



July 30, 2024

## QUARTERLY COMPLIANCE REPORT

### Axis Trustee Services Limited

The Ruby, 2<sup>nd</sup> Floor, SW,  
29 Senapati Bapat Marg,  
Dadar West, Mumbai-400 028,  
Maharashtra, India

Dear Sir/Madam,

**Sub: Quarterly Report and Compliance Certificate as per Regulation 9(3), 9(8), 10 of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 for the quarter ended on June 30, 2024.**

We, K Raheja Corp Investment Managers Private Limited (formerly known as “K Raheja Corp Investment Managers LLP”) acting in the capacity of the Manager of **MindSpace Business Parks REIT (“MindSpace REIT”)**, pursuant to regulation 9(3), 9(8) and 10 of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 (**“REIT Regulations”**), do hereby confirm that for the quarter ended June 30, 2024:-

1. We are in compliance with the REIT Regulations, specifically with Regulations 9, 10, 18, 19, 20 of REIT Regulations and circulars issued, and all other reporting and disclosure requirements for the quarter ended on June 30, 2024.
2. We have maintained the minimum level of public holding as per Regulation 14 of the REIT Regulations.
3. All applicable Insurance policies are obtained, renewed and operational on the assets of REIT and that such insurances are valid and enforceable. The premium in respect of the insurance policies are paid on timely basis.
4. We on behalf of Mindspace Business Parks REIT are maintaining a functional website- <https://www.mindspacereit.com> as per the contents and including the relevant information about REIT as specified in Chapter 4 of Master Circular for Real Estate Investment Trusts dated May 15, 2024 (**“Master Circular 2024”**). We further confirm that the contents are being updated as per the frequency

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**K Raheja Corp Investment Managers Private Limited**  
(acting as the Manager to Mindspace Business Parks REIT)

**Corporate Identification Number (CIN): U68200MH2023PTC406104**

**Regd. Office: Raheja Tower, C-30, Block ‘G’, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051**

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provided in Chapter 4 of Master Circular 2024 i.e. within 2 (two) days of any changes / developments which trigger a need for an update on the website.

5. We are registered on SCORES platform in order to handle investor complaints electronically, and all complaints if any were resolved and redressed in timely manner within the timeline prescribed by SEBI. The same has been intimated to Stock Exchanges on quarterly basis.

**-Nil complaints for the quarter ended June 30, 2024.**

6. In terms of Regulation 10(16) of REIT Regulations, we confirm that we have adequate controls in place to ensure segregation of our activity as Manager of the REIT from our other activities.

7. There are no events or information or happenings which may have a material bearing on the performance/operation of the Manager/ REIT other than disclosed to stock exchanges from time to time.

8. There is no change in shareholding / control of our Manager or that of the Sponsors.

9. Except as disclosed in **Annexure-1**, there are no outstanding litigations, tax disputes, orders, directions, notices, of court/tribunal affecting, or likely to materially affect the REIT assets.

10. In terms of Regulation 26(A) to 26 (E) of REIT Regulations, we confirm that we are in compliance with the provisions of Chapter VIA of the REIT Regulations.

11. Further, pursuant to Regulation 10(18)(a) of the REIT Regulations we, K Raheja Corp Investment Managers Private Limited (formerly known as K Raheja Corp investment Managers LLP) (acting as Manager to Mindspace Business Parks REIT) have made timely submissions of the previous quarter reports, and are hereby submitting the report for the quarter ended on June 30, 2024 with the following details:-

| <b><u>Sr. No.</u></b> | <b><u>Requirement</u></b>                           | <b><u>Compliance Status along with Supporting</u></b>  |
|-----------------------|---|--|
| 1.                    | Details of funds received by REIT and payments made | Details of the cash flow for the quarter ended June 30, 2024, is forming part of the financial statements of Mindspace REIT is enclosed as <b>Annexure-2</b> . |

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|----|---|--|
| 2. | Status of development of under construction properties (if any)   | Status of development of under construction projects is enclosed as <b>Annexure -3.</b>  |
| 3. | Copy of the activity and performance report placed before the Board as per Regulation 10(25) of the REIT Regulations, 2014.   | Details of business activity and performance report is forming part of the Investor Presentation of Mindspace REIT is enclosed as <b>Annexure-4.</b>   |
| 4. | Pursuant to Chapter 4 of Master Circular for REITs 2024, statement containing details of any deviations/variations, if any in the use of proceeds from the objects stated in the offer document/placement memorandum has been submitted to the stock exchange within 21 (twenty-one) days from the end of quarter, such statement shall be continued to be given till such time the issue proceeds have been fully utilised or the purpose for which these proceeds were raised has been achieved | <p>Pursuant to Chapter 4 of SEBI Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 dated May 15, 2024 statement of use of proceeds should be submitted till such time the issue proceeds have been fully utilized or the purpose for which these proceeds were raised has been achieved.</p> <p>Not applicable for the quarter, since (a) the issue proceeds of units of Mindspace Business Parks REIT have been fully utilized and (b) the purpose for which these proceeds were raised has been achieved and (c) a statement in this regard was submitted to the Trustee in the Quarterly Compliance Report submitted for the quarter ended December 31, 2020.</p> |
| 5. | Pursuant to Chapter 4 of Master Circular for REITs 2024, a statement containing details of Investor complaints in the format prescribed in Annexure 4 of the Master Circular 2024 has been submitted to the stock exchange within 21 (twenty-one) days from the end of quarter.   | A statement containing details of Investor complaints has been submitted to the stock exchange within 21 (twenty-one) days from the end of quarter, i.e. on July 18, 2024 and the same is enclosed as <b>Annexure-5.</b>   |
| 6. | Pursuant to Chapter 4 of Master Circular for REITs 2024, disclosure of unit holding pattern for each class of unit holders has been made within 21 (twenty-one) days from the end of each quarter as per the format prescribed in   | The Unitholding pattern has been submitted to the stock exchange within 21 (twenty-one) days from the end of quarter, i.e. on July 18, 2024 and the same is enclosed as <b>Annexure-6.</b>   |



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|    | Clause 4.13.2 of the Master Circular for REITs 2024.  |  |
| 7. | Copy of Financial Information and Additional Disclosures submitted to the Stock Exchange as per Chapter 4 of the Master Circular for REITs 2024, within following timelines:<br><b>A.</b> First half year period of the financial year shall be submitted within 45 days from the end of the half year.<br><b>B.</b> Annual financial information shall be submitted within 60 days from the end of the financial year. | The Financial statements are enclosed as <b>Annexure-2</b> . |

| <b>EVENT BASED COMPLIANCES</b> |  |  |
|--------------------------------|--|--|
| <b>Sr. No.</b>                 | <b>Requirement</b>   | <b>Compliance Status along with Supporting Documents</b>   |
| 1                              | In terms of Regulation 9(8) of the REIT Regulations, 2014 necessary systems and procedures are in place. These systems are sufficient for effective monitoring and functioning of Mindspace Business Parks REIT.   | The necessary systems and procedures are in place. Also, the systems are sufficient for effective monitoring and functioning of Mindspace Business Parks REIT.   |
| 2                              | <p><b>A.</b> Details of related party transactions, if any, carried out between the manager and its associates in terms of Regulation 9(5) of SEBI REIT Regulations, 2014.</p> <p>In case of conflict of interest, a confirmation from a chartered accountant or a valuer, as applicable, shall be obtained that such transaction is on arm's length basis along with relevant documents.</p> <p><b>B.</b> Pursuant to Regulation 19(5)(b) of SEBI REIT Regulations, 2014, provide, if any, the amount of additional borrowings from the promoter of Trustee in the table below:</p> | <p><b>A.</b> The details of related party transactions carried out between the Manager and its Associates for the quarter ended June 30, 2024 are enclosed as <b>Annexure-7</b>.</p> <p>Further, there is no conflict of interest in the transactions stated in <b>Annexure-7</b>, hence no confirmation from a practicing chartered accountant or a valuer is obtained.</p> |

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|   | Particulars  | Amount (in millions)   |  |
|---|--|--|--|
|   | (a) Amount of additional borrowings in FY 2024-2025 (Upto June, 2024)  | 2,393  |  |
|   | (b) Total consolidated borrowings of the REIT, holdco and the SPV(s) as on March 31, 2024.   | 69,728   |  |
|   | (c) % of additional borrowings [a/b]   | 3.43%  |  |
|   | (d) If column (c) is beyond the threshold specified in the Regulation, whether requisite approval of the unitholders has been obtained prior to entering into any such transaction.            | Not Applicable   |  |
| 3 | Whether any property have been/decided to be acquired/sold/developed during the quarter or expand existing completed properties. If yes, details to be provided along with rationale for same. | <p>Mindspace REIT through its 100% owned Asset SPV, Mindspace Business Parks Private Limited, concluded the transaction of acquisition of additional units covering c.42 ksf at Commerzone, Yerwada, to consolidate its holdings in the area, during the quarter ended June 30, 2024. This acquisition will expand the Mindspace REIT's total leasable area within this business park.</p> <p>Except as mentioned above and provided in <b>Annexure-4</b>, there is no other property acquired/sold/developed and expanding any existing property during the quarter under review.</p> |  |



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| 4 | <p>Details of any action which requires approval from the unit holders as required under the REIT Regulations.</p>   | <p>The approval of Unitholders of Mindspace REIT was obtained in the Annual Meeting held on June 21, 2024 for the following events:</p> <ol style="list-style-type: none"> <li>1. Adoption of the Audited Standalone Financial Statements and Audited Consolidated Financial Statements of Mindspace Business Parks REIT ("Mindspace REIT") for the financial year ended March 31, 2024, together with the Reports of the Statutory Auditors thereon for the financial year ended March 31, 2024, and the Report on performance of Mindspace REIT.</li> <li>2. Adoption of the Valuation Report issued by KZEN Valtech Private Limited, the Valuer, for the valuation of the portfolio of Mindspace Business Parks REIT as at March 31, 2024.</li> <li>3. Approval of the aggregate consolidated borrowings and deferred payments of Mindspace REIT and its Asset SPVs ("Mindspace REIT Group"), net of cash and cash equivalent upto 49% of the value of the Mindspace REIT Group assets.</li> </ol> |
| 5 | <p>Details of any material fact including change of its directors, any legal proceedings that may have a bearing on the activity of the REIT and confirm whether such details have been submitted to the trustee within 7 (seven) working days of such action.</p> <p>A. Date of any event as mentioned above:<br/>B. Date of Intimation of such event to Trustee:</p> | <p>There was no change in the Board of Directors of K Raheja Corp Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP). Also, there are no material litigation proceedings bearing on the activity of the REIT.</p>  |
| 6 | <p>Confirmation from Manager that:</p> <p>A. not less than 90% of distributable cash flows are being distributed to the unit holders and such distribution has been</p>  | <p>Distribution was made to the unitholders of Mindspace REIT in the quarter ended June 30, 2024 in respect of the quarter ended March 31,</p>  |



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|   | made within 15 days from the date of declaration.<br>B. Compliance under Regulation 18(16) of the REIT Regulations, 2014 has been made.  | 2024 (Q4-2023-24). The Manager hereby confirms compliance with:<br>a. not less than 90% of distributable cash flow were distributed to the unit holders; and<br>b. the distribution made to the unit holders is in compliance with the SEBI REIT Regulations.<br><br>A confirmation on the same was sent to Trustee vide email dated <b>May 22, 2024</b> .   |
| 7 | Whether Rights Issue, Preferential Issue and Institutional Placements of units made during the Quarter? If yes, whether compliance of relevant regulations and circulars done?   | No such issuance during the quarter.   |
| 8 | Whether any encumbrance, release or invocation is created/registered on the units of REIT during the Quarter?<br>If yes, whether compliance of relevant regulations and circulars was done, also provide details and submissions made to the manager/stock exchange in that respect. | No encumbrance was created on the units of the Mindspace Business Parks REIT during the quarter ended June 30, 2024 except as stated below:<br><br>1. Mr. Chandru L. Raheja, forming part of Sponsor Group of Mindspace REIT secured release of pledge on 2,45,20,504 Units of Mindspace REIT on May 3, 2024.<br><br>2. K Raheja Corp Private Limited, one of the Sponsor Group of Mindspace REIT secured release of pledge on 2,44,79,496 Units of Mindspace REIT on May 3, 2024 and the same were re-pledged on May 6, 2024.<br><br>3. Casa Maria Properties LLP, one of the Sponsor Group of Mindspace REIT secured creation of pledge on 2,45,20,504 Units of Mindspace REIT on May 6, 2024. |

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| 9  | <p>As per Regulation 23 of the REIT Regulations, 2014, details of any non-compliance or violation of the REIT Regulations, 2014 as amended from time to time or Circulars issued thereunder:</p> <p>A. Informed to SEBI by the Compliance Officer</p> <p>B. Observed by the Compliance Officer</p>   | Not Applicable for the quarter ended June 30, 2024.   |
| 10 | <p>Copy of Valuation report as required under REIT Regulations, 2014 submitted to the trustee, unit holders and Stock Exchange (as the case may be) within 15 days from the date of receipt of the valuation report from the valuer:</p> <p>A. Date of receipt of the report from the Valuer:</p> <p>B. Date of Intimation to Trustee.</p> | <p>The Valuation Report is enclosed as <b>Annexure-8</b>.</p> <p><b>April 24, 2024</b><br/><b>April 30, 2024</b></p>  |
| 11 | Pursuant to Chapter 4 of Master Circular for REITs 2024, disclosure of unit holding pattern for each class of unit holders has been made within 10 (ten) days of any capital restructuring of REIT resulting in a change exceeding 2% of the total outstanding units of REIT.  | There was no such capital restructuring.  |
| 12 | Pursuant to Regulation 20 of the REIT Regulations, 2014, whether conditions w.r.t borrowings and deferred payments have been complied with. If there is any breach, whether the same was informed to the trustee and has been rectified within six months from the date of breach.   | No such event has been occurred.  |
| 13 | Copy of the Notice of unitholders meeting in terms of Regulation 9(11) read with Regulation 22(3) & 26(2) of the REIT Regulations, 2014.   | The copy of the notice of Annual Meeting dated June 21, 2024 was sent to the Unitholders and Trustee on May 29, 2024. |

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|    |   |  |
|----|---|--|
| 14 | The sponsor(s) and sponsor group(s) shall collectively hold a minimum of 15% of the total units of the REIT for a period of three years from the date of listing of such units pursuant to initial offer on a post-issue basis. | Not Applicable, in view of completion of 3 years of post-listing of Mindspace REIT.<br><br>However, sponsor(s) and sponsor group(s) collectively hold 63.48% of the total units of Mindspace REIT. |
| 15 | Copy of any other information submitted to the designated Stock Exchanges/SEBI in terms of REIT Regulations and circulars issued thereunder.  | All the communications submitted to Stock exchanges have been made to Trustee.   |

Yours sincerely,

For and on behalf of Mindspace Business Parks REIT,  
(acting through its Manager- K Raheja Corp Investment Managers Private Limited)  
(Formerly Known as K Raheja Corp Investment Managers LLP)

BHARAT  
KANAKLAL  
SANGHAVI

Digitally signed by  
BHARAT KANAKLAL  
SANGHAVI  
Date: 2024.07.30  
22:19:27 +05'30'

Bharat Sanghavi  
Company Secretary and Compliance Officer  
Membership No.: A13157

Encl: As above

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## Legal And Other Information as on June 30, 2024

*As required under Clause 13 of Schedule III of the REIT Regulations, this note discloses (i) all pending title litigation and title related irregularities pertaining to the Portfolio and (ii) details of all pending criminal matters, regulatory actions and civil/commercial matters against Mindspace REIT, the Sponsors, the Manager or any of their Associates, the Sponsor Group and the Trustee (collectively, “**Relevant Parties**”). Only such pending civil/ commercial matters against the Relevant Parties have been disclosed where the amount involved is in excess of the materiality thresholds disclosed below. In addition to the above, other pending civil/ commercial proceedings by the Asset SPVs and Sponsor Group (excluding the Sponsors) which are considered material by the Manager, have been disclosed.*

*Further, all pending direct tax, indirect tax and property tax matters against the Relevant Parties have been disclosed in a combined manner. Additionally, pre-litigation notices (excluding such notices issued by any statutory/ regulatory/ governmental/ taxation authorities) are not considered as litigation until such time that the Relevant Parties are impleaded as defendants or respondents in litigation proceedings before any judicial forum.*

*Based on various relevant considerations, including the statutory filings with the relevant registrar of companies and legal and accounting advice received, it has been determined that control across KRC group entities is exercised only collectively (jointly, and not severally) by all the shareholders / interest-holders belonging to the KRC group, of the respective entity. However, solely for the purposes of disclosure herein, details of all LLPs/companies of the KRC group, where the Sponsor(s) is/are shareholder(s)/interest holder(s) (which, however, are controlled collectively and jointly by all KRC group shareholders/interest holders in such LLPs/companies) have been considered. Therefore, solely for the purpose of disclosures herein and no other purpose, including, applicable law relating to such other purpose, all pending criminal matters, regulatory actions and civil/ commercial matters against these entities where amount involved are in excess of the materiality thresholds set out herein have been disclosed. Further, all pending direct tax, indirect tax and property tax matters against these entities have been disclosed in a combined manner.*

*All disclosures are as of June 30, 2024*

### **I. Material litigation and regulatory actions pending involving Mindspace REIT and the Asset SPVs**

*As of June 30, 2024 Mindspace REIT does not have any pending criminal matters or regulatory actions against it, or any material civil/ commercial litigation pending involving it.*

*For the purpose of pending civil/ commercial litigation against Mindspace REIT and the Asset SPVs, such matters where value exceeds 1% of the consolidated profit after tax of Mindspace REIT as of June 30, 2024 have been considered material and proceedings where the amount is not determinable but the proceeding is considered material by the Manager from the perspective of Mindspace REIT, have been disclosed. In addition to the above, pending civil/ commercial proceedings by Mindspace REIT or the Asset SPVs which are considered material by the Manager have been disclosed.*

### **Mindspace REIT**

#### **(i) Litigation**

There are no litigations in relation to the land held by Mindspace REIT.

#### **(ii) Criminal matters**

There are no pending criminal matters against Mindspace REIT.

#### **(iii) Regulatory actions**

The Securities and Exchange Board of India (“SEBI”) issued a show-cause notice dated August 24, 2023, under Rule 4(1) of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 read with Section 15-I of the SEBI Act, 1992, in relation to certain compliance related discrepancies during the inspection of Mindspace REIT’s activities for the period December 10, 2019 - October 31, 2022. In response to the show-cause notice, Mindspace REIT has filed a settlement application with the SEBI, dated October 9, 2023 and the settlement proceedings are currently pending.

(iv) *Material civil/commercial litigation*

1. Neha Bhargava and Divya Bhargava (“Petitioners”) filed a suit against Ruchi Bhargava and 48 others (“Respondents”), wherein Mindspace Business Parks REIT has been impleaded as respondent no. 27 before the court of the Honourable Senior Civil Judge, City Civil Court, Hyderabad under section 372 of Indian Succession Act, 1925, pertaining to an application made for the succession certificate by the Petitioners, to transfer the shares held by their father in various public companies (which have all been impleaded as Respondents), into the demat accounts of the Petitioners as successors. The matter is currently pending before the City Civil Court, Hyderabad.

**A. Avacado**

(i) *Title litigation and irregularities*

1. Nusli N. Wadia (“**Plaintiff**”) filed a suit (“**Suit**”) before the Bombay High Court (“**High Court**”) against Ivory Properties, Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja, Inorbit Malls, Avacado and others (“**Defendants**”) pertaining to *inter alia* revocation of the registered agreements for sale of certain buildings, including the registered agreements executed in favour of Avacado for acquiring buildings viz. Paradigm constructed on demarcated portion of the land located at Mindspace Malad project, and demolishing of the building Paradigm located at Mindspace Malad project. The Plaintiff’s claim with regard to Avacado is restricted to its transaction relating to Paradigm building constructed on the demarcated portion of land located at Mindspace Malad project and does not extend to the equity shares of Avacado or any other assets held by Avacado.

The Suit was filed *inter alia* alleging certain insufficient payment to the Plaintiff, breach and non-adherence of the project agreement of 1995 entered into between the Plaintiff and Ivory Properties in respect of certain land situated at Malad West and Kanheri, including the demarcated portion of the land on which building Paradigm is constructed in Mindspace Malad project (“**1995 Agreement**”), and pertaining to sale of certain buildings *inter alia* on ground of sale of such buildings to alleged related parties. The Plaintiff sought *inter alia* (i) orders of declarations and permanent injunctions relating to the termination of the 1995 Agreement, (ii) the termination of some of the registered agreements and memorandums of understanding entered between the Plaintiff, Ivory Properties and purchasers in respect of some of the buildings constructed on the demarcated portions of land in Malad (including the building viz. Paradigm located at Mindspace Malad project), (iii) demolishing of such buildings and (iv) damages from Ivory Properties, Mr. Ravi C. Raheja, Mr. Neel C. Raheja and Mr. Chandru L. Raheja to the extent of ₹ 3,509.98 million along with interest and for interim and ad-interim reliefs *inter alia* for appointment of receiver, injunction from alienating, encumbering or parting with possession of the building and from dealing with (including renewal of leases / licenses), from receiving or recovering any of rent, license fee and if received to deposit the said rent, license fee or compensation to the High Court. No ad-interim relief was granted to the Plaintiff.



The Defendants filed replies, Ivory Properties has also filed a counter-claim for various reliefs including specific performance of the 1995 Agreement in the alternative for payment of estimated damages of ₹ 6,091.40 million *inter alia* towards loss of profit from the balance development potential and ₹ 5,000 million along with interest for compensation towards defamation.

The notice of motion for interim relief and the Suit are pending for the final hearing before the High Court.

The Plaintiff has filed an Interim Application for amendment of the suit plaint to bring on record the facts relating to the ULC permission and DRC issued by the authorities concerned, which is pending.

(ii) *Criminal matters*

There are no pending criminal matters against Avacado.

(iii) *Regulatory actions*

1. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 (“**Income Tax Act**”) against Avacado, Gigaplex, KRIT, MBPPL, Chalet Hotels, Genext, Inorbit Malls, KRCPL, KRPL, Shoppers Stop and others (“**Parties**”). Pursuant to the Warrant, the Income Tax Department carried out a search on November 30, 2017. The search covered various matters for which notices were already issued from time to time. The search was concluded on December 6, 2017 at the office and residence of the Parties. Pursuant to the search, the Income Tax Department issued notices to each of the Parties under Section 153A of the Income Tax Act directing them to prepare and furnish true and correct returns of total income for assessment years (“**AY**”) from 2008-2009, 2012-13 to 2017-18 within a stipulated timeline from the date of service of the notices and these returns have been furnished before the Income Tax Department. Further, the Income Tax Department issued notices under Section 142(1)/143(2) of the Income Tax Act for assessment years 2008-2009, 2012-13 to 2017-2018/2018-19, to the Parties seeking certain information. These details have been furnished before the Income Tax Department by the Parties from time to time.
2. Avacado filed appeals for AY 2012-13 to AY 2017-18 before the Commissioner of Income Tax (Appeals) (“**CIT(A)**”) against the order received under section 143(3) r.w.s. 153A of the Act. The same were disposed of by the CIT(A) against Avacado for AY 2012-13 to AY 2014-15 and in favour of Avacado for AY 2015-16 to AY 2017-18. Avacado made an application under the Direct Tax Vivad se Vishwas Act, 2020 (“**VsV**”) for AY 2012-13 and AY 2014-15 and the final order was received in favour of Avacado. The Income Tax Department filed an appeal for AY 2015-16 and AY 2016-17 in Income Tax Appellate Tribunal (“**ITAT**”) against the order of the CIT(A) and the final order is received in favour of Avacado. The Income Tax Department has filed an appeal before the Bombay High Court against the order of the ITAT for AY 2015-16 and 2016-17. Avacado filed an appeal before the ITAT against the order for AY 2013-14 which is currently pending. Avacado received a notice under section 148 for assessment year 2014-15. Avacado filed return of income under protest in response to the said notice and also sought reasons for reopening the assessment undertaken during the assessment year 2014-15. Pursuant to which, Avacado received reasons for reopening and submitted a response objecting to the reopening of assessment. The Income Tax Department passed an order rejecting the objections filed. Avacado has received notice u/s 148A(b) and response against the same has been submitted, objecting to the reopening of assessment. The Income Tax Department passed an order u/s 148A(d) rejecting the objections filed and served notice u/s 148 of the Income Tax Act. The return of income was filed under protest in response to the said notice. Avacado has filed Writ Petition before Bombay High Court against the notice u/s 148 and order u/s 148A(d).

3. MPCB allegedly issued a show cause notice dated November 11, 2016 (“**First SCN**”) to Avacado for alleged failure in obtaining no objection/ permission from the CGWA for extraction of ground water in respect of the Paradigm Mindspace project. MPCB served a show cause notice dated March 14, 2017 on Avacado, referring to the First SCN stating that the First SCN was issued pursuant to the directions given to MPCB and CGWB by the National Green Tribunal judgement dated January 11, 2016 and November 8, 2016 (in the matter of Asim Sarode V/s District Collector, Nanded and others, where Avacado was not a party) to jointly prepare a list of industries and infrastructure projects which require permission for extracting ground water and to issue directions for closure of such industries and infrastructure projects for whom the default persists. By letter dated April 6, 2017, Avacado responded to MPCB *inter alia* stating that (a) there is no requirement for Avacado to apply for or obtain NOC from CGWA, as Avacado does not appear in the list of industries and infrastructure projects which require permission for extracting ground water as published on the MPCB website; (b) Avacado does not withdraw ground water at the Paradigm Mindspace Malad project; and (c) the First SCN was not received by Avacado. No further correspondence has been received.
4. The Office of Tehsildar, Borivali (“**Tehsildar**”) issued demand notices dated February 5, 2021 and dated March 2, 2021 under provisions of Maharashtra Land Revenue Code, 1966 to Ivory Properties and others for retrospective payment of non-agricultural tax (“**NA Tax**”) of ₹ 52.63 million. The demand notices were issued pursuant to the letter dated February, 5, 2021 of the Collector (Mumbai Suburban Office) (“**Collector**”), wherein it was recorded that all urban lands in state being used for non-agriculture purpose, NA Tax assessment had been stayed for the period August 1, 2006 to July 31, 2011 till the revised guidelines were finalised as per government letter NAP0311/CR28/L5 dated August 24, 2011 and that as per Government of Maharashtra decision dated February 5, 2018, the stay was lifted. Ivory Properties vide letter dated March 30, 2021 has denied the quantification and levability of the NA Tax assessment with retrospective effect and has requested the Tehsildar not to take any coercive action, without giving a reasonable opportunity to file a reply. Ivory Properties also tendered, without prejudice, an ‘on account’ deposit of a sum of ₹ 3.00 million to the Office of Tehsildar, without admitting or accepting any liability. The Tehsildar had subsequently issued another demand notice dated December 15, 2021 to Ivory Properties and others for payment of NA Tax of ₹ 53.73 million. Ivory Properties vide letter dated February 25, 2022 *inter alia* replied that it had not accepted or admitted the liability, levability or quantification of the said amount; however to show bonafide intent, (while reserving all rights and remedies) Ivory Properties had tendered, a refundable deposit of ₹ 15 million to the Office of Tehsildar, without prejudice to all contentions on all counts. The Government of Maharashtra, Revenue and forest Department by way of its letter dated April 07, 2022, has put a stay on the NA Tax assessment until further order.

(iv) *Material civil/commercial litigation*

There are no other material civil/commercial litigation involving Avacado.

**B. Gigaplex**

(i) *Title litigation and irregularities*

Baburam Ramkishan Yadav (“**Baburam**”), president of Universal Education Society (“**UES**”), filed a suit and injunction application before the Court of Civil Judge (J.D.) Vashi at C.B.D. (“**Civil Court Vashi**” relocated in Belapur Court) seeking injunction restraining Gigaplex from encroaching upon land admeasuring approximately 500 square meters on which a UES school is operated (“**Suit Property**”), which is in the Mindspace Airoli West admeasuring approximately 202,300 square meters (“**Larger Land**”). The matter is currently pending.

Gigaplex denied the claims *inter alia* stating that Gigaplex is a lessee of MIDC in respect of the Larger Land, and that Baburam has illegally encroached upon about 250 square meters on

the eastern boundary of the Larger Land. By its order dated August 20, 2018, the Vashi Civil Court rejected Baburam's injunction application ("**Order**"). Baburam has challenged the Order before the Court of District Judge Thane which has been shifted to Belapur Court. The suit and appeal filed by Baburam are currently pending before the relevant courts in Belapur.

Gigaplex filed an eviction suit against UES and MIDC before the Court of Civil Judge (Senior Division) Thane at Thane ("**Civil Court Thane**"), *inter alia* for possession of 569.80 square metres in unauthorized occupation of UES, damages of ₹ 10.80 million, mesne profits of ₹ 0.30 million per month till the recovery of possession and injunction to restrain Baburam from further trespassing on the land at Mindspace Airoli West. Subsequently, Gigaplex also filed an injunction application before the Civil Court Thane seeking, a temporary injunction to restrain Universal Education Society, its trustees, office bearers etc. from trespassing and encroaching the Suit Property and the adjacent plot of land leased by MIDC to Gigaplex. In an interim application for injunction filed by Gigaplex, a status quo order was passed on July 26, 2019 by the Civil Court Thane. The status quo was continued by the Civil Court Thane till the final decision in the matter, through its order dated March 5, 2020, disposing of the injunction application. In 2023, the suit was transferred to and is currently pending before the Thane Civil Court at Belapur. Plaintiff/Baburam's has filed his evidence, his cross-examination is in progress.

(ii) *Criminal matters*

Baburam also filed a complaint before Rabale police station, Navi Mumbai, against a security guard in charge of Gigaplex for allegedly threatening him and damaging of a display board at the Suit Property. Baburam also issued a letter addressing the Commissioner of Navi Mumbai, the Police Commissioner of Navi Mumbai, the Chief Minister of Maharashtra and others, for harassment by security personnel of Gigaplex in the Suit Property. No action has been taken against Gigaplex in this regard.

(iii) *Regulatory actions*

1. The Joint Director of Industries, Government of Maharashtra ("**JDI**") had issued a letter of intent dated July 26, 2007 ("**LOI**") to B. Raheja Builders Private Limited (now, Gigaplex Estate Private Limited) for establishing and registering an IT software unit for 'Software Development'. Subsequent to the letter from JDI, MIDC, by its letter dated June 30, 2009, intimated Gigaplex to register as an IT Park, being a private developer. Thereafter, the JDI, by its letter dated May 16, 2016 ("**JDI Letter**"), sought clarification from Gigaplex in relation to non-registration of the IT software unit within the stipulated timeline and sought to initiate action against Gigaplex under the IT/ITES policy. Gigaplex was in the process of completing the endorsement of the lease deed dated November 1, 2007 executed with MIDC in relation to the Mindspace Airoli West project, for payment of stamp duty, which remained with the relevant revenue authorities for endorsement, for submission to JDI. The lease deed was endorsed by the revenue authorities on September 11, 2019. By its letter dated October 9, 2019 to the JDI, Gigaplex has responded to the JDI Letter *inter alia* stating that (a) the land was granted by MIDC under lease deed dated November 1, 2007 for proposed I.T. software unit (Software Development), but due to recession and other reasons, the erstwhile management of B. Raheja Builders Pvt. Ltd. decided to pursue development as private IT Park (instead of software development) with due approval of the Director Industry, IT, pursuant to the NOC issued by MIDC; (b) accordingly, Gigaplex has developed the land as private IT Park; and (c) Gigaplex also voluntarily approached the stamp authorities and paid the full stamp duty and registration fees in relation to the lease deed, and (d) the development of private IT Park was undertaken with due approval of Director of Industry (IT), Maharashtra and no benefit was received by it under the IT/ITES policy. No further correspondence has been received.

2. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against Gigaplex and others. For details, see “*Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions*”. Post the Warrant, the assessment proceedings under section 153A of the Income Tax Act were initiated for AY 2008-09, AY 2012-13 to AY 2018-19. The assessment under section 143(3) read with section 153A of the Income Tax Act for AY 2012-13 to AY 2017-2018 and under Section 143(3) of the Income Tax Act, for AY 2018-2019 were completed. Gigaplex filed appeals before the CIT(A) against the order for AY 2012-13 to AY 2017-18 and against the order for AY 2018-19. The appeal for AY 2016-17 and AY 2017-18 were disposed by the CIT(A) in favour of Gigaplex. The appeals for AY 2014-15 and AY 2015-16 were disposed by the CIT(A) against Gigaplex and an appeal has been filed before the ITAT for the same. The same has been disposed by ITAT against Gigaplex. The Income Tax Department filed an appeal for AY 2016-17 and AY 2017-18 before ITAT against the order of the CIT(A) and the same were disposed by the ITAT in favour of Gigaplex. The Income Tax Department has filed an appeal before the High Court against the order of the ITAT for AY 2016-17 and AY 2017-18. The matter is currently pending.
3. Maharashtra State Electricity Distribution Company Limited (“**MSEDCL**”) filed a petition dated October 16, 2018 against Maharashtra State Load Despatch Centre, wherein electricity distribution companies in Maharashtra including, MBPPL and Gigaplex (which hold electricity distribution licenses) and others, were impleaded as parties, before Maharashtra Electricity Regulatory Commission (“**MERC**”) seeking payment of alleged past dues, removal of anomalies and directions regarding over-drawal of electricity. Through its final common order dated September 26, 2019, MERC partly allowed MSEDCL's prayer against which MSEDCL and one of the electricity distributions companies have filed separate appeals before the Appellate Tribunal for Electricity (“**APTEL**”). Pursuant to an order dated December 18, 2019, the APTEL instructed that notices be issued to respondents in the appeal, including Gigaplex and MBPPL. By an order dated September 15, 2020, interim applications for condonation of delay in filing the appeals were allowed. By an order dated September 14, 2022, the APTEL directed that the matter is already at the stage of hearing and that the appeals be included in the “*List of Finals of Court - I*” to be taken up from the list, in their turn. The appeals are pending before the APTEL.
4. Maharashtra State Electricity Transmission Company Limited (“**MSETCL**”) has filed an appeal in the year 2024 before the APTEL against MBPPL, Gigaplex, KRC Infra and others as aggrieved by the impugned order of MERC in the MTR Petition 232 of 2022 wherein it has not allowed the complete cost as projected by MSETCL and has instead approved a lower value thus reducing the total recoverable resulting in significantly reducing the revenue of MSETCL. The matter is currently pending.
5. Kharghar Vikhroli Transmission Limited has filed a petition in the year 2024 against MBPPL and others inter alia seeking a) Declaration of Force Majeure Events: Declaration that delays in Forest & Wildlife Clearance and non-allowance of outages are Force Majeure events under Article 11 of the TSA, b) Extension of SCOD: Request for an extension of 877 days in SCOD, citing Force Majeure events, c) Declaration of COD Dates: Confirmation of COD for Part Elements 1, 2, and 3, extending SCOD to 20.12.2023, d) Change in Law Events: Identification of policy revisions and cost increases as Change in Law under Article 12 of the TSA, e) Compensation for Delay: Compensation for loss of tariff due to delays caused by Force Majeure and Change in Law events, or extension of TSA term, f) Consequential Relief: Granting of IDC, IEDC, Commodity Price Variation to cover increased monthly transmission charges, g) Carrying Costs: Compensation for additional expenditure incurred due to Change in Law and Force Majeure events, with carrying costs at the LPS rate on a compounding interest basis. The matter is currently pending.

(iv) *Material civil/commercial litigation*

1. Kharghar Vikhroli Transmission Private Limited (“**KVTPL**”) has filed a petition before Maharashtra Electricity Regulatory Commission, Mumbai (“**MERC**”) against Maharashtra State Electricity Transmission Company Limited (“**MSETCL**”) and others (including Gigaplex and MBPPL as respondents) under the applicable provisions of the Electricity Act, 2003 read with the transmission service agreement dated August 14, 2019 (“**TSA**”) entered between KVTPL, MSETCL, MBPPL, Gigaplex and certain other companies including distribution companies seeking, inter-alia, compensation/relief for increased cost of the project during construction period due to the ‘change in law’ event being increase in the acquisition price of shares of KVTPL (including the purchase cost of Vikhroli land). The total additional cost of the project claimed by KVTPL is ₹ 717.00 million along with 9.35% on compounded interest basis. The liability of Gigaplex is 0.05% i.e. the percentage share computed based on allocated transmission capacity rights as mentioned in the TSA. The MERC by its order dated August 2, 2022, partly allowed the petition granting KVTPL the additional cost of the project of ₹ 717.00 million without the carrying cost, in accordance with Article 12 of the TSA. KVTPL will be entitled to recover the impact of change in law after declaring the date of commissioning of the project in accordance with the provisions of the TSA without any carrying cost. KVTPL and MSEDCL have filed separate Appeals (Appeal No. 385 of 2022 and Appeal No. 393 of 2022 respectively) (together, “**Appeals**”) before the Appellate Tribunal for Electricity at New Delhi (“**APTEL**”) against the MERC Order dated August 2, 2022. By an order dated March 31, 2023 in Appeal No. 385 of 2022, and by its order dated May 18, 2023 in Appeal No. 393 of 2023, the APTEL directed Appeals to be included in the “*List of Finals of Court - II*”, once pleadings are completed. These appeals are pending before the APTEL.
2. Gigaplex, KRC Infra and MBPPL (“**KRC DISCOMs**”) had filed a petition dated December 16, 2021 before the Maharashtra Electricity Regulatory Commission, Mumbai (“**MERC**”) under Section 86 (1) (f) of the Electricity Act, 2003 (“**EA, 2003**”) seeking approval for additional power purchase cost incurred over the period from October 11, 2021 to October 31, 2021 on account of reasons beyond the control of the KRC DISCOMs. The MERC impleaded (i) M/s Kreate Energy India Pvt Ltd (“**KEIPL**”), (ii) Maharashtra State Load Despatch Centre; and (iii) Lloyds Metals and Energy Limited as Respondents in this matter. By an order dated November 8, 2022, the MERC partly allowed the petition, and directed KEIPL to pay ₹ 19.60 million to KRC DISCOMs within 15 days from the date of the order as compensation for increased power purchase expenses on account of illegal diversion of contracted power to third party. Further, the MERC directed the KRC DISCOMs to adjust such compensation amount in upcoming FAC computation as rebate in power purchase expenses. KEIPL filed an appeal (against the order in the Case No 1/MP of 2022 dated November 8, 2022 (“**Impugned Order**”) before the Appellate Tribunal for Electricity at New Delhi (“**APTEL**”) seeking stay on the Impugned Order dated November 8, 2022 (Appeal No. 428 of 2022). Hearing in the matter was held on 8<sup>th</sup> and 9<sup>th</sup> December 2022. By interim order dated December 22, 2022, APTEL granted stay of the Impugned Order under appeal, subject to fulfilment of the following conditions: (a) KEIPL shall, within three weeks from December 22, 2022, pay KRC DISCOMs ₹ 1.16 million; and (b) KEIPL shall in addition, within three weeks from December 22, 2022, furnish an unconditional bank guarantee from a Nationalised Bank in favour of the MERC, for an amount of ₹ 17.93 million and the bank guarantee, so furnished, shall be kept alive and in force during the pendency of the appeal and (c) the order further requires KEIPL to file an affidavit of compliance, of the aforesaid directions, with the Registry within four weeks from December 22, 2022. By an order dated January 17, 2023, the APTEL has recorded that a compliance affidavit had been filed by KEIPL in Appeal No. 428 of 2022, stating that the earlier order of the Tribunal, in IA No. 1951 of 2022 dated December 22, 2022 which required KEIPL to remit ₹ 1.16 million to the KRC DISCOMs and to furnish an unconditional bank guarantee in favour of MERC for a sum of ₹ 17.93 million has been complied with. By an order dated May 1, 2023, the APTEL directed to re-include the

Appeal in the “*List of Finals*” after pleadings are completed. The matter is pending before the APTEL.

