Based on the assessment performed, management has determined that substantially all of the fair value of the gross assets acquired is concentrated in investment property and investment property under construction (including other assets which meet the definition of group of similar identifiable assets as per definition provided in para B7B of Ind AS 103 such as investment property, property, plant and equipment attached to these investment properties which cannot be physically removed and used separately from these investment properties, without incurring significant cost, or significant diminution in utility or fair value to either asset).

Accordingly, acquisition of these SPVs has been accounted as acquisition of group of assets not constituting a business and requirements in Ind AS 103 for business combination accounting has not been applied to this transaction. The REIT has accounted for the transaction as follows:

- a. Identified asset or liability initially measured at an amount other than cost and applied applicable standards for initial measurement of these assets and liabilities
- b. Plant and Machinery recognised at fair value as determined by an independent valuer
- c. Deducted from the gross transaction price of the group acquired, amount recognised in respect of items listed in point (a) and (b) above
- d. Allocated the residual transaction price to the remaining identifiable assets (i.e. Land and Buildings which are then being classified as Investment Property and Investment property under construction) based on their relative fair values at the date of acquisition, arrived at by an independent valuer.

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.



**MINDSPACE BUSINESS PARKS REIT**  
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(All amounts are in Rs. million unless otherwise stated)

Particulars	Amount (in million)
Purchase consideration	153,080
Acquisition costs	23
<b>Total transaction price</b>	<b>153,103</b>
Issue price per unit	275

Based on the above total transaction price and adjusting for the other assets and liabilities assumed, the gross transaction price is as follows:

Particulars	Amount (in million)
<b>Total Transaction Price</b>	<b>153,103</b>
Less: Other Assets	44,344
Add: Other Liabilities	91,570
Add: Non-Controlling Interest	9,247
<b>Gross Transaction Price</b>	<b>209,576</b>

Based on the above total transaction price and adjusting for the other assets and liabilities assumed, the gross transaction price is allocated as follows on the basis of the allocation explained above :

Particulars	Amount (in million)
Land – freehold and leasehold as part of Investment property	93,469
Building as part of Investment property	88,099
Investment property under construction	16,680
Property, plant and equipment and other assets	11,327
<b>Total</b>	<b>209,575</b>

Depreciation on leasehold land, building, plant & machinery and other assets has been calculated on the above allocated amounts based on the balance useful lives of these assets as per the accounting policy.



**MINDSPACE BUSINESS PARKS REIT**  
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**(All amounts are in Rs. million unless otherwise stated)**

**47 Contingent liabilities and Capital commitments**

Particulars	As at 30 September 2020	As at 31 March 2020
<b>Contingent liabilities</b>		
Claims not acknowledged as debt in respect of		
- Income-Tax matters (Refer note 1 below) excluding interest	969	-
- Service-Tax matters (Refer note 2 below)	333	-
- Customs duty matters (Refer note 3 below)	25	-
- Stamp duty	65	-
<b>Capital commitments</b>		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for (Refer Note 4 below)	4,949	-

For the purpose of above disclosure only those contingent liabilities that existed as of 30 September 2020 have been considered.

**Notes:**

- 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 relate to AY 2012-13 to AY 2018-19 for which company has filed appeals before CIT(A) against orders under section 143(3) / 143(3) read with section 153A of the Act contesting the disallowance of deduction under section 80IA of the Income Tax Act, 1961. The company is hopeful of a favourable outcome for these Assessment Years. In case of unfavourable decisions in appeal for AY 2012-13 and AY 2018-19, the tax would be payable under normal tax and hence, MAT credit currently available with the Company will no longer be available. As a result, in addition to above contingent liability, the Company would require to pay additional tax of Rs.326 million w.r.t. AY 2019-20 and AY 2020-21 (These years are not under litigation) because during these years the Company has utilised the MAT credit availed during AY 2012-13 to AY 2018-19.
- For AY 2009-10 and AY 2010-11, Income tax cases on 80IA disallowances are pending with Hon'ble HC of Telangana based on appeal filed by the department against the ITAT - Hyderabad order, which were in favour of the Company. Future Cash outflow in respect of above, if any, is determinable only on receipt of judgements / decisions pending with relevant authorities.
- (c) Avacado - Contingent liability of Rs.33 million relate to AY 2015-16, AY 2016-17 and AY 2017-18 for which company has filed appeals before CIT(A) against order u/s 143(3) read with section 153A of the Act contesting the disallowances made u/s. 14A and 80IA. The company is hopeful of a favourable outcome for these Assessment Years. In case of unfavourable decision in appeal, for AY 2015 16 and AY 2016 17 the tax would be payable under MAT, which will be available for set-off against tax liability of future years. For AY 2017-18 additional tax payable would be set-off against MAT credit of earlier years.

