

## BORROWING POLICY

<b>Approving Authority</b>	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> ”)
<b>Approval Date</b>	December 24, 2019
<b>Last amended date</b>	August 13, 2021
<b>Effective Date</b>	This policy on borrowing (“ <b>Borrowing 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.

### 1. Preamble

This Borrowing Policy (“**Policy**”) aims to outline the framework to be followed by Mindspace Business Parks REIT (the “**Mindspace REIT**”) or its Holding Cos or Asset SPVs, in respect of their borrowing. Further, this Policy shall be adopted by the Governing Board of the Manager as Investment Manager to Mindspace REIT.

### 2. Definitions

- 2.1. “**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;
- 2.2. “**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.
- 2.3. “**Governing Board**” shall mean the governing board of the Manager.
- 2.4. “**Investment Management Agreement**” shall mean the investment management agreement dated November 21, 2019 executed between the Trustee (on behalf of Mindspace REIT) and the Manager.
- 2.5. “**Parties to Mindspace REIT**” shall include the Sponsor Group, the Trustee and the Investment Manager as stated in the REIT Regulations and amendment thereof from time to time;
- 2.6. “**Policy**” shall mean this Borrowing Policy, as amended from time to time.
- 2.7. “**Related Party**” shall have such meaning as assigned under the SEBI REIT Regulations

- 2.8. **“SEBI REIT Regulations / REIT Regulations”** shall mean SEBI (Real Estate Investment Trusts) Regulations, 2014, as amended from time to time and circulars, guidelines, notifications issued by the Securities and Exchange Board of India time to time.
- 2.9. **“SEBI”** shall mean Securities and Exchange Board of India.
- 2.10. **“Sponsor”** shall have such meaning as assigned under the SEBI REIT Regulations or as approved by SEBI.
- 2.11. **“REIT Assets / Assets”** shall mean the real estate assets and any other assets held by Mindspace REIT, on a freehold or leasehold basis, whether directly or through a holdco and/or a special purpose vehicle as stated in the REIT Regulations.
- 2.12. **“Trustee”** shall mean Axis Trustee Services Limited or such other trustee as appointed for Mindspace REIT, in accordance with the REIT Regulations.
- 2.13. **“Trust Deed”** shall mean the trust deed dated November 18, 2019 entered into between the Sponsors and the Trustee.
- 2.14. **“REIT Documents”** shall mean the Trust Deed, the Investment Management Agreement, any other document, letter or agreement with respect to Mindspace REIT or the Units, executed for the purpose of Mindspace REIT and such other documents in connection therewith, as originally executed and amended, modified, supplemented or restated from time to time, together with the respective annexures, schedules and exhibits, if any.
- 2.15. **“Unit”** shall mean an undivided beneficial interest in Mindspace REIT, and such Units together represent the entire beneficial interest in Mindspace REIT.
- 2.16. **“Unitholders”** shall mean any person who holds any Unit of Mindspace REIT.

### **3. Interpretation**

- 3.1. Capitalised terms used, but not defined herein, shall have the meaning ascribed to such term in the Final Offer Document, Trust Deed and other REIT Documents, as the case may be.
- 3.2. In case of any inconsistency between the terms of the Trust Deed and this Policy, the terms of the Trust Deed shall prevail.

### **4. Borrowing Mechanism**

#### **4.1. Borrowings and Deferred Payments:**

- (i) Mindspace REIT/ Asset SPVs may raise debt and make borrowings and deferred payments from time to time, including through issuance of debt securities, availing loans from banks and financial institutions or raising debt in any other form as permissible under Applicable Law. However such borrowings and deferred payments shall not include any refundable security deposits from tenants.
- (ii) The Manager shall ensure that all funds borrowed with respect to Mindspace REIT/ Asset SPVs are in compliance with the REIT Regulations.

- (iii) Where required, the Manager shall ensure that in case of issuance of debt securities by Mindspace REIT/ Asset SPVs such debt securities are listed on a recognized stock exchange.
- (iv) The Manager shall cause Mindspace REIT/ Asset SPVs to borrow or incur financial indebtedness for the purpose of its business operations subject to requisite approval of the Governing Board or such committee of the Governing Board as may be constituted in this regard, Board of Directors or committees of the Asset SPVs (in respect of financial indebtedness of Asset SPVs) and the Unitholders, where required, in accordance with the REIT Regulations.

#### 4.2. **Borrowing Limits**

- (i) The Manager shall ensure that in the event the value of funds borrowed from Related Parties in a Financial Year, exceeds 10% of the total consolidated borrowings of Mindspace REIT, holdco and /or Asset SPVs, approval from the Unitholders shall be obtained prior to entering into any such subsequent transaction with any Related Party, in accordance with Regulation 22 of the REIT Regulations and the request for such approval shall be accompanied by a transaction document.
- (ii) Mindspace REIT shall be permitted to borrow monies through any permitted means, by any instrument, in Indian or foreign currency, as permitted by applicable law, including as prescribed by the RBI.
- (iii) Mindspace REIT also has the power to create, mortgage, pledge or secure any of its Assets including shares / interest in Hold Cos or Asset SPVs or provide guarantees or other collateral in order to borrow funds. However, the Manager shall ensure, in accordance with Regulation 20(2) of the REIT Regulations, the aggregate consolidated borrowings and deferred payments of Mindspace REIT, Hold Cos and Asset SPVs, net of cash and cash equivalents shall not exceed 49% of the value of the REIT Assets, or such other percentage as may be prescribed under the REIT Regulations from time to time. Such borrowings and deferred payments shall not include any refundable security deposits from tenants.
- (iv) In accordance with Regulation 20(3) of the REIT Regulations, in the event the aggregate consolidated borrowings and deferred payments of Mindspace REIT, holdco and/or the SPV(s), net of cash and cash equivalents exceed 25% of the value of the REIT Assets or such other threshold as may be prescribed under SEBI REIT Regulations from time to time, for any further borrowing:
  - a. credit rating shall be obtained from a credit rating agency registered with SEBI; and
  - b. an approval from Unitholders shall be obtained in the manner specified under Regulation 22 of the REIT Regulations, namely where the votes cast in favour of a resolution shall be more than the votes cast against such resolution, or such other percentage as may be prescribed under the REIT Regulations.
- (v) In the event either of the conditions (as specified above) with respect to the aggregate consolidated borrowings of Mindspace REIT are breached on account of market movements of the price of the underlying assets or securities, the Manager shall inform the Trustee at the earliest and ensure that such condition is satisfied within six months of the breach, in accordance with the REIT Regulations.

- (vi) Any such obligation will not allow the Manager to make the liabilities of Mindspace REIT or its Unitholders unlimited.
- (vii) In addition to the above, any borrowing by the Asset SPVs will be in accordance with the conditions prescribed under Applicable Law.
- (viii) Any variation to the Borrowing Policy shall be only with the approval of the Governing Board, and where required under the Applicable Law, with the approval of Unitholders.

**5. Disclosure to the Stock Exchanges**

The Manager shall disclose to the Designated Stock Exchanges, in the event additional borrowing by any of Mindspace REIT, its holdco or Asset SPVs, results in such borrowing exceeding 5% of the value of the REIT Assets during the year.

**6. Conflict with Law**

- (i) The Policy shall not contradict with the provisions of any Applicable Law. In case of any discrepancy, the provisions of Applicable Law shall prevail over the provisions of this Policy.
- (ii) Notwithstanding the above, the Borrowing Policy will stand amended to the extent of any change in Applicable Law, including any amendment to the REIT Regulations, without any action from the Manager or approval of the Unitholders of Mindspace REIT.