3. Lloyds Metals & Energy Ltd (LMEL) has filed an Appeal before the APTEL against the MERC Order dated November 8, 2022 in Case No. 1/MP/ of 2022. Hearing of application seeking permission to bring on record additional documents was held on April 4, 2024. The Appellant was proposing to bring on record certain emails, which was not opposed by KRC Discoms. The matter is currently pending.
4. Gigaplex, KRC Infra and MBPPL (“**KRC DISCOMs**”) had filed a petition before the MERC under Section 86 (1) f of the EA, 2003 against KEIPL for adjudication of dispute between KRC DISCOMs and KEIPL. KRC DISCOMs had entered into a power purchase agreement dated May 27, 2021 (PPA) with KEIPL for supply of power up to 14 MW, for the period from July 2021 to June 2022. However, KEIPL did not supply power to the KRC DISCOMs during the period from April to June 2022. During this period KRC DISCOMs had to procure the power from the other available sources at market rates. This resulted into additional power purchase cost ₹ 101 million to be incurred by KRC DISCOMs on account of material breach of the PPA by KEIPL. Therefore, the KRC DISCOMs have filed this petition (Case No. 162 of 2022) before the MERC seeking compensation of the entire additional power purchase cost incurred by them for the period from April 2022 to June 2022 due to KEIPL’s failure to supply power under PPA. The first hearing in this matter was held on November 11, 2022. As directed in the Order dated November 11, 2022, KEIPL has filed its reply and the KRC DISCOMs have filed their rejoinder to the reply of KEIPL. Pursuant to final e-hearing held by MERC on August 1, 2023 and MERC has reserved the case for its order. By an Order dated September 27, 2023 MERC allowed the petition and directed KEIPL to pay ₹101 million with carrying cost to KRC DISCOMs within one month as compensation for increased power purchase expenses on account of non-performance of contract by KEIPL. KRC DISCOMs have been directed to pay late payment surcharge on the March 2022 bill presented by KEIPL as per the PPA.4. KEIPL has filed a review petition before the MERC on November 9, 2023 for review of the MERC Order dated September 27, 2023.
5. The Maharashtra Electricity Regulatory Commission, Mumbai (“**MERC**”) issued the Mid Term Review (“**MTR**”) Order for Gigaplex. The MERC in the said order dated March 31, 2023 has disallowed the deferment of tariff recovery proposed by Gigaplex in its petition. Gigaplex filed an appeal before the Appellate Tribunal for Electricity at New Delhi (“**APTEL**”) against the MERC MTR order dated March 31, 2023. By way of order dated August 8, 2023, the APTEL directed to include the Appeal No 529 of 2023 in the “List of Finals” after completion of pleadings. Gigaplex has filed its rejoinder to the reply filed by MERC. The appeal is pending before APTEL. Gigaplex proposed to allow MSEDCL tariff as recovery strategy and also agreed to forego the carrying cost on the regulatory asset if created using MSEDCL Tariff. The matter is currently pending.
6. Gigaplex received a demand notice dated December 11, 2023 from Maharashtra Industrial Development Corporation for recovery of differential premium of ₹ 527.74 million for the change in its shareholding on account of acquisition of shares of Gigaplex by the Mindspace REIT in August 2020. Gigaplex responded to the demand notice on January 2, 2024, objecting to the same. MIDC has decided to refer the matter to Advocate General of Government of Maharashtra for his opinion. The matter is currently pending.

### **C. Horizonview**

- (i) *Title litigation and irregularities*

1. Based on legal advice received, the following documents granting development rights in favour of Horizonview for the purposes of constructing an IT Park, have not been registered:
  - a. The development agreement, dated November 7, 2006, executed by RPIL, the owner of the land and Horizonview (“**Development Agreement**”);
  - b. The award dated March 22, 2016, passed by the arbitrator in relation to disputes between RPIL and Horizonview in relation to the Development Agreement (“**Award**”);
  - c. The letter dated May 18, 2017 executed between RPIL and Horizonview; and
  - d. The written arrangement dated February 20, 2019, executed by RPIL and Horizonview modifying the terms of the Development Agreement and the Award.

(ii) *Criminal matters*

There are no pending criminal matters against Horizonview.

(iii) *Regulatory actions*

1. Horizonview executed conveyance deeds for acquiring property from RPIL Signalling Systems Pvt. Ltd. and lodged them for registration with the Sub-Registrar of Assurances, Kundrathur (“**Registrar**”). The Registrar issued demand notices for deficit of stamp duty and registration fees aggregating to ₹ 221.28 million in respect of the conveyance deeds. Horizonview responded to the demand notices, objecting to the same. The Registrar further issued letter dated January 18, 2024 for payment of deficit of stamp duty and registration fee. Horizonview responded to the demand notices, objecting to the same and requested for release of documents.

(iv) *Material civil/commercial litigation*

There are no material civil/commercial litigation involving Horizonview.

**D. Intime**

(i) *Litigation*

There are no litigations in relation to the land held by Intime.

(ii) *Criminal matters*

There are no pending criminal matters against Intime.

(iii) *Regulatory actions*

For pending regulatory actions against Intime, see “*Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – KRIT– Regulatory actions*”.

(iv) *Material civil/commercial litigation*

There are no material civil/commercial litigation involving Intime.

**E. KRIT**

(i) *Title litigation and irregularities*

(ii) *Criminal matters*



1. Sharmin Habib (“**Complainant**”) lodged a first information report (“**FIR**”) on October 10, 2017 with the Madhapur Police Station alleging that certain staff members of the Raheja Group (“**Accused**”) prevented the Complainant and a staff from entering the premises for conducting the business of a day care centre in the name of Kidz Paradise in in Building No. 2.B, Mindspace Madhapur (KRIT), and harassed them. The concerned investigating officer has filed final report dated November 16, 2017 of the matter before the Metropolitan Magistrate, Kukatpally at Miyapur, Cyberabad (“**Court**”), stating *inter alia* that while there was a rental dispute between the Complainant and the Accused which was pending in the Court, the particular incident was in relation to a regular security aspect of access in the IT Park being allowed on showing identity card, whereas Complaint tried to enter without showing identity card. The investigating officer also reported that the Complainant did not comply with the notices under Section 91 of the Criminal Procedure Code, and that no such incident had occurred as alleged by the Complainant. The investigating officer further recorded that the complaint was filed on completely flimsy grounds and filed the final report before the Court recommending closure of the case on basis of lack of evidence. The matter is currently pending.

(iii) *Regulatory actions*

1. The Comptroller and Auditor General of India (“**CAG**”) had issued a report on public sector undertakings for the year ended March 2016 (“**CAG Report**”) where certain audit observations were made with respect to certain public sector undertakings including: (a) a low rate of return on investments made by APIIC (now, TSIIC) in KRIT; (b) allocation of the development and construction of complexes for IT and ITES companies to K. Raheja Corporation Private Limited by the erstwhile Government of Andhra Pradesh (“**GoAP**”) without adopting a due tender process; (c) transfer of certain portion of land to non-IT/ITES sister companies of the KRC group, namely, Trion Properties Limited – Inorbit Malls and Chalet Hotels– Westin Hotel at a discounted price, in violation of GoAP directions dated August 11, 2003 and without prior consultation with APIIC, pursuant to the demerger of KRIT. KRIT responded to the observations under the CAG report by its letter dated September 21, 2017 submitting its issue-wise detailed explanations and explaining various factual inaccuracies in respect of the said observations under the CAG Report, denying the irregularities and deficiencies. No further correspondence has been received.
2. KRIT had proposed a rights issue of shares in which Andhra Pradesh Industrial Infrastructure Corporation (“**APIIC**”) (now, TSIIC) abstained from subscribing to the rights shares. Consequently, upon closure of the rights issue subscription by the other shareholders of KRC group, the stake of APIIC in KRIT reduced from 11%. Thereafter, upon demerger of certain undertakings of KRIT into Intime and Sundew, the APIIC’s stake reduced in each of these entities instead of what it was initially at 11%. Such rights issue of shares was undertaken in compliance with applicable law and agreement between the parties, and after KRIT had waited over one year for APIIC to decide.

Subsequently, APIIC / GoAP disputed such dilution of their stake in KRIT, Intime and Sundew, which led to an inquiry by Vigilance and Enforcement Department of GoAP against the Government Officials and correspondingly, KRIT. APIIC issued a letter dated July 10, 2012 to KRIT, referring to a report of vigilance and enforcement department (“**VED Report**”) in relation to the Mindspace Madhapur project. Subsequently, the equity stake of APIIC was restored to 11% in KRIT, Intime and Sundew together with compensating APIIC for any loss of corporate benefits in the intervening period. The VED Report alleged certain irregularities, which include alleging a financial loss to APIIC and GoAP pursuant to sale of the land to its sister concerns and sale of constructed area, at a nominal price, dilution of 11% equity stake of APIIC and loss of immovable asset base to APIIC due to the dilution of equity.

KRIT denied such irregularities, violations or financial loss caused to APIIC /GoAP. While denying the loss alleged by APIIC, KRIT, Intime and Sundew provided a joint undertaking dated February 14, 2014 to APIIC *inter alia* undertaking (i) to pay the amounts to APIIC in respect of APIIC's claim of losses, due to any differences in values pertaining to the sale transactions in Mindspace Madhapur project; (ii) that payments shall be made by KRIT within 30 days of receipt of such written demand from APIIC; and (iii) that KRIT shall be bound by the decision of APIIC and comply with the same within the stipulated timelines.

KRIT has further provided an undertaking dated October 24, 2016 to APIIC, *inter alia* undertaking to pay losses incurred by Government of Telangana /APIIC as per the VED Report and to maintain the agreed shareholding of the Government of Telangana or APIIC in KRIT, Intime and Sundew post conversion of KRIT to public limited company and the Government of Telangana/ APIIC will not be required to infuse additional funds to maintain its equity stake in KRIT, Intime and Sundew.

While KRIT has attempted to make payments to the extent of the loss incurred by APIIC along with interest, by letter dated April 23, 2019, APIIC has confirmed to KRIT that it will be informed about the quantum of the amount to be paid, once the quantum of loss is determined by an independent third party appointed for such purpose. KRCPL, by way of its letter dated December 9, 2019, has undertaken that it shall assume any financial liability that KRIT, Intime or Sundew may incur in this behalf.

3. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against KRIT and others. For details, see "*Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions*". Post the Warrant, the assessment proceedings under section 153A of the Income Tax Act were initiated for AY 2012-13 to AY 2018-19. The assessment under section 143(3) read with section 153A of the Income Tax Act for AY 2012-2013 to AY 2017-2018 and under Section 143(3) of the Income Tax Act, for AY 2018-2019 were completed. KRIT filed appeals before the CIT(A) against the order for AY 2012-13 to AY 2017-18 and against the order for AY 2018-19 which are currently pending.
4. Anand Achary sent legal notices dated October 26, 2023 and November 11, 2023, respectively to Ranju Alex, the Area Vice President, South Asia of Marriott International Inc, and Westin Hotel, Amitabh Rai, Cluster General Manager, Westin Hyderabad, Sanjay Sethi, Chief Executive Officer and Managing Director, Chalet Hotels Limited and others alleging grabbing of an alleged park area and unauthorised conversion of the park area for commercial use. By way of abundant caution, KRIT and Chalet Hotels Limited have individually filed caveats before the High Court of Telangana.

(iv) *Material civil/commercial litigation*

## **F. KRC Infra**

(i) *Title litigation and irregularities*

1. Ashok Phulchand Bhandari has instituted a civil suit against Balasaheb Laxman Shivle and 29 others ("**Defendants**") before the Civil Judge, Senior Division, Pune ("**2010 Suit**") seeking *inter alia* declaration, specific performance against the Defendants and a decree of permanent injunction restraining the Defendants from causing any construction or development on the land admeasuring approximately 0 hectares 44.15 Ares (1.09 Acres) ("**Suit Land**") on which Gera Commerzone Kharadi is situated.

Ashok Phulchand Bhandari has also challenged *inter alia* (a) the decree dated September 26, 2008 passed by the Civil Judge, Senior Division, Pune, wherein the suit filed in 2005 by Tanhubai Amruta Pathare (wife of late Amruta Tukaram Pathare, being one of the erstwhile co-owners of a portion of the Suit Land), through her legal heirs, against Popat Amruta Pathare, one of the Defendants (“**2005 Suit**”), was withdrawn on the basis of a compromise arrived at between the parties to the 2005 Suit and one of the Defendants; (b) registered partition deed / Vatanipatra dated September 15, 1993 pursuant to which Amruta Tukaram Pathare became entitled to a portion of land forming part of the Gera Commerzone land; and (c) will and testament dated January 19, 1995 executed by late Amruta Tukaram Pathare. Further, in view of the 2010 Suit, a notice of lis pendens dated April 10, 2015 was separately filed and registered by Ashok Phulchand Bhandari alleging rights over a portion of land. Neither Gera Developments Pvt Ltd nor KRC Infra is a party to the suit. The matter is currently pending.

2. The heirs of Balu Laxman Shivle have issued a notice to Gera Developments Private Limited in relation to claim over land admeasuring approximately 0 hectares 80.30 ares (1.98 acres) (“**Disputed Land**”), on which Gera Commerzone Kharadi is situated. No such notice has been received by KRC Infra.

By a notice dated July 16, 2016 (“**Notice**”), the heirs of Balu Laxman Shivle viz. (a) Shobha Balu Shivle, (b) Hrishikesh Balu Shivle, (c) Om Balu Shivle, claimed their share in an area in the Disputed Land, being the share of late Amruta Pathare (“**Land Owner**”). It was also alleged that the registered sale deed dated February 12, 1996 executed in favour of Gera Developments Private Limited was executed without the signatures and consent of the wife and daughter of the Land Owner and that they did not receive any consideration on account of sale of the Disputed Land. By letters dated August 20, 2016 and January 23, 2017, Gera Developments Private Limited has replied to the Notice denying all allegations. No further correspondence has been received.

3. Rahul Bhausaheb Pathare, one of the legal heirs of an erstwhile owner of a portion of land forming part of the Gera Commerzone Kharadi land, through his legal counsel, (“**Claimant**”) has issued a notice dated December 14, 2019 (“**Notice**”) to Gera Developments Private Limited, KRC Infra and others alleging claim over an undivided portion of two lands parcels admeasuring approximately 0 hectares 40 ares (0.98 acres) and 1 hectare 68.6 ares (4.16 acres), respectively, (“**Disputed Lands**”), on which Gera Commerzone Kharadi is situated. The Claimant has alleged *inter alia* that (a) the Disputed Lands were the undivided property of the Hindu Undivided Family of Pathare family (“**Pathare HUF**”), and his consent / confirmation was not obtained for sale of the same in favour of Gera Developments Private Limited in the year 1996; (b) since the Claimant was a major at the time of execution of the sale deeds executed in the year 1996 in favour of Gera Developments Private Limited, his signature should have been obtained as a coparcener since, in the absence of any reason for sale of the Disputed Lands for the benefit of the Pathare HUF, the Karta of the joint family, Bhausaheb Kaluram Pathare (father of the Claimant), could not have executed the sale deeds on behalf of the joint family; (c) Gera Developments Private Limited has, through forgery, fraudulently added hand-written clauses, regarding right of way, to the sale deeds executed in its favour after the execution thereof; and (d) that the subsequent transactions in respect of the Disputed Lands, including *inter alia* sale of portions thereof in favour of KRC Infra, its mortgage by KRC Infra, leasing of buildings / premises constructed thereon in favour of various lessees, are illegal and not binding upon the Claimant, to the extent of his share in the Disputed Lands.

KRC Infra, has by its letter dated December 24, 2019 sent an interim reply to the Notice *inter alia* denying the allegations made by the Claimant. KRC Infra, has by its another letter dated June 29, 2020 sent a response to the Claimant stating *inter alia* that in absence of supporting documents received from the Claimant in support of his claim pursuant to the interim reply, the Notice stands withdrawn and his claim does not survive. No further correspondence has been received.

4. Saraswati Malhari Gaikwad (deceased) through her heir and others (“**Appellants**”) have filed RTS Appeal No. 805 of 2021 against Gera Developers Private Limited, and another (“**Respondents**”) before the Sub Divisional Officer, Haveli, Pune (“**SDO**”) being aggrieved by the order passed by the Circle Officer in respect of Mutation Entry No. 13226 for Survey No. 65 Hissa No. 3, Village Kharadi, Taluka Haveli, District Pune. The SDO has issued notice dated December 9, 2021 to the Respondents for appearance in the matter and for filing Vakalatnama. On June 9, 2022 Gera Developers Private Limited has filed its reply *inter alia* seeking dismissal of the RTS Appeal No. 805 of 2021. The application for delay condonation filed by the Appellants has been rejected by the SDO vide order dated November 17, 2022 and the matter has been disposed off.
5. Saraswatibai Malhari Gaikwad (deceased) (“**Plaintiff**”) through her heir Sangita Shivaji Kate has filed Special Civil Suit No. 2040 of 2021 (“**2021 Suit**”) against Yashwant Punaji Pathare and 65 others (“**Defendants**”) before the Civil Judge, Senior Division, Pune (“**Court**”) seeking *inter alia* preliminary decree of partition for 1/5<sup>th</sup> undivided share of the Plaintiff in the suit lands including *inter alia* on which Gera Commerzone Kharadi is situated, cancellation of sale deeds, declaration, permanent injunction and several other reliefs. Gera Developments Pvt Ltd and Gera Resorts Private Limited are the Defendant No. 16 and 17 in the matter. KRC Infra filed an Application seeking intervention in the matter which came to be allowed and has been joined as Defendant No. 66. On June 22, 2022 the Plaintiff has filed an application under section 151 of Code of Civil Procedure seeking injunction against certain Defendants from creating third party rights by way of sale, not to carry out construction or development activities. On June 27, 2022, the Defendant Nos. 16 and 17 filed their reply to the temporary injunction application. On July 19, 2023, the Court partly allowed the Application for injunction, restraining Defendant 1 and 2 from alienating and creating third party rights in any manner over suit properties 1 (a), 1 (b) and 1 (f) till disposal of the suit. On December 13, 2023 the Plaintiff filed an application for amendment seeking impleadment of licensees/lessees as Defendants in the array of parties in the matter. The matter is currently pending.
6. Saraswati Malhari Gaikwad (“the Appellant”) since deceased through her legal representative Sangita Shivaji Kate through her constituted attorney Amit Jeevan Pathare filed Appeal from Order No. 753 of 2023 bearing Loding No. 23330 of 2023 along with IA No. 5246/2023 being aggrieved by the impugned Order dated July 19, 2023 passed by Civil Judge Senior Division, Pune below Exh. 5 i.e. Application for injunction in Special Civil Suit No. 2040 of 2021 as Application Exh. 5 was partly allowed to the extent of suit properties 1(a), 1(b) and 1(f) as described in the order (para-2) and rest of the prayers/reliefs were not granted. On October 31, 2023 Notice summons to appear was served on KRC Infra i.e. Respondent No. 66 in respect of Appeal from order filed by the Appellant. The matter was on heard on January 02, 2024, where the Advocate for Respondent Nos. 1 and 2 and Mr. Kamdar apprised the Hon’ble Court that (i) no one was present on behalf of the Appellant and (ii) Respondent Nos. 1 and 2 were not served with the papers in the captioned matter, till date. The Respondent Nos. 1 and 2 further stated that they had filed an appeal from order being Appeal from Order (L) No. 28880 of 2023 i.e. Appeal from Order 32 of 2024 (“Other AFO”) before the Hon’ble Court and requested the Hon’ble Court, if the same could be

tagged along with the captioned matter. Accordingly, the Hon'ble Court was pleased to (i) tag the Other Appeal from Order along with the captioned matter and (ii) place the captioned matter on 17th January 2024. On January 17, 2024 the matter was adjourned till January 24, 2024. On January 24, 2024 the Respondent No. 66 submitted that Respondent No. 66 has been served with the copy of the notice of the aforesaid Appeal from Order (L) No. 28880 of 2023 (i.e. Appeal from Order 32 of 2024) but without the copy of Appeal. The matter is currently pending.

7. Saraswati Malhari Gaikwad (deceased) through her heir Sangita Shivaji Kate ("**Appellant**") filed an RTS Appeal No. 429 of 2022 on June 2, 2022, before the Sub Divisional Officer, Haveli, Pune ("**SDO**") against Gera Resorts Private Limited through Mr. Nilesh Dave and Mr. Ashish Jangda ("**Respondents**") seeking quashing and setting aside of the order passed on May 26, 2022 by the Circle Officer, Kalas in respect of Mutation Entry No. 27115 ("**Impugned Order**") recording the name of Respondents on the revenue records in pursuance of the duly registered Deed of Confirmation dated March 10, 2021 executed between Gera Developments Pvt Ltd and Gera Resorts Pvt Ltd in respect of Survey No. 65 Hissa No. 3, Village Kharadi, Taluka Haveli, District Pune. The Appellant has filed an application for stay to the Impugned Order passed by the Circle Officer, Kalas. On June 17, 2022 the Sub Division Officer, Haveli granted a stay on the Impugned Order till the next date of hearing i.e. July 4, 2022. By an order dated December 05, 2022, the SDO has rejected the said RTS Appeal on merit and subjected the matter to the final order /outcome of the Special Civil Suit No. 2040 of 2021 filed before the Civil Judge, Senior Division, Pune ("**Court**")
8. Saraswati Malhari Gaikwad (deceased) through her heir Sangita Shivaji Kate ("**Appellant**") filed an RTS Appeal on June 6, 2022 before the Additional Collector, Pune ("**Additional Collector**") against Gera Resorts Private Limited through Mr. Ashish Jangda ("**Respondents**") seeking to quash and set aside the order passed on December 5, 2022 by the Sub Division Officer, Haveli ("**Impugned Order**") in respect of the Mutation Entry No. 27115 recording the name of the Respondents on the revenue records in pursuance of the duly registered Deed of Confirmation dated March 10, 2021 executed between Gera Developments Pvt Ltd and Gera Resorts Pvt Ltd in respect of Survey No. 65 Hissa No. 3, Village Kharadi, Taluka Haveli, District Pune. The Appellant filed an application seeking a stay on the Impugned Order. On January 13, 2023 the Additional Collector, Pune granted status quo till the final decision of the Appeal. On March 27, 2023, the Appellant filed an Application seeking an amendment to the Appeal to implead KRC Infra as a respondent therein and thereafter KRC Infra came to be impleaded as Respondent No. 3 by Additional Collector, Pune. On April 26, 2023, KRC Infra was served a notice of the aforesaid appeal to appear in the matter. On May 08, 2023 KRC Infra appeared in the matter and filed an Application seeking copies of the Appeal Memo and supporting documents thereof. On October 16, 2023, the Appellant filed an Amendment Application for impleading 13 new respondents ("**Amendment Application**"). However, the copies of the aforesaid were not served on KRC Infra and the matter was posted on December 5, 2023 for receipt of records and proceedings of i) Complaint Case No. 6 of 2020 before the Ld. Circle Inspector, Kalas; ii) RTS Appeal No. 429 of 2022 before the Ld. Sub-Divisional Officer. On December 5, 2023 KRC Infra filed its say to the Amendment Application and written arguments on the aforesaid Amendment Application were filed on February 05, 2024. The Amendment Application came to be rejected vide order passed on February 06, 2024 by Sub Division Officer, Haveli. On February 05, 2024 Respondent No. 1 and 2 filed an Application for vacating status quo order passed on January 13, 2023 by Additional Collector, Pune. The matter is currently pending.

(ii) *Criminal matters*

There are no pending criminal matters against KRC Infra.

(iii) *Regulatory actions*

1. A notice dated July 25, 2019 was issued by PMC to KRC Infra and Gera Developments Private Limited (“**GERA**”) alleging non-compliance with certain provisions of the approval of reservation shifting dated October 3, 2016 issued by the PMC in relation to a cultural centre, parking and hospital area at Gera Commerzone Kharadi on the basis of a complaint received by PMC. GERA and KRC Infra have replied to the notice, by way of a letter dated August 14, 2019, refuting all allegations. The matter is currently pending.

KRC Infra and GERA received two notices both dated June 1, 2021 (“**Notices**”) from Tahsildar, Haveli, Pune (“**Tahsildar**”) under the Maharashtra Land Revenue Code, 1966, in relation to alleged unauthorised excavation and transportation of minor minerals by KRC Infra from the lands situated in Village Kharadi, Taluka Haveli, Pune. KRC Infra filed its written submissions dated June 10, 2021 (“**Written Submissions**”) with the Tahsildar. On November 30, 2023 the Tahsildar quashed the Notices thereby passing order that the excavation carried out by KRC Infra is lawful since the development has been done after obtaining prior permissions for excavation and hence not liable for any penal action. The matter is closed.

2. By letter dated November 1, 2021 to Pune Municipal Corporation (“**PMC**”), KRC Infra informed PMC that it is in receipt of challan dated October 25, 2021 for an amount of ₹ 52.19 million being development charges, building development charges and heritage conversion fund stating that PMC ought to have levied development charges at higher rate of 8% with effect from May 10, 2018 and PMC has recovered excess development charges of ₹ 130.38 million for the period 2015 to 2018 by levying development charges at the rate of 8 % instead of 4%. KRC Infra further requested that PMC should adjust the aforesaid amount against the excess amount paid by KRC Infra earlier and that KRC Infra is making the payment of ₹ 52.19 million as per challan under protest and PMC is requested to ensure that the excess amount of ₹ 130.38 million be returned to KRC Infra at the earliest or the said excess amount be adjusted against development charges payable on the next sanction. Thereafter, on April 13, 2022, KRC Infra filed an appeal under section. 124 – G of the Maharashtra Regional and Town Planning Act, 1966 (“**MRTP Act**”) before the Principal Secretary, Urban Development Department, State of Maharashtra. In response to the said appeal, vide letter dated April 28, 2022, Urban Development Department has requested/directed Director, Town Planning, Govt of Maharashtra & the Commissioner, PMC to furnish their report on the said appeal. The matter is pending.
3. Gera Developments Private Limited and its licensed architect received a letter from the Executive Engineer, Building Development Department Zone No. 1, Pune Municipal Corporation (“**PMC**”) stating that Saraswati Gaikwad (deceased) through her legal heir Sangita Gaikwad (“**Applicant**”) has filed an application cum complaint (“**Application**”) dated January 24, 2022 with PMC in relation to alleged unauthorized construction on the land bearing Survey No. 65/3, Village Kharadi, Taluka Haveli, Pune (“**Land**”). By the Application, the Applicant allegedly claimed to be the owner, having an equal and undivided share in the Land and informed that no partition of the Land has taken place and that there is a suit pending before the Civil Judge, Senior Division Pune with regard to the Land. Pursuant to the Application, the Applicant has requested PMC to stop the ongoing construction on the land and requested PMC not to issue occupation certificate (“**OC**”). In view thereof, PMC has requested Gera Developments Private Limited and its licensed architect to provide clarity regarding the allegations

made by the Applicant. By reply dated February 7, 2022, Gera Developers inter alia stated that the land bearing S. No 65/3 admeasuring 2 hectares 15.6 ares was sold by late Punaji Hari Pathare as karta and manager of HUF for the benefit of and for legal necessity of the family members of HUF and accordingly possession was handed over to Gera Developers Private Limited, and that part Occupation Certificate has been issued, the layout and building plans have been sanctioned as per the rules and regulations of PMC.

4. KRC Infra has received a demand notice dated March 11, 2022, from the stamp duty and revenue authority in relation to alleged deficit payment of stamp duty aggregating to ₹ 1.1 million along with penalty with respect to lease deed dated 28<sup>th</sup> October 2020 (“**Lease Deed**”) entered into by KRC Infra, in its capacity as lessor with a lessee. KRC Infra has, by its letter dated March 24, 2022, replied to the said demand notice *inter alia* stating that the liability for stamp duty on the Lease Deed was that of the lessee. The matter is currently pending.

(iv) *Material civil/commercial litigation*

1. For pending material civil/commercial litigation actions against KRC Infra, see “*Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Gigaplex – Material civil/commercial litigation*”.

**G. MBPPL**

(i) *Title litigation and irregularities*

1. Shrimant Chhatrapati Udayan Raje Pratapsinh Maharaj Bhonsale (“**Plaintiff**”) has filed a suit before the Civil Judge Senior Division Pune (“**Civil Court**”) against Shri Mukund Bhavan Trust (“**MBT**”), its trustees, and the State of Maharashtra (“**Defendants**”) for declaration of title and possession of lands in Yerwada, Pune admeasuring approximately 322.7 acres (“**Suit Land**”); including approximately 25 acres 27 gunthas (approximately 1,03,940 square meters) (“**Commerzone Land**”) of land in which units (approximate 1.68 msf of leasable area as per lease deeds) in Commerzone Yerwada, one of our Portfolio, are situated. MBT, as the owner of 79.32 acres land (“**MBT Land**”), had executed a registered development agreement in 2004 with KRCPL with respect to the Commerzone Land. Commerzone Yerwada land, which includes the rights in demarcated portions of the Commerzone Land, was transferred from KRCPL to MBPPL pursuant to the scheme of arrangement sanctioned on September 7, 2017). Neither KRCPL nor MBPPL is joined as a defendant to the suit.

The Plaintiff is seeking, *inter alia* declarations and injunctions in his favour in relation to ownership and possession of the Suit Land and to set aside compromise decrees passed in (i) 1953 in Suit No. 152/1951; (ii) 1990 in Suit No. 1622/1988; and (iii) 2003 in Civil Appeal No. 787/2001; all in proceedings between MBT and the State of Maharashtra.

The Plaintiff also filed an application for temporary injunction which is pending. No interim or ad-interim relief has been granted to the Plaintiff. MBT applied to the Civil Court for rejection of the plaint filed by the Plaintiff on the grounds of limitation, which was rejected by order dated April 29, 2014. MBT filed revision petition against the said rejection order, in the Bombay High Court, which was dismissed on April 26,



2016. MBT filed SLP No.18977 of 2016 against the said dismissal order, which is pending before the Supreme Court of India.

The Plaintiff filed an application on March 9, 2015 in the Civil Court for amendment to the prayers in the suit, *inter alia* to limit the Plaintiff's claim for possession only with regard to vacant land in possession of the Defendants and lands alienated subsequent to the filing of the suit, and to seek compensation from MBT with regard to constructed units and alienated part of the Suit Land instead of seeking possession of the developed portion for which registered deed with regard to alienation were executed prior to the filing of the suit in 2009. The application for amendment of the plaint was rejected by the Civil Court by its order dated November 14, 2016. Aggrieved, the Plaintiff filed Writ Petition No. 4268/2017 in the Bombay High Court challenging the said order dated November 14, 2016, which is currently pending before the Bombay High Court.

Two applications made by third parties, being M/s. Mahanagar Developers and M/s. Mahanagar Constructions for being joined as party defendants in the suit, were granted on November 14, 2016 by Civil Court. The Plaintiff challenged this order by filing Writ Petition No. 4415/2017 in the Bombay High Court. By a common order dated February 15, 2018 passed in the aforesaid two writ petitions (Nos. 4268/2017 and 4415/2017), the Bombay High Court requested the trial judge not to proceed in considering any interim application, till the adjourned date of hearing of these petitions. These matters, including the suit, are currently pending.

The Plaintiff registered a notice of lis-pendens dated July 7, 2011 in respect of the Suit No.133/ 2009 and applied for mutation in the revenue records. Purshottam M. Lohia, a trustee of MBT and Panchashil Tech Park Private Limited (an entity claiming certain rights in survey No.191A Yerwada village) ("**Panchashil**") opposed the mutation, which opposition was rejected. Panchashil filed appeal before the District Superintendent of Land Records and relied on the government notification dated September 21, 2017 directing revenue authorities to remove or cancel all mutations entries in respect of notice of lis-pendens.

2. Ravindra Laxman Barhate filed complaint and revenue proceedings against Shri Mukund Bhavan Trust ("**MBT**") and others in relation to the allotment and exemption order under the Urban Land Ceiling Act, 1976 in respect of the MBT Land (as mentioned in para 1 above).

A complaint was filed on November 27, 2015 by Ravindra Laxman Barhate with the Divisional Collector Pune and other authorities, against MBT and others (together, "**Respondents**") alleging tampering, cheating as also breach of terms and conditions by the Respondents *inter alia* with respect to order dated November 24, 2003 passed under Section 20(1) of the Urban Land Ceiling Act, 1976 in respect of the MBT Land at Yerwada, Pune ("**ULC Order**") and seeking action against the Respondents and cancellation of the ULC Order.

MBT filed a writ petition before the Bombay High Court, for quashing any enquiry / investigation on the basis of the said complaint filed by Ravindra Laxman Barhate. By order dated March 5, 2018, the Bombay High Court has restrained the Additional Collector from passing any order on this complaint until the next hearing date. Through its order dated January 6, 2020, the Bombay High Court *inter alia* restrained the State of Maharashtra and certain other respondents from passing any order

pursuant to the complaint filed on November 27, 2015 until disposal of the writ petition. The matter is currently pending.

Ravindra Laxman Barhate also filed a Revenue Appeal No.1826/2015 before the Revenue Minister, State of Maharashtra (“**Revenue Minister**”) against the Commissioner & Collector, Pune and MBT, challenging a report dated June 20, 2011 of the Divisional Commissioner, Pune (“**Report**”) wherein MBT was stated to be the owner of the MBT Land(which include the demarcated portions of the land pertaining to Commerzone Yerwada); *inter alia* to set aside the Report, pass an order directing the relevant authorities to submit a new inquiry report and restrain the purchase-sale, construction on the disputed land. By way of order dated September 23, 2015, the Revenue Minister ordered that status quo be maintained as regards the record of the suit property.

MBT had filed a writ petition challenging the order dated September 23, 2015 passed by the Revenue Minister. Since the State Government of Maharashtra withdrew the said order dated September 23, 2015, stating that the pending proceedings will be heard by the Principal Secretary, Revenue Department, the said writ petition was disposed of by order dated October 28, 2015 as not surviving while keeping open all contentions of both the parties on merits. MBT challenged the said Order dated October 28, 2015 in the Supreme Court of India (“**Court**”) *inter alia* on the ground of maintainability of such proceedings before the Principal Secretary, Revenue Department. By order dated January 21, 2016, the Supreme Court of India has stayed the proceedings pending before the Principal Secretary, Revenue Department. By order dated August 6, 2021, the Court allowed the appeal by setting aside the impugned order dated October 28, 2015 of Bombay High Court and restored the aforesaid writ petition to the file of the Bombay High Court to facilitate the Bombay High Court revisiting the petition afresh. The Court clarified that the setting aside of the impugned order dated October 28, 2015 will not have any consequence in regard to the statements which have been recorded of the State of Maharashtra to withdraw the order dated September 23, 2015.

3. The Office of the Land Reforms Tribunal & Revenue Divisional Officer, Hyderabad (“**Tribunal**”) had by its letter dated August 11, 2009, sought certain information from Serene Properties Private Limited (now MBPPL) under Section 8(2) of the Andhra Pradesh Land Reforms (Ceiling on Agriculture Holdings) Act, 1973 (“**APLRAC**”) in respect of the land at Mindspace Pocharam.

Serene has filed a reply on September 30, 2009. The authorized officer has filed a counter and Serene has filed a rejoinder dated August 29, 2012. Serene has stated that the land transferred in favour of MBPPL was notified for industrial use and has been declared as an SEZ and is not “land” covered under the APLRAC. The proceedings are pending before the Special Grade Deputy Collector and Revenue Divisional Officer, Ranga Reddy District. In September 2012, MBPPL also submitted to the Tribunal a copy of the order dated August 9, 2012, which was passed by the Hon’ble High Court of Andhra Pradesh in a similar matter (being Writ Petition No. 19300/2012 filed by Neogen Properties Pvt. Ltd.) wherein a stay was granted by the High Court until further orders. The matter is currently pending before the Tribunal.

4. A letter dated February 4, 2019 from the Office of Executive Engineer, BDD Zone No.4 was forwarded by an architect firm to MBPPL on February 11, 2019 wherein PMC sought clarifications regarding certain objections pertaining to the land at Commerzone Yerwada, regarding payment of ₹ 156.98 million consisting of ₹ 56.34 million principal of recoverable amount and ₹ 100.64 million on account of interest. MBPPL by way of its letter dated February 28, 2019 replied to PMC *inter alia* stating

that the letter has been addressed to the incorrect recipient who is not a developer of the relevant portion of the land, and sought clarifications with respect to the contents of the letter and disputed the payment demand. Further, by way of its letter dated July 2, 2019, MBPPL requested for a reply to its letter dated February 28, 2019 and stated that it would be ready to pay amounts, if any payable, if and once the clarifications sought by it are provided. By letter dated July 20, 2019 to MBPPL, PMC provided the copy of the audit report to MBPPL and requested MBPPL to provide its clarifications in respect of objectionable issues and furnish the challans in lieu of payment of the recoverable amount. By letter dated August 17, 2021 the architect firm and another, PMC stated that it has not received any clarifications and provided the challans of amounts by assessing interest thereon and required submission of challan/receipt towards payment of an amount of ₹ 183.60 million recoverable against all objectionable issues. By its reply letter dated September 6, 2021 to PMC, MBPPL has again stated that the earlier PMC letter dated February 4, 2019 and the PMC letter dated August 17, 2021 are addressed to the wrong persons and informed PMC of the non-receipt of relevant information and documents from PMC as requested by MBPPL earlier. By letter dated October 11, 2021 to PMC, MBPPL replied stating that the impugned challans, demands and notice are illegal, null and void and ultra vires; and called upon PMC to withdraw the impugned challans and letter forthwith. Further, without prejudice to the contentions raised in the reply and without admitting any liability to pay the amount as per the impugned challans, MBPPL has submitted to pay in full and final settlement on all accounts of all demands raised in the said challans, a lumpsum one-time amount of ₹ 26.64 million without any liability for interest thereon or for any other payments relating to the subject and to provide an opportunity of hearing and furnishing clarifications, if required by PMC. By letter dated January 5, 2022, to the architect firm and another, PMC stated that it has informed them earlier to make the payment of the objectionable and recoverable amount along with the interest in the treasury of PMC as per the scrutiny carried out by the Chief Auditor, PMC (“CA”) of the sanctioned building plans in respect of land at Commerzone Yerwada. On April 7, 2022 MBPPL submitted a reply/ letter to PMC enclosing a demand draft as desired by the PMC, for an amount of ₹ 26.64 million towards the payment as set out in MBPPL’s earlier communications. The PMC returned the demand draft submitted by MBPPL vide its letter dated July 11, 2022 while demanding entire payment. MBPPL submitted letters dated July 21, 2022 and July 22, 2022 to PMC and remitted the entire payment of ₹ 101.36 million. Through its letter dated August 8, 2022, MBPPL intimated the PMC that MBPPL made the payment of an amount of ₹ 6.09 million being challan late fees on July 28, 2022. The matter is currently pending. MBPPL (“**Petitioner**”) has filed writ petition on November 14, 2022 in the Bombay High Court (“**Court**”) against Pune Municipal Corporation and others (“**Respondents**”) *inter alia*, seeking to impugn and set aside the Demand Notice dated January 5, 2022 enclosing challans for certain amounts allegedly due and payable by the Petitioner (“**Impugned Demand Notice**”) and for refund of the amount of ₹ 107.45 million paid by the Petitioner under protest to the Respondents towards the Impugned Demand Notice. The matter is currently pending for admission.

5. A complaint was filed by Maharashtra Pollution Control Board (MPCB) before the Judicial Magistrate, First Class, Belapur- District - Thane (Criminal Case No. 995 of 2022) under Sections 15 and 16 of the Environment (Protection) Act, 1986 read with the Environment Impact Assessment Notification, 2006 against MBPPL in expansion activity at Mindspace Airoli East project without obtaining prior environmental clearance which is already regularised after taking the remedial measures as directed. The matter is currently pending.

(ii) *Criminal matters*

There are no pending criminal matters against MBPPL.