2

SPVs	As at 30 September 2020	As at 31 March 2020
MBPPL	92	-
Sundew	2	-
Intime	41	-
KRIT	189	-
Avacado	8	-
	332	-

**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 filed 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:

	As at 30 September 2020	As at 31 March 2020
MBPPL	468	-
Gigaplex	1,325	-
Sundew	696	-
KRC Infra	1,597	-
Horizonview	338	-
KRIT	354	-
Avacado	171	-
	4,949	-



**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 addressees, through their advocates & solicitors. No further correspondence has been received.

- b) Pursuant to the levy of service tax on renting of immovable properties given for commercial use, retrospectively with effect from 1 June 2007 by the Finance Act, 2010, some of the lessees to whom the Company has let out its premises, have based on a legal advice, challenged the said levy and, inter-alia, its retrospective application and withheld payment of service tax to the Company, based on certain judicial pronouncements and stay orders granted by appropriate High Courts from time to time. Further in this regard the Hon'ble Supreme Court has passed an interim order dated 14th October, 2011 in Civil appeal nos. 8390, 8391-8393 of 2011 and in compliance of which, such lessees have deposited with appropriate authority in 3 installments, 50% of the amount such service tax not so paid by them upto 30 September 2011 and have furnished surety for the balance 50% of the amount of service tax and which amount has also been deposited by them with the authorities. Further as per Hon'ble Supreme Court's Order dated 5th April 2018 in Civil Appeal No. (s) 4487/2010, the matter is deferred until disposal of the issues pending before the nine judges Bench in Mineral Area Development Authority and others. In view of the above and subject to the final orders being passed by the Hon'ble Supreme Court in the aforesaid appeals, there may be a contingent liability on the Company in respect of interest payable on account of the delayed payment of service tax, which amount would be recoverable from the respective lessees by the Company.

**6 KRC Infra**

In respect of the Company's project at Village Kharadi, Pune, a special civil suit is filed. The suit filed by Ashok Phulchand Bhandari against Balasaheb Laxman Shivale and 29 others in respect of inter alia an undivided share admeasuring 44.15 Ares out of the land bearing S, No 65 Hissa No. 3 for declaration, specific performance, injunction and other reliefs. Neither Gera Developments Private Limited nor KRC Infrastructure and Projects Private Limited is a party to the aforementioned suit and neither of them have filed any intervention application. There are no orders passed in the matter affecting the suit lands or the development thereof or restraining the transfer or development of the the aforesaid land in any manner whatsoever.

