

**POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION TO BE DISCLOSED TO STOCK EXCHANGE**

<i>Approving Authority</i>	Governing Board of K. Raheja Corp Investment Managers LLP (“ <b>Manager</b> ” or “ <b>Investment Manager</b> ”) as the manager of Mindspace Business Parks REIT (“ <b>Mindspace REIT</b> ” or “ <b>REIT</b> ”)
<i>Approval Date</i>	December 24, 2019
<i>Effective Date</i>	This policy on determination of materiality of events / information to be disclosed to the stock exchanges (“ <b>Materiality Policy</b> ” or “ <b>Policy</b> ”) shall come into effect from the date on which units are allotted to the successful Applicants pursuant to the Offer.

**I. APPLICABILITY**

This policy is applicable to the Manager of Mindspace REIT and its Asset SPVs.

**II. DEFINITIONS**

“**Applicable Law**” means any statute, law, regulation, ordinance, rule, judgement, order, decree, bye-law, approval of any governmental agency, directive, guideline, policy, requirement or other government restriction or any similar form of decision of or determination by, or any interpretation having the force of law of any of the foregoing governmental agency having jurisdiction, applicable to any party, in force from time to time, including but not limited to the REIT Regulations;

“**Asset SPVs / SPVs**” shall collectively mean, Avacado Properties and Trading (India) Private Limited, Gigaplex Estate Private Limited, Horizonview Properties Private Limited, Intime Properties Limited, K. Raheja IT Park (Hyderabad) Limited, KRC Infrastructure and Projects Private Limited, Mindspace Business Parks Private Limited, Sundew Properties Limited and such other SPVs that shall form part of Mindspace REIT in future.

“**Designated Stock Exchange**” shall mean the stock exchange, which is a recognised stock exchange in which Units of Mindspace REIT are listed and which is chosen by Mindspace REIT as a designated stock exchange for the purpose of the initial offer of Units of Mindspace REIT under the SEBI REIT Regulations.

“**Facility Rentals**” shall be as defined in the Offer Documents.

“**Hold Co/ Holding Company**” shall mean Holding company or hold co as defined in the REIT Regulations.

“**Ind AS**” shall mean Companies (Indian Accounting Standards) Rules, 2015, notified on February 19, 2015 by the MCA, including any amendments or modifications thereto

“**Key Managerial Personnel**” of the Manager shall be as defined in the Offer Documents

“**NCLT**” means National Company Law Tribunal.

“**Net Distributable Cash Flows / NDCF**” shall have the meaning as specified in the Offer Documents.

“**Offer**” shall mean the initial offer of Units to public by Mindspace REIT

“**Offer Documents**” shall mean the draft offer document, offer document and final offer document prepared in accordance with Applicable Law, for the purpose of the Offer.

“**Project**” shall include the entire business park comprising all buildings in the business park.

“**SEBI REIT Regulations / REIT Regulations**” shall mean SEBI (Real Estate Investment Mindspace REITs) Regulations, 2014, as amended from time to time and circulars, guidelines, notifications issued by the Securities and Exchange Board of India time to time.

“**SEBI**” shall mean Securities and Exchange Board of India.

“**Sponsor**” shall have such meaning as assigned under the SEBI REIT Regulations or as approved by SEBI.

“**Stock Exchange**” means a recognised stock exchange in which the Units are listed or proposed to be listed;

“**Unit**” shall mean an undivided beneficial interest in Mindspace REIT, and such Units together represent the entire beneficial interest in Mindspace REIT.

“**Unitholders**” shall mean any person who holds any Unit of Mindspace REIT.

### III. OBJECTIVE AND PURPOSE:

- a. This policy for determination of materiality of events/ information to be disclosed to stock exchanges (“**Policy**”) seeks to record the process and procedure involved in determining the materiality of information which needs to be disclosed by **Manager** to **Stock Exchanges**, and other stakeholders, on behalf of **Mindspace REIT**.
- b. This Policy has been formulated in terms of the provisions of the **REIT Regulations** and has been approved and adopted on behalf of **Mindspace REIT** by the Governing Board (“**Board**”) of its Manager.
- c. The purpose of the Policy is to ensure that Mindspace REIT complies with applicable law, including the REIT Regulations, the listing agreement entered into with the Stock Exchanges in line with the format as specified under the Securities and Exchange Board of India circular number CIR/CFD/CMD/6/2015 dated October 13, 2015 on ‘Format of uniform Listing Agreement’ (“**Listing Agreement**”) or such other laws, regulations, circulars, rules or guidelines prohibiting insider trading and governing disclosure of material, unpublished price sensitive information.