(iii) *Regulatory actions*

1. Deputy Assessor and Collector (Indira Docks), Mumbai issued demand notice dated June 7, 2012 for payment of ₹ 0.4 million towards octroi for import of certain goods at Commerzone Yerwada project. MBPPL replied by way of its letters dated March 2, 2017, March 14, 2017 and March 22, 2017 stating, *inter alia* that it has made payments for the aforesaid goods. MBPPL received another demand notice dated March 21, 2018 in relation to the aforesaid payment of octroi. MBPPL replied by way of letter dated April 18, 2018 and reiterated that there is no liability to pay octroi in this case. No further correspondence has been received.
2. MBPPL has received several demand notices from the stamp duty and revenue authorities in relation to alleged deficit payment of stamp duty aggregating to ₹ 10.18 million along with penalty in certain instances with respect to certain leave and license agreements / lease deed entered into by MBPPL, in its capacity as licensor/ lessor. MBPPL has from time to time responded to such demand notices *inter alia* stating that the liability for stamp duty on the documents was that of the respective licensee / lessees.
3. Ministry of Water Resources, River Development and Ganga Rejuvenation, Central Ground Water Board issued a show cause notice dated March 22, 2019 to MBPPL for non-compliance and contravention of the mandatory conditions of the NOC issued of ground water extraction for Commerzone Yerwada project and directed MBPPL to rectify the non-compliances. MBPPL has replied by way of its letter dated April 12, 2019 stating that it has initiated all actions required for compliance with the no-objection certificate and requesting withdrawal of the show cause notice dated March 22, 2019. No further correspondence has been received.
4. MPCB, pursuant to the meeting of its Consent Appraisal Committee (“CAC”) held on December 12, 2017, issued a show cause notice dated June 5, 2018 to Trion Properties Pvt. Ltd. (prior to demerger of mall and IT undertakings from Trion Properties Pvt. Ltd. to MBPPL) in relation to certain non-compliances with environmental clearance for one commercial building (approximately 0.56 msf of leasable area as per lease deeds) forming part of The Square, Nagar Road project, and directed MBPPL to stop work on the project until a valid consent is obtained from it.

By letter dated March 20, 2018, MBPPL (as the successor of Trion) replied to the show cause notice by way of its letter dated July 6, 2018 stating that it had received amended environment clearance dated June 15, 2018 and complied with the other requirements and requested for withdrawal of the show cause notice and grant of renewed consent.

MBPPL has made an application dated December 11, 2019 to MPCB to obtain consent to operate, for the IT building at The Square, Nagar Road. CAC issued a show cause notice dated August 17, 2020 as to why the application for consent to operate should not be refused, *inter alia* as environment clearance was not in the name of the project and sought clarity and details *inter alia* relating to occupation certificate. By reply dated August 24, 2020, MBPPL provided the required clarifications and details, and requested for processing the application and issuing the necessary consent to operate. The CAC, in its meeting held on December 4, 2020, has approved to grant the consent to operate subject to MBPPL submitting the amended environmental clearance in the name of MBPPL and after payment of additional consent fees.. The consent to 1<sup>st</sup> operate (Part II) was issued on October 6, 2021 (“CTO”). By letter dated October 14, 2021 to Member Secretary, CAC, MBPPL stated that MBPPL had issued a bank guarantee for ₹ 1 million (“BG”). However, MBPPL observed that the CTO had a condition that the BG was being forfeited since the IT park was operative since 2016 without obtaining consent to operate by MBPPL. MBPPL further stated that since the date of application i.e. December 30, 2015, no objection was received and it was deemed approved and accordingly,

the proposed forfeiture of the aforesaid BG should not be effected and thereby requested for withdrawal of the proposal of forfeiture of BG.. The matter is currently pending.

5. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against MBPPL and others. For details, see “*Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions*”. Post the Warrant, the assessment proceedings under section 153A of the Income Tax Act were initiated for AY 2008-09, AY 2012-13 to AY 2018-19. The assessment under section 143(3) read with section 153A of the Income Tax Act for AY 2012-2013 to AY 2017-2018 and under Section 143(3) of the Income Tax Act, for AY 2018-2019 were completed. MBPPL filed appeals before the CIT(A) against the order for AY 2012-13 to AY 2017-18 and against order for AY 2018-19. MBPPL made an application under the VsV for AY 2012-13, AY 2013-14 & AY 2014-15. MBPPL received final order for AY 2012-13, accepting the VsV Application. The appeal for AY 2015-16 and 2016-17 were disposed by the CIT(A) in favour of MBPPL with direction to the assessing officer. The appeal for AY 2012-13 was dismissed by the CIT(A) in view of VsV order for the said year. VsV application for AY 2013-14 was rejected and the final order under VsV for AY 2014-15 is currently pending. The appeal for AY 2013-14 was disposed by the CIT(A) against MBPPL and an appeal has been filed before the ITAT against the same. Appeal filed before ITAT for AY 2013-14 has been withdrawn by MBPPL. The Income Tax Department filed an appeal for AY 2015-16 and AY 2016-17 before ITAT against the order of the CIT(A) and the same were disposed by the ITAT in favour of MBPPL. MBPPL received a notice under section 148 for assessment year 2014-15. MBPPL filed return of income under protest in response to the said notice for assessment year 2014-15 and also sought reasons for reopening the assessment. MBPPL received reasons for reopening and response against the same has been submitted objecting to the reopening of assessment. The Income Tax Department passed an order rejecting the objections filed. MBPPL filed a writ petition with the Bombay High Court against the notice under section 148 and rejection order. Bombay High Court has passed the order quashing the notice under section 148. Subsequently, Supreme Court has upheld the validity of the notice. MBPPL received notice u/s 148A(b) and response against the same has been submitted objecting to the reopening of assessment. The Income Tax Department passed an order under section 148A(d) rejecting the objections filed and served notice under section 148 of the Income Tax Act. The return of income was filed under protest in response to the said notice. MBPPL has filed Writ Petition before Bombay High Court against the notice u/s 148 and order u/s 148A(d).
6. The Collector of Stamps (Enforcement), Mumbai issued an interim demand letter dated December 18, 2017 and rectification order dated December 20, 2017 for deficit stamp duty aggregating to ₹ 333.28 million. By way of letter dated December 26, 2017, MBPPL expressed its disagreement with respect to determination of the amount of stamp duty for the demerger of certain undertakings of Trion Properties Pvt. Ltd. into MBPPL and stated that it will effect the payment of the disputed amount under protest and requested that the original order of the NCLT be returned to MBPPL duly endorsed, to enable MBPPL to make the payment and register the same. The amount of ₹ 333.28 million was paid under protest on December 27, 2017. No further correspondence has been received.
7. The Tahsildar, Revenue Department, Collectorate Office Pune (“**Tahsildar**”), with reference to the office memorandum dated May 1, 2018 (“**OM**”) issued by the Ministry of Environment, Forest and Climate Change, Impact Assessment Division, New Delhi (“**MoEF**”) relating to the CER issued a letter dated March 22, 2021 (“**Letter**”) to MBPPL (addressed to Mr. Anil Mathur) requesting MBPPL to provide details (as per the format provided in the said Letter) of the expenditure/provision for ₹ 27.22 million towards the Corporate Environment Responsibility (“**CER**”) in respect of revalidation and proposed amendment in environment clearance to accommodate mixed use occupancies at the Square, Nagar Road and requested for hearing at the Collectorate Office Pune and response to the Letter. . By letter dated May

- 6, 2021 to the Tahsildar, MBPPL submitted, among other things, that (i) the environment clearance dated June 15, 2018 issued to MBPPL does not contain any condition or requirement/liability on MBPPL to spend/make provision for CER; (ii) the revalidation and proposed amendment in the environment clearance neither involved expansion in area nor any enhancement in cost of the project; and (iii) there is no liability on MBPPL since the OM specifically provided that CER is not applicable in case of an amendment involving no additional project investment. No further correspondence has been received.
8. Ministry of Environment, Forest & Climate Change (“**MOEF & CC**”), by its letter dated August 13, 2021 to MBPPL (addressed to Mr. Anil Mathur), informed MBPPL that they are directed by National Green Tribunal, Principal Bench, New Delhi (“**NGT**”) to bring to MBPPL’s attention the order dated July 26, 2021 (“**NGT Order**”) passed by the NGT on the application made by Navnath Namdeo Jadhav pursuant to which NGT has instructed the MOEF & CC to ensure the compliance of conditions of environmental clearance granted to the 10 projects located in Mumbai and Pune which includes IT and Mall building at The Square, Nagar Road. MOEF & CC has by the said letter dated August 13, 2021 requested MBPPL to provide information and documents as mentioned therein. By letter dated October 19, 2021 to MOEF & CC, MBPPL has provided the details and documents pertaining to the queries raised.
  9. The Commissioner, Pocharam Municipality (“**Commissioner**”) issued a show cause notice dated November 27, 2021 (“**SCN**”) to KRCPL (instead of MBPPL) under the Telangana Municipalities Act, 2019 for removal of fence, and to leave open the cart track out of the land of MBPPL at Pocharam Village for the use of general public. The Commissioner has under the SCN alleged that KRCPL has encroached by erecting a fence to the said cart track. MBPPL, by its letter dated December 6, 2021, replied to the SCN stating that they are verifying the records and the relevant layouts pertaining to the subject and sought additional time to submit a detailed response and requested the Commissioner not to initiate any steps or proceedings in the interim.
  10. The Collector and Competent Authority, Pune Urban Agglomeration issued a notice dated March 13, 2023 to M/s Semi Conductors Ltd (“**Semi Conductors**”) stating that: (a) the exemption order under Section 20 of the Urban Land Ceiling Act, 1976 was granted in respect of the property being the Square, Nagar Road project and as per the said order, the use or utilization of the land was to be done for industrial purpose and the transfer of the said property was prohibited, (b) pursuant to the documents in respect of building permission submitted by Pune Municipal Corporation to the Urban Land Ceiling authorities, it has been observed that Semi Conductors changed the user of the property to another user and obtained development permission. The matter is currently pending.
  11. MBPPL received an e-mail from BSE Limited (“**BSE**”) for non-compliance with the “*SEBI Single Circular for Listing Obligations and Disclosure Requirements for Non-Convertible Securities, Securitised Debt Instruments and/or Commercial Paper*” dated July 29, 2022 and non-compliance with Regulation 50(1) and 60(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, for the quarters ended June 30, 2022 and March 31, 2023, respectively and accordingly imposed fines of ₹ 17,700 for the above-mentioned non-compliances. MBPPL made a representation for waiver of the fines imposed through emails dated September 15, 2022 and May 5, 2023. The representations for waiver were rejected by the “Request Review Committee for Waiver of Fines Levied under Standard Operating Procedure”. Accordingly, MBPPL has paid the fines.
  12. KRCPL received a letter dated December 29, 2023 from the office of Joint District Registrar, Pune requesting KRCPL (now MBPPL pursuant to the sanctioned scheme of demerger) to avail the benefit of Amnesty Scheme 2023 on the deficit stamp duty and penalty thereon to be paid since the deficit stamp duty and penalty thereon has not been paid on the document No. 2380/2019 registered in the office of Joint Sub Registrar, Haveli No. 15, Pune. MBPPL is in the process of submitting a reply to the aforesaid letter.

13. For other pending regulatory actions against MBPPL, see “*Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Gigaplex – Regulatory actions*”.

(iv) *Material civil/commercial litigation*

1. With respect to the termination of a license agreement between MBPPL and Capstone Securities Analysis Private Limited (“**Capstone**”), a licensee at Unit No.003 in Building No.1 in Commerzone Yerwada, MBPPL has filed an eviction suit against Capstone in the Small Causes Court at Pune (“**Court**”) for payment of arrears of license fees and other charges aggregating to ₹ 10.80 million and has sought injunction. By way of two separate orders dated June 16, 2022, application dated February 4, 2021 filed by MBPPL seeking directions against Capstone for depositing the monthly License Fee in Court was allowed by the Court, and application dated July 9, 2021 filed by Capstone for fixation of standard rent was rejected. On July 16, 2022 the Court allowed the application filed by MBPPL for interim/ad-interim injunction restraining Capstone from creating third party interest in the suit property and parting with the possession of the suit property in any manner, till final disposal of the suit. On August 3, 2023 Capstone appeared and filed on record a Purshis *inter-alia* stating that (a) Capstone has paid ₹ 10.92 million to MBPPL in compliance of orders passed in Civil Revision Application No. 45 of 2022 and (b) an additional amount of ₹ 0.35 million has also been transferred to MBPPL’s account in view of MBPPL’s claim of shortfall amount, and (c) Capstone has paid the license fee for the month of July and August 2023 at the rate of ₹ 0.42 million and as such an amount of ₹ 0.11 million is paid in excess as per month license fee is directed to be paid at ₹ 0.36 million., s The written statement filed by Capstone was taken on record since Capstone made the payment as per the order of the Court. The matter is currently pending for evidence of MBPPL.
2. Kharghar Vikhroli Transmission Private Limited (“**KVTPL**”) has filed a petition before Maharashtra Electricity Regulatory Commission, Mumbai (“**MERC**”) against Maharashtra State Electricity Transmission Company Limited (“**MSETCL**”) and others (including MBPPL and Gigaplex as respondents) under the applicable provisions of the Electricity Act, 2003 read with the transmission service agreement dated August 14, 2019 (“**TSA**”) entered between KVTPL, MSETCL, MBPPL, Gigaplex and certain other entities including distribution companies seeking, inter-alia, compensation/relief for increased cost of the project during construction period due to the ‘change in law’ event being increase in acquisition price of shares of KVTPL (including the purchase cost of Vikhroli land). The total additional cost of the project claimed by KVTPL is ₹ 717 million along with carrying cost at the rate of 9.35% on compound interest basis. The financial liability to MBPPL is 0.06% i.e. the percentage share computed based on allocated transmission capacity rights as mentioned in the TSA. By order dated August 2, 2022 MERC had partly allowing the petition. The prayer of KVTPL to change the Acquisition Price of Special Purpose Vehicle by ₹ 717 million as per the provisions of the Article 12 of the TSA is allowed without carrying cost. KVTPL is entitled to recover the impact of Change in Law after declaring the Date of Commissioning of the project in accordance with the provisions of the TSA without any carrying cost. KVTPL and MSEDCL have filed separate Appeals (Appeal No. 385 of 2022 and Appeal No. 393 of 2022 respectively) before the APTEL against the MERC Order dated August 2, 2022. By an order dated March 31, 2023 in Appeal No. 385 of 2022, and order dated May 18, 2023 in Appeal No. 393 of 2022, the APTEL directed to include the Appeal in the “*List of Finals of Court - IP*”, once pleadings are completed. These appeals are pending before the APTEL.
3. The Maharashtra Electricity Regulatory Commission, Mumbai (“**MERC**”) has issued its Mid-Term-Review (“**MTR**”) Order for MBPPL. The MERC in the order dated March 31, 2023 has disallowed the deferment of recovery proposed by MBPPL in its petition. MBPPL has filed an appeal before the Appellate Tribunal for Electricity at New Delhi (“**APTEL**”) against the MERC MTR order dated March 31, 2023. The matter was listed before the APTEL for



admission on July 4, 2023. APTEL vide its order dated July 4, 2023 directed that a notice be issued to MERC. By an order dated August 4, 2023, APTEL directed to include the Appeal No. 528 of 2023 in the “List of Finals” to be taken up upon completion of pleadings. MERC has served the copy of its counter Affidavit to MBPPL. MBPPL has filed its rejoinder to the reply filed by MERC. The appeal is pending before APTEL. MBPPL proposed to allow MSEDCL tariff as recovery strategy and also agreed to forego the carrying cost on the regulatory asset if created using MSEDCL Tariff. The matter is currently pending.

4. A Notice dated May 30, 2024 has been received by Mindspace Business Park Private Limited from Labour Court, Thane in relation to the labour complaint filed by Sachin Tatyaram Jagtap, who is ex-employee of Newfound intimating the date of hearing on June 28, 2024.
5. For other pending *Material civil/commercial litigation* actions against MBPPL, see “*Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Gigaplex – Material civil/commercial litigation*”.

## **H. Sundew**

### *(i) Title litigation and irregularities*

1. The Office of the Land Reforms Tribunal Cum Deputy Collector & Special Grade Revenue Divisional Officer, Attapur (“**Tribunal**”) had, by letter dated August 27, 2009, sought information from Sundew under Section 8(2) of the Andhra Pradesh Land Reforms (Ceiling on Agriculture Holdings) Act, 1973 (“**APLRAC**”) in respect of the entire land parcel at Mindspace Madhapur (Sundew).

The Revenue Department of the Government of Andhra Pradesh forwarded a Memo dated September 5, 2009 for furnishing of certain information to the Government of Andhra Pradesh, including information requested by the aforesaid letter dated August 27, 2009. Sundew has filed a detailed response on September 30, 2009 stating that (a) the land was originally granted by the Government of Andhra Pradesh to KRIT which was a joint venture company with APIIC, (b) the land was vested in Sundew by way of demerger order of the Andhra Pradesh High Court, (c) the land has been declared as an SEZ and is therefore exempt from the local laws; (d) the land was shown as a non-agricultural land in the master plan of Hyderabad and is therefore not “land” covered under the APLRAC. The Tribunal issued a final notice to Sundew in January 2012 requesting Sundew to submit a declaration for full and correct particulars of the lands held by Sundew. In September 2009, Sundew also submitted a copy of the order dated August 9, 2012, which was passed by the Hon’ble High Court of Andhra Pradesh (“**High Court**”) in a similar matter (being Writ Petition No. 19300/2012 filed by Neogen Properties Pvt. Ltd.) wherein a stay was granted by the High Court until further orders. The matter is currently pending before the Tribunal.

### *(ii) Criminal Matters*

There are no pending criminal matters against Sundew.

### *(iii) Regulatory actions*

1. For pending regulatory actions against Sundew, see “*Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – KRIT– Regulatory actions*”.

### *(iv) Material civil/commercial litigation*

1. Sundew filed an application before the then Andhra Pradesh Electricity Regulatory Commission (now Telangana State Electricity Regulatory Commission (“**TSERC**”) on March 10, 2014 requesting TSERC to take on record the ‘deemed distribution licensee’ status of Sundew for the development, operation and maintenance of SEZ at Madhapur, Hyderabad.

TSERC passed an order dated February 15, 2016 (“**TSERC Order**”) identifying Sundew as a deemed distribution licensee for a period of 25 years with effect from April 1, 2016 subject to *inter alia* Sundew obtaining capital infusion from its promoters before March 31, 2016. Sundew filed an application dated March 16, 2016 (“**Interlocutory Application**”) before TSERC seeking modification of condition in respect of equity infusion and extension of time to comply with the same. TSERC passed an order dated August 4, 2016 directing compliance with TSERC Order and denying extension of time and also directed the existing licensee to continue the power supply till September 30, 2016. TSERC, by its letter dated September 22, 2016, has granted extension of time to continue power supply till the state transmission utility grants network connectivity and open access. Aggrieved, Sundew filed a petition (“**Review Petition**”) before TSERC on August 26, 2016, seeking *inter alia* review of the order dated August 4, 2016. Additionally, Sundew also filed an appeal to the Appellate Tribunal for Electricity (“**APTEL**”) challenging the TSERC Order and in relation to the conditions imposed by TSERC which was dismissed on September 27, 2019. The matter is currently pending before the TSERC with respect to the review petition filed by Sundew. Aggrieved by the order dated September 27, 2019, Sundew has also filed a civil appeal on November 15, 2019 before the Supreme Court of India. By an order dated February 22, 2021 passed in the civil appeal, the Supreme Court of India directed TSERC heard the said pending petitions at length and passed the Order on April 15, 2024 dismissing the OP.No.4 of 2021 in respect of Ceiling Tariff and OP.No.16 of 2017 in respect of asset bifurcation. The Appeal before the Supreme Court of India was allowed on May 17, 2024 partly in favour of Sundew Properties Limited as prayed.

## **II. Material litigation and regulatory actions pending against the Sponsors**

*As of December 31, 2023, the Sponsors do not have any pending criminal matters or regulatory actions against them, or material civil/ commercial litigation pending against them.*

*For the purpose of pending civil/ commercial litigation against the Sponsors, such matters where value exceeds 5% of the total revenue of each of the Sponsors, whichever is lower, as of June 30, 2024 as per their respective audited financial statements have been considered material and proceedings where the amount is not determinable but the proceeding is considered material by the Manager have been considered.*

## **III. Material litigation and regulatory actions pending involving the Sponsor Group**

*With respect to the Sponsor Group (excluding the Sponsors), details of all pending criminal matters and regulatory actions against the Sponsor Group (excluding the Sponsors) and material civil/commercial litigation pending against the Sponsor Group (excluding the Sponsors) have been disclosed.*

*For the purpose of pending civil/ commercial litigation against the Sponsor Group (excluding the Sponsors), such matters where value exceeds 1% of the consolidated profit after tax of Mindspace REIT as of June 30, 2024 have been considered material and proceedings where the amount is not determinable but the proceeding is considered material by the Manager have been disclosed. In addition to the above, pending civil/ commercial proceedings by the Sponsor Group (excluding the Sponsors) which are considered material by the Manager have been disclosed.*

### **A. Mr. Ravi C. Raheja**

#### *(i) Criminal matters*

1. Nusli N. Wadia (“**Complainant**”) lodged a first information report (“**FIR**”) against Mr. Ravi C. Raheja, Mr. Neel C. Raheja and Mr. Chandru L. Raheja (“**Accused**”), *inter alia* alleging criminal breach of trust, cheating and misappropriating his funds, causing alleged losses aggregating to ₹ 40 million, arising out of one of the transactions in respect of the building

constructed on a demarcated a portion the lands situated at Malad West, Mumbai pursuant to an agreement entered into between the Complainant and Ivory Properties in 1995. Pursuant to the FIR, the Economic Offences Wing, Mumbai filed a charge sheet before the Additional Chief Metropolitan Magistrate, Esplanade Mumbai (“**Court**”). Thereafter, the Accused have been released on bail bond by an order dated October 18, 2013 by the Additional Sessions Judge. The Accused have filed an application dated September 28, 2018 for discharge of charges. In an intervention application filed by the Complainant on January 16, 2019, the Court, by its order dated September 26, 2019, allowed the Complainant to assist the prosecution by filing written arguments and submission in the discharge application filed by the Accused. The Complainant has filed a writ petition in the Bombay High Court to squash the order dated September 26, 2019 rejecting the Petitioner’s application to make oral submissions in the discharge application. The matter is currently pending before the Court. All three Accused have filed separate criminal revision application together with miscellaneous application for condonation of delay in the Sessions Court, Mumbai, challenging the Court’s order dated September 26, 2019, allowing the Complainant to assist the prosecution by filing written arguments and submission in the discharge application filed by the Accused. The Sessions Court, Mumbai, has issued notice in the miscellaneous applications filed by the Accused.

2. The Metropolitan Magistrate, Vile Parle West, Mumbai (“**Magistrate**”) issued summons dated September 11, 2018 to Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja and another, to appear before the Magistrate in relation to two different complaints. The summons relates to an alleged violation of signage license conditions by the Hypercity store at Goregaon West, Mumbai, in contravention of the provisions of the Bombay Municipal Corporation Act, 1888. Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja and another filed a petition before the Bombay High Court for quashing the summons issued by the Magistrate. The Bombay High Court, through an order dated October 29, 2018, has barred the Magistrate from taking any coercive action against Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja and another till date of the next hearing. The matter is currently pending before the Magistrate.
3. The Office of the District Superintendent of Police, Ahmedabad Rural, Special Investigation Team (Land) (“**SIT**”) has issued a notice dated December 8, 2020 (“**First Notice**”) to Mr. Ravi C. Raheja and Mr. Neel C. Raheja for seeking written explanation and to remain present personally with all documents relating to certain land in the village Sachana, Viramgam (“**Land No.1**”) in connection with the application (complaint) made by Casme Industrial Park Development Pvt. Ltd. (“**Casme**”) and Mr. Harit Bhupendrabhai Patel (“**HP**”). SIT has further issued five notices each dated December 27, 2020 to Sentinel Properties Private Limited (“**Sentinel**”) and its directors, including Mr. Ravi C. Raheja, Mr. Neel C. Raheja for seeking written explanation and to remain present personally with all documents relating to Land No.1 and certain land parcels in village Sachana, Viramgam within three days from receipt of the aforesaid five notices in connection with the applications (complaints) made by Casme, HP, Bharat Ratilal Delivala, Vijay Ratilal Delivala, Dipak Ratilal Delivala and Priti Ajay Delivala alleging fraud in land transaction. Mr. Ravi C. Raheja, Mr. Neel C. Raheja are erstwhile directors of Sentinel and were on its board of directors till August 2012. K. Raheja Corporate Services Private Limited has by its reply dated January 4, 2021 submitted written explanation along with copies of documents as required on behalf of Sentinel and its directors. K. Raheja Corporate Services Private Limited has by its second reply dated January 18, 2021 submitted further written explanation along with copies of documents as required on behalf of Sentinel and its erstwhile directors. The Directorate of Enforcement had requested for attendance of the erstwhile directors of Sentinel in connection with an investigation under the provision of Money Laundering Act, 2002, and later a summons dated November 12, 2020 was also received by one of the erstwhile directors in this regard. Detailed information and documents had been provided by K Raheja Corporate Services Private Limited to the Directorate of Enforcement by letter dated November 9, 2020 and November 19, 2020. Subsequently, by another summons dated January 15, 2021 received on January 20, 2021, the Directorate of Enforcement requested

attendance of one of the erstwhile director of Sentinel on January 25, 2021 to tender a statement. By letter dated January 23, 2021, K Raheja Corporate Services Private Limited on behalf of Sentinel informed the Directorate of Enforcement that the said erstwhile director of Sentinel was unable to attend their office due to illness and requested for a further date in this regard. The said erstwhile director of Sentinel remained present before the Directorate of Enforcement on February 1, 2021 and February 8, 2021 and has submitted the statement. K. Raheja Corporate Services Private Limited has by its letter dated February 12, 2021 submitted the financial statements on behalf of Sentinel and its erstwhile directors as required by the Directorate of Enforcement.

(ii) *Regulatory actions*

1. The Assistant Director, Directorate of Enforcement, Mumbai (“ED”) has on February 2, 2018 issued summons under Section 50 of the Prevention of Money Laundering Act, 2002, calling upon Mr. Ravi C. Raheja to attend before the ED and to give evidence, details and documents of land purchased at Pirangut, Pune. The land was purchased from Jay Agrotech Private Limited by Pact Real Estate Private Limited pursuant to sale deeds dated March 17, 2008 and July 4, 2008. Mr. Ravi C. Raheja is an erstwhile director of Pact Real Estate Private Limited and was not a director of Pact Real Estate Private Limited as on date of the summons. Mr. Ravi C. Raheja, in his reply dated February 10, 2018, has submitted the documents sought by the ED. After the information sought by ED was provided, there has been no further communications or requisitions for attendance or otherwise, from the ED, in that regard.
2. The Department of Labour, Government of Karnataka (“**Labour Department**”) issued a show cause notice dated December 6, 2019 addressed to Chalet Hotels and Mr. Ravi C. Raheja and Mr. Neel C. Raheja (in their capacity as directors of Chalet Hotels) for failure to submit compliance report in relation to inspection carried out by the Labour Department and sought to take action for violations of certain labour laws. Chalet Hotels submitted its response, by its letter dated December 24, 2019 and provided the requisite information. Thereafter, the Labour Department issued a further notice dated January 18, 2020 with respect to production of certain registers and documents for their inspection, which was submitted by Chalet Hotels. No further correspondence has been received.
3. For other pending material civil/ commercial litigation against Mr. Ravi C. Raheja, see “*Material litigation and regulatory actions pending involving the Sponsor Group - Inorbit Malls - Regulatory actions*”

(iii) *Material civil/commercial litigation*

1. Powai Developers, Mr. Ravi C. Raheja and another (“**Petitioners**”) have filed a special leave petition (“**SLP**”) before the Supreme Court of India against the State of Maharashtra and three others (“**Respondents**”). The SLP has been filed against the judgement dated September 3, 2014 passed by the Bombay High Court in respect of the applicability of the provisions of Section 3(1)(b) of the Urban Land (Ceiling and Regulation) Repeal Act, 1999. By an order dated December 15, 2014, the Supreme Court of India issued a notice and restrained the Respondents from taking any coercive steps. KRCPL is the sole proprietor of Powai Developers. The matter is currently pending before the Supreme Court of India.
2. Ivory Properties and Mr. Ravi C. Raheja (Petitioners) have filed writ petition before the Bombay High Court (“**HC**”) against the State of Maharashtra, Nusli N. Wadia and others, for *inter alia* quashing and setting aside an order dated October 25, 2017 for acquiring property admeasuring approximately 8255.30 square meters, situated at Borivali. By an order dated November 26, 2019, the writ petition was disposed off as withdrawn with liberty to make representation to the State Government. Ivory Properties has filed its representation. Nusli N. Wadia had also filed similar writ petition before the Court against the State of Maharashtra and Ivory Properties on similar grounds. The writ petition filed by Nusli N. Wadia was dismissed

with observation that the petitioner can always approach the Court after the notification under Section 14 is issued and leaving all contentions of the parties open.

3. Mr. Ravi C. Raheja, Neel C. Raheja, Mr. Chandru L. Raheja, Mrs. Jyoti C. Raheja, KRCPL, Ivory Properties, Palm Shelter, KRPL and 20 others filed an appeal (“**Appeal**”) under Section 10F of the Companies Act, 1956 before the Bombay High Court (“**High Court**”) against Aasia Properties Private Limited (“**Aasia**”) and two others, against order dated September 19, 2006 (“**Order**”) passed by the CLB, New Delhi in company petition 91/2005, which granted permission to Aasia, to appoint its nominee as a non-functional director on the board of Juhu Beach Resorts Limited. The Court *vide* an interim order dated November 21, 2008, stayed the order till the pendency of the Appeal. The matter is currently pending before the High Court.
4. Aasia Properties Private Limited (“**Aasia**”) filed an appeal (“**Appeal**”) under Section 10F of the Companies Act, 1956 before the Bombay High Court (“**Court**”) against Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja, Mrs. Jyoti C. Raheja, KRCPL, Ivory Properties, Palm Shelter, KRPL and 20 others (“**Respondents**”), with respect to order dated September 19, 2006 passed by the CLB, New Delhi which dismissed the petition filed for declaring the transfer of 633 shares of Poonam Chand Shah/ Manjula P. Shah in favour of certain respondents as null & void, set aside subsequent transfers of such shares to other Respondents, subsequent rights issues of such shares be transferred to the Petitioners and other consequential reliefs. The matter is currently pending before the Court.
5. Shazad S. Rustomji and another (“**Plaintiffs**”) have filed a suit before the Bombay High Court (“**Court**”) against Ivory Properties, Mr. Ravi C. Raheja, Mr. Neel C. Raheja and others *inter alia* for declaring the deed of declaration dated October 25, 2011 executed and registered by Ivory Properties for submitting the building Serenity Heights under the Maharashtra Apartment Ownership Act, 1970 and the consequent formation of the Serenity Heights condominium, as illegal and void and not binding upon the Plaintiffs. The Court, in its order dated April 24, 2016, has refused to grant ad-interim relief to the Plaintiffs. Ivory Properties Mr. Ravi C. Raheja and Mr. Neel C. Raheja have filed an application for rejection of the plaint on grounds that the present suit is barred by the law of limitation. The matter is currently pending before the Court.
6. Mr. Ravi C. Raheja and others (“**Petitioners**”) have filed a writ petition before the Bombay High Court against State of Maharashtra and others (“**Defendants**”), for directing the Defendants for withdrawing the letter dated June 8, 2008 which gave retrospective effect to the notification dated June 9, 2008 amending Rule 22A of the Bombay Stamp Rule, 1939 and setting aside the aforementioned notification. The Petitioners have also sought a refund of stamp duty aggregating to ₹ 6.21 million along with interest. The matter is currently pending before the Bombay High Court.
7. Gopal L. Raheja and eight others (“**Petitioners**”) have filed company petition before the CLB / NCLT, Mumbai (“**CLB/NCLT**”), against Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja and five others (“**Respondents**”), under Sections 397 and 398 of the Companies Act, 1956 *inter alia* alleging oppression and mismanagement by the Respondents in respect of the business and management of Asiatic Properties Limited. The matter is currently pending before the NCLT. Seacrust Properties Private Limited and Sandeep G. Raheja, the Petitioners, filed company applications against Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja and others for alleged violation of certain orders of the CLB/NLT and alleged acts of perjury by making false statements. The company applications were dismissed by the CLB/NCLT *vide* its orders dated January 8, 2013 and February 7, 2013 (“**Orders**”). Aggrieved by the Orders, Seacrust Properties Private Limited and Sandeep G. Raheja have filed separate appeals before the Bombay High Court. The matters are currently pending before the Court Bombay High.
8. Tresorie Traders Private Limited has filed a company petition before the NCLT, Mumbai under sections 247(1A) and 250 of the Companies Act, 1956 against Mr. Ravi C. Raheja, Mr. Neel

C. Raheja, Mr. Chandru L. Raheja and others *inter alia* for investigation in respect of the membership, financial interest and control over two companies i.e. Club Cabana Recreation Private Limited and Sai Park Estate Developers (India) Private Limited and for restricting the transfer, fresh issue, exercise of voting rights and payment of dividend of the said companies. The matter is currently pending before the NCLT, Mumbai.

9. Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja and Mrs. Jyoti C. Raheja (“Plaintiffs/CLR”) filed a civil suit before the Bombay High Court (“High Court”) against Gopal L. Raheja, Sandeep G. Raheja, Durga S. Raheja, Sabita R. Narang and Sonali N. Arora (“Defendants/GLR”) for specific performance of family arrangement vide agreements dated May 1995, April 5, 1996, November 16, 1996 and December 9, 1996, collectively referred to as the “Family Arrangement Documents which has been partially acted upon and implemented

and to divide the undivided properties/entities at Mumbai i.e. the “Mumbai Undivided Entities” and in South India i.e. the “Southern Undivided Entities” along with certain other residual properties (collectively referred to as the “Balance Properties”). The matter is currently pending.

Defendant Nos. 2 and 3 have filed their written statement and counter-claim. The matter is currently pending before the High Court.

The GLR group also filed suits before the High Court pursuant to the family arrangement against the Plaintiffs of the Plaintiffs to hand over certain title deeds, documents and papers and other assets belonging to the GLR group which are allegedly in the custody of the Plaintiffs. The matters are currently pending before the High Court.

The Mumbai Undivided Entities are as follows:

| Partnership Firms                            | Limited Companies                                   |
|--|---|
| 1. Alankar Enterprises                       | 1. Canvera Properties Private Limited               |
| 2. Crystal Corporation & Everest Enterprises | 2. Carlton Trading Private Limited                  |
| 3. Crown Enterprises                         | 3. Debonair Estate Development Private Limited      |
| 4. Evergreen Construction                    | 4. Dindoshila Estate Developers Private Limited     |
| 5. Honey Dew Corporation                     | 5. East Lawn Resorts Limited                        |
| 6. Kenwood Enterprises                       | 6. Fems Estate (India) Private Limited              |
| 7. K. Raheja Financiers & Investors          | 7. Hill Queen Estate Development Private Limited    |
| 8. K. R. Finance                             | 8. Juhuchandra Agro & Development Private Limited   |
| 9. K. R. Properties & Investments            | 9. K. R. Consultants Private Limited                |
| 10. K. R. Sales Corporation                  | 10. K. R. Developers Private Limited                |
| 11. Marina Corporation                       | 11. K. Raheja Trusteeship Private Limited           |
| 12. Oriental Corporation                     | 12. Lakeside Hotels Limited                         |
| 13. Powai Properties                         | 13. Nectar Properties Private Limited               |
| 14. R. M. Development Corporation            | 14. Neel Estates Private Limited                    |
| 15. Ruby Enterprises                         | 15. Oyster Shell Estate Development Private Limited |
| 16. Satguru Enterprises                      | 16. Peninsular Housing Finance Private Limited      |
|  | 17. Rendezvous Estate Private Limited               |
|  | 18. Raheja Hotels Limited                           |
|  | 19. Sea Breeze Estate Development Private Limited   |
|  | 20. Sevaram Estate Private Limited                  |

| Partnership Firms                                | Limited Companies                         |
|--|---|
|  | 21. S. K. Estates Private Limited         |
|  | 22. Springleaf Properties Private Limited |
|  | 23. Suruchi Trading Private Limited       |
|  | 24. Wiseman Finance Private Limited       |
| Association of Persons                           | Trusts / Charitable Trusts                |
| K. Raheja Investments & Finance                  | 1. K. R. Foundation                       |
|  | 2. Raheja Charitable Trust                |
| Private Trusts                                   |   |
| 1. Lachmandas Raheja Family Trust                |   |
| 2. L. R. Combine                                 |   |
| 3. S. R. Combine                                 |   |
| 4. Reshma Associates                             |   |
| 5. R. N. Associates                              |   |
| 6. R. K. Associates                              |   |
| 7. Various discretionary trusts (about 288 Nos.) |   |
| Southern Undivided Entities                      |   |

| Partnership Firms                | Limited Companies  |
|----------------------------------|--|
| K Raheja Development Corporation | 1. Mass Traders Private Limited                          |
|                                  | 2. K. Raheja Hotels & Estates Private Limited            |
|                                  | 3. K. Raheja Development & Constructions Private Limited |
|                                  | 4. Ashoka Apartments Private Limited                     |
|                                  | 5. Asiatic Properties Limited                            |
| Trusts / Charitable Trusts       |  |
| 1. R&M Trust                     |  |
| 2. Raj Trust                     |  |

In relation to the above mentioned undivided entities, the Plaintiffs have been served with various notices issued by regulatory authorities in respect of certain non-compliance. These notices have been replied to in the capacity of shareholders as the family settlement has not been fully implemented. No further correspondence has been received. The Plaintiffs have resigned from their directorship in the undivided companies in which they were directors.

11. Sealtite Gaskets Private Limited and six others (“**Petitioners**”) have filed company petition before the CLB / NCLT, Chennai under Sections 397, 398, 399, 402, 403 and 406 of the Companies Act, 1956 against Mr. Ravi C. Raheja, Mr. Neel C. Raheja and Chandru C. Raheja and four others (“**Respondents**”) *inter alia* in respect of alleged oppression and mismanagement by the Respondents in respect of the business and management of K. Raheja Hotels and Estates Private Limited. By order dated February 2, 2017, the matter was transferred to NCLT, Bengaluru. The matter is currently pending before the NCLT, Bangalore.
12. Mr. Ravi C. Raheja and Mr. Neel C. Raheja (“**Petitioners**”) have filed a writ petition before the Karnataka High Court at Bengaluru (“**Court**”) against the Union of India and Registrar of Companies, Bengaluru (“**RoC**”) (“**Respondents**”) challenging the wrongful inclusion of their names in the list released by the RoC on its website in relation to the directors disqualified under the provisions of Section 164(2) the Companies Act, 2013, for the periods ending October 31, 2019 and October 31, 2020 in relation to non-filing of financial statements or annual returns for a continuous period of three financial years by K Raheja Hotels and Estates Private Limited (since the Petitioners were not directors of K Raheja Hotels and Estates Private Limited at the relevant time, having already resigned therefrom). By its order dated June 12, 2019 (“**Order**”), the Court has disposed of the writ petition filed by the Petitioners, along with a batch of several other writ petitions on the same matter and quashed the impugned list to the extent *inter alia*

the disqualification of the Petitioners as directors was concerned. Pursuant to the Order, the Petitioners have filed a review application before the Court for issuing directions to the Respondents for deletion of the names of the Petitioners as directors of K Raheja Hotels and Estates Private Limited in the records of the Respondents, as was sought earlier in the writ petition. The Petitioners have filed a caveat on October 14, 2019 in anticipation of any appeal which the Respondents may file against the Order and subsequent adverse interim orders. Further, the Petitioners through their reminder letter dated December 2, 2019 requested the administrator of K Raheja Hotels & Estate Private Limited to file requisite forms and ensure updates to the records of the RoC, in relation to resignation letters submitted by the Petitioners as directors of K Raheja Hotels & Estate Private Limited. The administrator, by letter dated December 26, 2019, stated that he was not in a position to accede to the aforementioned request unless relevant orders were granted in proceedings pending before the High Court, Karnataka and the CLB/NCLT to which the Petitioners have been impleaded as parties. The Court through its order dated September 6, 2022, allowed the Petitioners' application by directing the RoC to treat the Petitioners as having resigned as directors of K Raheja Hotels and Estates Private Limited, with effect from February 17, 2014, as reflected in the Petitioners' resignation letters, and make necessary entries/corrections in the records of the RoC, Karnataka and the Ministry of Corporate Affairs, Government of India on/in its website. The RoC, Karnataka, by its letter dated May 23, 2023 informed the administrator of K. Raheja Hotels and Estates Private Limited that the Petitioners had informed it about the review petition filed in Karnataka High Court and the order and directions passed in the said review petition and stated that it is in the process of complying with the order of Karnataka High Court for treating the Petitioners as having resigned as the directors of K. Raheja Hotels and Estates Private Limited with effect from February 17, 2014. By the said letter the RoC, Karnataka has requested the administrator of K. Raheja Hotels and Estates Private Limited to take necessary actions for complying with the statutory provisions of the Companies Act, 2013, *inter alia*, regarding the board composition of K. Raheja Hotels and Estates Private Limited.