**7 MBPPL**

- a) Pursuant to the demerger and vesting of the Commerzone Undertaking of K Raheja Corp Pvt Ltd. (KRCPL), in the Company MBPPL, the company MBPPL is the owner to the extent of 88.16 % undivided right title and interest in the land bearing S. No 144, 145 Yerawada, Pune which is comprised in the said Undertaking. "Shrimant Chhatrapati Udayan Rajc 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 Bhavhan Trust (who had entrusted development rights to MBPPL) and the State of Maharashtra, claiming to be the owner of the said land. The Hon'ble Court was pleased to reject the Application for amendment of plaint filed by the Plaintiff and allow the Third Party Applications on 14.11.2016. The Plaintiff has filed two writ petitions bearing No. 4415/2017 and 4268/2017 in the Bombay High Court challenging the aforesaid orders passed on 14.11.2016. The matter was transferred to another Court for administrative reasons and adjourned on several occasions for compliance of the order by the Plaintiff. On 5th March 2018 the Advocate for the Plaintiff filed a purshis on record stating that since he does not have any instructions in the matter from the Plaintiff, the Vakalatnama is being withdrawn by him and the matter was posted on 20th March 2018. On 20th March 2018 the Hon'ble Court was pleased to adjourn the matter till 22nd June 2018 since the Advocate for the Plaintiff had withdrawn the Vakalatnama and the Plaintiff was not represented by any Advocate. Writ Petition No. 4415/2017 and 4268/2017 filed in the Hon'ble Bombay High Court challenging the orders dated 14 November 2016 by Shrimant Chatrapati Udayanraje Bhosale against Shri. Mukund Bhavhan 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. Both the Writ Petitions were posted on 21.09.18, 11.10.18, 22.10.18 and further posted on 10.06.19 for Admission. The matters came on board on 20.06.2019, 14.11.2019, 15.01.2019 and 21.02.2019. As per the CMIS Writ Petition No. 4415/2017 was last posted on 27.03.2020, and is yet not listed. As per the CMIS Writ Petition No. 4268/2017 was last posted on 27.03.2020 and is now listed on 12.10.2020 for Admission. In the management's view, as per legal advice, considering the matter and the facts, no provision for any loss / liability is presently required to be made.