### IV. DETERMINATION OF MATERIALITY:

1. Capitalised terms used herein and not defined in this Policy, shall have the same the same meaning as ascribed to it under the REIT Regulations or any other applicable law.
2. **Material Information**
  - (a) Any information which has the potential to affect the trading price of units of Mindspace REIT (“**Units**”) shall be considered as material and based on the materiality laid herein below or as may be determined by the persons authorised by the Board, as the case may be, shall be disclosed to the Stock Exchanges and other stakeholders.
  - (b) Information (a) having a significant bearing on the operation and performance of Mindspace REIT; (b) any material issue that, in the opinion of Board or any of the committees constituted by the Board, is required to be disclosed to the Unitholders or (c) required to be disclosed to the Unitholders in terms of applicable law or the trust deed or other polices, (d) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly, (d) the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date.

Except as provided in Section “VI” below, any transaction may be treated as material, if the value of such a transaction exceeds 5% of the value of gross assets of Mindspace REIT on a consolidated basis.

3. Events/ information, as specified in Section “V” below, shall be deemed to be material information and against which Mindspace REIT shall not be required to apply the criteria for determining materiality of information and shall promptly make the relevant disclosures to the Stock Exchanges.
4. In addition to events specified in Sections ‘V’ and ‘VI’ below, the Manager shall disclose to the Stock Exchanges, any other information/ event that is likely to materially affect the business of Mindspace REIT, any other information which is exclusively known to Mindspace REIT/ Board which may be necessary to enable the Unitholders to appraise their position and to avoid the establishment of a false market of units.
5. Mindspace REIT shall also submit such information to the Designated Stock Exchange and Unitholders on a periodical basis as may be required pursuant to the Listing Agreement.
6. The Board of the Manager do hereby initially authorise its chief executive officer or the chief financial officer and in the absence of both of them, the Compliance Officer of Mindspace REIT to determine materiality of event or information that has taken place, for the purpose of making adequate disclosures to the Stock Exchanges.

#### **V. DEEMED MATERIAL INFORMATION**

The following events / information shall be deemed to be material and against which Mindspace REIT shall not be required to apply the criteria for determining materiality as set out in this Policy and the Manager shall disclose to the Stock Exchanges, as soon as reasonably possible and not later than 24 hours from the occurrence of the following events or information:

- a. additional issue of units by Mindspace REIT;
- b. details of any credit rating obtained by Mindspace REIT and any change in such rating
- c. any issue which requires approval of the Unitholders;
- d. notices, results of meetings of Unitholders and circulars sent to the Unitholders;
- e. financial information of Mindspace REIT for each quarter or half year or annual, as the case may be, within such time as prescribed by the Securities and Exchange Board of India (“SEBI”) or under any applicable law, on a combined basis;
- f. all related party transactions of Mindspace REIT shall be disclosed to the stock exchanges and unitholders periodically in accordance with the REIT Regulations and the policy on related party transactions as adopted by the Board on behalf of Mindspace REIT;
- g. declaration/ recommendation of quarterly, half yearly and annual distribution;
- h. acquisition (including agreement to acquire), scheme of arrangement (amalgamation/ merger/ demerger/ restructuring) or sale or disposal of any unit, division of Mindspace REIT, Holdco or special purpose vehicles of Mindspace REIT (“SPV(s)”) or any other restructuring;
- i. proposal for buy back of Units; any restriction on transferability of Units; or alteration in terms or structure of existing securities, redemption of securities etc.
- j. Outcome of the Board meetings - the Manager shall disclose to the Stock Exchanges, within 30 minutes of the closure of the meeting, held to consider in accordance with the REIT Regulations, including the following:
  - i. Declaration of distributions and cancellation of distribution, if any, with reasons thereof;
  - ii. Decision on buy back/ redemption of Units;
  - iii. Decisions with respect to fund raising (in case of borrowings to be undertaken at Mindspace REIT, if it exceed the relation the threshold limit as specified in the REIT Regulations) proposed to be undertaken at Mindspace REIT level;

- iv. Alteration of terms of Units;
  - v. Financial results;
  - vi. Decision of voluntary delisting of Mindspace REIT
- k. appointment or removal of the Manager, auditors or valuer of Mindspace REIT or partners, members of the Board or key management personnel (“**KMPs**”) of the Manager;
  - l. resignation of auditor of Mindspace REIT along with reasons for resignation as given by the auditor;
  - m. resignation of independent members of the Manager along with reasons for resignation;
  - n. any material amendment to the trust deed or investment management agreement;
  - o. any instance of non-compliance with the REIT Regulations including any breach of limits specified in the REIT Regulations;
  - p. any change in investment strategy from the last disclosed investment strategy along with the reasons for the same and any change to the existing right of first offer granted to Mindspace REIT;
  - q. fraud/ default by or arrest of KMPs or partners or members of the Board;
  - r. corporate debt restructuring at the level of the Holdco or SPVs;
  - s. one-time settlement of overdue debt with a bank;
  - t. reference to NCLT and winding up petition filed by any party/ creditors against the Manager, Holdco/ SPV;
  - u. schedule of analyst or institutional investor conferences and presentations on financial results made by the Manager to analysts or institutional investors;
  - v. Units transferred to employees pursuant to any employee stock option scheme and
  - w. any material issue that in the opinion of the Manager or Trustee needs to be disclosed to the Unitholders;