13. Pratik Rameshchandra Shah, through his power of attorney holder, Sambhuprasad Kurjibhai Lakkad, filed an appeal before the Nayab Collector, Prant Officer Court, Viramgam District, Ahmedabad against the order of the Deputy Mamlatdar dated May 27, 2018 (“**Order**”) upholding the mutation entry made in the revenue records pursuant to sale of certain land for alleged wrongful sale of the disputed land in Sachana (in Gujarat) to Sentinel Properties Private Limited, where Mr. Ravi C. Raheja and Mr. Neel C. Raheja were erstwhile directors. The Deputy Collector passed an order dated February 13, 2019 in favour of the petitioner against which Sentinel Properties Private Limited has filed an appeal before the Gujarat High Court. The Gujarat High Court, by order dated February 25, 2020, vacated the interim relief granted by it against the order passed by the Deputy Collector. Pratik Rameshchandra Shah has also filed a suit before the Principal Civil Court, Ahmedabad against Mr. Ravi C. Raheja, Mr. Neel C. Raheja and others (“**Respondents**”) and has sought cancellation of the Order and stay on further dealing of the disputed land in Sachana (in Gujarat) by the Respondents. The matters are currently pending before the relevant forums. Further, Casme Industrial Park India Pvt. Ltd. (“**Casme**”) had purchased land from Sentinel Properties Private Limited during May 6, 2016 to October 17, 2016. Mr. Rajesh M. Lodha was appointed as a director with effect from February 12, 2012 of Casme. On August 5, 2018, Casme was served with summons of Suit No. 19 of 2016 filed in Viramgam Court. Accordingly, Casme filed an application under Order VII Rule 11(a) and (d) of the Civil Procedure Code, 1908 for rejection of the plaint. The Viramgam Court in its order dated December 15, 2021 rejected the application and Casme challenged the said order dated December 15, 2021 before the Gujarat High Court. By order dated March 7, 2023, the Gujarat High Court has stayed the proceedings of Viramgam Court and the revision application is pending before the Gujarat High Court for hearing on July 21, 2023.
14. For other pending material civil/ commercial litigation against Mr. Ravi C. Raheja, see “-*Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs*”



– *Avacado – Title litigation and irregularities*” and “*Material litigation and regulatory actions pending involving the Sponsor Group - Inorbit Malls - Material civil/commercial litigation*” and “*Material litigation and regulatory actions pending against the Associates of each of Mindspace REIT, the Sponsors and the Manager, and entities where any of the Sponsors hold any interest/shareholding – Shoppers Stop – Material civil/commercial litigation*”.

**B. Mr. Neel C. Raheja**

*(i) Criminal matters*

1. A complaint has been filed in March 2023, by Kaushalya Kad and others (legal heirs of Ghule) (“**Complainants**”) with the Police Inspector, Kondhwa Police station against Cavalcade Properties Pvt Ltd (“**CPPL**”) through Mr. Neel C. Raheja and others. By the said complaint, the Complainants have alleged that they are the owners of the land bearing S. No 38/4/3 which is adjoining to the land owned by CPPL and further alleged that CPPL had deployed goons who were preventing the aforesaid Complainants from entering their property and carrying out any fencing activity. Through the said complaint, the Complainants have requested the police inspector, Kondhwa Police station to take cognizance of the complaint, and to register criminal offence against CPPL, Mr Neel C. Raheja and others. Pursuant to the aforesaid complaint, a notice under Sec 149 of Criminal Procedure Code was issued by Kondhwa Police station to CPPL thereby directing CPPL “not to create any law-and-order situation” at the location i.e. S. No 38/4/3 (Old S. No 38/4C) Mohammadwadi, Pune and if at all there is any breach committed by CPPL then in that event legal action would be initiated against CPPL.
2. For pending criminal matters against Mr. Neel C. Raheja, see “- *Material litigation and regulatory actions pending against the Sponsor Group – Mr. Ravi C. Raheja – Criminal matters*”.

*(ii) Regulatory actions*

1. The Assistant Director, Directorate of Enforcement, Mumbai (“**ED**”) has issued summons dated February 2, 2018 under Section 50 of the Prevention of Money Laundering Act, 2002, calling upon Mr. Neel C. Raheja to attend before the ED and to give evidence, details and documents of land purchased at Pirangut, Pune. The land was purchased from Jay Agrotech Private Limited by Pact Real Estate Private Limited pursuant to sale deeds dated March 17, 2008 and July 4, 2008. Mr. Neel C. Raheja is an erstwhile director of Pact Real Estate Private Limited and was not a director of Pact Real Estate Private Limited as on date of the summons. Mr. Neel C. Raheja, by his letter dated February 12, 2018, has submitted the documents sought by the ED. After the information sought by ED was provided, there has been no further communications or requisitions for attendance or otherwise, from the ED, in that regard.
2. The Enforcement Directorate, Delhi (“**ED**”) had issued a summons on December 20, 2017 against “The Director, M/s Carlton Trading Company” under Section 50 of the Prevention of Money Laundering Act, 2002 (“**PMLA**”) to appear before the ED and produce certain documents relating to consultancy / services provided by Advantage Strategic Consulting Private Limited (“**ASCPL**”) and Chess Management Services Private Limited (“**CMSPL**”) to Carlton Trading Company. A written reply was filed with the ED on January 5, 2018 by legal counsel to Mr. Neel C. Raheja on his behalf, as a shareholder and ex-director of Carlton Trading Private Limited (“**CTPL**”), *inter alia* that (i) the summons was addressed to the Director, Carlton Trading Company, Mumbai, with whom Mr. Neel C Raheja is not concerned, and therefore, the same appears to have been delivered to the office address of Mr. Neel C Raheja under a mistaken identity; (ii) Mr. Neel C Raheja was no longer a director of CTPL, and (iii) to the best of his knowledge, CTPL has not had any dealing either with ASCPL or CMSPL. A background of CTPL and resignation of its directors was provided to the ED along with copies of the memorandum of association/articles of association and other details relating to CTPL. A further similar summons dated July 13, 2018 was issued by the ED, pursuant to which Mr. Neel C. Raheja’s legal counsel attended the office of ED on July 23, 2018 where the ED informed

Mr. Neel C. Raheja's legal counsel, that the summons issued by ED was not for Mr. Neel C Raheja (as a detailed response had already been submitted on behalf of Mr. Neel C Raheja in relation to the previous summons, and that Mr. Neel C. Raheja's legal counsel, was not required for the hearing at all as the summons was not for Mr. Neel C Raheja). No further correspondence has been received thereafter.

3. The Assistant Director, Directorate of Enforcement, Mumbai has issued a notice in the year 2017 under section 37 of the FEMA calling upon Mr. Neel C. Raheja to furnish details and justification in respect of all foreign inward/outward remittances, with documentary evidences, sources of income, purpose for remittances and other related details, for the years 2005, 2007 and 2010. Mr. Neel C. Raheja has replied to the notice in the year 2017 furnishing the required details / information / documents and *inter alia* stated that the remittances were made in accordance with applicable FEMA regulations. By a subsequent letter, Mr. Neel C. Raheja referred to the aforesaid correspondence and stated that he had, through authorized representative, furnished the required details / information / documents, and understood that they were to the authority's satisfaction. He further requested to be informed in case of any further requirement or explanation, in the absence of which it would be understood that he has satisfactorily carried out the statutory compliances relating to closure of the matter. No further correspondence has been received.
4. For other pending regulatory actions against Mr. Neel C. Raheja, see “- *Material litigation and regulatory actions pending against the Sponsor Group – Mr. Ravi C. Raheja – Regulatory Actions*”.
5. For other pending material civil/ commercial litigation against Mr. Neel C. Raheja, see “*Material litigation and regulatory actions pending involving the Sponsor Group - Inorbit Malls - Regulatory actions*”.

(iii) *Material civil/commercial litigation*

1. Sandeep G. Raheja has filed a suit against Mr. Neel C. Raheja, Mr. Chandru L. Raheja and others before the Bombay High Court (“**Court**”) in respect of a private family trust and removal of certain trustees therefrom and also for the dissolution, distribution and settlement of the accounts of the private family trust. . The matter is currently pending before the Court.
2. For other pending material civil / commercial litigation against Mr. Neel C. Raheja, see “- *Material litigation and regulatory actions pending against the Sponsor Group – Mr. Ravi C. Raheja – Material civil/commercial litigation*” and “-*Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Title litigation and irregularities*”, “*Material litigation and regulatory actions pending involving the Sponsor Group - Inorbit Malls - Material civil/commercial litigation*” and “*Material litigation and regulatory actions pending against the Associates of each of Mindspace REIT, the Sponsors and the Manager, and entities where any of the Sponsors hold any interest/shareholding – Shoppers Stop – Material civil/commercial litigation*”.

**C. Mr. Chandru L. Raheja**

(i) *Criminal matters*

1. The Dy. Superintendent of Police, Criminal Investigation Department (“**CID**”) had issued letter dated June 9, 2008 to Mr. Chandru L. Raheja (in relation to a project of KRPL known as Raheja Woods) in connection with an investigation in Swargate Police Station, Pune, in respect of the ULC case No. 23 – WA, S. No. 222/1 (“**ULC proceedings**”). KRPL is not a party to the ULC proceedings, however KRPL has appeared before CID and also replied with a letter dated June 11, 2008 submitting the requisite documents. Subsequently, pursuant to an application filed for the copy of chargesheet filed with respect to the above matter and on receipt of the same, it was noted that the Swargate Police Station had filed a chargesheet in the year 2005 with respect to

the investigation wherein neither KRPL nor Mr. Chandru L. Raheja were named as accused. No further correspondence has been received.

2. KRPL received a notice dated December 06, 2023 was issued by the office of Joint Sub Registrar, Haveli No. 23 in respect of alleged deficit stamp duty of Rs 4,97,948/- payable on the lease deed dated August 12, 2020 executed between KRPL and HSBC. On December 20, 2023 KRPL replied to the said notice that the lease deed was not valid and subsisting since the same had been terminated by the Lessor and Lessee and hence there is no liability to make the payment of said deficit stamp duty and treat the matter as closed. Further, a letter dated December 22, 2023 was received by KRPL for availing the benefit of stamp duty under Amnesty scheme 2023 introduced by the Stamp authorities. On April 11, 2024 KRPL has sent a reply to the authority requesting for withdrawal of the letter and denying making of any alleged deficit stamp duty payment, and no further communication has been received from the authority.
3. For other pending criminal matters against Mr. Chandru L. Raheja, see “- *Material litigation and regulatory actions pending against the Sponsor Group – Mr. Ravi C. Raheja – Criminal matters*”.

(ii) *Regulatory actions*

1. The Chairman/Secretary of Jaldarshan Co-op. Hsg. Society Ltd. filed two applications in the year 2017 against M.R.Combine, Ram Narayana Sons Pvt. Ltd., S.M. Builders, Parmeshwar Mittal, Mr. Chandru L. Raheja, Lohtse Co-Op. Hsg. Soc. Ltd, K.F. Bearing Co. and others before the District Deputy Registrar, Co-op. Societies, Mumbai under Section 11 of the Maharashtra Ownership Flats (Regulation of the promotion of construction, sale, management and transfer) Act, 1963 in relation to deemed conveyance for conveying title to the society. The Registrar has issued notices dated January 30, 2018 and May 8, 2018. Mr. Chandru L. Raheja has received notice to file reply and/or appear before the Deputy Registrar. No further correspondence has been received.
2. The Assistant Director, Directorate of Enforcement, Mumbai has issued a notice in the year 2017 under section 37 of the FEMA calling upon Mr. Chandru L. Raheja to furnish details and justification in respect of all foreign inward/outward remittances with documentary evidence, sources of income, purpose for remittances and other related details, for the years 2009, 2011 and 2012. Mr. Chandru L. Raheja has replied to the notice in the year 2017 furnishing the required details / information / documents and *inter alia* stated that the remittances were made in accordance with applicable FEMA regulations. By a subsequent letter, Mr. Chandru L. Raheja referred to the aforesaid correspondence and stated that he had, through authorized representative, furnished the required details / information / documents, and understood that they were to the authority's satisfaction. He further requested to be informed in case of any further requirement or explanation, in the absence of which it would be understood that he has satisfactorily carried out the statutory compliances relating to closure of the matter. No further correspondence has been received.

(iii) *Material civil/commercial litigation*

1. Gopal L. Raheja and three others (“**Claimants**”) have filed an arbitration petition (“**Petition**”) under section 34 of the Arbitration and Conciliation Act, 1996 (“**Act**”) before the Bombay High Court (“**Court**”) against Mr. Chandru L. Raheja, Ivory Properties, Casa Maria and others to set aside the award dated January 25, 2014 (“**Award**”) passed by the single arbitrator, Justice Mr. Srikrishna (retd.). The Award did not grant any relief to the Claimant in respect of dissolution of the partnership firm K Raheja Development Corporation being one of the southern entities forming part of K Raheja southern division consisting of three groups being Gopal Raheja

Group, Chandru Raheja Group & the Menda Group having 37.5%, 37.5% & 25. % respectively. The matter is currently pending before the Court.

Mr. Chandru L. Raheja, in his capacity as the attorney of Mr. Suresh L. Raheja, has filed a suit before the City Civil Court, Bombay (“**Court**”) against Sultanath Shiraz and others (“**Defendants**”) for specific performance of an agreement for sale executed by Mr. Suresh L. Raheja and some of the Defendants and has *inter alia* sought compensation of ₹ 0.55 million along with interest. The matter was dismissed by the Court pursuant to order dated April 20, 2019. Application for restoring the matter before the Court was dismissed vide Order dated 20 December 2023. An Appeal challenging the said Order is filed .

2. KRPL and Mr. Chandru L. Raheja (“**Petitioners**”) have filed a writ petition before the Bombay High Court (“**Court**”) against the State of Maharashtra and others in respect of lands (Survey No. 22/1) situated at Yerwada, Pune and *inter alia* challenging the recovery of amounts and the stop work notices issued to KRPL pursuant to Urban Land Ceiling Act, 1976, the Urban land (Ceiling and Regulation) Repeal Act, 1999 and notice dated August 26, 2003 requiring to pay premium. Pursuant to an order dated April 7, 2010, the Petitioners have been allowed to continue with the development of the aforesaid lands. The matter is currently pending before the Court.
3. A suit filed in the High Court Bombay by one of the flat purchaser against K Raheja Development Corporation (“**KRDC**”), a partnership firm, Chandru L. Raheja Karta of Chandru L. Raheja HUF, Ivory Properties and others, among others, for specific performance of purchase agreement dated July 20, 1995 by executing the transfer deed to perfect his title in respect of flat No. 703 Block-D, Raheja Residency, Koramangala, Bangalore together with proportionate undivided right, right, title & interest in land common areas in Raheja Residency Koramangala, Bangalore.. In view of increase of pecuniary jurisdiction of Bombay City Civil Court to ₹ 100 million , the suit stands transferred to Bombay City Civil Court. The matter is pending.
4. For other pending material civil / commercial litigation against Mr. Chandru L. Raheja, see “- *Material litigation and regulatory actions pending against the Sponsor Group – Mr. Ravi C. Raheja – Material civil/commercial litigation*” and “- *Material litigation and regulatory actions pending against the Sponsor Group – Mr. Neel C. Raheja – Material civil/commercial litigation*”- and the “*Material civil/commercial litigation*” pending against the Sponsor Group – *Shoppers Stop*.

**D. Mrs. Jyoti C. Raheja**

(i) *Criminal matters*

There are no pending criminal matters against Mrs. Jyoti C. Raheja.

(ii) *Regulatory actions*

1. The Assistant Director, Directorate of Enforcement, Mumbai has issued a notice in the year 2017 under section 37 of the FEMA calling upon Mrs. Jyoti C. Raheja to furnish details and justification in respect of all foreign inward/outward remittances with documentary evidences, sources of income, purpose for remittances and other related details, for the years 2005, 2007 and 2010. Mrs. Jyoti C. Raheja has replied to the notice in the year 2017 furnishing the required details / information / documents and *inter alia* stated that the remittances were made in accordance with applicable FEMA regulations. By a subsequent letter, Mrs. Jyoti C. Raheja referred to the aforesaid correspondence and stated that she had, through authorized representative, furnished the required details / information / documents, and understood that they were to the authority’s satisfaction. She further requested to be informed in case of any further requirement or explanation, in the absence of which it would be understood that she has

satisfactorily carried out the statutory compliances relating to closure of the matter. No further correspondence has been received.

(iii) *Material civil/commercial litigation*

1. For other pending material civil / commercial litigation against Mrs. Jyoti C. Raheja, see “- *Material litigation and regulatory actions pending against the Sponsor Group – Mr. Ravi C. Raheja – Material civil/commercial litigation*”.

**E. Casa Maria**

(i) *Criminal matters*

There are no pending criminal matters against Casa Maria.

(ii) *Regulatory actions*

There are no pending regulatory actions against Casa Maria.

(iii) *Material civil/commercial litigation*

1. For other pending material civil / commercial litigation against Casa Maria, see “- *Material litigation and regulatory actions pending against the Sponsor Group – Mr. Chandru L. Raheja – Material civil/commercial litigation*”.

**F. Genext**

(i) *Criminal matters*

There are no pending criminal matters against Genext.

(ii) *Regulatory actions*

1. Proceedings were initiated before the monitoring committee of the MCGM for monitoring the re-development of the property owned by Capricorn Realty Limited situated at Mahalaxmi, Mumbai which is being developed by Genext. On June 6, 2018, the Monitoring Committee’s (“MC”) Meeting settled an issue regarding payment of additional allowances to ex-millworkers employed in the project. It is now pending before the MC whether more mill workers must be employed for the remainder of the work, in place of the mill workers whose employment has ceased. On June 8, 2022, Genext informed the MC that it had received the Occupancy Certificate of Tower 5 on March 1, 2022, and the remaining work is scheduled to be completed by August 2022. Thereafter, Genext’s Engineering Team will close the site and will gradually relieve all the workers in the next three months and handover Tower 5 to the Condominium. On October 31, 2022 the ex-mill workers were paid salaries for October 2022, and one month’s Notice Pay and Retrenchment Compensation with all legal dues and Termination Notice from November 1, 2022. Genext received a letter dated November 1, 2022 from the Deputy Labour Commissioner regarding the legal dues of retrenched workers. Genext recorded facts and applicable regulations in its reply in a letter dated November 4, 2022. Rashtriya Mill Mazdoor Sangh [RMMS]/ (representing ex-mill workers) requested the payment of Additional Retrenchment Compensation for more than 15 days on humanitarian grounds. As recorded in the minutes of the MC meeting held on November 9, 2022, the Committee was of the opinion that retrenchment compensation of at least 20 days must be given. On March 8, 2023 Genext filed a letter which stated that the ex-mill workers used pressure tactics for employment in the condominium, this being the reason for the non-payment of extra retrenchment compensation. This was not recorded in the monitoring committee’s minutes of the said meeting. On April 26, 2023, Genext submitted a letter to correct the minutes of the meeting dated March 8, 2023, but was directed to pay extra retrenchment compensation to the ex-mill workers. On June 21, 2023,

Genext requested the chairman to correct the minutes dated March 8, 2023 recording that Genext is not given certified copies of its order. On August 23, 2023 Genext submitted another letter to MC regarding illegal and extra-judicial demand from Rashtriya Mill Mazdoor Sangh [RMMS] for extra retrenchment compensation and for order to provide to Genext two sets of certified copies of the Minutes of the Monitoring Committee of the meetings held till August 23, 2023. On September 20, 2023 Genext received a copy of the minutes of the MC's meeting held on August 23, 2023 directing Genext to either pay 5 (five) days extra retrenchment compensation to ex-mill workers or re-employ them. In the Monitoring Committee's meeting held on October 4, 2023, the Monitoring Committee ordered Genext to pay 5 (five) days extra retrenchment compensation ("**Extra RC**") with 18% interest for delay in payment. Genext paid the Extra RC to all ex-mill workers by December 26, 2023. Genext received minutes of Monitoring Committee dated November 22, 2023 wherein Chairman of Monitoring Committee and Executive Engineer BMC have directed Genext to submit the clarification / report whether premises of Capricon Realty Ltd. are part of Hindustan Spinning & Weaving Mills Ltd. In the meantime, MC also called upon Capricon to clarify whether their commercial premises are part of the Hindustan Mills' Land. In MC's Meeting on January 10, 2024, RMMS's Vice-President Bajrang Chavan acknowledged receipt of full & final payment by Genext to all ex-mill workers. On February 22, 2024 Capricon's representative filed Architect's Report informing Monitoring Committee that commercial buildings wherein ex-mill workers are claiming employment is not part of Textile Mill and no mill activities were being run in the said building. In view of the above, Genext requested to be relieved from attending further meeting, to which the Chairman agreed.

2. Genext received demand notices from time to time, from the Collector of Stamps, Enforcement – II ("**Collector**") relating to stamp duty and penalty on various agreements entered into with various parties aggregating to approximately ₹ 208 million. Genext submitted its replies to the Collector against all these demand notices, *inter alia* pointing out that Genext is not a party to the said agreements and is not liable for any amount. After the hearing was held in these matters, no further communications / demands have been received from the Collector. Genext and KRCPL had also received a demand notice in 2014 from the Collector relating to stamp duty and penalty of approximately ₹ 55 million in respect of a deed of assignment dated August 6, 2007, between Genext and KRCPL. Genext submitted its reply *inter alia* stating that the document was duly adjudicated and accordingly the full stamp duty was paid thereon. After a hearing was held in the said case, no further communications / demands have been received thereafter.
3. The Income Tax Department had issued a warrant dated November 29, 2017, under Section 132 of the Income Tax Act, 1961 against Genext and others. For details, see "*Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions*". Post the Warrant, the assessment proceedings under section 153A were initiated for AY 2008-09, AY 2012-13 to AY 2018-19. The assessment under section 143(3) read with section 153A of the Income Tax Act for AY 2008-2009, AY 2012-2013 to AY 2017-2018 and under Section 143(3) of the Income Tax Act, for AY 2018-2019 were completed. Genext filed appeals before the CIT(A) against the order for AY 2014-15, AY 2015-16, AY 2016-17 and AY 2018-19 out of which the appeals for AY 2014 -15, 2015-16 and 2016-17 were disposed off partially in favour of Genext. Genext has further filed appeals against the order of the CIT(A) for AY 2014 -15, AY 2015-16 and AY 2016-17 before the ITAT. These appeals have been heard and order received partially in favour of the assessee. 4. The Pest Control Officer at MCGM issued 33 notices to Genext with respect to water stagnation at its Vivarea project site at Mahalakshmi, Mumbai and other related infringements of the Mumbai Municipal Corporation Act, 1888. Genext has replied to MCGM stating that they have taken corrective measures and requested MCGM to conduct inspection in order to close the matter. In relation to two of such notices, Genext has paid fines. No further correspondence has been received.

5. Genext received letter dated August 17, 2018 vide email dated August 21, 2018, and November 30, 2018 from the MCA directing it to provide certain information relating to Genext's compliance with its corporate social responsibility obligations for the financial year 2015-16. Genext has submitted the information to the MCA as requested. No further correspondence has been received.

*(iii) Material civil/commercial litigation*

1. Capricorn Realty Limited has filed a special leave petition before the Supreme Court of India challenging the final judgment of the Bombay High Court dated August 21, 2017 ("**Order**") passed in public interest litigation no.6/2016 in respect of the interpretation of the development control regulations of Greater Mumbai and the computation of the Floor-Space Index (FSI) liable to be granted. KRCPL has obtained the development rights of the subject matter lands from Capricorn Realty Limited, and has further assigned the same to Genext. The Supreme Court of India *vide* its order dated November 27, 2017 has stayed the Order. The matter is currently pending before the Supreme Court of India.
2. By an order dated July 7, 2023, National Company Law Tribunal, Mumbai Bench, approved the scheme of demerger of residential business of Genext into K Raheja Corp Real Estate Private Limited ("**KRCREPL**") with effect from August 1, 2023. By virtue of the demerger, inter alia, properties forming part of the residential business of Genext, now stand vested in KRCREPL. With respect to the legal proceedings/notices pending in respect of Genext residential business, Genext and KRCREPL will give necessary intimation to the concerned authorities in this regard and get Genext replaced/substituted KRCREPL as party to pending proceeding/s, if applicable.

**G. Inorbit Malls**

*(i) Criminal matters*

1. Inorbit Malls along with others received a notice dated January 22, 2019 from the Sub-Inspector of Police, Madhapur police station, Hyderabad in relation to a criminal complaint filed by MD Ghouse Mohiddin against Trion, Inorbit Malls and others for allegedly committing fraud amounting to ₹ 2.5 million. Trion and Inorbit Malls replied to the notice on January 24, 2019 stating that there is no privity of contract between the Complainant and themselves. The matter is currently pending before the Madhapur police station, Hyderabad. No further correspondence has been received thereafter.

*(ii) Regulatory actions*

1. From time to time, various inspections have been carried out by Labour officers and inspectors in respect of compliances by the company with the labour laws, rules and regulations. Inorbit Malls has filed its replies and submissions in respect of such inspections from time to time.
2. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against Inorbit Malls and others. For details, see "*Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions*". Post the Warrant, the assessment proceedings under section 153A of the Income Tax Act were initiated for AY 2012-13 to AY 2018-19. The assessment under section 143(3) read with section 153A of the Income Tax Act for AY 2008-2009, AY 2012-2013 to AY 2017-2018 and under Section 143(3) of the Income Tax Act, for AY 2018-2019 were completed. Inorbit filed appeals before the CIT(A) against the order for AY 2016-17, AY 2017-18 and AY 2018-19. All the appeals are disposed by the CIT(A) in favour of Inorbit Malls. The Income Tax Department filed an appeal for AY 2017-18 before ITAT against

the order of the CIT(A) and the same has been heard and disposed off partly in favour of Inorbit Malls. Further the Income Tax Department filed an appeal against the said order of ITAT with the High Court. This appeal is pending for hearing before High Court

3. Inorbit Malls received a notice dated November 4, 2018 from the Tahsildar under the Maharashtra Land Revenue Code in relation to alleged unauthorized excavation of minor minerals by Inorbit Malls.. On July 7, 2023 the Tahsildar, Haveli has disposed of the matter with the observation that Inorbit Malls has carried out excavation after obtaining proper permissions and Inorbit Malls is not liable for any penal action under Section 48(7) of Maharashtra Land Revenue Code,1966 and closed the matter.
4. Several notices have been issued by the various stamp duty authorities to Inorbit Malls, in respect of deficit payment of stamp duty on certain agreements executed by Inorbit Malls aggregating to ₹ 1.40 million payable by Inorbit Malls and ₹ 0.42 million payable by the licensees. Inorbit Malls has submitted its replies from time to time *inter alia* denying the liability for stamp duty. Inorbit mall has received further notices asking them to pay the deficit amounts. The matter is currently pending.
5. The Brihanmumbai Mahanagarpalika Corporation (“**BMC**”) issued a letter dated January 10, 2020 to Inorbit Malls, pertaining to alleged unauthorised use of parking space, pursuant to an inspection by BMC and instructed Inorbit Malls to produce approvals/permissions obtained from competent authority within seven days of receipt of the letter. Inorbit Malls has, by letter dated January 15, 2020, responded to the letter stating that it was not illegally using open space as alleged by BMC. BMC, by letter dated January 28, 2020, replied stating that the said open space was marked for parking as per the latest approved plan and observed that Inorbit Malls has changed the location of recreation ground without obtaining permission of competent authority. BMC has further directed Inorbit Malls to restore/remove the unauthorized development as per the approved plan, failing which, the appropriate action shall be initiated against Inorbit Malls. No further correspondence has been received. The BMC, by its notice dated February 28, 2020 (“**Notice**”) issued under section 55 of the Maharashtra Regional and Town Planning Act, 1966 (“**MRTP Act**”) directed Inorbit Malls to remove the unauthorized development i.e. Dais, Fountain, Kids Zone in parking space, within 15 days (fifteen days) from receipt of this Notice and sought to remove the unauthorised work and take action under the MRTP Act against Inorbit Malls in case of any failure. Inorbit Malls, by its reply letter dated March 13, 2020, submitted that revised proposal has been submitted to BMC, in respect of deleting podium parking and showing layout R.G. on ground with water fountain, Kids Zone and dias, and further requested the BMC to withdraw the Notice. By speaking order dated September 16, 2020 (“**Order**”), the BMC informed that for want of documentary evidence it is not proved that the work was authorised and directed removal of the work. By reply dated September 19, 2020, Inorbit Malls *inter alia* submitted the copy of the completion certificate and plans issued by building and proposal department, showing that the parking tower has already been deleted and the recreation ground (“**RG**”) is shown on ground with water fountain and kids zone, which is allowed as per the Development Control and Promotion Regulation 2034 in the RG area; and requested to review and withdraw the speaking order and provide an opportunity to appear and explain the matter. By a notice dated October 23, 2020, BMC has directed Inorbit Malls to restore the premises as per the amended plan and completion certificate dated July 16, 2020. No further correspondence has been received.
6. The Municipal Corporation of Greater Mumbai (“**MCGM**”) issued a notice dated January 29, 2020, to Inorbit Malls, observing that during an inspection, certain illuminated advertisement board was displayed in Inorbit Mall without appropriate permission from MCGM under the Mumbai Municipal Corporation Act, 1888. Inorbit Malls, by letter dated February 3, 2020, replied to the notice stating that the advertisement board was in relation to products offered in the mall premises and have been removed pursuant to completion of the promotion of the products. No further correspondence has been received.



7. The Municipal Corporation of Greater Mumbai (“**MCGM**”) issued a notice dated February 14, 2020, to Inorbit Malls, observing that during an inspection, certain illuminated advertisement board was displayed in Inorbit Mall without appropriate permission from MCGM under the Mumbai Municipal Corporation Act, 1888. Inorbit Malls, by letter dated February 18, 2020, replied to the notice stating that the advertisement board was within the scope of the permit granted by the MCGM and was in relation to services available with many retailers in the mall premises for the benefit of general public visiting the mall premises and requested MCGM to withdraw its notice. No further correspondence has been received.
8. Sheetalkumar Bhagchand Jadhav and another (“**Appellants**”) have filed RTS Appeal No. 451 of 2020 against the Circle Officer - Mohammadwadi - Hadapsar, Inorbit Malls, Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Cavalcade Properties Private Limited (“**Cavalcade**”) and others challenging the mutation of the name of Cavalcade vide Mutation Entry Nos. 15145 and 15146 both dated July 28, 2020 in respect of land bearing Survey No. 42 Hissa No. 2A admeasuring 32 Acres i.e. 3,200 square meters purchased by Cavalcade under two separate conveyance deeds both dated January 14, 2020 duly registered at Serial No. 2860/2020 and 2867/2020 at the office of Sub Registrar, Haveli No.10, Pune. By an order dated January 11, 2021 in the RTS Appeal, the status quo granted earlier by the order dated November 10, 2020 was vacated. The Appellants have challenged the order dated January 11, 2021 by filing a writ petition in the Bombay High Court (“**Court**”) on February 18, 2021. By an order dated July 5, 2021 passed in the writ petition, the Court requested the SDO to hear the RTS Appeal itself. By an order dated July 16, 2021, the Court recorded that the SDO has already heard the RTS Appeal and final order would be passed and disposed of the writ petition. By an order dated July 22, 2021 the SDO dismissed the RTS Appeal.
9. The Navi Mumbai Municipal Corporation (“**NMMC**”) has by letter dated November 12, 2020 (“**NMMC Letter**”) informed Inorbit Malls that the business operators / retailers are using the compulsory free space in front of their respective units at Inorbit Mall, Vashi (“**Mall**”) which is unauthorized and need to operate only from the areas approved under their respective licenses and in accordance with terms and conditions as mentioned in the said licenses and applicable law. By reply letter dated November 20, 2020, Inorbit Malls has stated that it has noted the contents of the NMMC Letter and accordingly briefed the business operators / retailers to abide by their license conditions. No further correspondence has been received.
10. The Municipal Corporation of Greater Mumbai (“**MCGM**”) issued a show cause notice dated March 24, 2021 (“**SCN**”), to Inorbit Malls, alleging that the Inorbit Malls administration of its mall at Malad, Mumbai (“**Mall**”) is not serious in following guidelines for COVID-19 testing under the MCGM circular for rapid antigen testing (RAT) dated March 19, 2021 (“**Circular**”) and allowing customers to enter the mall without getting tested for COVID-19. By letter dated March 26, 2021 to MCGM, Inorbit Malls has *inter alia* replied to the SCN stating that Inorbit Malls has followed all relevant circulars and guidelines as applicable for mall operations including the Circular and further requested MCGM to withdraw the SCN. No further correspondence has been received.
11. Inorbit Malls received a notice dated September 6, 2021 from the Tahsildar, Haveli, Pune (“**Tahsildar**”) under the Maharashtra Land Revenue Code, 1966 in relation to alleged unauthorised excavation and transportation of minor minerals by Inorbit Malls from the lands situated in Village Mohammadwadi, Taluka Haveli, Pune.. On November 30, 2023 the Tahsildar, Haveli passed an order observing that Inorbit is not liable for any penal action.. The matter is closed.
12. The Resident Deputy Collector, Office of the Collector, Pune (“**Collector**”), by letter dated February 24, 2021 (“**Letter**”) to Inorbit Malls requested Inorbit Malls to provide details (as per the format provided in the said Letter) of the expenditure/provision towards the Corporate

Environment Responsibility (“**CER**”) as per environment clearance for project cost of ₹ 6580 million for residential project in respect of lands at Village Mohammadwadi Taluka Haveli, District Pune (“**Project**”). The Tahsildar, (Revenue Branch) Office of the Collector, Pune (“**Tahsildar**”), by letter dated September 27, 2021 (“**Tahsildar Letter**”) to Inorbit Malls requested Inorbit Malls to provide details of the proposed CER activity/proposal (as per the prescribed format provided in the Tahsildar Letter) with reference to the EC for project cost of ₹ 6580 million for the Project and to submit the same to Collector and to remain present on October 1, 2021 for submitting the proposal in person of the activities carried out or undertaken under CER. On November 15, 2021, Inorbit Malls has filed a reply to the Collector as well as Tahsildar Haveli stating that since there is not additional investment as per proposed amendment in the Project there is no CER obligation for the aforesaid Project and to treat the matter as closed for all purposes and for any further clarification, if any personal hearing may be granted to Inorbit Malls. The matter is currently pending.

13. K. Raheja Builders (wrongly addressed as K. Raheja Builders instead of Inorbit Malls. The project is being developed by Inorbit Malls ) have received a notice dated December 28, 2021 (“**Notice**”) from Assistant Municipal Commissioner, Pune Municipal Corporation (“**PMC**”) with reference to news dated May 19, 2018, published in Maharashtra Times and letter dated May 19, 2018 issued by Senior Police Inspector, Hadapsar Police Station alleging that K. Raheja Builders have installed advertising brand/hoarding/flex at NIBM Road, Kondhwa in the Building/building premises, open area and in the internal side. and were directed to remove/uninstall the hoarding, failing which action was to be initiated for causing breach of the terms and conditions against the installation of advertising hoarding in terms of Maharashtra Prevention of Defacement of Property Act, 1995, and penalty and initiation of criminal proceedings against K. Raheja Builders under the Indian Penal Code, 1860. By the Notice, K Raheja Builders were directed to remove/uninstall the hoarding, failing which action was to be initiated for causing breach of the terms and conditions against the installation of advertising hoarding in terms of Maharashtra Prevention of Defacement of Property Act, 1995, including removal of the hoarding along with the expenses for the same and penalty and initiation of criminal proceedings against K. Raheja Builders under the Indian Penal Code, 1860.
14. Mr. S.S.Mangrulkar, Inspector, the Security Guards Board for Brihan Mumbai & Thane District has by Inspection Report dated August 6, 2022 instructed Inorbit to submit details and documents in respect of the security guard as deployed by an agency at Inorbit Mall, Malad. By their letter dated August 17, 2022, Inorbit Malls requested for time to submit the documents and details.
15. Inorbit Malls received a notice dated July 26, 2023 (“**Notice**”) from Mr. Ravi Sethia (Interim Resolution Professional (“**IRP**”) appointed for Future Lifestyle Fashions Limited (“**FLFL**”), seeking termination of Leave and License Agreement dated December 10, 2021 and seeking refund of security deposit amounting to ₹ 0.69 million. FLFL was operating its business under brand name “All” from unit No. F-21 situated at First Floor of Inorbit Mall, Vadodara. By a letter dated September 1, 2023, Inorbit Malls sent a detailed reply to the said legal notice refuting all claims as the Leave and License Agreement was terminated on September 22, 2022 and security deposit therein was adjusted towards the outstanding dues of FLFL. IRP sent Inorbit Malls a notice dated December 5, 2023, seeking access to the stores and take stock of inventory and other assets. IMIPL has replied to the IRP’s queries along with supporting documents.
16. Mr. Satyaajeet Parte (“**Complainant**”), an employee of JSS Group (“**JSS**”) has filed complaint before the Labour Commission, Vadodara (“**Labour Commission**”) against Inorbit Malls and JSS alleging wrongful termination of the Complainant from Inorbit Malls by JSS. JSS is a service provider of Inorbit Malls. In the said complaint, the Complainant has, *inter alia*, sought

reinstatement to his earlier place of deputation at Inorbit Malls, Vadodara. As no settlement between JSS and the Complainant was arrived at, the Labour Commission has referred the matter to the Labour Court, Vadodara. The matter is pending hearing before the Presiding Officer in Majur Adalat of Vadodara.