- b) Maharashtra State Electricity Distribution SPV Limited (MSEDCL) had sent a letter and subsequently, a show cause notice as to why the K. Raheja Corp Pvt. Ltd. (KRCPL) (of which the Commerzone Undertaking is demerged in the SPV MBPPL) should not be penalised for alleged laying of cable without obtaining proper permission from the Pune Municipal Corporation (PMC) and levied a penalty of Rs. 23 million on MBPPL. MBPPL has adequately responded to such allegations. Pune Municipal Corporation has issued to MSEDCL (with a copy to MBPPL and Panchashil Corporate Park Pvt. Ltd. (Panchasil) stating that the penalty has been waived however, since there has been a violation of PMC approved trenching policy the penalty of Rs.5 million is to be paid by Panchasil and MBPPL. MBPPL has received letter from MSEDCL addressed to MBPPL and 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 Panchashil and MBPPL providing the bifurcation of penalty of Rs. 5 millions and requesting Panchashil and MBPPL to make the payment at the earliest. MBPPL has sent a reply letter informing MSEDCL that MBPPL is not liable to pay penalty of Rs. 3 million and in respect of the penalty of Rs. 2 millions, MBPPL and 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 September 2020.  
 During the year ended 31 March 2016, Telangana State Industrial Infrastructure Corporation Limited ("TSIIC") has returned the original Bank Guarantees to KRIT and also confirmed to the bank that TSIIC will not claim any amount from the bank under the Bank Guarantees and the bank is relieved of its obligation. Hence, no liability is recognised towards the price of the plot of land.
- b) An unconditional obligation to pay amounts due to Andhra Pradesh Industrial Infrastructure Corporation Limited ("APIIC") in respect of APIIC's claims of losses due to any difference in values pertaining to sale transactions of the project undertaken by KRIT. Losses incurred by the Government/TSIIC in its JV Company, if any, will be paid in full by K Raheja Corp Pvt Ltd and it has furnished to the JV Company in writing agreeing and admitting liability to make such payment to Government/TSIIC.  
 The shareholding pattern of the Government/TSIIC in the JV Company and the Company will not change as a result of conversion from Private to Public, the Government / TSIIC equity of 11% will remain the same in the Company and all the demerged companies and further in future, Government / TSIIC will not be asked to infuse further cash to maintain its 11% stake.
- 9 Gigaplex**  
 Regular Civil Suit had been filed before the Hon. Civil Judge (J.D) Vashi at Central Business District by an Education Society ("the Plaintiff") who is claiming rights in existing school structure, claiming its area as 500 square meters and its existence since more than 30 years, seeking an injunction not to dispossess him. The Company has filed its reply opposing the Plaintiff's prayers. After hearing the parties, the Hon'ble Judge at the Vashi Court had rejected the Plaintiff's Injunction Application by Order dated 20.08.18 (Order). Thereafter the Plaintiff has filed an appeal in Thane District Court. The Plaintiff's Appeal filed in Thane District Court is still pending, it's next date is on 16.10.2020. In management view, the estimate of liability arising out of the same is remote, no provision has been taken.
- 10 KRIT**  
 A Writ petition has been filed against the Company in the High Court of Judicature of Andhra Pradesh at Hyderabad with respect to specific use of the land admeasuring 4,500 square yards, earmarked as plot 18. Pursuant to it, the Court has passed an Order for no construction activity upon the triangular piece of 2 acres 40 cents of land earlier identified at the time of allotment as 'Common Facility Centre' in the software layout until further orders of the Court. IALA and APIIC have filed affidavits opposing the writ petition, confirming the allotment and rights of KRIT in the Suit Land, and for vacating the Stay Order. The matter is pending before the Court. Greater Hyderabad Municipal Corporation ("GHMC") had filed an application in the Court for clarification that the Stay Order does not preclude GHMC from acquiring a portion of 0.14 acres (approximately 567 square meters) for road widening. Subsequently, GHMC has acquired the portion of land and constructed the road. The matter is pending for disposal by the High Court. Based on the facts of the case, the management does not expect any liability and is of the opinion that no provision needs to be made.
- 11 Horizonview**  
 W.S. Industries (India) Limited ("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.
- 48 Assessment of possible impact resulting from Covid-19**  
 The Mindspace Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the operations of the Mindspace Group and carrying amounts of property, plant and equipment, Investment Property, Inventories, receivables and other assets. The Mindspace Group, as at the date of approval of these financial statements, has used internal and external sources of information to determine the expected future impact of COVID-19 pandemic on the performance of the Mindspace Group. The Mindspace Group based on current estimates expects the carrying amount of the assets to be recovered. However, due to the evolving nature of the pandemic and its response by various government authorities the Management will continue to monitor developments to identify significant impacts, if any, on the Mindspace Group's operations.
- 49 Management Fees**
- Property Management Fee**  
 Pursuant to the Investment Management Agreement dated 29 June 2020 as amended, the Manager is entitled to fees @ 3% of the Facility Rentals per annum of the relevant property in respect to operations, maintenance, administration and management of the SPVs, as applicable. The fees has been determined to meet the ongoing costs of the Investment Manager to undertake the services provided to the Mindspace REIT and its SPVs.  
 Property Management fees for the quarter and half year ended 30 September 2020 amounts to Rs 58 million (31 March 2020: Rs Nil). There are no changes during the period in the methodology for computation of fees paid to the Manager.
- REIT Management Fees**  
 Pursuant to the Investment Management Agreement dated 21 November 2019, Investment Manager is entitled to fees @ 0.5% of REIT Net Distributable Cash Flows which shall be payable either in cash or in Units or a combination of both, at the discretion of the Investment Manager. The fees has been determined for undertaking management of the REIT and its investments. There is no REIT Management fees accrued for the quarter and half year ended 30 September 2020 and for the period ended 31 March 2020. There are no changes during the period in the methodology for computation of fees paid to the Investment Manager.
- Support Services Fee**  
 Pursuant to the Investment Management Agreement dated 29 June 2020 as amended, the Manager is entitled to fees @ 0.5% of REIT Distributions which shall be payable either in cash or in Units or a combination of both, at the discretion of the Investment Manager. The fees has been determined for undertaking management of the REIT and its investments. REIT Management fees accrued for the quarter and half year ended 30 September 2020 amounts to Rs. 10 million (31 March 2020: Rs Nil). There are no changes during the period in the methodology for computation of fees paid to the Manager.
- 50 Statement of Net Distributable Cash Flows have not been disclosed since the first distribution of the REIT as stated in the Final Offer Document will be made upon completion of the first full quarter after the listing of the Units on the Stock Exchanges i.e. 31 December, 2020.**