**VI. MATERIAL INFORMATION AND ITS DISCLOSURE:**

Events which shall be disclosed upon application of materiality criteria (other than those covered in deemed material information) as stated above, are including, but not limited to the following:

<b>Sr. No.</b>	<b>Events</b>	<b>Criteria/ Benchmark</b>
1.	Commencement or any postponement in the date of commencement of commercial operations of any project (business park)	Commencement of commercial operations of any project within 30 days of such commencement  Postponement of the scheduled commencement by more than 6 months, provided such scheduled date was earlier intimated
2	Acquisition or disposal of any properties	Value of which exceeds 5% of gross value of Mindspace REIT assets
3	Additional borrowing, at level of Holdco SPVs or Mindspace REIT	Any borrowing exceeding the threshold prescribed under the REIT Regulations

4	<p>Change in the general character or nature of business brought about by:</p> <ul style="list-style-type: none"> <li>- arrangements for strategic, technical, manufacturing, or marketing tie-up; or</li> <li>- Closure of operations of any Project</li> </ul>	<ul style="list-style-type: none"> <li>- If such arrangement is likely to generate more than 5% of annual Facility Rentals of Mindspace REIT on a consolidated basis</li> <li>- Irrespective of revenue generated by such Project</li> </ul>
6.	Disruption of operations of any project due to natural calamity (earthquake, flood, etc.) force majeure or events such as strikes, lockouts etc.	If such disruption continues for more than 30 days or is likely to have impact of more than 5% of the Facility Rentals of Mindspace REIT on a consolidated basis
7.	Effect(s) arising out of change in the regulatory framework applicable to Mindspace REIT	If such change in regulatory framework is likely to cause an impact of more than 10% of the NDCF of Mindspace REIT on a consolidated basis
8.	Litigation(s) / dispute(s) / regulatory action(s) against Mindspace REIT /SPVs, Manager, its KMPs or Sponsors and its impact.	If such litigations or disputes or regulatory actions are likely to cause adverse impact exceeding 10% of the consolidated NDCF of Mindspace REIT or is likely to have material adverse impact on Mindspace REIT goodwill or market standing.
9.	Fraud/defaults etc. by partners or KMPs of the Manager	If such frauds/defaults are prima facie proved and are likely to have adverse impact exceeding 3% of the consolidated NDCF of Mindspace REIT or likely to have negative impact on Mindspace REIT's brand image in the market.
10.	Giving of guarantees or indemnity or becoming a surety for any third party.	If financial value of such guarantees or indemnities or sureties in a financial year, is more than Rs.100 Crores (this limit shall be applicable to guarantees given on behalf of every individual party) except as given in ordinary course of fund raise
11.	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals	If such licenses or regulatory approvals are of material importance impacting in excess of 10% of the consolidated NDCF of Mindspace REIT
12.	Agreements	Any material agreements which are binding and not in the normal course of business, revision or amendment or termination thereof
13.	Valuation	In case of any material development that may have an impact on the valuation of Mindspace REIT assets in excess of 10% of the gross value of the assets, then the Manager shall require the valuer to undertake full valuation of the property under consideration within not more than two months from the date of such event and shall disclose the same to the Designated Stock Exchange within 15 days of revised valuation of Mindspace REIT assets.

## **VII. GENERAL PROVISIONS**

- The Manager shall provide specific and adequate reply to all queries raised by Stock Exchanges with respect to any events or information;
- The Manager may on its own initiative also, confirm or deny any reported event or information to Stock Exchanges;
- The Manager shall make disclosures of event/information as specified by the Board or any committee thereof, in relation to Mindspace REIT, from time to time;
- The Manager shall follow uniform and universal dissemination of information to avoid selective disclosure;
- While dealing with analysts or research persons or investors, the Manager shall provide only information that is publicly available. Alternatively, the information given to analysts or research persons shall be made public at the earliest;
- The Manager shall ensure that computation of NAV of Mindspace REIT which is based on the valuation done by the valuer and is declared no later than fifteen days from the date of valuation to the Stock Exchange(s) and such computation shall be done and declared not less than once every six months;
- The Manager shall ensure that the audit of accounts of Mindspace REIT by the auditor is done not less than once in a year and such report is submitted to the Designated Stock Exchange within 60 days of end of such financial year ending March 31<sup>st</sup>; and
- Valuation reports received by the Manager shall be submitted to the Designated Stock Exchange and Unit Holders within 15 days from the receipt of such valuation reports.

## **VIII. AMENDMENT**

Notwithstanding the above, this Policy shall stand amended to the extent of any change in applicable law, including any amendment to the REIT Regulations, without any action of the Manager or approval of the Unitholders.

## **IX. CONFLICT WITH LAW**

The Policy shall not contradict with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any applicable law. In case of any discrepancy, the provisions of applicable law shall prevail over the provisions of this Policy.