17. Inorbit Malls received a notice dated October 30, 2023 from Town Development Department, alleging unauthorized construction at Inorbit Mall at Vadodara and seeking supporting evidences/documents, in respect of regularization thereof or seeking demolition of the unauthorized construction. Inorbit Malls has replied vide letter dated November 6, 2023 stating that Inorbit Malls has not started any work on site and shall commence the same once consent to establish is obtained from Gujarat Pollution Control Board.
18. Shaikh Jahid Abdul Hamid (“**Plaintiff**”), an employee of Geekay Security Services Pvt. Ltd. (“**Geekay**”) has filed a complaint before the Labour Court, Ahmedabad (“**Court**”) against Inorbit Malls and Geekay alleging dismissal by Geekay. The Plaintiff has *inter alia* prayed for recovery of dues pertaining to the arrears of salary, compensation towards leave encashment, over time wages and bonus, aggregating to an amount of ₹ 0.32million. The matter is currently pending.
19. KRCPL received a notice dated October 27, 2023 from Assistant Commissioner, C Ward, Vashi, Navi Mumbai Municipal Corporation (NMMC) for clarification in respect of 36 temporary kiosks/stalls for property in Inorbit Mall. KRCPL has *inter-alia* replied by letter dated October 31, 2023, stating that NMMC has issued approved building plans, as revised from time to time, Commencement Certificate and Part O.C. including Kiosk approval.
20. Inorbit Malls received 3 (three) show cause notices from the Inspector of Security Guards Board for Brihanmumbai & Thane District ("Board") in respect of inspection conducted on December 28, 2023 by the Board, asking Inorbit Malls to produce and submit documents in relation thereof. Inorbit Malls replied by way of their letter dated February 16, 2024 and February 19, 2024, along with the copies of the relevant documents in compliance of the notices.
21. Inorbit Malls received a letter dated February 2, 2024 from Security Guards Board for Brihanmumbai & Thane District, in respect of the inspection conducted on February 2, 2024, asking Inorbit Malls to submit documents of security agency for verification purpose. By way of its letter dated March 5, 2024, Inorbit Malls replied, stating that the concerned representatives of the security agency had visited the office of the guard board in person in order to provide clarifications and submitted the relevant documents
22. For other regulatory actions pending against Inorbit Malls, see “- *Material litigation and regulatory actions pending against the Associates of each of Mindspace REIT, the Sponsors and the Manager, and entities where any of the Sponsors hold any interest/shareholding – Chalet Hotels – Material civil/commercial litigation*”.

(iii) *Material civil/commercial litigation*

1. Shoppers Stop has filed special leave petitions before the Supreme Court of India (“**Court**”) against Government of India, Director General of Service Tax, Ministry of Finance Department, The Central Board of Excise and Customs and others in respect of order dated August 4, 2011 passed by the Bombay High Court in respect of levy of service tax for renting of immovable property. Inorbit Malls has been made party to the petitions. The matter is pending before the Court. A special leave petition has also been filed by Retailers Association of India (wherein licensees of Inorbit Malls are members) against the Union of India and others before the Court on similar grounds. Inorbit Malls is also a party to various special leave petitions filed by other licensees of Inorbit Malls. The matter is pending before the Court.

2. Wides Properties and Holdings has filed a special civil suit before the North Goa Civil Court against Inorbit Malls and others in respect of lands situated at Kadamba, Goa claiming that the property originally belonged to Arun Mambro's family who had agreed to sale it to the plaintiff. The plaintiff's application for temporary injunction was rejected in the year 2013. On June 11, 2019, the plaintiff filed an application to further amend the plaint for adding additional grounds. On February 26, 2021, the plaintiff's filed application to bring on record the heirs of the deceased Mrs. Irene Barbosa being defendant no.13 by impleading them as defendant. By an order dated October 14, 2021, heirs of the said deceased defendant no.13 were allowed to be impleaded as prayed. On March 24, 2023 the plaintiff's application dated June 11, 2019 to amend the plaint was allowed, but the plaintiff failed to amend the plaint within 14 days. Plaintiff has made application to condone delay in amending Plaint which has been opposed by Inorbit Malls. Hence the suit is currently pending to decide the application.
3. Inorbit Malls is involved in certain matters in relation to mutation of names upon the land records maintained by the government which are currently pending before their respective courts/authorities.
4. Arun Prabhu Mambro and others filed a special civil suit against Inorbit Malls and 42 others before the North Goa – Civil Court, Panaji ("**Goa Court**") in relation to three adjoining parts and parcels of land located in revenue village Panelim and Parish of St. Peter ("**Suit Property**") claiming a right and interest over them and further alleging fraud committed by Mrs. Irene Barbosa in relation to manipulation of the land record to sell the Suit Property to Inorbit Malls. The plaintiffs have sought, among others, (i) declare the additions of names and boundaries of properties and revenue orders as null and void; and (ii) removal of the structures on the Suit Property. The matter is currently pending.
5. Dattaram Xavier Fernandes and others had filed a special civil suit before the North Goa Civil Court ("**Court**") against Inorbit Malls and others claiming tenancy over the lands situated at Kadamba, Goa and impugning Sale Deed dated October 9, 2006 executed in Inorbit Malls' favour. In view of Plaintiffs' claim of tenancy in the suit premises, the Court directed to decide the issue of tenancy before the Mamlatdar. By an order dated June 7, 2022, passed by the Court, the matter was dismissed for default.
6. KRCPL ("**Petitioner**") has filed a special leave petition before the Supreme Court of India ("**SLP**") against the common judgement and order dated November 20 and 21, 2014 ("**Impugned Judgement**") passed by the Division Bench of the Bombay High Court in public interest litigation No. 131/2003 and No. 48/2004 ("**PIL Proceedings**"), which set aside the allotment certain plot with open spaces ("**Leasehold Land**") by CIDCO to the Petitioner and directed KRCPL to handover the possession of the Leasehold Land in its original condition. Pursuant thereto, the Supreme Court of India, *vide* its order dated January 22, 2015 had directed the parties to maintain status-quo. The SLP is currently pending before the Supreme Court of India. Also pursuant to the liberty granted under the Impugned Judgment, the Petitioner has applied to the State Government for regularization of the allotment of land. The matter is currently pending with CIDCO.
7. Yogesh Rameshbhai Suthar ("**Complainant**"), an employee of Deccan Techno Security and Utility Services ("**Deccan Techno**") has filed complaint before the Labour Court, Vadodara ("**Court**") against Inorbit Malls and Deccan Techno alleging wrongful transfer of the Complainant from Inorbit Malls to other location by Deccan Techno. Deccan Techno is a service provider of Inorbit Malls. In the said complaint, the Complainant has *inter alia* prayed for payment of the salary along with eligible benefits and consideration with effect from his day of transfer, reinstatement to his earlier place of deputation at Inorbit Malls, Vadodara and claim of ₹ 10,000 towards litigation expenses. The matter is pending before the Court.
8. Shitalkumar Bhagchand Jadhav ("**Complainant**"), had filed a complaint before Maharashtra Real Estate Regulatory Authority ("**MAHA RERA**") against Inorbit Malls for alleged non-

registration of the project “Raheja Vistas F5 Phase III” (“**Project**”) at Pune with MAHA RERA by Inorbit Malls where the commencement certificate dated July 10, 2017 for the said Project was issued after the Maharashtra Real Estate (Regulation and Development) Act, 2016 (“**Act**”) came into effect on May 2017. By order dated July 16, 2021 (passed ex-parte) (“**Order**”), MAHA RERA has imposed penalty of ₹ 50,000 on Inorbit Malls for violation of provisions of Section 3 of the Act for non-registration of the project under MAHA RERA, 2017). Inorbit Malls has filed appeal before Maharashtra Real Estate Appellate Tribunal (“**Appellate Tribunal**”) for setting aside the Order and has prayed for interim relief for staying the operation and execution of the Order till the final hearing of the appeal. By an order dated December 1, 2022, the Appellate Tribunal recorded that the compliance report required to be filed under the proviso to Section 43 (5) of the Act of 2016 has been filed and Inorbit Malls has deposited ₹ 0.05 million.. , By an order passed on February 06, 2024 MahaRERA set aside the earlier order passed in Complaint No. SC10002323 and dismiss the said Complaint. Appellant is permitted to withdraw Rs. 50,000/- which was deposited with the Authority as per order dated July 16, 2021. It was also held in the Order dated February 06, 2024 that the Appellant shall be entitled to the accrued interest on the said refund.

9. Inorbit Malls has filed a complaint before Maharashtra Real Estate Regulatory Authority, Pune (“**MahaRERA**”) against Mr. Deepak Chandulal Lohana and Mr. Kunal Deepak Lohana (“**Respondents**”) for recovery of amounts due towards Unit and/or Cancellation of registered Agreement for sale in respect of Unit No. 201 agreed to be sold in the Commercial project known as Vistas Centrepoint. On June 06, 2024 Inorbit Malls and the Respondents submitted to MahaRERA that Inorbit and the Respondents have filed/uploaded consent terms executed between them on the MahaRERA website and the matter may be disposed of in view of the consent terms and also requested MahaRERA that the Application for substitution of name of Inorbit to Cavalcade pursuant to the NCLT Order of demerger be allowed. On June 24, 2024 the Court informed Cavalcade that upon perusal of the Application for substitution, it appeared that the same was filed by Cavalcade and stated that the same ought to have been filed by the original Complainant, Inorbit Malls (India) Private Limited. Cavalcade informed the Court that the business of Inorbit had been demerged into Cavalcade Properties Private Limited and therefore Cavalcade had the power to file the substitution application. The Application had been filed by Inorbit as well as Cavalcade. Accordingly, the Court informed the parties that appropriate orders would be passed in this regard and that on the next date of hearing, the Court would dispose of the matter in terms of the Consent Terms entered into between the parties. The matter is currently pending.
10. Shantabai Dattu Tarawade and others [“Appellants”] filed an RTS Appeal No. 2A/577/2021 before the Additional Collector, Pune against Inorbit Malls, Ravi C. Raheja, Neel C. Raheja and Ors, challenging the order dated July 22, 2021 passed by Sub Divisional Officer Haveli, Pune, rejecting the appeal filed by Appellants and confirming mutation of the name of Cavalcade Properties Private Limited (“**Cavalcade**”) by way of Mutation Entry Nos. 15145 and 15146 both dated July 28, 2020 in respect of land bearing Survey No. 42 Hissa No. 2A admeasuring 32 Ares (i.e. 3200 square meters. No relief has been sought against Inorbit Malls.- By an order dated April 3, 2023 the Additional Collector, Pune disposed of the matter thereby rejecting the Appeal and confirming the order dated July 22, 2021 passed by Sub Division Officer, Haveli Pune in RTS Appeal No. 451 of 2020.
11. Inorbit Malls filed a complaint before Maharashtra Real Estate Regulatory Authority, Pune against Surjit Kaur for recovery of the amount due and cancellation of registered agreement for sale for unit in “Supremus” in “Raheja Vistas Premiere” in Pune (“**AFS**”). Inorbit Malls is seeking recovery of ₹ 10.02 million if unit is retained by Surjit Kaur or ₹ 1.52 million if AFS is cancelled by Surjit Kaur. The matter is pending.

12. Inorbit Malls filed a complaint before Maharashtra Real Estate Regulatory Authority, Pune against Nigar Shaikh, for recovery of the amount due and cancellation of registered agreement for sale for unit in “Luxuriant” in “Raheja Vistas Premiere” in Pune (“AFS”). Inorbit Malls is seeking recovery of ₹ 6.68 million if the unit is retained by Nigar Shaikh or ₹ 0.38 million if AFS is cancelled by Nigar Shaikh. The matter is pending.
13. Inorbit Malls filed a complaint before Maharashtra Real Estate Regulatory Authority, Pune against Fahim Shaikh and others for recovery of the amount due and cancellation of registered agreement for sale for unit in “Chronos” in “Raheja Vistas Premiere” in Pune (“AFS”). Inorbit Malls is seeking recovery of ₹ 5.6 million if the unit is retained by Fahim Shaikh or ₹ 1.6 million if AFS is cancelled by Fahim Shaikh. Inorbit Malls has recovered the entire amount from Fahim Shaikh, hence the matter has been withdrawn.
14. Inorbit Malls filed a complaint before Maharashtra Real Estate Regulatory Authority, Pune against Tushar Mohanta and another for recovery of the amount due and cancellation of registered agreement for sale of unit in “Supremus” in “Raheja Vistas Premiere” in Pune (“AFS”). Inorbit Malls is seeking recovery of ₹ 10.7 million if the unit is retained by Tushar Mohanta or ₹ 3 million if AFS is cancelled by Tushar Mohanta. The matter is pending. .
15. Inorbit Malls filed a commercial suit on June 7, 2023 for infringement of intellectual property rights against Pramukhanand Corporation LLP (“**Defendant**”) before the Bombay High Court (“**Suit**”). Inorbit Malls filed the Suit seeking a permanent injunction and restraining from use of the impugned trademark ‘ORBIT’ / ‘INORBIT’ or any other identical mark by the Defendant in respect of its goods, services and business. An interim injunction was granted by the Bombay High Court by its order dated June 16, 2023 in the Suit in favour of Inorbit Malls and restraining the Defendant from usage of impugned trademark ‘ORBIT’ and/or any other trade mark identical with/deceptively similar to Inorbit Malls’s well-known trade marks ‘INORBIT’ upto the final disposal of the suit. The matter is currently pending.
16. For other pending material civil / commercial litigation against Inorbit Malls, see “-Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Title litigation and irregularities” and “- Material litigation and regulatory actions pending against the Associates of each of Mindspace REIT, the Sponsors and the Manager, and entities where any of the Sponsors hold any interest/shareholding – Chalet Hotels – Material civil/commercial litigation”.

## **H. Ivory Properties**

### *(i) Criminal matters*

There are no pending criminal matters against Ivory Properties.

### *(ii) Regulatory actions*

1. In response to applications made by Ivory Properties in relation to certain environmental clearances and approvals for a project at Malad, Mumbai and in relation to certain environmental approvals and provision for treatment plants for the sewage generated from the project, MPCB issued notices dated May 28, 2015 and December 17, 2014 and October 3, 2015, to Ivory Properties. Ivory Properties has responded to the said notice. By reply dated July 6, 2015 to the notice dated May 28, 2015, Ivory Properties withdrew the application for consent to establish (as it was inadvertently made) *inter alia* as the plinth for a building was already completed before the MoEF notification dated July 7, 2004 providing for obtaining environment clearance. In reply dated December 30, 2014 to the notice dated December 17, 2014, Ivory Properties pointed out that the IT buildings referred by MPCB were completed in 2003, and provided details of the occupation certificates issued from 2001 to 2003.

(iii) *Material civil/commercial litigation*

1. Oasis Restaurant and Amber, Oscar & Minor Canteens have filed a suit before the Bandra Civil Court (“**Court**”) against Ivory Properties and others for declaration as a tenant of the premises situated within the Shoppers Stop building in Andheri West, Mumbai. By judgment dated February 25, 2021, the Court has dismissed the suit and held that Oasis Restaurant and Amber, Oscar & Minor Canteens has failed to prove that (i) it is the tenant of Ivory Properties and others and (ii) it is in possession of the entire premises as alleged in the prayer clause of the suit and is therefore not entitled to the declaration and injunction as prayed for in the suit. Oasis Restaurant and Amber, Oscar & Minor Canteens has preferred an appeal before the Appellate Bench of Bandra Small Causes Court against the judgment and order dated February 25, 2021. The Appeal is pending for hearing.
2. Bhanumati Bhuta and Vasantben Bhuta filed commercial arbitration petitions before the Bombay High Court (“**Court**”), to quash and set-aside the above arbitral award dated February 14, 2017 whereby the specific performance of a development agreement and memorandum of understanding both dated April 19, 1995, as modified, was granted to Ivory Properties. Pursuant to order dated January 28, 2020, the commercial arbitration petitions have been allowed and the award dated February 14, 2017 and interim orders of the arbitrator have been set aside by the Court. Ivory Properties has preferred an appeal before the Division Bench of the Bombay High Court from the order dated January 28, 2020. Bombay High Court dismissed the appeal vide Judgment dated June 25, 2024 passed by Division Bench .
3. Shoppers Stop has filed a special leave petition before the Supreme Court of India (“**Court**”) against Government of India, the Director General of Service Tax, Ministry of Finance Department, of Revenue, the Central Board of Excise and Customs and others in respect of order dated August 4, 2011 passed by the Bombay High Court in respect of levy of service tax for renting of immovable property. Ivory Properties has been made a party to the matter. The matter is currently pending before the Court.
4. Radhakrishna Properties Private Limited (“**Plaintiff**”) filed a suit before the Bombay High Court (“**Court**”) against Ivory Properties (“**Defendant**”) seeking specific performance of agreement to sub-lease dated April 6, 1995 executed by Ivory Properties in favour of the Plaintiff in respect of lands situated at Malad, Mumbai. Alternatively, the Plaintiff is seeking alternate compensation aggregating to ₹ 3,000 million. The Defendant has filed its written statement and counter-claim. The matter is pending before the Court.
5. Ijmima – Imitation Jewellery Market Co-Op filed an application before the District Deputy Registrar, Co-operative. Societies, Mumbai City-4, u/s.11 of the Maharashtra Ownership Flats (Regulations of the promotion of construction, sale, management and transfer) Act, 1963 (“**MOFA**”) seeking unilateral deemed conveyance in respect of the suit premises pursuant to agreements for sale entered into between M/s Radhakrishna Properties Pvt. Ltd., Nusli N Wadia (NNW) & Imitation Jewellery Manufacturers’ Association and its members in respect of the various units in building to be constructed by M/s Radhakrishna Properties Pvt. Ltd. Ivory Properties is not party to any of the Agreements for Sale entered into between Radhakrishna, Nusli N Wadia & Imitation. By an Order dated August 29, 2022, the said Application was allowed by the District Deputy Registrar, Co-operative. Society. Against the said Order dated August 29, 2022, NNW, Ivory Properties and Radhakrishna have filed Writ Petitions in the High Court, Bombay. By an Order dated November 30, 2022, the High Court has passed an Order of status to be maintained by the parties till the next date i.e. January 10, 2023 in NNW’s Writ Petition. By an Order dated December 02, 2022, Ivory Properties’ Writ Petition was allowed to be tagged with NNW’s Writ Petition.

6. For other pending material civil/commercial litigation against Ivory Properties, see “- *Material litigation and regulatory actions pending against the Sponsor Group – Mr. Ravi C. Raheja – Material civil/commercial litigation*”, “- *Material litigation and regulatory actions pending against the Sponsor Group – Mr. Chandru L. Raheja – Material civil/commercial litigation*” and “-*Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Title litigation and irregularities*”.

#### **I. Ivory Property Trust**

(i) *Criminal matters*

There are no pending regulatory actions against Ivory Property Trust.

(ii) *Regulatory actions*

There are no pending regulatory actions against Ivory Property Trust.

(iii) *Material civil/commercial litigation*

1. Manilal & Sons (“**Manilal**”) has filed legal proceedings against Bombay Forgings Limited (“**BFL**”) relating to lease of lands at Kalina, Mumbai. Ivory Property Trust has *inter alia* entered into memorandums of understanding to acquire from BFL its leasehold lands situate at Kalina, Mumbai (said Lands), pursuant to a rehabilitation scheme sanctioned by the Board of Industrial & Financial Reconstruction (“**BIFR**”) in respect of BFL (“**BIFR Scheme**”). The landowner-lessor i.e. Manilal challenged the BIFR Scheme and transfer of said Lands under the BIFR Scheme in favour of Ivory Property Trust. Both the BIFR and the Appellate Authority for Industrial and Financial Reconstruction (“**AAIFR**”) did not grant any relief to Manilal. Manilal has challenged the said orders of BIFR and AAIFR in a writ petition filed in the Bombay High Court (“**High Court**”). The High Court has directed that any changes brought about pursuant to the various orders passed shall be subject to the final decision in this petition. The matter is currently pending before the High Court.
2. Manilal had filed an eviction suit in the Small Causes Court, Bandra against BFL in respect of the lease of land at Kalina Mumbai, which was decreed in favour of Manilal in 2007, and an enquiry was directed for mesne profits. BFL challenged the said eviction order in appeal before the Appellate Bench of Small Causes Court, Bandra. Appeal was admitted, execution of eviction was stayed and BFL was ordered to deposit interim mesne profits at the rate of ₹ 0.02 million per month. By an order and judgment dated December 15, 2022, BFL’s appeal is allowed setting aside the trial court’s eviction decree *inter alia* holding that the lease stood extended for a further period of 30 years in terms of the lease deed. BFL is directed not to part with possession or create third party right for -6 weeks from the date of the said order. Manilal has filed a civil revision application in the High Court of Bombay (CRA) against the order and judgment dated December 15, 2022. The High Court has directed BFL not to part with possession or create third party rights till the next date of the hearing in the matter and has kept the hearing of Mesne proceedings in abeyance. BFL has filed its reply opposing the ad-interim relief and the same is pending. Manilal has filed Mesne Profits Proceeding in the Small Causes Court, Bandra against BFL claiming ₹ 294.6 million as arrears of mesne profits with 9% interest p.a. up to August 31, 2007; and further ₹ 6.2 million per month with 15% interest p.a. from September 1, 2007 till handing over possession. By letter dated April 12, 2007, Ivory Property Trust has agreed with BFL not to claim refund of ₹ 190 million paid by Ivory Property Trust to BFL, and also that any condition by the appeal court for stay of execution of decree including deposit of interim mesne profit, if any, ordered will be exclusive liability of Ivory Property Trust. Manilal filed an application claiming ₹190 million as mesne profits, the claim was rejected. Manilal filed a revision in Bandra Appeal Court which was rejected as well. Manilal has filed a writ petition in Bombay High Court which is pending. BFL has also filed a RAD Suit No.310 of 2017 in the Small Causes Court, Bandra, for declarations of its leasehold



rights/tenancy in the said Lands and other relief relating to renewal/ extension of lease of the said lands and for damages in the alternative aggregating to ₹ 200 million. Manilal has taken out an application to stay hearing of BFL's said RAD Suit No.310 of 2017 which was allowed by the Trial Court on August 12, 2022 till disposal of BFL's Appeal No. 159 of 2007. On January 9, 2024 the court allowed the Manilal's Delay Condonation Application at cost of Rs.5,000/- which amount was inadvertently received by BFL's representative. On refusal to accept back the cost amount by Manilals and their Advocate, BFL has made an Application in Court to allow BFL to deposit the said amount in Court, which is pending.

3. A suit is filed before the Bombay High Court ("**Court**") by Matasons Estate Private Limited ("**Plaintiff**") against Bombay Forgings Private Limited and Ivory Properties ("**Defendant**") seeking specific performance of a development agreement for property situated at Kalina in Mumbai or compensation aggregating to ₹ 150 million along with interest of 18% p.a. The matter is currently pending before the Court.

## **J. KRCPL**

### *(i) Criminal matters*

1. Sunil Khare has filed a first information report dated March 3, 2013 with the Malawani Police Station, Mumbai against Anuj Prakash, general manager, of one of the hotels of KRCPL i.e. The Resort at Malad, Mumbai, for an incident at the hotel. The general manager applied for and has been granted bail. The matter is currently pending before the Sessions Court, Borivali. The matter is pending.

### *(ii) Regulatory actions*

1. K Raheja Corp and Genext had received a demand notice from the Collector relating to stamp duty and penalty of approximately ₹ 55 million in respect of a deed of assignment dated August 6, 2007 between Genext and K Raheja Corp. Genext submitted its reply *inter alia* stating that the documents were duly adjudicated and accordingly full stamp duty was paid. After hearing was held in the said case, no further communications / demands have been received thereafter. K Raheja Corp had also received a demand notice from the Collector relation of stamp duty and penalty approximately of ₹ 50 million in respect of a deed of assignment dated August 6, 2007 between IDBI, K Raheja Corp and others. Genext submitted its reply *inter alia* stating that the documents were duly adjudicated, and accordingly full stamp duty was paid. After hearing was held in the said case, no further communications / demands have been received thereafter.
2. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against KRCPL and others. For details, see "*Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions*". Post the Warrant, the assessment proceedings under section 153A of the Income Tax Act were initiated for AY 2008-09, AY 2012-13 to AY 2018-19. The assessment under section 143(3) read with section 153A of the Income Tax Act for AY 2008-2009, AY 2012-2013 to AY 2017-2018 and under Section 143(3) of the Income Tax Act, for AY 2018-2019 were completed. KRCPL filed appeals before the CIT(A) against order for AY 2012-13 to AY 2018-19. The appeal filed before the CIT(A) for AY 2012-13 & AY 2013-14 were disposed by the CIT(A) partly in favour of KRCPL. KRCPL filed appeals against the order of the CIT(A) for AY 2012-13 and 2013-14 before the ITAT. The Income Tax Department filed an appeal for AY 2013-14 before ITAT against the order of the CIT(A). These appeals are heard and disposed of partly in favour of KRCPL. KRCPL received notice u/s 148A(b) for assessment year 2014-15 and response against the same has been submitted. Further, an order under Section 148(d) dated August 1, 2022 was received to withdraw the notice issued under Section 148A(b) for assessment year 2014-15 as it had been inadvertently issued.

3. KRCPL received an email dated December 4, 2018 from the MCA directing it to provide certain information relating to KRCPL's compliance with its corporate social responsibility obligations for the financial year 2015-16. KRCPL has submitted the information to the MCA as requested. No further correspondence has been received.
4. KRCPL has received 4 letters all dated April 11, 2022 (addressed in KRCPL's earlier name Paramount Hotels Pvt. Ltd. ('**Paramount**')) from the Collector of Stamp Duty, Borivali in respect of property bearing CTS No. 98A, 86, 96 and 98D, Survey No. 11 (pt.) at Aksa, Borivali ('**said Properties**'), requesting for agreements made for levying stamp duty as per regulations. The said letters whereas issued pursuant to order dated March 4, 2022 passed by the Collector, Mumbai Suburban District in respect of conversion of the said Properties to Occupancy Class I). By reply dated May 5, 2022 to the Collector of Stamp Duty (with copy marked to the Collector, Mumbai Sub-urban District), KRCPL has *inter alia* stated that no separate agreement is executed, and requested the authorities to clarify regarding the agreement and stamp duty thereon to enable KRCPL to do the needful as per applicable regulations.
5. KRCPL and its directors, including Mr. Ravi C. Raheja and Mr. Neel C. Raheja received a legal notice dated April 11, 2023 ("**Notice**") from Dassault Systems India Private Limited ("**Dassault**") for alleged infringement of copyright of Dassault. By the said Notice, Dassault has alleged unauthorised usage and copying of licensed software, infringement of copyrighted Solidwork Software ("**Software**") by KRCPL in its corporate networks and alleged misuse of the terms and conditions of the license and alleged its over-deployment in KRCPL corporate networks without obtaining license from Dassault. Under the said Notice, KRCPL is called upon to cease and desist from unlawful copying of Dassault's copyright work and regularise the actual licenses under KRCPL's use. Dassault by an e-mail dated April 21, 2023 provided details of the infringement to KRCPL. Subsequently, by email dated June 1, 2023, KRCPL replied stating that as informed to Dassault earlier, MAC address pointers and other details provided do not belong to KRCPL or any addressees of the notice and that there is no Software installed in the system or any contract/license for usage of the Software and denied infringement. KRCPL has requested for extra pointers, material, source of information and concrete evidence to ascertain the factual veracity of the allegations in the notice. Subsequently, KRCPL through its Advocate letter dated July 14, 2023 informed Dassault that since there is no revert from them to KRCPL's email dated June 1, 2023, KRCPL is treating the matter as closed. Till date, KRCPL has not received any response from Dassault to the letter dated July 14, 2023.
6. Assistant Commissioner C - Ward, Navi Mumbai Municipal Corporation ("**NMMC**") served a notice to KRCPL alleging illegal construction on certain floors and a terrace in Four Points by Sheraton Vashi unit. K Raheja Corp. Pvt. Ltd (Chalet Hotels Limited). KRCPL has replied to the said notice and denied all allegations made by NMMC. There is no further communication from NMMC.
7. For other regulatory actions against KRCPL, see "*Material litigation and regulatory actions pending against the Associates of each of Mindspace REIT, the Sponsors and the Manager, and entities where any of the Sponsors hold any interest/shareholding – Chalet Hotels – Regulatory Actions*".

(iii) *Material civil/commercial litigation*

1. Bharat Petroleum Corporation Limited ("**BPCL**") filed a suit before the Bombay High Court ("**Court**") against KRCPL and three others ("**Defendants**") seeking specific performance of agreement dated December 5, 1952 and a declaration that sale made in favour of KRCPL be declared null and void, and further seeking damages aggregating to ₹ 100 million. The matter is currently pending before the Court. The Defendants have filed a mesne profit proceeding suit before the Bandra Small Causes Court against BPCL for determining the mesne profits, wherein the claim of KRCPL as per a valuation report is made for ₹ 76 million In view of increase of

pecuniary jurisdiction of Bombay City Civil Court to ₹ 100 million, the suit stands transferred to Bombay City Civil Court. By its judgment and order dated December 1, 2022, the Bandra Small Causes Court has directed BPCL to pay mesne profits to KRCPL for the period from February 27, 2006 to September 29, 2008 with 8 % interest thereon when BPCL handed over possession of the suit premises to KRCPL. KRCPL initiated proceedings to first claim / recover the part of the said amount deposited by BPCL in the court. In the meantime, BPCL has filed an appeal against aforesaid order dated December 1, 2022 which is pending

2. Arthur D'Souza ("**Applicant**"), the owner of a land adjoining the land of KRCPL, made an application to the District Collector, Bandra, Mumbai ("**District Collector**") claiming title over certain portion of KRCPL's land bearing CTS No.119-G in village Tungawa in Mumbai. The District Collector passed orders dated May 26, 2009 and June 6, 2009 in favour of the Applicant. KRCPL preferred an appeal to the Additional Commissioner against the said orders. The Additional Commissioner, by his order dated February 17, 2010, upheld the orders passed by the District Collector. Aggrieved, KRCPL has preferred an appeal against the order of the Additional Commissioner before the Revenue Minister, Mantralaya. After learning about demise of Arthur D'Souza, by letter dated March 3, 2021 to the advocate of the Applicant, the advocates of KRCPL sought the details of the legal heirs and/or representatives of the Applicant for substituting the Applicant with his legal heirs/representatives. Subsequently, KRCPL has filed application to amend the cause title of the aforesaid appeal. The matter is currently pending before the Revenue Minister, Mantralaya.
3. KRCPL and Indian Cork Mills Limited have filed a suit before the Bombay High Court against Sir Mohammed Yusuf Trust and others *inter alia* disputing the various claims made by the defendants and for declaration of the plaintiff's ownership of the certain land in village Tungawa at Mumbai. Further, in respect of the portions of the aforesaid lands, numerous proceedings and appeals before various revenue authorities have been filed between the parties. In the writ petition filed by KRCPL, by orders dated February 12, 2013 & order dated March 8, 2013 pending hearing excluding the disputed area of four acres and 11 gunthas bearing CTS No.119-G in village Tungawa in Mumbai claimed by the respondents, the Bombay High Court permitted KRCPL to continue development construction without any hindrance in the remaining area.
4. Sir Mohammed Yusuf Trust and four others ("**Plaintiffs**") filed two separate suits before the Bombay High Court ("**Court**"), against KRCPL and two others ("**Defendants**"), seeking declarations that the Plaintiffs are the owners of land admeasuring 4 acres and 11 gunthas bearing CTS No.119-G and about eight acres bearing CTS No. 119F in village Tungawa in Mumbai. The Plaintiffs have further sought from the Defendants, demolition of the buildings constructed on the portions of land. In the alternative, the Plaintiffs are seeking damages aggregating to ₹ 15,000 million. In the second subsequent suit, in addition to the relief claimed in the first suit, the Plaintiffs have added various societies formed of the flat purchasers as party defendant and have sought injunction restraining execution of conveyances in favour of such societies of the flat purchasers. No relief has been granted to the Plaintiffs till date. The matter is currently pending before the Court.
5. Sir Mohammed Yusuf Trust and four others ("**Petitioner**") filed a writ petition before the Bombay High Court ("**Court**"), against State of Maharashtra, KRCPL and two others ("**Respondent**"), *inter alia* for cancelling and setting aside the order passed by the city survey officer for reinstating the name of the Owner Indian Cork Mills Limited in the property register card as per the NA Order subject *inter alia* to the pending High Court Suit.
6. Nakka Venkat Narsaiah ("**Plaintiff**") has filed a suit against Raheja Mind Space Corp and others ("**Defendants**") before the Additional Junior Civil Judge, Ranga Reddy District ("**Civil Court**"), *inter alia* for possession of land admeasuring 150 square yards, bordering the land of KRCPL. KRCPL has filed a written statement. The Civil Court has passed an interim order

restraining the Defendants from alienating the land in favour of third parties. The matter is currently pending before the Civil Court.

7. KRCPL agreed to acquire a property situated at Mahalaxmi, Mumbai under an agreement dated June 30, 2017 as per the provisions contained therein, in respect of which a suit has been filed before the Bombay City Civil Court (“**Court**”) by Modern India Limited against Belvedere Court condominium, Arun Bewoor and others in respect of right of way. Another suit has been filed before the Court by Arun Bewoor and others against Modern India Limited (“**Modern**”) and others claiming that the deed of covenant granting right of way to Modern was a gratuitous license and that defendant no.1 was not entitled to carry on construction on the Plot D other than textile mill thereon, beyond the height of 4<sup>th</sup> floor from ground level. The matter is currently pending. Modern has filed an application to conduct an inquiry by the Court and to pass appropriate orders against defendant no.1 for making false statement on oath thereby having committed perjury, which is pending. Modern has filed further applications for preliminary issues regarding jurisdiction in view of Section 41 of Presidency Small Causes Court Act also regarding limitation, which applications are also pending.
8. Baddam Narasimha Reddy and another (“**Petitioners**”) filed a writ petition on June 21, 2022 before the High Court of Telangana at Hyderabad (“**Court**”) against the State of Telangana and others (“**Respondents**”). The Petitioners sought directions to declare the actions of the Respondents (1) State of Telangana, (2) the Hyderabad Metropolitan Development Authority (HMDA), (3) the Chief Engineer, HMDA and (4) the Executive Engineer, HMDA, of illegally and arbitrarily entering into the Petitioners land at Survey No. 58 of Pocharam Village Ghatkaser Mandel, Medchal Mandel, without issuing any notice or without any land acquisition proceedings, to be illegal, arbitrary, high -handed and violative of the principles of natural justice under Articles 14, 21 and 300A of the Constitution of India. The Petitioner allegedly claims that the cart track in the village map is governed by the Telangana Area Land Revenue Act wherein the easementary rights of the villagers/general public are crystallised by way of prescription. The Petitioners have filed an interim application for injunction praying to the Court to direct the Respondents, not to interfere with the Petitioners lands at Survey No. 58, pending disposal of writ petition. By an order dated June 22, 2022, the Court inter alia directed the official respondents not to interfere with the possession of the Petitioners Survey No. 58 of Pocharam Village without following due process of law. The matter is currently pending.
9. KRCPL received a notice dated October 27, 2023 (“**Notice**”) from the Assistant Commissioner, C Ward, Vashi, Navi Mumbai Municipal Corporation (“**NMMC**”) for clarification in respect of 36 temporary kiosk/stalls for property in Inorbit Mall. KRCPL has *inter-alia* replied by letter dated October 31, 2023, stating that NMMC has issued approved building plans, as revised from time to time, Commencement Certificate and Part O.C. including Kiosk approval. The matter is currently pending.
10. KRCPL received a letter dated on December 29, 2023 from the office of Joint District Registrar, Pune requesting KRCPL (now MBPPL pursuant to the sanctioned scheme of demerger) to avail the benefit of Amnesty Scheme 2023 on the deficit stamp duty and penalty thereon to be paid since the deficit stamp duty and penalty thereon has not been paid on the document No. 2380/2019 registered in the office of Joint Sub Registrar, Haveli No. 15, Pune. MBPPL has sent a letter on April 04, 2024 to the authority seeking correct details of the instrument on which the demand has been made for the alleged deficit stamp duty and no further communication has been received by the authority.
11. For other pending material civil / commercial litigation against KRCPL, see “- *Material litigation and regulatory actions pending against the Sponsor Group – Genext – Material civil/commercial litigation*”, “- *Material litigation and regulatory actions pending against the Sponsor Group – Mr. Ravi C. Raheja – Material civil/commercial litigation*”, “- *Material*

*litigation and regulatory actions pending against the Associates of each of Mindspace REIT, the Sponsors and the Manager, and entities where any of the Sponsors hold any interest/shareholding – Chalet Hotels – Material civil/commercial litigation”, “- Material litigation and regulatory actions pending against the Sponsor Group – Inorbit Malls – Material civil/commercial litigation” and see “-Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Title litigation and irregularities”.*

**K. KRPL**

*(i) Criminal matters*

1. For criminal matters pending against KRPL, see “-Material litigation and regulatory actions pending against the Sponsor Group – Mr. Chandru L. Raheja – Criminal matters”.

*(ii) Regulatory actions*

1. The MCGM, vide several letters addressed to KRPL, has demanded the handing over of Flat No. 102 on the first floor of the building known as “Rosemary” of Rosemary Correa Co-operative Housing Society Limited (“**Rosemary CHSL**”), Mumbai (“**Premises**”), contending it to be reserved as a municipal library and called upon KRPL to furnish the relevant papers. KRPL has responded to MCGM, stating that the Premises is to be run as a library by the owner for public in general and that the library will be open for public-use after completion of on-going repair work. However, the MCGM sealed the Premises on March 14, 2019. KRPL has called upon MCGM to forthwith restore possession of KRPL of the Premises and to remove the seal from the Premises at the earliest. Further the MCGM, by its letter dated July 27, 2019, to KRPL, threatened to register a FIR against KRPL for alleged trespassing in the Premises. MCGM has by its letter dated September 29, 2020 (received on October 8, 2020 from MCGM) to K Raheja Corp Foundation (“**KRC Foundation**”) alleged that it has violated the terms and conditions of the development permission as well as permission given by MCGM and directed KRC Foundation to submit its explanation for the alleged lapses. KRPL as the owner of the Premises, has by its letter dated October 14, 2020 replied to MCGM and clarified that it has acted in accordance with the terms of the development permission and that there is no requirement of handing over the Premises to MCGM. By the said letter, KRPL has once again requested MCGM to remove its seal from the Premises and also sought personal hearing to explain and clarify the misapprehensions in the matter. By its letter dated August 27, 2021, MCGM called upon KRPL to attend its office on September 2, 2021 to discuss the issue regarding the Premises which was attended by KRPL. No further correspondence has been received from MCGM. KRPL has vide letter dated November 28, 2022 and letter dated April 4, 2023, once again requested MCGM to remove the seal on the Premises, so that the library (i) can be put to use for the public and (ii) remain in good condition.
2. The Pest Control Officer at MCGM has issued 58 notices to KRPL in respect of water stagnation at KRPL’s project site at Worli, Mumbai and other related infringements of the Mumbai Municipal Corporation Act. KRPL has replied to MCGM stating that they have taken corrective measures and requested MCGM to conduct inspection in order to close the matter. No further correspondence has been received.
3. Meenakshi Menon, the resident of RNA Mirage (i.e. neighbouring building) has by letter dated February 5, 2022 (Letter) to the Assistant Commissioner, G/South Ward, Municipal Corporation of Greater Mumbai (MCGM) with CC to Secretary, Raheja Artesia alleged that the residents of RNA Mirage have been subjected to a visual assault from Raheja Artesia by the lights on the side of both the Raheja buildings, Artesia causing inconvenience to the residents and therefore requested KRPL to take urgent action and stop beacons on the sides. By letter dated March 04, 2022, KRPL has informed MCGM that the blinkers are as per the norms,

regulations and guidelines by Airport Operating Authority. By the said letter KRPL has further informed that vertical strip light are decorative light and there is no provision in any of regulation to get the approval for Façade lighting or vertical strip lighting. Subsequently by letter dated February 21, 2022 Brihanmumbai Mahanagarpalika informed KRPL about the complaint and directed KRPL to meet the Executive Engineer & Designated Officer ('G/South' Ward) with the documents related to the vertical strip light and blinker installed.