51 Details of utilisation of proceeds of IPO are as follows:

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

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

52 Details of utilisation of proceeds of Debentures are as follows:

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

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

53 Earnings Per Unit (EPU)

Basic EPU amounts are calculated by dividing the profit for the period attributable to Unit holders by the weighted average number of units outstanding during the period. Diluted EPU amounts are calculated by dividing the profit attributable to unit holders by the weighted average number of units outstanding during the period. The Units of the Trust were allotted to Sponsor Group and Blackstone entities on 30 July 2020 and to the applicants of initial public offer on 4 August 2020.

Particulars	For the quarter ended September, 2020	For the half year ended September, 2020
Profit/ (loss) after tax for calculating basic and diluted EPU	626	621
Weighted average number of units (no. in million)	404	203
<b>Earnings Per Unit</b>		
- Basic (Rupees/unit)	1.55	3.06
- Diluted (Rupees/unit)	1.55	3.06



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**54 Net Assets At Fair Value attributable to Mindspace REIT**

S.No	Particulars	As at 30 September 2020	As at 30 September 2020
		Book Value*	Fair value
A	Assets	212,287	249,370
B	Liabilities **	48,876	48,685
C	<b>Net Assets (A-B)</b>	<b>163,411</b>	<b>200,685</b>
D	No. of units	593,018,182	593,018,182
E	NAV (C/D)	275.56	338.41

\* as reflected in the Balance Sheet

\*\*excluding lease liabilities in Fair value

The above fair value includes value of facility management business which was commenced in KRC Infra with effect from 1 October 2020

**Measurement of fair values:**

The fair values of Investment Property, Property, Plant and Equipment, Investment property under construction and Capital work-in-progress are solely based on an independent valuation performed by an external property valuer ("independent valuer"), having appropriately recognised professional qualification and recent experience in the location and category of the properties being valued.

*Valuation technique*

The fair value measurement for all of the Investment Property, Property, Plant and Equipment, Investment property under construction and Capital work-in-progress has been categorized as a Level 3 fair value based on the inputs to the valuation technique used. The valuer has followed a Discounted Cash Flow method, except for valuation of land for future development where the valuer has adopted a mix of Market Approach and Discounted Cash Flow method, as the case may be. The Discounted Cash Flow valuation model considers the present value of net cash flows to be generated from the respective properties, taking into account the expected rental growth rate, vacancy period, occupancy rate, and lease incentive costs. The expected net cash flows are discounted using the risk adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality, lease terms and investor return expectations from such properties.

**Note:**

- 1 Other assets at book value excludes capital advances, unbilled revenue and finance lease receivable (which form part of fair valuation of the Investment Property, Property, Plant and Equipment, Investment property under construction and Capital work-in-progress).
- 2 Gigaplex has made an application for denotification of a part of the SEZ into Non-SEZ. Therefore, the fair valuation has been computed by valuers considering that part as Non-SEZ unit.
- 3 Power Deemed Distribution License operations in Gigaplex, MBPPL and KRC Infra have been valued by the valuer separately using Discounted Cash Flow method.
- 4 Liabilities at book value for calculation of fair value of NAV, excludes lease liability (which is factored in fair valuation of the Investment Property, Property, Plant and Equipment, Investment property under construction and Capital work-in-progress).



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**Net Operating Income**  
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**55 Net Operating Income (NOI)**

The Mindspace REIT entered into share purchase agreement with Sponsor group and Blackstone entities of Asset SPVs for acquisition of the shares of the SPVs held by such shareholders in exchange for the units of Mindspace REIT (refer note 46). Acquisition of these SPVs has been accounted as acquisition of group of assets based on the concertation test permitted as per Companies (Indian Accounting Standards) Amendment Rules, 2020 and accordingly, requirements in Ind AS 103 for business combination accounting are not applicable to this transaction.

The revenue and expenses pertaining to these SPVs have been consolidated from 1 August 2020 and therefore these condensed consolidated financial statements include results of the these SPVs from 1 August 2020 to 30 September 2020 only. As the transaction is being accounted as asset acquisition and not a business combination, the pro forma information is not required to be disclosed per Indian Accounting Standards applicable to the transaction. However, considering these proforma information to be relevant to the investors, the Governing Board has decided to provide following additional 'pro-forma' information to represent an approximate measure of the performance of the Mindspace REIT group for the quarter ended 30 June 2020, quarter and half year ended 30 September 2020 and year ended 31 March 2020, as if the acquisition had occurred on 1 April 2019 following the analogy from disclosures required in Ind AS 103 for 'Business Combinations'.

The following pro forma financial information has been prepared by combining the historical results of all the SPVs for the respective periods after making adjustment for intra group transactions and unrealised profits, if any. The pro forma financial information is presented solely for informational purposes and is not indicative of the results of operations that would have been achieved if the acquisition of SPVs had taken place on 1 April 2019 or of results that may occur in the future.

Particulars	Quarter ended	Quarter ended	Half year ended	Year ended
	30 June 2020 (Unaudited)	30 September 2020 (Unaudited)	30 September 2020 (Unaudited)	31 March 2020 (Unaudited)
Proforma Revenue from operations	3,959	4,079	8,038	17,660
Proforma direct operating expenses *	741	713	1,454	5,403
<b>Net operating income</b>	<b>3,218</b>	<b>3,366</b>	<b>6,584</b>	<b>12,257</b>

\* direct operating expenses are repairs and maintenance - buildings, repairs and maintenance plant and machinery, repairs and maintenance electrical installation , property tax, insurance expense, cost of material sold, cost of power purchased and power operation & maintenance expenses)



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**56 Financial instruments**

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

<b>Financial assets</b>	<b>As at 30 September 2020</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	267	-
Cash and cash equivalents	5,355	0
Other bank balances	272	-
Other financial assets	1,900	-
<b>Total assets</b>	<b>7,812</b>	<b>0</b>
<b>Financial liabilities</b>		
Borrowings (including current maturities of long-term debt)	37,899	-
Security deposits	7,388	-
Trade payables	916	-
Other financial liabilities	2,444	49
<b>Total liabilities</b>	<b>48,647</b>	<b>49</b>

The Management considers that the carrying amount of the above financial assets and liabilities approximates to their fair value.



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**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 30 September 2020.

**Financial instruments**

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

Particulars	Date of valuation	Total	Level 1	Level 2	Level 3
<b>Financial assets measured at fair value:</b>					
FVTOCI financial investments:		0			0

**c) Transfers between Level 1, Level 2 and Level 3**

There were no transfers between Level 1, Level 2 or Level 3 during and all the three years.

**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.



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57 Non-controlling interest

Name of the entity	For the period ended 30 September 2020			
	Net assets		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated total comprehensive income	Amount
<b>Parent</b>				
Mindspace Business Parks REIT	94.6%	163,411	91.5%	626
<b>Subsidiaries</b>				
Intime Properties Limited	1.1%	1,930	2.2%	15
K. Raheja IT Park (Hyderabad) Limited	1.8%	3,185	3.0%	20
Sundew Properties Limited	2.4%	4,191	3.4%	23
<b>Consolidated net assets/ Total comprehensive income</b>	<b>100%</b>	<b>172,717</b>	<b>100%</b>	<b>684</b>



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**57 Non-controlling interest (continued)**

The following table summarises the financial information relating to subsidiaries which have material Non-controlling interest.