4. The issues of levy of premium/transfer fees/lease tenure/enhanced lease rent etc. relating to Brihanmumbai Mahanagarpalika ("**MCGM Estates**") two municipal leasehold properties acquired by KRPL are sub-judice before the Bombay High Court ("**Court**") in various petitions filed by various lessees and other parties. KRPL is not a party to such proceedings and has not filed any petition in court in this respect. MCGM Estates had raised demands on KRPL for transfer premium and penalty and transfer fee relating to the assignments of the said properties at Worli in favour of KRPL which was paid without prejudice & subject to all rights & contentions of the parties. KRPL has filed undertaking dated October 19, 2015 and July 16, 2015 with MCGM to abide by the final outcome in writ petition no.1251/2014 ("**Writ Petition**") and any other proceedings from time to time in relation to the issues of levy of premium / transfer fees / lease tenure / enhanced lease rent. The writ petition is currently pending with several other similar matters before the Court.
5. The MCGM has issued a letter dated April 8, 2018 addressed to KRPL, in pursuance of letter dated March 12, 2018 (wrongly dated March 12, 2010) received by them from Association of Engineering Workers in respect of unpaid dues to labour/workers of Metal Box India Limited ("**MBIL**") and for issuance of stop work notice of further construction of building situated at Worli, Mumbai. MBIL was the predecessor in title of KRPL. KRPL has issued letter dated May 14, 2018 responding to MCGM, denying all the allegations and informing that MBIL had deposited the entire gratuity dues of ex-workers. KRPL had also filed caveats in the Bombay City Civil Court and Bombay High Court for being given notice of any application for ad-interim orders in any proceeding that may be filed, which were renewed from time to time. Arun Kachare and Association of Engineering Workers filed a writ petition against State of Maharashtra, MCGM, MBIL and others before the Bombay High Court seeking, *inter alia*, in respect of alleged labour dues payable by MBIL and relating to alleged requirement of labour NOC for development of MBIL and sought relief relating to the development approvals in respect of the suit property. Since relief was sought relating to development approvals with respect to the suit property, KRPL joined as a respondent in the matter. KRPL has *inter alia* contended that it is the title holder of the suit property, having acquired assignment of the lease pursuant to BIFR/AAIFR proceedings and is not a closed company or liable for any dues of the workers of its predecessor in title i.e. MBIL. By way of order dated August 8, 2023 it was directed that the matter be placed before another bench. The matter is pending before the Bombay High Court.
6. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against KRPL and others. For details, see "*Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions*". Post the Warrant, the assessment proceedings under section 153A of the Income Tax Act were initiated for AY 2012-13 to AY 2018-19. The assessment under section 143(3) read with section 153A of the Income Tax Act for AY 2008-2009, AY 2012-2013 to AY 2017-2018 and under Section 143(3) of the Income Tax Act, for AY 2018-2019 were completed. KRPL filed appeals before the CIT(A) for AY 2015-16, AY 2016-17, AY 2017-18 and AY 2018-19 which were disposed by the CIT(A) partly in favour of KRPL. KRPL filed appeals against the order of the CIT(A) for AY 2018-19 before the ITAT and the same is heard and order is awaited. The Income Tax Department filed an appeal for AY 2018-19 before ITAT and the same is heard and order is received in favour of KRPL. Further Income Tax department

filed appeal against said order of ITAT with High Court. This appeal is pending for hearing before High Court.

7. KRPL have received 6 notices all dated August 28, 2023 from Brihanmumbai Municipal Corporation, Pest Control Department (“MCGM”), for certain corrective actions to be taken on the construction site. KRPL responded to the said notices with 6 letters all dated September 22, 2023 and informed MCGM of the completion of work, compliance under the notices and requested for MCGM to verify the same and withdraw all notices.
8. KRPL received a notice dated November 10, 2023 from Brihammumbai Municipal Corporation, Building and Factories Department, G South Ward for certain corrective actions relating to air pollution mitigation guidelines to be taken on its Worli construction site. KRPL responded to the said notice vide letter dated November 13, 2023 and informed MCGM of the corrective action taken at the site and requested for MCGM to verify the same and withdraw the notice.
9. KRPL received a demand notice dated December 06, 2023, from the office of Sub Registrar, Haveli No. 23 Pune in relation to alleged deficit payment of stamp duty aggregating to ₹ **4,97,948/- (Rupees Four Lakhs Ninety Seven Thousand Nine Hundred and Forty Eight Only)** with respect to lease deed dated August 12, 2020 (“Lease Deed”) entered into by KRPL (“lessor”) with HSBC (“lessee”), in its capacity as lessor with the lessee along with penalty @ 2% per month from the date of execution of lease deed in case of failure of make the payment. KRPL has, by its letter dated December 19, 2023, replied to the said demand notice inter alia stating that the aforesaid lease deed has been terminated by and between the parties vide a cancellation deed dated December 31, 2021 and further requested to withdraw the alleged demand notice. Further a letter dated December 22, 2023 was received by KRPL on December 29, 2023 from the office of Joint District Registrar, Pune requesting KRPL to avail the benefit of Amnesty Scheme 2023 on the deficit stamp duty and penalty thereon to be paid since the deficit stamp duty and penalty thereon has not been paid on the document No. 8950/2020 registered in the office of Joint Sub Registrar, Haveli No. 23, Pune.

(iii) *Material civil/commercial litigation*

1. KRPL has filed a writ Petition in the Bombay High Court against Municipal Corporation of Greater Mumbai (“MCGM”) and others under Articles 226 & 227 of the Constitution of India for quashing of demand notes for development charges contrary to the provisions of Section 124(A) and 124(B) of Maharashtra Regional and Town Planning Act, 1966 (“MRTP Act”) which provide for the development charges to be levied on predominant user and refusal to refund the excess amount paid by KRPL in respect of its land / amalgamated plot at Worli. The predominant user for the said composite building is residential. It is inter alia prayed to adjust the sum of ₹ 252.28 million already paid by KRPL as excess amount in terms of the demand notes against the sum of ₹ 150.49 million payable by KRPL as development charges under the demand note dated August 24 2021. By an order dated October 29, 2021, the Bombay High Court, without prejudice to the rights and contentions of KRPL, allowed it to pay the development charges at the rate of 6% of the ready reckoner rate and directed MCGM to process the applications for approvals/commencement certificate etc. The matter is directed to be listed with other similar writ petitions which are pending.
2. KRPL has filed a writ petition on April 7, 2022 before the Bombay High Court challenging the legality and validity of the communication by the Deputy Commissioner, CGST and CX (Mumbai, East) dated Nil March 2020 for rejecting the declaration made by KRPL in Form SVLDRS-2A. The declaration was made under the Sabka Vishwas (Legacy Dispute resolution) Scheme, 2019 for service tax and cess regarding the services in relation to the construction of the Public Parking Lot (“PPL”) which was constructed by KRPL and handed over the Municipal Corporation of Greater Mumbai. The Commissioner GST & Central Excise, Mumbai and others (Respondent Nos. 2 to 5) have on June 21, 2022 filed their Affidavit in

reply praying that the writ petition may be dismissed. By an order dated November 29, 2022, an interim application filed by KRPL in the matter seeking restoration of the writ petition and also seeking extension of time to remove office objections was allowed by the Bombay High Court. By its judgement and order dated January 27, 2023, the Bombay High Court has allowed the petition of KRPL and has held that communication dated March Nil, 2020 as well as the show cause notice dated June 21, 2021 cannot be sustained and have accordingly been quashed and set aside. The Bombay High Court has directed the Respondents to constitute Designated Committee to consider the SVLDRS-1 declaration filed by Petitioner as well as SVLDRS-2 issued by the Designated Committee. Subsequently personal hearing for SVLDRS was held on March 9, 2023. Consequently, the designated committee has issued the discharge certificate dated April 10, 2023 certifying the receipt of payment from KRPL towards full and final settlement of the tax dues and discharging KRPL from payment of any further duty, interest or penalty with respect of the aforesaid matter.

3. The Assistant Commissioner of State Tax had issued an intimation of tax to KRPL with respect to GST liability under reverse charge mechanism on Additional FSI received for commercial building from MCGM. By way of letter dated December 8, 2023, KRPL denied that the GST is payable. Show cause notice dated December 12, 2023 was issued to KRPL with a demand to pay the amount of ₹78,99,464 (₹39,49,732 (CGST) and ₹ 39,49,732 (SGST) plus interest of ₹75,30,245 and penalty of ₹ 78,99,464). KRPL has filed a writ petition before the Hon'ble Bombay High Court on January 16, 2024 challenging the show cause notice and sought the same be quashed and set aside. The matter is currently pending.
4. KRPL has received the a copy of the application served upon them in the proceeding filed by Santosh Daundkar before National Green Tribunal against SEIAA and others impleading KRPL as party inter-alia alleging that the Recreational Ground cannot atop a concrete slab or podium as massive trees cannot achieve their full height and diameter. KRPL has filed its reply denying all the allegations. The matter is pending.
5. For civil / commercial litigation involving KRPL, see “- *Material litigation and regulatory actions pending against the Sponsor Group – Mr. Ravi C. Raheja – Material civil/commercial litigation*” and “-*Material litigation and regulatory actions pending against the Sponsor Group – Mr. Chandru L. Raheja – Material civil/commercial litigation*”.

## **L. Palm Shelter**

### *(i) Criminal matters*

1. The Senior Police Inspector, Santacruz Police Station (“**Police Station**”) pursuant to a complaint dated April 21, 2016, filed by Claud Fernandez (“**Complainant**”) against certain third parties under Sections 420 and 34 of the Indian Penal Code, 1860, had issued a letter dated July 20, 2016 to Palm Shelter Estate Development Private Limited (now Palm Shelter Estate Development LLP) (“**PSEDPL**”) to appear before the police station on July 23, 2017. Certain agreements were entered into between the Complainant, certain family members of the Complainant and PSEDPL, for the handover and re-development of four flats in a building property. The Complainant filed a suit before the Bombay City Civil Court, due to disputes arising between the family members and the Complainant, where PSEDPL was made a defendant to the suit. Consent terms were filed between the parties to the suit which allowed PSEDPL to develop the property. PSEDPL had later transferred its development rights along with all benefits and obligations in the property to Parvesh Constructions Private Limited. Authorized representatives of PSEDPL appeared before the Police Station to provide requested information and documents and filed their deposition on the matter. There has been no correspondence between the parties in the present matter. The matter is currently pending.

### *(ii) Regulatory actions*



There are no pending regulatory actions against Palm Shelter.

(iii) *Material civil/commercial litigation*

1. For civil / commercial litigation involving Palm Shelter, see “- *Material litigation and regulatory actions pending against the Sponsor Group – Mr. Ravi C. Raheja – Material civil/commercial litigation*”.

In addition to the above pending proceedings, Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja, Genext, KRPL and KRCPL have been identified as parties in certain labour proceeding filed by certain trade unions before the labour courts, industrial courts/tribunals and high courts alleging inter alia unfair labour practices under the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1971 against certain workmen engaged by them. The matter is currently pending before the relevant courts/tribunals.

**IV. Material litigation and regulatory actions pending against the Manager**

*As of June 30, 2024, the Manager does not have any regulatory actions or criminal matters pending against it, or material civil/ commercial litigation pending against it. For the purposes of pending material civil/commercial litigation against the Manager, such matters where value exceeds 5% of the total revenue of the Manager as of June 30, 2024 as per the respective audited financial statements) have been considered material and proceedings where the amount is not determinable but the proceeding is considered material by the Manager have been considered.*

**V. Material litigation and regulatory actions pending against the Associates of each of Mindspace REIT, the Sponsors and the Manager, and entities where any of the Sponsors hold any interest/shareholding**

*As of March 31, 2024, the Associates of the Manager (to the extent that such Associates are not the Sponsor Group) and the Associates of the Sponsors (excluding members of the Sponsor Group) do not have any pending regulatory actions or criminal matters against them, or material civil/ commercial litigation pending against them.*

*With respect to the Associates of the Manager (to the extent that such Associates are not the Sponsor Group), the Associates of Mindspace REIT (to the extent that such Associates are not the Asset SPVs and members of the Sponsor Group), the Associates of the Sponsors (excluding members of the Sponsor Group) and entities where any of the Sponsors hold any interest/shareholding (excluding the Asset SPVs and members of the Sponsor Group), details of all pending criminal matters and regulatory actions against such entities and material civil/commercial litigation against such entities have been disclosed.*

*For the purpose of pending civil/ commercial litigation against such entities, such matters where value exceeds 1% of the total consolidated profit after tax of Mindspace REIT as of June 30, 2024 have been considered material and proceedings where the amount is not determinable but the proceeding is considered material by the Manager have been disclosed.*

**A. Chalet Hotels**

(i) *Criminal matters*

1. Maria Ninitta Noronha (“**Complainant**”) lodged a first information report dated November 6, 2007 (“**FIR**”) against Prashant Gerald Nazereth, partner of Pebbledrops Events, on the grounds of forgery, cheating and dishonestly inducing delivery of property. Renaissance Mumbai Convention Centre Hotel received a notice dated October 12, 2007 from the Complainant claiming that the advance consideration amount of ₹ 1 million paid to the hotel by Pebbledrops Events was fraudulently obtained by Prashant Gerald Nazereth from her and further demanded

it to be refunded. In pursuance of the FIR, Chalet Hotels was named as an accused in a final report prepared by the police. Chalet Hotels deposited ₹ 1 million with the Bandra police station pending conclusion of the trial. Subsequently, the Complainant filed an application in February 2008 before the Additional Chief Metropolitan Magistrate, Bandra (“**Metropolitan Court**”) for withdrawing the amount deposited by Chalet Hotels to which Chalet Hotels has filed its reply dated March 26, 2008, denying the claim. The matter is currently pending .

2. Hitesh Nandlal Ramani lodged a first information report dated December 14, 2015 at the Powai police station, Mumbai against one of Chalet Hotels’ employee of its hotel, Renaissance Mumbai Convention Centre Hotel, and its swimming pool lifeguard, on the grounds of causing death by negligence and endangering life or personal safety of his daughter. The Powai police station has filed its final report dated November 25, 2016 before the Metropolitan Magistrate, Andheri (“**Metropolitan Court**”). The matter is currently pending before the Metropolitan Court.
3. The State of Maharashtra (Excise Department) filed proceedings before the Metropolitan Magistrate Court, Bandra (“**Metropolitan Court**”) against Saumen S. Shah, representative of the guests, Kailash B. Pandit employee of Chalet Hotels’ hotel, Renaissance Mumbai Convention Centre Hotel, and Shivkumar S. Verma a consultant, alleging service of liquor without adequate permission within the hotel premises on January 10, 2018. A writ petition has been filed before the Bombay High Court by Kailash Pandit for quashing the matter. The matter is currently pending before the Bombay High Court.
4. Abhimanyu Rishi lodged a first information report dated May 3, 2008 at the Powai police station, Mumbai against Prashant More, an employee of one of Chalet Hotels’ hotel, Renaissance Mumbai Convention Centre Hotel and other employees on alleging assault and injury by hotel staff. The Powai police station has filed its final report dated April 21, 2009 before the Andheri Metropolitan Magistrate Court (“**Court**”). The matter is currently pending.
5. Mohammad Altaf Abdul Latif Sayyed lodged a first information report dated May 15, 2018 with the Powai police station, Mumbai against two of the employees of one of Chalet Hotels’ hotel, Renaissance Mumbai Convention Centre Hotel alleging theft of his personal property. The matter is being investigated by the police and there has been no further correspondence or update on same.

(ii) *Regulatory actions*

1. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against Chalet Hotels and others. For details, see “*Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions*”. Post search action under section 132 of Income Tax Act 1961, assessment proceeding under section 153A were initiated for assessment year 2008-09, 2012-13 to 2018-19. Assessment under section 143(3) read with section 153A of the Income Tax Act 1961 for assessment years 2008-2009, 2012-2013 to 2017-2018 and under Section 143(3) of the Income Tax Act, 1961, for assessment year 2018-2019 were completed. Chalet filed an appeal before CIT(A) for assessment years 2012-13 to 2018-19 were disposed by CIT(A) partially in favour of Chalet Hotels. Chalet Hotel has filed appeals for assessment years 2012-13, 2013-14 and 2015-16 before the Income Tax Appellate Tribunal against the order of the CIT(A). The Income Tax Department filed an appeal for AY 2012-13 to 2014-15, 2016-17 and 2017-18 before ITAT against the order of the CIT(A). These appeals have been heard by ITAT and are partially in favour of assessee. Further Income Tax Department has filed appeal against the ITAT order of assessment year 2015-16 before High Court. This appeal is pending for hearing before the High Court.

2. The Directorate General of Goods and Service Tax Intelligence Pune Zonal Unit (“**DG**”) has issued a notice dated June 15, 2018 addressed to Chalet Hotels in relation to an investigation being conducted by the DG in respect of alleged evasion of service tax by M/s Starwood Hotels & Resorts India Private Limited, Gurgaon, operator of The Westin Hyderabad Mindspace Hotel. Chalet Hotels submitted letter dated March 22, 2019 to the DG. No further correspondence has been received.
3. Pursuant to directives under a show-cause notice dated November 29, 2018 issued by the Directorate of Revenue Intelligence for recovery of duty in relation to import of goods against SFIS Scrip/License and the post-export service benefits availed by Chalet Hotels, show cause notice dated July 4, 2019 was issued by CGST & Central Excise Division, Bhopal in relation to utilisation of SFIS benefits by Chalet Hotels for purchase of glass and a demand to make payment of excise duty of ₹ 0.3 million. Replies on behalf of Chalet Hotels and a former director of Chalet Hotels, have been submitted on September 23, 2020 with CGST & Central Excise Division, Bhopal. The matter is currently pending.
4. A demand notice dated February 9, 2018 has been issued by the Tehsildar Thane, addressed to the guest (event organiser) and one of Chalet Hotels’ i.e. Four Points by Sheraton Navi Mumbai, Vashi demanding the payment of ₹ 0.40 million (inclusive of interest) as entertainment tax. Chalet Hotels has replied *vide* letter dated April 24, 2018 denying the claim and have provided the supporting documents. No further correspondence has been received.
5. A demand notice dated December 19, 2016 was issued by the Bruhat Bengaluru Mahanagar Pallike (“**BBMP**”) addressed to Magna, now merged into Chalet Hotels, demanding payment of amount aggregating ₹ 256.78 million towards outstanding property tax for the period 2008-2009 to 2015-2016 (inclusive of interest/penalty). Magna *vide* reply dated January 1, 2017 denied the claim of BBMP. No further correspondence has been received.
6. A notice dated February 8, 2018 was issued by the Central Bureau of Investigation (Bank Security and Fraud Cell) (“**CBI**”) addressed to Magna, now merged into Chalet Hotels, calling upon Magna to produce certain documents and information required and to appear in person, in the case bearing no. RC 10(E)/2017 dated July 27, 2017, filed by CBI against Shiva Kumar Reddy director of Kaveri Telecom Infrastructure Limited and others. Chalet Hotels has appropriately responded to CBI. No further correspondence has been received.
7. A show cause notice dated August 9, 2017 has been issued by the Director General of Foreign Trade imposing a penalty with interest on Magna, now merged into Chalet Hotels, for failing to return the terminal excise duty refund for ₹ 0.17 million. Chalet Hotels has filed its reply denying the alleged liability. No further correspondence has been received.
8. MCGM has issued a stop work notice dated June 4, 2018 addressed to Chalet Hotels in respect of alleged unlawful development and construction in Andheri, Mumbai. Chalet Hotels has issued a reply dated June 6, 2018 to the MCGM denying their claims and have submitted the requisite documents along with the reply. No further correspondence has been received.
9. The Office of Additional Director General of Foreign Trade issued certain recovery notices for the recovery benefits granted, aggregating to ₹ 9.10 million (“**Impugned Recovery Notices**”) on the basis that Magna, which has now merged with Chalet Hotels is ineligible to avail the benefits under the Served From India Scheme which were granted earlier to Magna. A writ petition was filed before the Karnataka High Court at Bengaluru (“**Court**”) challenging the Impugned Recovery Notices. The Court has granted a stay on the impugned recovery notices and the matter is currently pending before the Court. On December 9, 2021, the Court, has kept the matter in abeyance till the final disposal of the matter which is pending before the Supreme Court of India.

10. The Regional Provident Fund Commissioner had passed an order dated December 14, 2012 (“**Order**”) on the basis of guidance issued by the Central Board of Trustees, Employees Provident Fund Organization in relation to certain dues of the employees of its hotel i.e. Renaissance Mumbai Convention Centre Hotel aggregating ₹ 3.77 million assessed by the Petitioner as payable by Chalet Hotels. Chalet Hotels filed an appeal before the Employees Provident Fund Appellate Tribunal, New Delhi (“**Tribunal**”) challenging the Order which was set aside by the Tribunal on July 21, 2014. Aggrieved, the Central Board of Trustees, Employees Provident Fund Organization filed a writ petition before the Bombay High Court, against Chalet Hotels, challenging an order of the Tribunal. The matter is currently pending before the Bombay High Court.
11. The CIDCO issued an order dated December 1, 2014, directing KRCPL to discontinue vacate the land used as entry and exit points for Four Points by Sheraton Navi Mumbai, Vashi, and residential apartment (“**Hotel**”) of Chalet Hotels and Inorbit Malls inter alia on the ground that it does not form part of the allotment by CIDCO to the KRCPL. Aggrieved, KRCPL filed a writ petition before the Bombay High Court (“**Court**”). The Court *vide* its order dated January 16, 2015 directed both parties to maintain status quo. The matter is currently pending before the Court.
12. The Director of Revenue Intelligence has issued an investigation notice dated January 22, 2020 to Chalet Hotels, requiring Chalet Hotels to furnish information and documents relating to SEIS scrips for the financial year 2016-17 till date. Through its reply dated January 27, 2020, Chalet Hotels has submitted the requisite information and documents. No further correspondence has been received.
13. The Superintendent Officer, Customs Department issued summons dated June 2, 2021 to Chalet Hotels with respect to import documents and remittance details in relation to purchase of television consignment, which was attended by the officials of Chalet Hotels. Chalet Hotels had placed order with a television supplier through its authorized channel partner televisions for its Westin Hyderabad II Project (“**1<sup>st</sup> Tranche**”) and Renaissance Mumbai Convention Centre Hotel (“**2<sup>nd</sup> Tranche**”). Upon arrival of 1<sup>st</sup> Tranche at the port, the Special Intelligence and Investigation Branch, Customs (“**SIIB**”) raised queries for undervaluation of TVs. Subsequently, Chalet Hotels received a letter from customs on February 9, 2021 stating that the TVs can be provisionally released with a payment of security deposit of ₹ 5.11 million and a bond for full freight-on-board value. With respect to 2<sup>nd</sup> Tranche, Chalet Hotels, by its letter dated March 10, 2021, requested the Additional Commissioner of Customs to make orders to provisionally release the consignment. In response to its letter, the Deputy Commissioner of Customs, Nhava Sheva Port, by its letter dated May 1, 2021, accepted the request for provisional release of TVs subject to payment of a security deposit of ₹ 5.54 million and a bond for full freight-on-board value. Chalet Hotels, by its letter dated May 18, 2021, has sought waiver of the abovementioned security deposit from the authorities on the grounds that the alleged undervaluation of the consignment is an outcome of the transaction between TV supplier and its channel partner and accordingly, Chalet Hotels was not liable and accountable for the same.

However, the said request has been rejected by the Authorities. Consequently, Chalet Hotels requested the Commissioner of Customs for provisional release of both the consignment by accepting the bank guarantee in lieu of cash deposit. However, the authorities in response to the same have rejected the request of Chalet Hotels for provisional release of the consignment. Since the said request was rejected, Chalet Hotels made payment of ₹ 5.54 million and ₹ 5.11 million towards the security deposits under protest.

Further, show cause notice dated July 20, 2021 (‘Show Cause Notice 1’) has been issued by the Office of the Commissioner of Customs, NS-V, Jawaharlal Nehru Custom House, Post Sheva, to an authorised channel partner and all other importers including Chalet Hotels, who have purchased TVs, for imposing a differential duty amounting to ₹ 25,833 along with interest and penalty under the Customs Act, 1962 and for confiscating goods. Since an incomplete copy of

the said Show Cause Notice was received, Chalet Hotels in response to the same has vide letter dated July 29, 2021 requested the Authorities to issue the Annexures forming part of the Notice. The Authorities vide letter dated March 3, 2022 informed that personal hearing has been scheduled through video conferencing to be held on March 23, 2022. However, as the requested Annexures were not provided, Chalet Hotels vide letter dated March 16, 2022 once again requested to provide the Annexures accordingly requested to re-schedule the personal hearing accordingly.

Thereafter, a show cause notice dated October 7, 2021 ('Show Cause Notice 2') was received from the aforesaid authorities directing Chalet Hotels to show cause why the goods shall not be confiscated and penalty shall not be imposed on Chalet Hotels for undervaluation of consignment re-determined to ₹ 23.41 million qua ₹ 13.14 million (differential duty of about ₹ 6.8 million). The said notice does not account for the security deposit paid by Chalet Hotels. Chalet Hotels by letter dated January 24, 2022 replied to the Show Cause Notice 2. On June 13, 2022 a personal hearing in respect of the Show Cause Notices 1 and 2 was held. Subsequently, a hearing in respect of Show Cause Notice 1 and 2 was held on September 22, 2022. By an order dated December 12, 2022, the aforesaid authorities dropped the charges imposed on Chalet Hotels under Show Cause Notice 1. The Show Cause Notice 2 matter is still pending. Further on January 5, 2023, a personal hearing for the Show Cause Notice 2 was held via video conference wherein the Advocates appeared on behalf of Chalet and argued the matter before the authority. An impugned order dated March 31, 2023 was passed by the Office of the Commissioner of Customs, NS *inter alia* stating as follow: (1) A redemption fee of ₹ 2 million to release confiscated goods, (2) Re-determination of assessable value of goods from ₹ 11 million to ₹ 23 million, and (3) Imposition of a penalty of ₹ 880 million against Chalet Hotels. On May 8, 2023 an appeal has been filed before Commissioner of Customs (Appeal), NS against the impugned order dated March 31, 2023.

14. The Food Safety and Standards Authority of India Telangana ("FSSAI"), issued an improvement notice dated August 17, 2021 upon Chalet Hotels for its Hotel Unit- Westin Hyderabad Mindspace Hotel ("Hotel"), calling upon Chalet Hotels to update status on the mandatory food safety audit required to be conducted by third-party auditors. Subsequently, a final notice was issued by FSSAI vide email dated September 9, 2021, requiring to update status on the food safety audit for the Hotel. Further, a license suspension intimation dated September 14, 2021 was issued by the authorities and an inspection was conducted at the Hotel and the officers vide an inspection report dated September 20, 2021 has notified suspension of FSSAI license effectively from September 14, 2021. Further, a show cause notice dated September 21, 2021 was issued by Greater Hyderabad Municipal Corporation to Chalet Hotels for alleged non-violation of the provisions of the Food and Safety Standards Act, 2006, the Greater Hyderabad Municipal Corporation Act, 1955 and the rules and regulations thereunder. Consequently, Chalet Hotels made a submission before the authorities informing the Authorities of the steps taken by Chalet Hotels and to comply with the mandatory food safety audit by September 30, 2021 with a request to revoke the suspension. The FSSAI authorities vide notice dated September 30, 2021 has revoked the suspension of license and restored the License. Chalet Hotels has via letter dated September 22, 2022 requested for closure report from the authorities. No further correspondence has been received.
15. The Maharashtra State Electricity Distribution Company Limited ("MSEDCL") has filed a petition against 192 Open Access consumers in the state of Maharashtra sourcing power under Captive arrangement under Section 9 of the Electricity Act, 2003 (Chalet Hotels at Sr No 111 & 139 for its hotels namely The Westin Mumbai Powai Lake & Four Points by Sheraton Navi Mumbai, Vashi respectively & Belaire Hotels Pvt, Ltd at Sr No 70 for its hotel namely Novotel Pune Nagar Road) & 2 Distribution Licensees ("DIS COMs") before The Maharashtra Electricity Regulatory Commission, Mumbai (MERC Mumbai).

The MSEDCL has prayed under the Petition as follows:

- A. the transactions bearing sale & purchase/ agreement for procurement of power to be treated as (Independent Power Purchaser) IPP- under Bilateral arrangement as envisaged in Section 10 of the Electricity Act;
- B. if the cost of acquisition of shares in the company owning the Captive Generating Plant (CGP) is inadequate on scrutiny and / or the provisions of Memorandum and Articles of Association inhibits unbridled voting rights on all the affairs of the CGP, then the procurement shall be treated as IPP as envisaged in section 10 of the Electricity Act;
- C. the consumers be liable to pay Cross Subsidy Surcharge (CSS); Additional Surcharge (ASC) and other such charges as may be applicable to IPP consumers as per the provisions of Act, Rules & Regulations.
- D. the consumers shall be liable to pay CSS, ASC etc from the date of opting Open Access under such transaction with 18 % interest.

On November 15, 2022, Chalet Hotels for its hotels Westin Powai Lake & Four Points by Sheraton Navi Mumbai, Vashi, filed an Interim Application for striking off their respective names from the list of Respondents as Chalet Hotels was not in violation of the said law as alleged under the Application filed by the MSEDCL.

MERC Mumbai passed an order dated August 4, 2023 with a suggestion to MSEDCL to withdraw this Petition with liberty to file afresh, post disposal of related matters which are pending in the Supreme Court for judgment. MSEDCL filed an Affidavit on August 21, 2023 to continue with the Petition with the liberty to move the MERC Mumbai as and when orders/judgements are passed in the Supreme Court matters. The matter is currently pending.

- 16. Chalet Hotels received a letter dated October, 27 2023 from the Central Bureau of Investigation seeking information in respect of transactions and dues as debtor for an amount of ₹ 0.67 million in the books of Pipetel Communication Private Limited. Chalet Hotels have replied vide letter dated November 1, 2023 stating there is no outstanding and query is resolved. No further communication has been received.
- 17. Chalet Hotels and Four Points By Sheraton received a letter dated October 13, 2023 from the Directorate of Enforcement enquiring about any transaction in respect of Mr. Dinesh Vittal Rao and others and payment of ₹ 10.15 million. A reply dated October 18, 2023, has been sent denying such transaction and payment. No further communication has been received from the Directorate of Enforcement.
- 18. Anand Achary sent legal notices dated October 26, 2023 and November 11, 2023, respectively to Ranju Alex, the Area Vice President, South Asia of Marriott International Inc, and Westin Hotel, Amitabh Rai, Cluster General Manager, Westin Hyderabad, Sanjay Sethi, Chief Executive Officer and Managing Director, Chalet Hotels Limited and others alleging grabbing of an alleged park area and unauthorised conversion of the park area for commercial use. By way of abundant caution, KRIT and Chalet Hotels Limited have individually filed caveats before the High Court of Telangana.
- 19. Assistant Commissioner C - Ward, Navi Mumbai Municipal Corporation ("NMMC") served a notice to KRCPL alleging illegal construction on certain floors and a terrace in Four Points by Sheraton Vashi unit. K Raheja Corp. Pvt. Ltd (Chalet Hotels Limited). KRCPL has replied to the said notice and denied all allegations made by NMMC. There is no further communication from NMMC.
- 20. Assistant Commissioner C - Ward, Navi Mumbai Municipal Corporation ("NMMC") served a notice to KRCPL alleging illegal construction on certain floors and a terrace in Four Points by Sheraton Vashi unit. K Raheja Corp. Pvt. Ltd (Chalet Hotels Limited). KRCPL has replied to

the said notice and denied all allegations made by NMMC. There is no further communication from NMMC.

21. In addition to the above pending proceedings, Chalet Hotels has been identified as a party in seven separate labour proceedings filed by certain trade unions and employees before the labour /industrial courts and high court in Mumbai alleging unfair labour practices under the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1971, for failure to assign certain workers at its project, recognition of trade unions and termination of services. The matters are currently pending before the relevant courts.
22. For other regulatory actions against Chalet Hotels, see “*Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – KRIT– Regulatory actions*” and “- *Material litigation and regulatory actions pending against the Sponsor Group – Mr. Ravi C. Raheja – Regulatory Actions*”.

(iii) *Material civil/commercial litigation*

1. Chalet Hotels Limited received a copy of the Interim Application along with a Commercial Suit IP filed before the Hon’ble Bombay High Court, for infringement of copyright filed by Novex Communications against Vama Events Private Limited and Chalet Hotels Limited in respect of various events conducted at Westin Mumbai Powai Lake Hotel. The matter is currently pending.
2. Ms. Shaik Jahid S. Jahira Begum (“**Petitioner**”), filed a Petition under Section 22 of the Employees Compensation Act, 1923, seeking for compensation of Rs. 54,00,000/- from Magna which has been taken over by Genext Hardware & Parks Private Limited with effect from September 11, 2015, pursuant to demerger. Pursuant to the demerger order dated October 1, 2017, the retail undertaking has been transferred from Genext to Chalet). Magna had engaged the services of an independent contractor M/s. Milestone Aluminum Co. Pvt. Ltd., for glazing and cladding work for retail area of their project at Whitefield, Bengaluru. The Petitioner’s brother Sheik Abdul Wahab was employed by M/s. Milestone Aluminum Co. Pvt. Ltd and was working as a project engineer. He was deployed at the site by M/s. Milestone Aluminum Co. Pvt. Ltd for supervising the glazing and cladding work. While he was at work, on February 2, 2012 he fell from the structure to the granite floor and sustained fatal injuries and succumbed to the injuries. The petition has been filed for compensation against Magna by the Petitioner (sister of the deceased). Magna has filed its objection to the said petition. In July 2016, the legal heirs (i.e. wife and daughter) of Sheik Abdul Wahab were made party to the petition as per the direction of the court. The matter was dismissed by the court on April 20, 2017 and by an order dated December 20, 2017 directed Magna to appear on February 2, 2018 to show cause against the application. On March 22, 2019 the Court had issued summons to the deceased’s wife and children. In the absence of the Petitioner to remain present before the Hon’ble Court on multiple occasions, the matter was disposed off for want of prosecution. Ms. Shaikh Atiya Sulthana alias Munnima Kolkad wife of late Shaikh Abdul Wahab have filed a miscellaneous application to restore the original petition and the first miscellaneous application and provide appropriate reliefs in the said matter. The next date for hearing is August 8, 2023.

For other details material civil/ commercial litigation against Chalet Hotels, see “- *Material litigation and regulatory actions pending against the Sponsor Group – KRCPL – Material civil/commercial litigation*”.

## **B. JT Holdings**

### *(i) Criminal matters*

There are no pending criminal matters against JT Holdings.

### *(ii) Regulatory actions*

1. Development Commissioner, Visakhapatnam SEZ, Government of India, Hyderabad (“**Development Commissioner**”) has issued a show cause notice dated February 9, 2018 to JT Holdings for non-compliance of certain provisions of the Special Economic Zones Rules, 2006 (“**SEZ Rules**”) pertaining to construction of minimum up area specified in the under the SEZ Rules within a period of ten years from the date of notification of a SEZ and the Foreign Trade (Development & Regulation) Act, 1992 (“**FTDR Act**”). JT Holdings has replied to the show cause notice denying any default under the FTDR Act. No further correspondence has been received.
2. Telangana State Industrial Infrastructure Corporation Limited (“**TSIIC**”) has issued a cancellation cum resumption notice dated August 7, 2021 (“**Notice/Order**”) to JT Holdings for cancellation of allotment dated March 21, 2005 of 70 acres of land at Raviryal Village in favour of JT Holdings and stating that the consequential agreement, sale deeds and all other deeds executed thereunder are determined as a result of the alleged violation by JT Holdings of the terms and conditions of MOU/allotment/agreement/sale deed and the undertaking submitted by JT Holdings regarding implementation of project within the agreed time and generating requisite number of employment. By the Notice/Order, TSIIC has requested JT Holdings to handover the aforesaid land to TSIIC within 7 days from the date of the Notice/Order, failing which possession of the premises along with the structures, if any will be resumed by TSIIC after the expiry of the aforesaid period without any further notice to JT Holdings. By the Notice/Order, TSIIC has informed JT Holdings that consequent upon the aforesaid cancellation of allotment, JT Holdings’ occupation and possession of the premises has become unauthorised. By letter dated August 11, 2021, JT Holdings has replied to the Notice/Order requesting TSIIC to keep the Notice/Order in abeyance and give it an opportunity to present its plan to for completing the development in time and further requested to give a personal hearing to present its case. Further, by letter dated September 9, 2021 to TSIIC, JT Holdings has requested TSIIC to grant an appointment to enable it to give TSIIC a presentation and plan for completing the development in a reasonable time schedule and for the approval of TSIIC for completing the development. No further correspondence has been received.

### *(iii) Material civil/commercial litigation*

1. Campaign for Housing & Tenurial Rights (CHATRI) has filed a writ petition against the Government of Andhra Pradesh, Andhra Pradesh Industrial Infrastructure Corporation (now known as Telangana State Industrial Infrastructure Corporation), Hyderabad Urban Development Authority, the Andhra Pradesh Housing Board, JT Holdings, Stargaze and others (“**Respondents**”) before the Andhra Pradesh High Court (now known as Telangana High Court) for declaring the allotment of forest land by the Government of Andhra Pradesh and certain other Respondents as unconstitutional and illegal and has sought the review all the allotments of land made by the Government of Andhra Pradesh and certain other Respondents in the last 10 years by way of sale/lease. The matter is currently pending before the Telangana High Court.
2. Forum for a Better Hyderabad has filed a writ petition against the Government of India, Ministry of Environment & Forest, JT Holdings, Stargaze and others (“**Respondents**”) before the Andhra Pradesh High Court (now known as Telangana High Court) for declaring the action of the Government of India, Ministry of Environment & Forest and certain other Respondents in diverting forest land in violation of the provisions of the Constitution of India, Forest



(Conservation) Act, 1980 the Forest Act, 1980 and Wildlife Protection Act 1972, among others. The matter is currently pending before the Telangana High Court.

3. The Office of the Land Reforms Tribunal Cum Deputy Collector & Revenue Divisional Officer, Ranga Reddy East Division (“**Tribunal**”) had, by letter dated August 11, 2009, sought certain information from JT Holdings under Section 8(2) of the Andhra Pradesh Land Reforms (Ceiling on Agriculture Holdings) Act, 1973 (“**APLRAC**”) in respect of its land at Raviryal Village. JT Holdings has filed a detailed response stating that the land was granted by APIIC (who had acquired the property from the Government of Andhra Pradesh), and been declared as an SEZ; and is therefore not “land” covered under the APLRAC. The authorized officer filed counter dated April 10, 2012 and JT Holdings filed a rejoinder on September 10, 2012. JT Holdings also submitted a copy of the order dated August 9, 2012, which was passed by the Hon’ble High Court of Andhra Pradesh (“**High Court**”) in a similar matter (being Writ Petition No. 19300/2012 filed by Neogen Properties Pvt. Ltd.) whereas a stay was granted by the High Court until further orders. The matter is currently pending before the Land Reforms Tribunal cum Revenue Divisional Officer, Ranga Reddy East Division.

### C. Shoppers Stop

#### (i) Criminal matters

There are no pending criminal matters against Shoppers Stop.

#### (ii) Regulatory actions

The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against Shoppers Stop and others. For details, see “*Material litigation and regulatory actions pending against Mindspace REIT and the Asset SPVs – Avacado – Regulatory Actions*”. Post the Warrant, the assessment proceedings under section 153A of the Income Tax Act were initiated for AY 2008-09, AY 2012-13 to AY 2018-19. The assessment under section 143(3) read with section 153A of the Income Tax Act for AY 2008-2009, AY 2012-2013 to AY 2017-2018 and under Section 143(3) of the Income Tax Act, for AY 2018-2019 was completed. Shoppers Stop filed appeals filed before the CIT(A) for AY 2013-14 to AY 2018-19 which were disposed by the CIT(A) partly in favour of Shoppers Stop. Shoppers Stop has filed appeals against the order of the CIT(A) for AY 2013-14 to AY 2018-19 before the ITAT. Shoppers Stop has withdrawn the appeals filed before ITAT for assessment year 2013-14 to 2018-19. Further, Department filed appeals for assessment years 2016-17 to 2018-19 before ITAT against the order of the CIT(A). These appeals were heard and disposed of in favour of Shoppers Stop. Further Income Tax Department filed appeal against ITAT order of assessment years 2013-14 to 2018-19 with High Court. These appeals are pending for hearing before the High Court.