**(i) Intime Properties Limited**

Particulars	As at 30 September 2020
Non-current assets	14,764
Current assets	3,625
Non-current liabilities	(226)
Current liabilities	(622)
<b>Net assets</b>	<b>17,541</b>
<b>NCI</b>	<b>11.0%</b>
<b>Carrying amount of Non-controlling interests</b>	<b>1,930</b>
Particulars	As at 30 September 2020
Total comprehensive income for the period	139
<b>Attributable to Non-controlling interest</b>	
Total comprehensive income for the period	15
<b>Cash flows from/ (used in) :</b>	
Operating activities	14
Investing activities	0
Financing activities	(0)
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>14</b>

**(ii) K. Raheja IT Park (Hyderabad) Limited**

Particulars	As at 30 September 2020
Non-current assets	23,323
Current assets	6,649
Non-current liabilities	(191)
Current liabilities	(820)
<b>Net assets</b>	<b>28,961</b>
<b>NCI</b>	<b>11.0%</b>
<b>Carrying amount of Non-controlling interests</b>	<b>3,186</b>
Particulars	As at 30 September 2020
Total comprehensive income for the period	184
<b>Attributable to Non-controlling interest</b>	
Total comprehensive income for the year	20
<b>Cash flows from:</b>	
Operating activities	11
Investing activities	(6)
Financing activities	(2)
<b>Net increase in cash and cash equivalents</b>	<b>3</b>



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**(iii Sundew Properties Limited**

Particulars	As at 30 September 2020
Non-current assets	47,175
Current assets	1,554
Non-current liabilities	(8,206)
Current liabilities	(2,425)
<b>Net assets</b>	<b>38,098</b>
<b>NCI</b>	<b>11.0%</b>
<b>Carrying amount of Non-controlling interests</b>	<b>4,191</b>
Particulars	As at 30 September 2020
Total comprehensive income for the period	208
<b>Attributable to Non-controlling interest</b>	
Total comprehensive income for the year	23
<b>Cash flows from/ (used in) :</b>	
Operating activities	37
Investing activities	651
Financing activities	(684)
<b>Net increase in cash and cash equivalents</b>	<b>4</b>
<b>Total carrying amount of NCI</b>	<b>9,307</b>



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**58 Related Party Disclosures**

**A. Parties to Mindspace REIT (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	-	
		Cape Trading LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-	
3					
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 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	Ravi C. Raheja Neel C. Raheja Ramesh Valecha Vinod Rohira	
			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		
14	Ivory Property Trust		Chandru L. Raheja Jyoti C. Raheja Ivory Properties & Hotels Pvt Ltd Ravi C. Raheja Neel C. Raheja (all are trustees)	-	
15	Genext Hardware & Parks Pvt. Ltd.		Mr. Ravi C. Raheja Jointly with Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja	Ravi C. Raheja Neel C. Raheja Ramesh Valecha	
			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		



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## 58 Related Party Disclosures

## A. Parties to Mindspace REIT (Refer Note 1)

Sl. No.	Particulars	Name of Entities	Promoters/Partners *	Directors
16	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		
18	Entities controlled/jointly controlled by members of Governing Board.	Brookfields Agro & Development Private Limited Cavalcade Properties Private Limited Grange Hotels And Properties Private Limited Immense Properties Private Limited Novel Properties Private Limited Pact Real Estate Private Limited Paradigm Logistics & Distribution Private Limited Sustain Properties Private Limited Aqualine Real Estate Private Limited Feat Properties Private Limited Carin Properties Private Limited Asterope Properties Private Limited Content Properties Private Limited Grandwell Properties And Leasing Private Limited Sundew Real Estate Private Limited M/s Bobby Parikh and Associates		

\* only when acting collectively



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## 58 Related party disclosures

## B. Related parties with whom the transactions have taken place during the period

Particulars	Quarter ended		For half year ended	From 18 November
	30 September 2020	30 June 2020	30 September 2020	2019 to 31 March 2020
<b>Project Management Fees</b>				
K Raheja Corp Investment Managers LLP	-	-	68	-
<b>Trustee fee expenses</b>				
Axis Trustee Services Limited	1	-	1	-
<b>Legal &amp; professional fees</b>				
M/s Bobby Parikh and Associates	6	-	6	-
<b>Interest income</b>				
Ivory Property Trust	19	-	19	-
<b>Rent expense</b>				
Genext Hardware & Parks Pvt. Ltd.	2	-	2	-
<b>Royalty Charges</b>				
Anbee Constructions LLP	-	-	-	1
Cape Trading LLP	-	-	-	1
Ivory Properties & Hotels Private Limited	-	-	-	1
K. Raheja Private Limited	-	-	-	1
K. Raheja Corp Private Limited	-	-	-	2
<b>Sitting Fees</b>				
Neel C Raheja	0	-	0	-
Ravi C Raheja	0	-	0	-
Vinod N. Rohira	0	-	-	-
Preeti Chheda	0	-	-	-
<b>Loan repaid</b>				
Ivory Property Trust	3150	-	3150	-
<b>Reimbursement of Expenses</b>				
K Raheja Corp Investment Managers LLP*	48	1	49	41
*Includes fees paid to M/s Bobby Parikh & Associates amounting to Rs. 0.48 million for the quarter ended 30 June 2020 and half year ended 30 September 2020 and Rs 1 million for the period ended 31 March 2020.				
<b>Payment to Sponsor Group companies in relation to Offer for Sale</b>				
Chandru L Raheja	10	-	10	-
Jyoti C Raheja	1,139	-	1,139	-
Ravi C Raheja	1,179	-	1,179	-
Neel C Raheja	1,179	-	1,179	-
Genext Hardware & Parks Private Limited	957	-	957	-
Inorbit Malls (India) Private Limited	1,505	-	1,505	-
Ivory Properties And Hotels Private Limited	3,385	-	3,385	-
Ivory Property Trust	10,352	-	10,352	-
K. Raheja Corp Private Limited	4,301	-	4,301	-
K. Raheja Private Limited	2,851	-	2,851	-
<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	-
Ivory Property Trust	2,410	-	2,410	-
Jyoti C. Raheja	2,745	-	2,745	-
K Raheja Corp Private Limited	10,064	-	10,064	-
Neel C. Raheja	4,637	-	4,637	-
Palm Shelter Estate Development LLP	11,301	-	11,301	-
Raghukool Estate Development LLP	9,958	-	9,958	-
Ravi C. Raheja	4,637	-	4,637	-



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## 58 Related party disclosures

## C. Year end balances

Particulars	For half year ended	For year ended
	30 September 2020	31 March 2020
<b>Trade Receivables</b>		
Carin Properties Private Limited	0	-
<b>Other Receivable</b>		
Vinod N Rohira	0	-
<b>Trade Payables</b>		
K Raheja Corp Investment Managers LLP	43	-
<b>Sitting Fees Payable</b>		
Neel C. Raheja	0	-
Ravi C. Raheja	0	-
Vinod N. Rohira	0	-
Preeti Chheda	0	-
<b>Other Financial Liabilities</b>		
K Raheja Corp Investment Managers LLP	8	49
<b>Security Deposit</b>		
K. Raheja Corp Pvt. Ltd.	2	-
<b>Payable to Selling Shareholders</b>		
Chandru L. Raheja	0	-
Inorbit Malls (I) Private Limited	1	-
Ravi C. Raheja	1	-
K Raheja Corp Private Limited	3	-
Neel C. Raheja	1	-
Jyoti C. Raheja	1	-
K Raheja Private Limited	2	-
Ivory Properties & Hotels Private Limited	3	-
Genext Hardware & Parks Private Limited	1	-
Ivory Property Trust	8	-
<b>Co-Sponsor Initial Corpus</b>		
Anbee Constructions LLP	0	0
Cape Trading LLP	0	0

59 "0" represents value less than Rs. 0.5 million.