#### (iii) Material civil/commercial litigation

1. South Delhi Municipal Corporation (“**SDMC**”) conducted an inspection on April 10, 2017 and sent a demand notice to Shoppers Stop demanding ₹ 0.74 million per month towards damages for putting on advertisement without any permission from the competent authority (“**Notice**”). Shoppers Stop filed a writ petition before the Delhi High Court (“**Court**”) against the Notice. The Court disposed of the writ petition and directed SDMC to consider the representation of Shoppers Stop for deciding the matter. The demand of ₹ 0.74 million per month was subsequently affirmed by SDMC, pursuant to which Shoppers Stop filed another writ petition before the Court. The Court passed an order on February 18, 2015 in favour of Shoppers Stop on grounds that SDMC did not have jurisdiction to demand damages. Aggrieved by the order, SDMC has filed a special leave petition before the Supreme Court of India. The matter is current pending before the Supreme Court of India.

2. Shoppers Stop has filed a special leave petition before the Supreme Court of India against the Union of India (“**Respondent**”) challenging Section 65(90a) of the Finance Act, 1994, whereby, the Government of India has notified the activity of leasing being a service and consequently making it amenable to levy of service tax, resulting in arrears of service tax of approximately ₹ 360 million. The Supreme Court of India, in its interim order dated October 14, 2011, has directed Shoppers Stop to deposit 50 % of the arrears towards service tax and furnished surety for the balance 50%. Shoppers Stop has deposited the entire arrears under protest. The matter is currently pending before the Supreme Court of India.
3. Shoppers Stop Limited initiated arbitration in respect of additional demand of security deposit for renewal of the lease deed for the departmental store premises at a mall in Jalandhar by a lessor. The arbitration proceedings have commenced and the matter is currently pending.
4. Defamation suit has been filed by Dr. Vinod Pal (“**Plaintiff**”) against an ex-employee Simran Shetty before Vasai District Court, Mr. Ravi C. Raheja, Mr Neel C. Raheja, Mr. Nagesh, Mr. Venu Nair (Directors of Shoppers Stop), Shoppers Stop Limited and its few employees, have been made parties to the suit alongwith others. The suit alleges that Simran Shetty defamed the Plaintiff. Shoppers Stop, its directors and employees have been made parties to the suit alleging they neglected the matter and allowed Simran Shetty to defame the Plaintiff. Shoppers Stop has filed an application for dismissal of the Suit against itself and its employees and Directors. The matter is currently pending.

#### **D. Stargaze**

##### *(i) Criminal matters*

There are no pending criminal matters against Stargaze.

##### *(ii) Regulatory actions*

1. Development Commissioner, Visakhapatnam SEZ, Government of India, Hyderabad (“**Development Commissioner**”) has issued a show cause notice dated February 9, 2018 to Stargaze for non-compliance of certain provisions of the Special Economic Zones Rules, 2006 (“**SEZ Rules**”) pertaining to construction of minimum built-up area specified in the under the SEZ Rules within a period of ten years from the date of notification of a SEZ and the Foreign Trade (Development & Regulation) Act, 1992 (“**FTDR Act**”). The Development Commissioner has sought to take action against Stargaze. Stargaze has replied to the show cause notice denying any default under the FTDR Act. No Further correspondence has been received.
2. Telangana State Industrial Infrastructure Corporation Limited (“**TSIIC**”) has issued a cancellation cum resumption notice dated August 7, 2021 (“**Notice/Order**”) to Stargaze for cancellation of allotment dated July 13, 2006 of 250 acres of land at Raviryal Village in favour of Stargaze and stating that the consequential agreement, sale deeds and all other deeds executed thereunder are determined as a result of the alleged violation by Stargaze of the terms and conditions of MOU/allotment/agreement/sale deed and the undertaking submitted by Stargaze regarding implementation of project within the agreed time and generating requisite number of employment. By the Notice/Order, TSIIC has requested Stargaze to handover the aforesaid land to TSIIC within 7 days from the date of the Notice/Order, failing which possession of the premises along with the structures, if any will be resumed by TSIIC after the expiry of the aforesaid period without any further notice to Stargaze. By the Notice/Order, TSIIC has informed Stargaze that consequent upon the aforesaid cancellation of allotment, Stargaze occupation and possession of the premises has become unauthorised. By letter dated August 11, 2021, Stargaze has replied to the Notice/Order requesting TSIIC to keep the Notice/Order in abeyance and give it an opportunity to present its plan to for completing the development in

time and further requested to give a personal hearing to present its case. Further, by letter dated September 9, 2021 to TSIIC, Stargaze has requested TSIIC to grant an appointment to enable it to give TSIIC a presentation and plan for completing the development in a reasonable time schedule and for the approval of TSIIC for completing the development. No further correspondence has been received.

(iii) *Material civil/commercial litigation*

1. The Office of the Land Reforms Tribunal Cum Deputy Collector & Revenue Divisional Officer, Ranga Reddy East Division ("**Tribunal**") had, by letter dated August 11, 2009, sought certain information from Stargaze under Section 8(2) of the Andhra Pradesh Land Reforms (Ceiling on Agriculture Holdings) Act, 1973 ("**APLRAC**") in respect of its land at Raviryal Village. Stargaze has filed a detailed response stating that the land was granted by APIIC (who had acquired the property from the Government of Andhra Pradesh), and 170.40 out of 250 acres been declared as an SEZ; and is therefore not "land" covered under the APLRAC. The authorized officer filed counter dated July 23, 2012 and Stargaze filed rejoinder dated August 29, 2012. Stargaze also submitted a copy of the order dated August 9, 2012, which was passed by the Hon'ble High Court of Andhra Pradesh ("**High Court**") in a similar matter (being Writ Petition No. 19300/2012 filed by Neogen Properties Pvt. Ltd.) whereas a stay was granted by the High Court until further orders. The matter is currently pending before the Land Reforms Tribunal cum Revenue Divisional Officer, Ranga Reddy East Division.
2. For other pending material civil/commercial litigation against Stargaze, see "- *Material litigation and regulatory actions pending against the Associates of the Sponsors - JT Holdings - Material civil/commercial litigation*".

E. **Cavalcade**

i. *Title Litigation and irregularities*

1. Baban Sakharam Kadam (deceased) has filed a revision application (through his legal heirs) (Appellants) against Balasaheb Khandu Badade through Cavalcade Properties Private Limited ("CPPL") (Respondents) under Section 257 of Maharashtra Land Revenue Code ("**MLRC**") being aggrieved by the order dated May 19, 2016 passed by the Additional Collector in RTS Appeal No. 256 of 2011 filed by the Respondents thereby quashing and setting aside the order dated May 18, 2005 in respect of land bearing Survey No. 26/1+9A situated at Village Mohammadwadi, Pune which Appeal was partly allowed and the names of Appellants herein were recorded as the legal heirs of Sonubai Vithu Bhangire in the revenue records in respect of the aforementioned land. Hearing has been concluded and the matter has been closed for final order.
2. Shantabai Dattu Tarawade and others ("**Plaintiffs**") had filed a Regular civil suit before the Civil Judge Junior Division, Pune against Baban Narayan Ghule and others ("**Defendants**") for partition and separation of 1/2 share in the suit properties belonging to Hindu Undivided Family and in which Plaintiff's father late Narayan Hari Ghule had 1/5<sup>th</sup> share, declaration and perpetual injunction. The Court further passed an order disposing off the suit on the grounds of improper valuation raised by CPPL and the suit was converted into Special Civil Suit.

On July 1, 2022 Plaintiffs had filed an Application for impleading third parties (flat purchasers) as Proposed Defendants in the matter. On October 10, 2022 the Plaintiffs filed on record an Application for status-quo against CPPL in relation to its properties being construction of towers 2 & 5 'Raheja Sterling' and the same was rejected by the Court vide order dated October 10, 2022. The matter is currently pending.

3. Rajashri Manesh Shah and others filed a Special Civil Suit No 385 of 2015 in respect of land bearing S. No 42 Hissa No. 1C situate at Village Mohammadwadi, Taluka Haveli, District Pune against Bipinkumar Sharma and others in the Court of Civil Judge Senior Division, Pune for specific performance of the Development Agreement executed in their favour in respect of the Land (under Sec. 6, 31, 34 and 38 of the Specific Relief Act, 1963). (CPPL has been impleaded as a Defendant in the matter.. Issues have been framed in the matter and is currently posted for evidence of the Plaintiff.
4. An RTS Appeal No 194 of 2022 was filed before the Sub-Division Officer, Haveli Pune by CPPL against Circle Officer, Hadapsar and 24 others being aggrieved by the cancellation of mutation entries bearing No. 15001 dated June 29, 2020 and 15002 dated June 30, 2020 in respect of the land bearing New S. No. 38/4/3 situated at Village Mohammadwadi, Taluka Haveli, District Pune in the name of CPPL. The matter has been transferred to Sub Division Officer, Pune City. Application for delay condonation has been allowed by the Hon'ble Sub Division Officer, Pune City vide order dated May20, 2024 and the same is posted for hearing. The matter is currently pending.

**ii) Criminal matters**

1. CPPL filed a complaint dated August 27, 2013 against Dnyaneshwar alias Mauli Bhangire and others at Kondhwa Police Station, Pune alleging that Mauli Bhangire and five to six others entered, encroached upon CPPL's land bearing Survey No. 26/2A and Survey No. 26/2B situated at Village Mohammadwadi, Taluka Haveli District Pune and started construction work of a temple. The said incident was reported to the police by CPPL and the work was stopped. However, after the Police released Mauli Bhangire and others, they again started the work since they were forcibly trying to take possession of the land by encroaching upon the same. The matter is currently pending.
2. CPPL filed a complaint dated June 25, 2016 against Balu Ghule and others at Kondhwa Police Station, Pune alleging that Balu Ghule and others entered, encroached upon CPPL's land bearing Survey No. 37/3+4 situated at Village Mohammadwadi, Taluka Haveli, District Pune and threatened CPPL's staff and also threatened to forcibly level the land for the purpose of construction of an office. The matter is currently pending.
3. CPPL filed a complaint dated June 29, 2016 against Imtiaz Shaikh and others at Kondhwa Police Station, Pune alleging that Imtiaz Shaikh and 3 to 4 others entered and forcibly tried to grab and take possession of CPPL's land bearing Survey No.37/3 and 4 situated at Village Mohammadwadi, Taluka Haveli, District Pune on June 29, 2016. Further on June 29, 2016, Imtiaz Shaikh and 3 to 4 others entered the land adjacent to the road and dug up the land and put up a notice board displaying that the land bearing Survey No.37/2, Plot No. 58 is owned by Ramesh Deshpande and Vasanti Moholkar and threatened Tukaram Rane, the Security Officer of CPPL of dire consequences. so that the Police authorities take suitable action against them. The matter is currently pending.
4. Anuj Goel, Partner of Shree Balaji Associates filed a complaint dated December 29, 2016 before Kondhwa Police Station against CPPL alleging that CPPL has encroached upon Balaji Associates' land bearing Survey No.26/2/1C/1 situated at Village Mohammadwadi, Taluka Haveli, District Pune on the western side by six meters thereby rights of Balaji Associates are being prejudiced. Further in the complaint it has also been alleged the owners of the Company have not disclosed the true facts of the matter. The statement of Anil Mathur, authorised signatory of CPPL was recorded by the Police on April 15, 2017 wherein allegations in the complaint was refuted and the claim of alleged encroachment by CPPL was denied and the

statement recorded that land bearing S. No 26/2A and 26/2B situate at Mohammadwadi, Pune held by CPPL is as per the Government demarcation done in 2010 and the land is fenced off. The matter is currently pending.

5. A criminal miscellaneous application was filed on March 29, 2023 before the Judicial Magistrate First Class, Cantonment Court, Pune by KRCSPL (“Complainant”) against Imtiaz Shaikh and Rahul Ghule (“**Accused**”) for carrying out investigation under Sec 156 (3) of the Criminal Procedure Code in respect of the complaint filed before Kondhwa Police station against Imtiaz Shaikh and Rahul Ghule i.e. the Accused who had entered the land in the possession of the Complainant bearing Survey No. 38/4/3 forcibly with some unknown 30 to 40 persons and threatened the security guards with sharp weapons on the land held by Cavalcade Properties Pvt Ltd. The Application came to be allowed vide an order passed on June 19, 2023 with the direction to the Police to register the offence and carry out investigation in the matter. CPPL submitted a letter dated March 01, 2024 thereby withdrawing the complaint filed by CPPL in view of the amicable settlement between the Complainants and Accused by way of filing mutual consent terms in the Hon’ble Court.

**iii) Regulatory Actions**

1. A show cause notice issued by the Executive Engineer, Building Department Pune Municipal Corporation to CPPL on August 28, 2017 in respect of the land bearing Survey No.27/1B+2+3, situated at Village Mohammadwadi, Pune in the project “Raheja Vistas” with reference to the application filed by Pramod Bhangire on the basis of the complaint filed by Praful Lonkar alleging unauthorized construction being carried out by IMIPL on the aforesaid lands without the consent of Praful Lonkar and issuance of stop work notice. CPPL (instead of IMIPL) replied to the show-cause notice on September 8, 2017 denying all allegations. Thereafter, there has been no further communication from PMC and the matter is currently pending.

**iv) Material civil/commercial litigation**

- I. By an order dated July 18, 2023, National Company Law Tribunal, Mumbai Bench, approved the scheme of demerger of residential business of Inorbit Malls (India) Private Limited (“**IMIPL**”) into CPPL with effect from September 1, 2023. By virtue of the demerger, inter alia, properties forming part of the residential business of IMIPL, now stand vested in CPPL. With respect to the legal proceedings pending in respect of IMIPL’s residential business, IMIPL and CPPL are in the process of making necessary applications before the concerned foras to replace/substitute IMIPL with CPPL as party to these proceedings. For material civil/commercial litigation concerning the residential business, see “*Material civil/commercial litigation pending against Inorbit Malls*”.

**F. Asterope**

**i) Title Litigation and irregularities**

1. Regular Civil Suit 1319 of 1995 was filed before the Learned Civil Judge, Junior Division, Pune by Kisan Baburao Balwadkar and others against Vitthal Raghoba Balwadkar (since deceased) and others, *inter alia*, praying for, partition of Survey No. 14/1, Survey No. 14/1A and Survey No. 15/1B such that the Plaintiffs therein get possession of the ½ share of the same. The suit is currently pending.

2. A suit was filed before the Hon'ble Civil Judge Senior Division, Pune by Malan Bajirao Balwadkar, Manoj Bajirao Balwadkar and others ('**Plaintiffs**') against Aditya Shagun, Rajkumar Pamandas Shewani, and others ('**Defendants**'), *inter alia*, praying for (i) termination and cancellation of the Development Agreement and Power of Attorney both dated February 21, 2002 (ii) declaration that the Society Sale Deed dated October 6, 2006 registered with the Office of the Sub-Registrar of Assurances be declared illegal, null and void, (iii) grant of temporary injunction against the Defendants from creating third party right and interest on the suit property and (iv) handover of suit property to the Plaintiffs. The Plaintiffs have, *inter alia*, stated that the Plaintiffs have cancelled the Development Agreement and Power of Attorney both dated February 21, 2002 for failure to comply with the terms and conditions thereof and make payments pursuant thereto and since a suit was not filed for specific performance of the Development Agreement within the limitation period, therefore the Plaintiffs were entitled to evict them from the property. The matter is pending.
3. A suit was filed before the Hon'ble Civil Judge, Senior Division, Pune by (i) Santosh Bharne and (ii) Kamalabai Balkrishna Nimhan ('**Plaintiffs**') against (i) Kisan Bhagwant Balwadkar and others seeking various reliefs including declaration that they hold undivided share in the suit property and other ancillary reliefs Pursuant to an order dated August 31, 2018 issued by the Joint Civil Judge, Senior Division, Pune, the Defendant's application for rejection of plaint on the grounds that the suit is time barred, the Plaintiffs have no cause of action, and the suit is under-valued, was rejected. A revision application was filed before the Hon'ble Bombay High Court by Late Baban Bhagwant Balwadkar (through his legal heirs (a) Parvatibai Baban Balwadkar and (b) Sunil Baban Balwadkar) against (i) Santosh Bharne and others, praying, amongst others, that record and proceedings in the suit be called for and after examining the factum, legality, validity and propriety thereof, the Order dated August 31, 2018 be quashed and set aside. The matter is currently pending.
4. Notice dated May 31, 2024 has been issued by Deputy Director, Land Records, Konkan Bhavan attached/linked to District Superintendent of Land Records, Pune office in respect of Appeal No. 6739/2023 in respect of land bearing Survey No. 14/9 situate at Village Balewadi, Taluka Mulshi, ("subject property") District Pune filed by Dnyaneshwar Jyotiba alias Jyotibhau Thorve and Pandurang Thorve inter-alia against M/s. Aditya Shagun Developers through its partners Shantilal Kataria and Rinku Shewani and several others to remain present on June 14, 2024 for hearing. During the course of hearing, it was informed to District Superintendent of Land Records, Pune by Asterope Properties Pvt Limited that there are two more appeals bearing No. 6737/2023 and 6738/2023 which have been filed however, no notice has been served upon them in respect of these appeals however the matters would be withdrawn on next date by the Appellants and Respondents since there has already an amicable settlement between the parties in respect of the subject property. The Respondent No.1 and son of the appellant No.2 orally submitted that the matters have been amicably settled between themselves. The son of Appellant No.2 has filed a withdrawal purshis signed by both the Appellants and Respondent No.1 filed their consent purshis. The Presiding Officer observed that the Appellants were not present and, therefore, the Presiding Officer would pass the necessary orders for withdrawal when the Appellants are physically present before him in due course of time.

**ii) Criminal matters**

**NIL**

**iii) Regulatory Actions**

**NIL**

**iv) Material civil/commercial litigation**

**NIL**

**G. Convex**

**i) Title Litigation and irregularities**

**NIL**

**ii) Criminal matters**

1. Convex Properties Private Limited (Convex) filed a police complaint against the engineer Mr. Rakesh Sharma of Central Railways, Divisional Engineer (North) and Sanjay Singh, Contractor in charge. Complaint is filed with the Loni Kalbhor Police station on October 26, 2015 in respect of constructing a wall by encroachment upon the road on the land by Central Railways. The land bearing Gat No. 125/B is owned by Convex and the approach road to the said land is East West which is parallel on the northern side of the Loni Railway Station Railway track. The road is fenced off by putting up cement poles. Central railways broke the compound poles and encroached by 2 to 18 feet upon the inner portion of the road and constructed a 100 to 200 meters wall on the West- East side of the road. Convex sent a letter on October 24, 2015 to Divisional Engineer (North) Central Railways (Railways) regarding the aforesaid encroachment. Divisional Engineer (North). Railways responded that the construction of the wall was carried out as per the approved plans and if the revenue authorities conclude that Railways has encroached upon the said land owned by Convex Properties the encroachment would be removed immediately. The matter is currently pending.
2. Convex Properties Pvt. Ltd. (Convex) filed a complaint against Chintamani Park with the Loni Kalbhor Police Station on December 19, 2018 in respect of constructing a wall by encroachment by Chintamani Park upon the road on the land owned by Convex. The land bearing Gat No. 125/B is owned by Convex and the approach road to the said land is East West which is parallel on the northern side of the Loni Railway Station Railway track. Government Demarcation has been done/obtained by Convex on August 5, 2008. Matter is currently pending.

**iii) Regulatory Actions**

1. Notification dated December 5, 2023 was issued by Ministry of Railway (Central Railway) Mumbai. The Central Government through the official notification (Gazette) dated December 5, 2023 expressed their willingness to acquire the portion of land out of Gat No. 125 part for execution, maintenance, management and operation of Special Railway Project viz., Loni Yard under Gati Shakti Units under sub sec (1) of Sec 20 A of the Railway Act, 1989. Convex raised an objection by way of its letter dated January 29, 2024 addressed stating that if the acquisition is given effect, then Convex would be adversely affected and that there is lack of clarity on which part of the land, acquisition is intended. The part of land of the ownership of Convex is used for ingress and egress along with the adjacent landowners which will be affected and cause

irreparable loss and there is no alternative access available to the land. Matter is currently pending.

iv) ***Material civil/commercial litigation***

***NIL***

**H. KRCREPL (K Raheja Corp Real Estate)**

***i) Title Litigation and irregularities***

1. K Raheja Corp Real Estate Private Limited (“KRCREPL”) has vide a registered Agreement for Sale dated January 23, 2023, agreed to purchase 350 residential units, to be constructed by utilization of 14,200 square meters of sale component from and out of the free sale component of a SRA scheme, being developed on a portion of land bearing Cadastral Survey No. 6 (part) of Salt Pan division, situated at Shanti Nagar, Salt Pan Road, Wadala (East), Mumbai 400037 (**“Land”**), from (1) M/s. M.M. Developers -Shanti Nagar (**“Firm”**) and (2) Saroj Landmark Realty LLP, for the consideration and on terms set out therein.

One Mr. Bharat Bhushan Gupta, an erstwhile partner of the Firm has vide his letter dated June 21, 2023 (**“Letter”**) addressed to KRCREPL, *inter-alia* stated that (i) there is a pending proceeding initiated by him against the partners of the Firm, under which the Sole Arbitrator has passed certain interim orders, which the partners have failed to abide by; (ii) on account of failure of the partners to abide by the orders of the Sole Arbitrator, the other partners are not entitled to deal with the assets of the Firm and has cautioned KRCREPL to not enter into any agreement relating to acquisition of FSI of the assets of the Firm, until the dispute pending in court is finally settled. KRCREPL has vide its letter dated August 3, 2023 replied to the Letter, denying all allegations and insinuations made in the Letter. KRCREPL has stated in its reply, that upon informing the Firm and Saroj Landmark Realty LLP, about the Letter, Saroj Landmark Realty LLP has furnished to KRCREPL a copy of a letter dated July 6, 2023 from M/s. Wadia Ghandy & Co (on behalf of Saroj Landmark Realty LLP) to Mr. Bharat Bhushan Gupta, wherein it is stated that Mr. Bharat Bhushan Gupta has retired from the Firm and he has no right over the Land or development thereof, which letter of M/s. Wadia Ghandy is annexed to the reply of KRCREPL.

2. K Raheja Corp Real Estate Private Limited (**“KRCREPL”**) has under a registered Deed of Conveyance dated June 17, 2023 purchased land forming part of Survey Nos. 304 and 305 and bearing corresponding CTS Nos. 886 and 887 of Village Mulund (West) admeasuring 15,049.8 square metres or thereabouts, situated on LBS Marg, Taluka – Kurla in District - Mumbai Suburban District, Mumbai (**“said Land”**).

The Office of Jt. Sub-Registrar, Kurla 1 (**“Sub-Registrar”**) has vide letter dated August 6, 2023 to KRCREPL, sought clarification, pursuant to a complaint dated August 2, 2023 filed by one Kavita Sitaram Bond (**“Complainant”**), claiming to be legal heir of late Sitaram Dharma Bond, who was allegedly declared to be owner of various land parcels in Mulund including the said Land. The Complainant has sought to take action against registration of all documents in respect of various Survey Nos. at Mulund including said Land. Wadia Ghandy & Co. has (on behalf of KRCREPL) vide its letter dated September 22, 2023, replied to the Office of Jt. Sub-Registrar, Kurla 1 *inter-alia* stating that (i) the Sub-Registrar is authorized only to ensure that the executant has admitted execution of the instrument and is not entitled to probe into title of the property; (ii) conveyance executed in favour of KRCREPL is correctly executed and is valid and subsisting and (iii) contentions of the Complainant are baseless and without any merits. No further response has been received by KRCREPL.



3. K Raheja Corp Real Estate Private Limited (“KRCREPL”) has under a registered Deed of Conveyance dated June 17, 2023, purchased land forming part of Survey Nos. 304 and 305 and bearing corresponding CTS Nos. 886 and 887 of Village Mulund (West) admeasuring 15,049.8 square metres or thereabouts, situated on LBS Marg, Taluka – Kurla in District - Mumbai Suburban District, Mumbai (“**said Land**”).

BMC Law Officer (Adv. Sandeep Patil) has vide letter dated November 9, 2023 to KRCREPL, called upon KRCREPL to submit its reply to a complaint dated October 25, 2023 filed by Kavita Sitaram Bond (“**Complainant**”), calling upon BMC to cancel development permissions issued to various developers in Mulund (including in respect of the said Land). KRCREPL has vide its letter dated December 1, 2023, responded to the BMC Letter dated November 9, 2023 *inter-alia* requesting a copy of the complaint filed by the Complainant, so that KRCREPL can deal with the complaint in detail and further stating that (i) KRCREPL is the absolute owner of the said Land and (ii) the Complainant has no locus to file the complaint in view of *inter-alia* (a) Consent Terms dated March 7, 2008 (“**Consent Terms**”) filed in Writ Petition No. 5416 of 2008 before the Hon’ble Bombay High Court; (b) Order dated March 1, 2017 passed by Hon’ble Bombay High Court in Civil Application No. 170 of 2016, filed by the Complainant challenging the Consent Terms. BMC Law Officer (Adv. Sandeep Patil) has vide letter dated March 14, 2023 to KRCREPL, furnished a copy of the complaint dated October 25, 2023 filed by the Complainant and stated that no reply was received by BMC from KRCREPL to its letter dated November 9, 2023 and hence KRCREPL is once again called upon to submit its reply to the complaint filed by the Complainant. KRCREPL has filed a reply to the BMC letter denying the allegations. Thereafter there is no further correspondence.

4. BMC, Executive Engineer (Building Proposal Department) has vide its letter dated October 10, 2023 to *inter-alia* KRCREPL, sought clarification from KRCREPL regarding its say with respect to a complaint filed by Mrs. Kavita Bond addressed to the Chief Minister of Maharashtra vide her letter dated July 12, 2023 (received by BMC on October 3, 2023), wherein she had raised certain issues regarding ownership of the Land allegedly owned by Mr. Satish Anand Chand. KRCREPL has, through their legal counsel, vide its letter dated October 19, 2023, replied to the Executive Engineer, Building Proposal, BMC, denying the allegations in the aforesaid complaint.

5. K Raheja Corp Real Estate Private Limited (“KRCREPL”) has under a registered Deed of Conveyance dated June 17, 2023 purchased land forming part of Survey Nos. 304 and 305 and bearing corresponding CTS Nos. 886 and 887 of Village Mulund (West) admeasuring 15,049.8 square metres or thereabouts, situated on LBS Marg, Taluka – Kurla in District - Mumbai Suburban District, Mumbai (“**said Land**”).

Ajay Arjun Bond & 6 others, has vide his letter dated August 10, 2023 *inter-alia* called upon KRCREPL (with a copy marked to *inter-alia* the Collector, Mumbai Suburban District) to forthwith handover possession of the said Land. The letter further states that the Deed of Conveyance in favour of the KRCREPL is illegal since sale permission is not obtained under tenancy law. KRCREPL has vide letter dated September 11, 2023 denied all contentions made in the aforesaid letter.

6. KRCREPL has made an application dated July 28, 2023 to the Collector under section 42 (B) of Maharashtra Land Revenue Code, 1966, for procuring NA permission in respect of the said Land. The Collector, Mumbai Suburban District has sent a notice dated March 11, 2024 to (i) Advocate Amar Shribad on behalf of his client Ajay Bond & 6 others and (ii) KRCREPL being the Power of Attorney holder of Satish Chand Anand (who is a pre-decessor in title of KRCREPL), calling for a hearing on March 22, 2024 at 12.30 pm regarding the objection raised by Adv. Amar

Shribad. Kavita Bond has filed an Intervention Application claiming to have right in the portion of said land. KRCREPL has filed its reply denying the allegations in the Intervention Application. The matter is currently pending.

7. K Raheja Corp Real Estate Private Limited (“KRCREPL”) has under a registered Deed of Conveyance dated June 17, 2023 purchased land forming part of Survey Nos. 304 and 305 and bearing corresponding CTS Nos. 886 and 887 of Village Mulund (West) admeasuring 15,049.8 square metres or thereabouts, situated on LBS Marg, Taluka – Kurla in District - Mumbai Suburban District, Mumbai (“**said Land**”).

An Application was filed by Satish Chand Anand (predecessor in title of KRCREPL) for re-opening of 7/12 extract in respect of Survey No. 304(part). Pursuant to an objection received from Ajay Arjun Bond and Ankush Arjun Bond, the Tehsildar, Mulund vide letter dated 19<sup>th</sup> October, 2023 addressed to Satish Chand Anand called for a hearing. KRCREPL participated in the hearing as an owner of the said Land. Vide Order dated 16<sup>th</sup> February, 2024 (“**Tehsildar Order**”), Tehsildar, Mulund directed re-opening of the 7/12 extract in respect of Survey No. 304 (part). KRCREPL was informed by the Sub-Divisional Office, Mumbai Suburban District (“SDO”), that Kavita Sitaram Bond has filed an appeal before SDO, against Tehsildar Order. KRCREPL has filed intervention Application which was allowed. The SDO dismissed the Appeal filed by Kavita Sitaram Bond vide Order dated April 24,2024.

- 8.. Notice dated April 12, 2024, has been issued by Tehsildar Mulund, for the hearing on Form IX dated April 2, 2024 issued by Talathi Kurla under Rule 14 read with Rule 24 of Maharashtra Land Revenue Rights of Records and Registers (Preparation and Maintenance ) Rules 1971, in respect of Mutation Entry No 5580 dated April 2, 2024 recording the name of KRCREPL as a holder of land forming part of Survey Nos. 304 bearing corresponding CTS Nos. 886 of Village Mulund (West). Kavita Sitaram Bond (“**Kavita**”) has filed objection dated April 4, 2024. KRCREPL filed its Affidavit in Reply dated May 2, 2024 denying the allegations in the objection. Kavita filed undated Application, received by KRCREPL on May 3, 2024 seeking a direction to the Talathi Saja Mulund to furnish records of 7/12 extracts of Survey No.304 (part), KRCREPL filed its reply dated April 22, 2024 on the grounds of maintainability and outside the purview of the pending proceedings. On May 22, 2024 submitted the Additional Submissions before Tehsildar, Mulund. KRCREPL filed its Reply dated June 5, 2024 to the Kavita’s Additional Submissions dated May 22, 2024. Kavita filed a Reply/Rejoinder dated June 20, 2024 (“Rejoinder”) falsely claiming rights on the land bearing CTS Nos. 304 (pt) and 305 (pt). KRCREPL filed a Reply dated July 4<sup>th</sup> 2024 objecting the filing of the Rejoinder and requested not to take on record the Rejoinder, seeking leave to file a detailed Reply as and when required.
9. A suit was filed before the High Court of Bombay by (1) Razia Amirali Shroff (2) Shiraz Kamaluddin Pradhan and (3) Mumtaz Nizar Somani (“**Plaintiffs**”) against Nishuvi Corporation and others (“**Defendants**”), *inter alia*, challenging the consent decrees pursuant to which the predecessors in title of the Defendants acquired leasehold rights in respect of the land bearing Cadastral Survey Nos. 1/47, 2/47, 117, 118, 119, 120 and 121 of Lower Parel Division together with buildings thereon for a declaration that the Plaintiffs are the owners of the property and accordingly, are entitled to possession and for other ancillary reliefs. The matter is currently pending.

**ii) Criminal Matters**

- 1 K Raheja Corp Real Estate Private Limited (“KRCREPL”) has under a registered Deed of Conveyance dated June 17, 2023 purchased land forming part of Survey Nos. 304 and 305 and bearing corresponding CTS Nos. 886 and 887 of Village Mulund (West) admeasuring 15,049.8

square metres or thereabouts, situated on LBS Marg, Taluka – Kurla in District - Mumbai Suburban District, Mumbai (“**said Land**”).

A Criminal Writ Petition was filed before the High Court of Bombay ("**Criminal Writ Petition**") by Sitaram Dharma Bond through his constituent Power of Attorney Holder Kavita Sitaram Bond being the Petitioner against (i) State of Maharashtra, and certain other entities (therein collectively being the “**Respondents**”), whereby it was *inter-alia* prayed (a) to issue a Writ of Certiorari or a Writ in the nature of Certiorari or any other appropriate Writ, order and directions, thereby calling upon records, papers and files from (certain respondents and after perusing the records to pass appropriate order and direction; (b) to issue a Writ of Mandamus or any other appropriate Writ, order and directions, ordering and directing the Collector to forthwith restore back the possession of certain land parcels (which include the said Land) and take legal stern action against Runwal Developers Private Limited and Nirmal Life Style Private Limited; (c) to issue a Writ of Mandamus or other suitable Writ, order or direction be issued directing the State CID, Bombay to investigate the matter; and (d) to issue a Writ of Mandamus or other appropriate Writ, order or directions, ordering and directing the Senior Inspector of Police to lodge and register a complaint against Runwal Developers Private Limited and Nirmal Life Style Private Limited in pursuance of complaint dated October 19, 2015, lodged by Sitaram Dharma Bond. Upon perusal of the Criminal Writ Petition, it is observed that Satish Chand Anand (predecessor in title of KRCREPL) is not a party to the Criminal Writ Petition. KRCREPL is not a party to this Criminal Writ Petition. The matter is currently pending.

**iii) Regulatory Actions.**

1. KRCREPL has received a Notice dated February 1, 2024 issued by the Additional Collector under Chapter VI, Section 78 & Chapter VII, Section 79 of the Maharashtra Minor Mineral Extraction (Development and Regulation) Rules, 2013 stating that the vehicles were stationery after generation of ETP. KRCREPL has denied the allegation by way of its letter dated March 15, 2024 .No further correspondence has been received.2. The Pest Control Officer at Municipal Corporation of Greater Mumbai (“MCGM”) has issued a notice to KRCREPL in respect of HDPE Water storage tank stating that the premises are in poor conditions holding water that is likely to breed mosquitos at KRCREPL’s project site at Chunabhatti, Mumbai. KRCREPL has replied to MCGM stating that they have taken corrective measures and requested MCGM to conduct inspection in order to close the matter. No further correspondence has been received.

**iv) Material civil/commercial litigation**

1. By and under a registered Deed of Conveyance dated May 27, 2022 (“**Deed of Conveyance**”), K Raheja Corp Real Estate Private Limited (“**KRCREPL**”) (earlier known as Feat Properties Private Limited) has purchased land bearing Survey No. 16, Hissa No. 5, CTS No. 971, at village Juhu, Taluka Vile Parle, District-Mumbai Suburban District together with structures (including BR House) standing thereon (“**said Property**”), from Mrs. Renu Chopra, for the consideration and terms stated therein.

A commercial Suit (“**Commercial Suit**”) and an IA has been filed by IDBI Bank Limited before the Hon’ble Bom. High Court against 1. BR Films, 2. Renu Chopra (“**Renu**”), 3. Kapil Chopra, (“**Kapil**”) 4. Abhay Chopra (“**Abhay**”) and 5. KRCREPL, *amongst others*, seeking the following reliefs (i) that the transfer of BR House under gift deed dated December 10, 2010 and the Deed of Conveyance are fraudulent transfers and should be set aside; and (iii) to restrain Renu, Kapil, Abhay and KRCREPL from alienating or creating third party rights in BR House property. The matter is currently pending.

2. By and under a registered Deed of Conveyance dated May 27, 2022 (“**Deed of Conveyance**”), K Raheja Corp Real Estate Private Limited (“**KRCREPL**”) (earlier known as Feat Properties

Private Limited) has purchased land bearing Survey No. 16, Hissa No. 5, CTS No. 971, at village Juhu, Taluka Vile Parle, District-Mumbai Suburban District together with structures (including BR House) standing thereon ("**said Property**"), from Mrs. Renu Chopra, for the consideration and terms stated therein.

IDBI Bank Ltd., had filed an interim application dated October 7, 2022 ("**Application**"), in Transfer Application No.1572 of 2016 in Original Application No. 42 of 2012 ("**OA**") filed by IDBI Bank Ltd. against B.R. Films & Others before the Debt Recovery Tribunal, Mumbai, amongst other, for (a) impleading KRCREPL as a party to the Transfer Application, (b) a direction against KRCREPL to maintain status quo in respect of BR House property, (c) that pending the hearing and final disposal of the OA, an amount of ₹740.8 million out of the sale proceeds of BR House received by Defendant No. 3(a) i.e. Mrs. Renu Chopra from KRCREPL be deposited with IDBI Bank/Tribunal for settlement of their dues. The dispute raised in the OA pertains to the purported credit facilities granted by IDBI Bank to BR Films and the alleged failure by BR Films to repay the same. No relief is granted till date to IDBI Bank. KRCREPL is a bona-fide purchaser of the said Property for consideration. No hearing has taken place till date on the Application. The matter is pending.

3. K Raheja Corp Real Estate Private Limited ("**KRCREPL**") has under a registered Deed of Conveyance dated June 17, 2023 purchased land forming part of Survey Nos. 304 and 305 and bearing corresponding CTS Nos. 886 and 887 of Village Mulund (West) admeasuring 15,049.8 square metres or thereabouts, situated on LBS Marg, Taluka – Kurla in District - Mumbai Suburban District, Mumbai ("**said Land**").

Prabhakar Menka Shetty (Plaintiff) has filed a Commercial Suit ("**Commercial Suit**") and Interim Application before the Hon'ble Bombay High Court ("**High Court**") against (1) KRCREPL; (2) Satish Chand Anand; (3) Dharam Chand Anand; (4) Deep Chand Anand; (5) Jagdish Chand Anand; (6) Kuldip Chand Anand; (7) Nathoo Lalji Charity Trust; (8) Municipal Commissioner, BMC and (9) The Executive Engineer, BMC for (i) specific performance of Agreement dated October 10, 1995, Power of Attorney dated October 10, 1995 and Power of Attorney dated July 26, 1999 (collectively, "**Agreements**"), executed between the Plaintiff and Defendant No. 7 in the Commercial Suit, in respect of certain land parcels which includes a certain Land ("**Disputed Land**"); (ii) declaration that (a) Indenture dated December 27, 1967 (b) Deed of Conveyance dated June 17, 2023 in favour of KRCREPL, be declared null and void and (iii) pending hearing of the suit, the defendants be restrained from creating third party rights in respect of the Commercial Suit property, which includes the Disputed Land. KRCREPL has filed an Affidavit objecting to the maintainability of the suit.. KRCREPL has also filed an IA for rejection of the Plaint. Defendant No. 7 in Commercial Suit has filed an Affidavit in reply to the Commercial Suit, *inter-alia* stating that the Agreements appears to be fabricated and that Indenture dated December 27, 1967 is a registered and valid document. The matter is currently pending.

4. Grand Paradi Co-operative Housing Society Limited ("**Grand Paradi Society/Plaintiff**") filed a suit bearing before the Bombay High Court (now transferred to and pending before the City Civil Court) against Mont Blanc Properties Private Limited ("**Owner**") praying for *inter alia* conveyance of certain land at Malabar Hill and an order restraining the Owner from putting up any additional construction thereon. Grand Paradi Society also filed a Notice of Motion (**NOM**) seeking interim reliefs in respect of the above. Various orders came to be passed in respect of the said NOM including the Bombay High Court's Single Bench decision dated April 3, 2002 and April 20, 2010. Under both these orders, the Court did not grant any interim relief to Grand Paradi Society. Aggrieved by the above, Grand Paradi Society filed a Special Leave Petition (SLP) which was disposed of by an order dated July 12, 2010 which clarified that any

construction by the Owner will be at its own risk and any third-party rights created by the Owner will be subject to the said outcome. A Joint Development Agreement was executed between the Owner and KRCREPL (“JDA”), pursuant to which the Owner granted development rights in respect of the aforesaid property. Grand Paradi Society has filed a Chamber Summons to amend the plaint in the suit to inter-alia implead KRC in the proceedings and bring on record facts related to the JDA. Grand Paradi Society filed also an interim application (now registered as Notice of Motion before the City Civil Court) against the Owner and KRCREPL seeking injunctive reliefs inter alia against further construction or further creation of third party rights on the suit property. The Chamber Summons and Notice of Motion are pending before the City Civil Court.

5. K Raheja Corp Real Estate Private Limited (“KRCREPL”) has under a registered Deed of Conveyance dated June 17, 2023 purchased land forming part of Survey Nos. 304 and 305 and bearing corresponding CTS Nos. 886 and 887 of Village Mulund (West) admeasuring 15,049.8 square metres or thereabouts, situated on LBS Marg, Taluka – Kurla in District - Mumbai Suburban District, Mumbai (“**said Land**”).

A Writ Petition (“**WP**”) has been filed by Shakuntala Sitaram Bond and Kavita Sitaram Bond vs. State of Maharashtra and Talathi (Mulund), in respect of certain land parcels at Mulund, which includes the said Land. The petitioner in the WP prays to inter-alia issue writ of mandamus or any other order or directions against the respondents, to forthwith implement the Order dated June 11, 2004 (“**Order**”) passed by the Divisional Commissioner, Konkan Region passed in Revision Application No.33 of 2004. The Order *inter-alia* directed that possession of Survey No. 305 (part) admeasuring 2-35-0 (portion of Survey No. 305 forms part of the said Land) should be acquired from the non-Adivasi and handed over to Adivasis. The Order has been set-aside vide Consent Terms dated March 7, 2008 (“**Consent Terms**”) in Writ Petition No. 5416 of 2008 before the Hon’ble Bombay High Court. The Hon’ble Bombay High Court has vide Order dated March 1, 2017 passed in Civil Application No. 170 of 2016, filed by the Kavita Sitaram Bond, *inter-alia* stated that even on merits, the Court did not find any reason to interfere with the Consent Terms. KRCREPL is not a party to this Writ Petition. As per Bombay High Court website, no adverse orders have been passed till date.

6. By an order dated July 27, 2023, National Company Law Tribunal, Mumbai Bench, approved the scheme of demerger of support service business of K Raheja Corporate Service Private Limited (KRCSPL) into K Raheja Corp Real Estate Private Limited (“**KRCREPL**”). By virtue of the demerger, amongst others, support service business forming part of the KRCSPL, now stands vested in KRCREPL. With respect to the legal proceedings/notices pending in respect of KRCSPL’s demerged business, KRCSPL and KRCREPL will give necessary intimation to the concerned authorities in this regard and get the name of the demerged entity replaced/substituted by KRCREPL as party to pending proceeding/s, as applicable.

Pursuant to the above demerger, the following matter will be transferred to KRCREPL-

- (A) A Complaint was filed by Ravindra Sheetal Singh (“Complainant”) in the Labour Court, Mumbai on January 20, 2020 against K. Raheja Corporate Services Pvt. Ltd. (Respondent) for reinstatement of Complainant’s original post of a 'Driver' with continuity of service and full back wages for the period from September 17, 2018, till the date of his actual reinstatement, along with increment and other consequential benefits. Written Reply has been filed by the Respondent stating that there is no employee-employer relationship between the parties, thereby refuting the grounds of the Complaint. The matter is pending.

7. By an order dated January 3, 2024, National Company Law Tribunal, Mumbai Bench, approved the scheme of demerger of Viva Residential Real Estate Business of Pact Real Estate Private Limited into K Raheja Corp Real Estate Private Limited (“**KRCREPL**”) with effect from February 1, 2024. By virtue of the demerger, inter alia, properties forming part of the Viva Residential Real Estate Business of Pact Real Estate Private Limited now stand vested in KRCREPL. With respect to the legal proceedings/notices pending in respect of Pact Real Estate Private Limited’s Viva Residential Real Estate Business, Pact Real Estate Private Limited and KRCREPL are in the process of making necessary applications before the concerned authorities/foras to replace/substitute Pact Real Estate Private Limited with KRCREPL, as applicable. For material civil/commercial litigation concerning the Viva Residential Real Estate Business business, see “*Material civil/Commercial litigation pending against Pact Real Estate Private Limited*”.
8. By an order dated December 12, 2023, National Company Law Tribunal, Mumbai Bench, approved the scheme of demerger of Residential Real Estate Business of K. Raheja Corp Private Limited into K Raheja Corp Real Estate Private Limited (“**KRCREPL**”) with effect from February 1, 2024. By virtue of the demerger, inter alia, properties forming part of the residential real estate business of K. Raheja Corp Private Limited, now stand vested in KRCREPL. With respect to the legal proceedings/notices pending in respect of K. Raheja Corp Private Limited’s residential real estate business, K. Raheja Corp Private Limited and KRCREPL are in the process of making necessary applications before the concerned authorities/foras to replace/substitute K. Raheja Corp Private Limited with KRCREPL, as applicable. For material civil/commercial litigation concerning the residential real estate business, see “*Material civil/commercial litigation pending against name of K. Raheja Corp Private Limited*”.

## **I. Novel**

### **i) Title Litigation and irregularities**

1. BMC granted lease dated July 27, 1955 to Minoo Mehta & Nargis Minoo Mehta (Petitioners) for land admeasuring 2733 sq.yrds at Pochkahawala Rd, Worli. Petitioners executed the lease agreement in favour of Suresh Lachmandas Raheja for land admeasuring 1400 sq.yrds, who constructed multi-storeyed building thereon. Petitioners executed sub-lease dated February 28, 1975 in favour of Ashishwang Co-operative Housing Society Limited (Respondent) for 98 years. Respondents committed many breaches due to which the Petitioners issued notice and forfeited the sub-lease. Petitioners filed a suit in the small causes court for eviction which was decreed by an order dated January 22, 2002. In an appeal filed by the Respondent before the Appellate Court of Small Cause Court, the Hon’ble Court by way of its order in October, 2005 set aside the eviction decree. Writ Petition has been filed by the Petitioner before the Bombay High Court against Ashishwang Cooperative Housing Society Ltd (“**Respondents**”) which is pending. Novel Properties Private Limited is the assignee of Minoo Mehta & Nargis Minoo Mehta.
2. Ashishwang Co-operative Housing Society Ltd (Petitioner) has filed Writ Petition in the Bombay High Court against Municipal Corporation of Greater Mumbai (MCGM), Novel Properties Private Limited (NPPL) and others, to challenge the alleged illegal acts of MCGM and its officer and has prayed for issuing appropriate directions to MCGM and its officer to refrain from granting / approving any permission to NPPL in respect of the subject property. The matter is pending.

### **ii) Criminal matters**

***NIL***

**iii) *Regulatory Actions***

NIL

**iv) *Material civil/commercial litigation***

***NIL***

**J. Neogen**

**i) *Title Litigation and irregularities***

1. The Land Reforms Tribunal & Revenue Divisional Officer (“LRT & RDO”) issued an order dated April 4, 2012 against Neogen Properties Pvt Ltd (“Neogen”) with regards to property situated at Andhra Pradesh declaring the same as excess land and directing Neogen to surrender the same. Neogen filed a writ petition before the Andhra Pradesh High Court challenging the Order and also filed a Stay Application against LRT & RDO and the APIIC Zonal Manager Hindpur Anantapur District. Stay was granted on June 28, 2012 which has been extended. The matter is currently pending.

**ii) *Criminal matters***

***NIL***

**iii) *Regulatory Actions***

NIL

**iv) *Material civil/commercial litigation***

***NIL***

**K. Newfound**

**i) *Title Litigation and irregularities***

NIL

**ii) *Criminal matters***

***NIL***

**iii) *Regulatory Actions***

NIL

**iv) *Material civil/commercial litigation***

1. A Notice dated May 30, 2024 has been received by Mindspace Business Park Private Limited from Labour Court, Thane in the labour complaint filed by Sachin Tatyaram Jagtap

("Complainant"), who is ex-employee of Newfound intimating the date of hearing on June 28, 2024.

2. Dy. Commissioner of Customs issued a Show Cause Notice dated August 21, 2019 ("**Show Cause Notice**") to Newfound Properties and Leasing P. Ltd. ('**NPLPL**') calling upon NPLPL to show cause as to why differential customs duty (IGST) should not be recovered for alleged short payment of duty of Rs. 49,069/- by NPLPL (for import of water pumps), along with interest, confiscation, penalty. NPLPL, by way its letter dated September 24, 2019 replied to the Show Cause Notice giving reasons as to why the supply was classified as IGST. Order dated March 13, 2020 ("**Order**") was passed by Assistant Commissioner of Customs, stating that NPLPL has correctly cleared the goods on payment of IGST @ 12% and that there was no shortfall in custom duty (IGST) paid. Thereafter, an appeal was filed by the Dy. Commissioner of Customs, before the Appellate Authority challenging the Order on the ground that the Assistant Commissioner should have confirmed the demand for differential duty to the extent of Rs. 6,920/- in the Show Cause Notice, as well as interest, confiscation, penalty. The matter is pending before the appellate authority.
3. Newfound Properties Limited ("**NPL**") filed a writ petition for quashing/ setting aside the demand notice dated December 11, 2023 for ₹ 791.7 million towards recovery of transfer charges along with interest against ULC exemption u/s. 20 of the Urban Land (Ceiling and Regulation) Act, 1976 for the transfer of plots in favour of NLP in 2006. Ad Interim Order was passed on February 15, 2024 wherein the Hon'ble Court was pleased to grant interim reliefs in favour of NPL, subject to the condition that NPL shall deposit the amount of ₹ 40 million with MIDC on or before February 20, 2024 and upon NPL depositing the said amount with MIDC. MIDC has been directed to process all the applications of NPL relating to the IIIT project, including the General Agreement within a period of 15 days. NPL has deposited the amount of ₹ 40 million on February 20, 2024. The matter is currently pending.

## **L. Pact**

### ***i) Title Litigation and irregularities***

1. Surekha Pawar and Rajendra Raosaheb Pawar ("**Plaintiffs**") have filed a suit against Dattu Nathu Gole & 19 others (the original landowners) ("**Defendants**") in respect of a land bearing New Gat No. 541 (part) Old Gat No. 1496 situated at Village Pirangut, Taluka Mulshi, District Pune for specific performance and declaration in respect of the suit land. The Plaintiffs had executed an agreement for sale dated March 22, 1994 for purchase of suit property coming to the share of Defendants. The sale deed was to be executed upon the mutation of the name of the Defendants on the revenue records and receipt of balance consideration since it was their ancestral property. Plaintiffs had contented that despite the names of the landowners being mutated, they failed to execute a sale deed in their favour in the stipulated time and also prayed for the relief that the sale deeds executed by all the subsequent transferees are not binding upon them. It is further contented that the Defendants sold the aforesaid land in favour of Rajnish Bhandari, Hiralal Shah and Vishal Saraf by way of sale deed dated September 26, 2005 and the same was without possession. They further sold the said land to Jay Agrotech (P) Ltd ("**JAPL**") by way of a sale deed dated April 4, 2006 and JAPL further sold their right, title, and interest to Pact Real Estate Private Limited ("**PREPL**") by way of the sale deed dated July 4, 2008 and accordingly name of PREPL has been mutated on the revenue records. The matter is currently pending.
2. Surekha Pawar (SP) (Appellant) and Rajendra Pawar ("**Plaintiffs**") filed an appeal against Datta Nathu Gole & 20 Others (the original landowners) ("**Respondents**") in Special Civil Suit No. 2085 of 2010 (Suit) being aggrieved by the order dated March 31, 2016 rejecting the



Application for injunction with respect to the sale agreement dated March 22, 1994. The matter is currently pending.

3. Pact Real Estate Private Limited has filed an appeal against Balasaheb Sopan Gole and others before the Additional Collector, Pune Gat No. 554, admeasuring 0 Hectares 27.89 Ares Village Pirangut Taluka Mulshi, Dist Pune (“**Suit Land**”) against the order passed in RTS Appeal No. 22 of 2018 dated July 10, 2020 which allowed the appeal of the Respondents partly and set aside the order passed on May 27, 2013 whereby Mutation Entry No. 6502 was certified. Notices were issued however except Respondent No. 1 none of the other respondents have appeared. The matter was adjourned multiple times and is currently pending.

**ii) Criminal matters**

**NIL**

**iii) Regulatory Actions**

1. There are certain pending investigations under Sub-Sec. (2) and Sub-Sec. (3) of Sec. 50 of the Prevention of Money Laundering Act, 2002 against Ravi Chandru Raheja (RCR), Group President, K Raheja Corp and Neel Chandru Raheja, (NCR) Group President, K Raheja Corp under the Prevention of Money Laundering Act, 2002 (PMLA). Both were erstwhile directors of PACT. For further details, refer “*Material litigation and regulatory actions pending involving the Sponsor Group*”.

**iv) Material civil/commercial litigation**

1. Pact Real Estate Pvt. Ltd and (2) Ravi C. Raheja (“**Petitioners**”) have filed a writ petition against (1) State of Maharashtra (2) Principal Secretary, Revenue Department (3) Inspector General of Registration & Controller of Stamps and others (“**Respondents**”) claiming, amongst others, for direction to Respondent No. 1 and 2 to withdraw letter dated June 8, 2008 giving retrospective effect to notification dated June 9, 2008 amending the Rule 22A of the Bombay Stamp Rule, 1939 & and setting aside the notification. The Petitioners have also sought a refund of stamp duty aggregating to ₹ 6.21 million along with interest @ 18 % p.a. The matter is currently pending.
2. Notice dated February 24, 2022 was issued by the Deputy Commissioner of Income Tax/ACIT BPU-1, Mumbai, Ministry of Finance, Income Tax Department under section 19 of the Prohibition of Benami Property Transaction Act, 1988 to Pact (“**PREPL**”) to attend her office on February 28, 2022 to give evidence and/or to produce either personally or through an authorized representative and submit the details in connection with M/s. Jay Agrotech Pvt. Ltd. (*now known as M/s. Sparkling Soil Pvt. Ltd.*) with respect to certain loans advanced to the entity and a land purchased from it. PREPL has, by its letter dated February 28, 2022, submitted written explanation along with copies of documents as required on behalf of PREPL.

**M. Paradigm**

**i) Title Litigation and irregularities**

**NIL**

ii) **Criminal matters**

NIL

iii) **Regulatory Actions**

NIL

iv) **Material civil/commercial litigation**

NIL

**VI. Material litigation and regulatory actions pending against the Trustee**

*As of June 30, 2024 the Trustee does not have any pending regulatory actions, criminal matters or material civil/commercial litigation pending against it. For the purpose of pending material civil/ commercial litigation against the Trustee, matters involving amounts exceeding 5% of the profit after tax of the Trustee for Financial Year 2023-24 have been considered material.*

**VII. Tax Proceedings**

As on June 30, 2024, there are no direct, indirect or property tax matters against the Manager and the Trustee. Details of all direct tax, indirect tax and property tax matters against the Relevant Parties (other than the Manager), as of June 30, 2024, is set forth:

| Nature of case  | Number of cases | Amount involved (in ₹million) (to the extent quantifiable) |
|---|-----------------|--|
| <b>Mindspace REIT and Asset SPVs</b>  |                 |  |
| Direct tax  | 26              | 980.33   |
| Indirect tax  | 245             | 2083.51  |
| Property tax  | 1               | 0.26   |
| <b>Total</b>  | <b>514</b>      |  |
| <b>Sponsors</b>   |                 |  |
| Direct Tax  | 2               | 1355.68  |
| Indirect Tax  | -               | -  |
| Property Tax  | -               | -  |
| <b>Total</b>  | <b>2</b>        | <b>1355.68</b>   |
| <b>Sponsor Group (excluding the Sponsors)</b>   |                 |  |
| Direct tax  | 19              | 1180.72  |
| Indirect tax  | 7               | 209.47   |
| Property tax  | 8               | 26.8   |
| <b>Total</b>  |                 |  |
| <b>Associates of Mindspace REIT (excluding the Asset SPVs), Associates of the Sponsors (excluding the Manager, the Asset SPVs, their respective Associates and the Sponsor Group), Associates of the Manager (to the extent that such Associates are not the Sponsor Group) and entities where any of the Sponsors hold any interest/shareholding</b> |                 |  |
| Direct tax  | 23              | 2199.51  |
| Indirect tax  | 38              | 694.9  |

| Nature of case | Number of cases | Amount involved (in ₹million) (to the extent quantifiable) |
|----------------|-----------------|--|
| Property tax   | 6               | 425.25   |
| <b>Total</b>   |                 |  |

Notes:

*The direct tax matters are primarily in the nature of demand notices and/or orders issued by the income tax authorities alleging non/short deduction of TDS, computation of taxable income on account of certain additions/disallowances, deduction of tax incentive and classifications of income resulting in additional demand of TDS/income tax. Such matters are pending at the relevant appellate authorities including income tax appellate tribunals and high courts.*

*The indirect tax matters are primarily in the nature of demand notices and/or orders issued by indirect tax authorities alleging irregularities in payment of indirect taxes on identified transactions, irregular availment of CENVAT credit of service tax and mismatch in turnover reported in service tax returns vis-à-vis income tax returns. Such matters are pending before different indirect tax authorities and courts, including indirect tax appellate tribunals.*

*The Asset SPVs, the Sponsor Group and Associates of Sponsors (excluding the Sponsors Group) and entities where any of the Sponsors hold any interest/shareholding (excluding the Asset SPVs and members of the Sponsor Group), have, with an intention to settle some of the service tax disputes and avail the benefit of reduced tax liability, interest and penalty waiver, opted for the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019. In some instances, the applications have been rejected by the authorities and some of the entities have filed, writ petitions before Bombay High Court in relation to such matters. Some of the Asset SPVs, Sponsor Group and Associates of Sponsors (excluding the Sponsor Group) with the intention to settle income tax disputes and avail the benefit of interest and penalty waiver, have made applications under Direct Tax Vivad se Vishwas Act, 2020. [In some instances, the applications have been accepted by the authorities and the disputes have been settled, in one of the case the application has been rejected while in one cases, the applications is being processed and the final order is awaited.]*

*In addition to the above, the Asset SPVs, the Sponsor Group and Associates of Sponsors (excluding the Sponsors Group) and entities where any of the Sponsors hold any interest/shareholding (excluding the Asset SPVs and members of the Sponsor Group), are in receipt of notices, intimations, letters, enquiries, etc., in connection with the assessment (regular, best judgment, scrutiny, etc.) and reassessment procedures prescribed under the applicable indirect tax legislations (state value added tax and entry tax legislations, central sales tax, the Finance Act 1994, customs legislation) and Income Tax Act, 1961 read with the relevant rules and regulations prescribed thereunder. All requisite information, records, documents, returns, payment challans, submissions and declarations sought by the tax authorities have been provided from time to time. As of the date of this Final Offer Document, the assessment proceedings are pending finalisation.*

*Amount involved in connection with tax proceedings includes, in addition to the tax/duty demanded, the penalty levied under the direct and indirect tax laws to the extent explicitly quantified. Interest has not been included.*



July 30, 2024

To,

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

Exchange Plaza,  
Plot No. C/1, G- Block,  
Bandra Kurla Complex,  
Bandra (East), Mumbai- 400051.

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400001

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

**Scrip Code "543217" (Units) and  
Scrip Code "973754", "974075", "974668",  
"974882", "975068", "975537", "975654" and  
"975763" (Debentures) and Scrip Code "726938"  
(Commercial Paper)**

**Subject: Outcome of the meeting of the Board of Directors of K Raheja Corp Investment Managers Private Limited, Manager to Mindspace Business Parks REIT, held on July 30, 2024.**

Dear Sir,

We wish to inform you that the Board of Directors of K Raheja Corp Investment Managers Private Limited ("**Manager**"), Manager to Mindspace Business Parks REIT ("**Mindspace REIT**") at its meeting held on July 30, 2024, has, inter-alia:

1. considered and approved the Unaudited Condensed Standalone Interim Financial Statements and Unaudited Condensed Consolidated Interim Financial Statements of Mindspace REIT for the quarter ended June 30, 2024, and taken on record the limited review reports thereon, with an unmodified opinion by the statutory auditors.
2. declared distribution of Rs. 5.04/- per unit aggregating to Rs. 2,989 million, which comprises dividend of Rs. 3.03/-per unit aggregating to Rs. 1,797 million, interest of Rs. 0.34/- per unit aggregating to Rs. 202 million, repayment of SPV debt of Rs.1.66/- per unit aggregating to Rs. 984 million and other income of Rs.0.01/- per unit aggregating to Rs. 6 million.
3. approved amended Policy on Unpublished Price Sensitive Information and Dealing in Units of Mindspace REIT.

---

**K Raheja Corp Investment Managers Private Limited  
(acting as the Manager to Mindspace Business Parks REIT)**

**Corporate Identification Number (CIN): U68200MH2023PTC406104**

**Regd. Office: Raheja Tower, C-30, Block 'G', Bandra Kurla Complex, Bandra (E), Mumbai – 400 051**

**Phone: +91 – 22- 2656 4000 | [www.mindspacereit.com](http://www.mindspacereit.com)**



Further, we enclose herewith:-

1. Unaudited Condensed Standalone Interim Financial Statements and Unaudited Condensed Consolidated Interim Financial Statements of Mindspace REIT for the quarter ended June 30, 2024 along with limited review reports thereon, with an unmodified opinion by the statutory auditors of Mindspace REIT, pursuant to Regulations 51, 52 and 54 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other regulations, if applicable; as **Annexure-1**.
2. The details of related party transactions are set out at Note No. **29** of the Unaudited Condensed Standalone Interim Financial Statements and at Note No. **46** of the Unaudited Condensed Consolidated Interim Financial Statements of Mindspace REIT, which are enclosed herewith as **Annexure-2**.

In accordance with Regulation 52 of Listing Regulations, Mindspace REIT would be publishing the Unaudited Consolidated Financial Results for the quarter ended June 30, 2024 in the newspapers.

We also wish to inform you that the record date for the aforesaid distribution to unitholders for the quarter ended June 30, 2024, will be **August 2, 2024**, and the payment of distribution will be made on **August 8, 2024**.

The above information shall also be made available on Mindspace REIT's website at <https://www.mindspacereit.com/investor-relations/stock-exchange-filings>.

Please take the same on your record.

Thanking you.

Yours faithfully,

**For K Raheja Corp Investment Managers Private Limited  
(Formerly known as K Raheja Corp Investment Managers LLP)  
(acting as Manager to Mindspace Business Parks REIT)**

BHARAT  
KANAKLAL  
SANGHAVI

Digitally signed by  
BHARAT KANAKLAL  
SANGHAVI  
Date: 2024.07.30 17:17:53  
+05'30'

**Bharat Sanghavi  
Company Secretary and Compliance Officer  
Membership No.: A13157**

Encl: as above

# Deloitte Haskins & Sells LLP

Chartered Accountants  
Lotus Corporate Park  
1st Floor, Wing A-G  
CTS No. 185/A, Jay Coach  
Off Western Express Highway  
Goregaon (East)  
Mumbai-400 063  
Maharashtra, India

Tel: +91 22 6245 1000  
Fax: +91 22 6245 1001

## INDEPENDENT AUDITOR'S REPORT ON REVIEW OF CONDENSED STANDALONE INTERIM FINANCIAL STATEMENTS

To  
The Board of Directors,  
K Raheja Corp Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP) (The "Investment Manager")  
(Acting in capacity as the Investment Manager of Mindspace Business Parks REIT)

### Introduction

1. We have reviewed the accompanying unaudited Condensed Standalone Interim Financial Statements of **MINDSPACE BUSINESS PARKS REIT** (the "REIT"), which comprise the unaudited Condensed Standalone Balance Sheet as at June 30, 2024, the unaudited Condensed Standalone Statement of Profit and Loss, including other comprehensive income, the unaudited Condensed Standalone Statement of Cash Flow for quarter ended June 30, 2024, the unaudited Condensed Standalone Statement of changes in Unitholders' Equity for the quarter ended June 30, 2024, and the unaudited Statement of Net Distributable Cash Flow for the quarter ended June 30, 2024, as an additional disclosure in accordance with paragraph 4.6 of Chapter 4 to the Security Exchange Board of India (SEBI) Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 dated May 15, 2024 ("SEBI Circular") along with summary of the material accounting policies and select explanatory notes (together hereinafter referred as the "Condensed Standalone Interim Financial Statements").
2. The Condensed Standalone Interim Financial Statements, which is the responsibility of the Investment Manager and approved by the Board of Directors 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 Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 dated May 15, 2024 ("SEBI REIT Regulations"); Regulation 52 and Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"); 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 REIT Regulations. Our responsibility is to express a conclusion on the Condensed Standalone Interim Financial Statements based on our review.

### Scope of review

3. 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 issued by ICAI 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.





# **Deloitte Haskins & Sells LLP**

## **Conclusion**

4. 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 Standalone Interim Financial Statements have not been prepared in accordance with SEBI REIT Regulations, 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 REIT Regulations and has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed or that it contains any material misstatement.

## **Emphasis of matter**

5. We draw attention to Note 13(a) of the Condensed Standalone Interim Financial Statements, which describes the presentation of "Unit Capital" as "Equity" to comply with the SEBI REIT Regulations. 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: 24049660 BK FR SG 1908

Mumbai, July 30, 2024



**Mindspace Business Park REIT**

RN:IN/REIT/19-20/003

Condensed Standalone Balance Sheet

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

| Particulars   | Note  | As at<br>30 June 2024<br>(Unaudited) | As at<br>31 March 2024<br>(Audited) |
|---|-------|--------------------------------------|-------------------------------------|
| <b>ASSETS</b>   |       |                                      |                                     |
| <b>Non-current assets</b>   |       |                                      |                                     |
| Financial assets  |       |                                      |                                     |
| - Investments   | 4     | 156,102.58                           | 154,102.77                          |
| - Loans   | 5     | 41,017.06                            | 32,936.88                           |
| - Other financial assets  | 6     | 3.13                                 | 3.13                                |
| Other non-current assets  | 7     | 7.58                                 | 9.00                                |
| <b>Total non-current assets</b>   |       | <b>197,130.35</b>                    | <b>187,051.78</b>                   |
| <b>Current assets</b>   |       |                                      |                                     |
| Financial assets  |       |                                      |                                     |
| - Loans   | 8     | 8,252.13                             | 10,881.12                           |
| - Cash and cash equivalents   | 9     | 1,892.33                             | 3,038.21                            |
| - Others financial assets   | 10    | 43.25                                | 930.19                              |
| Other current assets  | 11    | 33.64                                | 9.51                                |
| <b>Total current assets</b>   |       | <b>10,221.35</b>                     | <b>14,859.03</b>                    |
| <b>Total assets</b>   |       | <b>207,351.70</b>                    | <b>201,910.81</b>                   |
| <b>EQUITY AND LIABILITIES</b>   |       |                                      |                                     |
| <b>EQUITY</b>   |       |                                      |                                     |
| Corpus  | 12    | 0.01                                 | 0.01                                |
| Unit capital  | 13    | 162,838.82                           | 162,838.82                          |
| Other equity  | 14    | 807.37                               | 3,428.71                            |
| <b>Total equity</b>   |       | <b>163,646.20</b>                    | <b>166,267.54</b>                   |
| <b>LIABILITIES</b>  |       |                                      |                                     |
| <b>Non-current liabilities</b>  |       |                                      |                                     |
| Financial liabilities   |       |                                      |                                     |
| - Borrowings  | 15    | 35,284.54                            | 23,804.89                           |
| - Other financial liabilities   | 16    | 25.81                                | 25.13                               |
| <b>Total non-current liabilities</b>  |       | <b>35,310.35</b>                     | <b>23,830.02</b>                    |
| <b>Current liabilities</b>  |       |                                      |                                     |
| Financial liabilities   |       |                                      |                                     |
| - Borrowings  | 17    | 8,277.96                             | 10,931.12                           |
| Trade payables  | 18    |                                      |                                     |
| - total outstanding dues of micro and small enterprises: and                |       | 0.88                                 | 1.63                                |
| - total outstanding dues of creditors other than micro and small enterprise |       | 17.35                                | 12.99                               |
| - Other financial liabilities   | 19    | 90.09                                | 860.13                              |
| Other current liabilities   | 20    | 6.29                                 | 7.29                                |
| Current tax liabilities (net)   | 21    | 2.58                                 | 0.09                                |
| <b>Total current liabilities</b>  |       | <b>8,395.15</b>                      | <b>11,813.25</b>                    |
| <b>Total liabilities</b>  |       | <b>43,705.50</b>                     | <b>35,643.27</b>                    |
| <b>Total equity and liabilities</b>   |       | <b>207,351.70</b>                    | <b>201,910.81</b>                   |
| Material accounting policies  | 3     |                                      |                                     |
| See the accompanying notes to the Condensed standalone financial statements | 4 -36 |                                      |                                     |

As per our report of even date attached.

For Deloitte Haskins & Sells LLP  
Chartered Accountants

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

Nilesh Shah  
Partner

Membership number: 49660

Place: Mumbai  
Date : 30 July 2024For and on behalf of the Board of Directors of  
K Raheja Corp Investment Managers Private Limited  
(Formerly known as K Raheja Corp Investment Managers LLP)  
(acting as the Manager to Mindspace Business Parks REIT)Neel C. Raheja  
Director  
DIN: 00029010Place: Mumbai  
Date : 30 July 2024Ramesh Naif  
Chief Executive OfficerPlace: Mumbai  
Date : 30 July 2024Preeti N. Chheda  
Chief Financial OfficerPlace: Mumbai  
Date : 30 July 2024



**Mindspace Business Park REIT**

RN:IN/REIT/19-20/003

## Condensed Standalone Statement of Profit and Loss

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

| Particulars   | Note | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited)* | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|---|------|--|--|--|--|
| <b>Income and gains</b>                               |      |  |  |  |  |
| Interest  | 22   | 999.10   | 913.54   | 743.65   | 3,443.05   |
| Dividend***   |      | -  | 2,646.35   | 2,654.06   | 10,551.99  |
| Other income  | 23   | 9.23   | 6.90   | 9.06   | 22.52  |
| <b>Total income</b>                                   |      | <b>1,008.33</b>                                      | <b>3,566.79</b>  | <b>3,406.77</b>                                      | <b>14,017.56</b>                                 |
| <b>Expenses</b>                                       |      |  |  |  |  |
| Valuation expenses                                    |      | 0.13   | 2.69   | 1.09   | 6.32   |
| Audit fees**  |      | 2.95   | 1.88   | 2.27   | 8.51   |
| Insurance expenses                                    |      | 0.13   | 0.10   | 0.13   | 0.49   |
| Management fees                                       | 28   | 17.66  | 17.01  | 16.84  | 67.51  |
| Trustee fees  |      | 0.59   | 0.39   | 0.72   | 1.85   |
| Legal and professional fees                           |      | 8.67   | 25.66  | 5.93   | 52.49  |
| Other expenses  | 24   | 9.12   | 10.24  | 6.91   | 38.51  |
| <b>Total expenses</b>                                 |      | <b>39.25</b>   | <b>57.97</b>   | <b>33.89</b>   | <b>175.68</b>                                    |
| <b>Earnings before finance costs and tax</b>          |      | <b>969.08</b>  | <b>3,508.82</b>  | <b>3,372.88</b>                                      | <b>13,841.88</b>                                 |
| Finance cost  | 25   | 757.84   | 618.31   | 448.51   | 2,221.51   |
| <b>Profit before tax</b>                              |      | <b>211.24</b>  | <b>2,890.51</b>  | <b>2,924.37</b>                                      | <b>11,620.37</b>                                 |
| <b>Tax expense</b>                                    | 26   |  |  |  |  |
| Current tax   |      | 3.88   | 1.86   | 3.44   | 8.39   |
| <b>Total Tax Expenses</b>                             |      | <b>3.88</b>  | <b>1.86</b>  | <b>3.44</b>  | <b>8.39</b>                                      |
| <b>Profit for the period/year</b>                     |      | <b>207.36</b>  | <b>2,888.65</b>  | <b>2,920.93</b>                                      | <b>11,611.98</b>                                 |
| <b>Items of other comprehensive Income</b>            |      |  |  |  |  |
| <b>Total comprehensive Income for the period/year</b> |      | <b>207.36</b>  | <b>2,888.65</b>  | <b>2,920.93</b>                                      | <b>11,611.98</b>                                 |
| <b>Earnings per unit</b>                              | 27   |  |  |  |  |
| Basic   |      | 0.35   | 4.87   | 4.92   | 19.58  |
| Diluted   |      | 0.35   | 4.87   | 4.92   | 19.58  |

Material accounting policies

3

See the accompanying notes to the Condensed standalone financial statements.

4 -35

\*\*Audit fees includes payments made to auditor's towards certification fees amounting to Rs. 1.72 million for the quarter ended 30 June 2024, Rs. 0.41 million for the quarter ended 31 March 2024, Rs. 0.40 million for the quarter ended 30 June 2023 and Rs. 2.97 million for the year ended 31 March 2024

\*\*\* Dividend distribution of Rs. 1877.00 million was received by Mindspace Business Parks REIT from SPVs post 30 June 2024 in line with revised NDCF framework

\*refer note 33

As per our report of even date attached

For Deloitte Haskins & Sells LLP  
Chartered Accountants

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

*Nilash Shah*  
Nilash Shah  
Partner

Membership number: 49660

Place: Mumbai  
Date : 30 July 2024

For and on behalf of the Board of Directors of  
K Raheja Corp Investment Managers Private Limited  
(Formerly known as K Raheja Corp Investment Managers LLP)  
Acting as the Manager to Mindspace Business Parks REIT)

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

Place: Mumbai  
Date : 30 July 2024

*Ramesh Nair*  
Ramesh Nair  
Chief Executive Officer

Place: Mumbai  
Date : 30 July 2024

*Preeti N. Chheda*  
Preeti N. Chheda  
Chief Financial Officer

Place: Mumbai  
Date : 30 July 2024



# Mindspace Business Park REIT

RN:IN/REIT/19-20/003

Condensed Standalone Statement of Cash Flows

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

| Particulars  | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited)* | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|--|--|--|--|--|
| <b>A Cash flows from operating activities</b>                          |  |  |  |  |
| Profit before tax  | 211.24   | 2,890.51   | 2,924.37   | 11,620.37  |
| Adjustments:   |  |  |  |  |
| Interest income  | (999.10)   | (913.54)   | (743.65)   | (3,443.05)                                       |
| Dividend Income  | -  | (2,646.35)   | (2,654.06)   | (10,551.99)                                      |
| Guarantee commission fees  | (0.94)   | (3.38)   | (0.90)   | (6.90)   |
| Gain on redemption of mutual fund units                                | (8.29)   | (3.52)   | (8.16)   | (15.62)  |
| Finance costs  | 757.84   | 618.31   | 448.51   | 2,221.51   |
| Operating cash flows before working capital changes                    | (39.25)  | (57.97)  | (33.89)  | (175.68)   |
| Changes in working capital   |  |  |  |  |
| Decrease in trade receivables  | -  | 0.41   | -  | 0.41   |
| (Increase) / Decrease in financial and other assets                    | (20.94)  | 44.50  | (14.65)  | 21.70  |
| Increase / (Decrease) in financial and other liabilities               | (10.41)  | (0.01)   | 2.51   | 16.51  |
| Increase / (Decrease) in Trade payables                                | 3.80   | 5.59   | (6.49)   | (2.42)   |
| Cash (used in) / generated from operations                             | (66.81)  | (7.48)   | (52.52)  | (139.48)   |
| Income tax paid (net)  | (1.38)   | (2.00)   | (2.11)   | (9.82)   |
| Net cash (used in) / generated from operating activities (A)           | (68.19)  | (9.48)   | (54.63)  | (149.30)   |
| <b>B Cash flows from investing activities</b>                          |  |  |  |  |
| Loans repaid by SPV  | 26,845.93  | 8,700.11   | 9,734.50   | 33,909.61  |
| Loans given to SPVs  | (32,297.13)  | (11,183.84)  | (14,744.50)  | (45,868.51)                                      |
| Maturity proceeds of fixed deposits                                    | -  | -  | -  | -  |
| Investment in Equity Shares of SPVs                                    | (1,999.81)   | (999.79)   | -  | (999.79)   |
| Investment in fixed deposit  | -  | -  | -  | -  |
| Investment in Mutual Fund  | (3,319.83)   | (1,864.43)   | (4,689.77)   | (8,192.49)                                       |
| Proceeds from redemption of mutual fund                                | 3,328.26   | 1,867.23   | 4,697.93   | 8,208.06   |
| Dividend Received  | -  | 2,645.99   | 2,654.06   | 10,551.63  |
| Guarantee commission fees  | 3.01   | -  | -  | -  |
| Interest received  | 1,883.02   | 794.22   | 654.01   | 3,048.00   |
| Net cash (used in) / generated from investing activities (B)           | (5,556.55)   | (40.51)  | (1,693.77)   | 656.51   |
| <b>C Cash flows from financing activities</b>                          |  |  |  |  |
| Proceeds from issue of Commercial Paper                                | 3,287.13   | -  | -  | 1,446.12   |
| Redemption of Commercial Paper   | (1,446.12)   | -  | -  | -  |
| Proceeds from issue of debentures                                      | 11,500.00  | 3,400.02   | 4,999.76   | 13,400.02  |
| Redemption of debentures   | (4,500.00)   | -  | -  | (2,000.00)                                       |
| Distribution to unit holders   | (2,828.70)   | (2,847.11)   | (2,852.42)   | (11,386.51)                                      |
| Recovery Expense Fund Deposits   | -  | -  | (0.51)   | (0.50)   |
| Interest paid  | (1,517.16)   | (503.48)   | (362.62)   | (1,851.35)                                       |
| Debentures issue expenses  | (15.76)  | (5.91)   | (21.51)  | (61.46)  |
| Net cash (used in) / generated from financing activities (C)           | 4,479.39   | 43.52  | 1,762.70   | (453.68)   |
| Net (decrease) / increase in cash and cash equivalents                 | (1,145.35)   | (6.47)   | 14.30  | 53.53  |
| Cash and cash equivalents at the beginning of the period/year          | 3,037.68   | 3,044.15   | 2,984.17   | 2,984.15   |
| Cash and cash equivalents at the end of the period/year                | 1,892.33   | 3,037.68   | 2,998.47   | 3,037.68   |
| <b>Cash and cash equivalents comprise:</b>                             |  |  |  |  |
| Balance with banks   |  |  |  |  |
| - in current accounts  | 1,892.33   | 3,037.68   | 2,998.47   | 3,037.68   |
| Cash and cash equivalents at the end of the period/year (refer note 9) | 1,892.33   | 3,037.68   | 2,998.47   | 3,037.68   |

Material accounting policies

See the accompanying notes to the Condensed standalone financial statements

\*refer note 33

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 : 30 July 2024

For and on behalf of the Board of Directors of  
K Raheja Corp Investment Managers Private Limited  
(Formerly known as K Raheja Corp Investment Managers LLP)  
(acting as the Manager to Mindspace Business Parks REIT)

Neel C. Raheja  
Director  
DIN: 00029010

Place: Mumbai  
Date : 30 July 2024

Ramesh Nair  
Chief Executive Officer

Place: Mumbai  
Date : 30 July 2024

Preeti N. Chheda  
Chief Financial Officer

Place: Mumbai  
Date : 30 July 2024

## Mindspace Business Park REIT

RN:IN/REIT/19-20/003

Condensed Standalone Statement of changes in Unitholder's Equity

(all amounts are in Rs. Millions unless otherwise stated)

### A. Corpus

| Particulars                        | Amount |
|------------------------------------|--------|
| Balance as on 1 April 2023         | 0.01   |
| Add : Changes during the year      | -      |
| Balance as on 31 March 2024        | 0.01   |
| Balance as on 1 April 2024         | 0.01   |
| Add : Changes during the period    | -      |
| Closing balance as at 30 June 2024 | 0.01   |
| Balance as on 1 April 2023         | 0.01   |
| Add : Changes during the period    | -      |
| Closing balance as at 30 June 2023 | 0.01   |

### B. Unit Capital

| Particulars                        | Amount     |
|------------------------------------|------------|
| Balance as on 1 April 2023         | 162,838.82 |
| Add : Changes during the year      | -          |
| Balance as on 31 March 2023        | 162,838.82 |
| Balance as on 1 April 2024         | 162,838.82 |
| Add : Changes during the period    | -          |
| Closing balance as at 30 June 2024 | 162,838.82 |
| Balance as on 1 April 2023         | 162,838.82 |
| Add : Changes during the period    | -          |
| Closing balance as at 30 June 2023 | 162,838.82 |

### C. Other equity

| Particulars   | Retained Earnings |
|---|-------------------|
| Balance as on 1 April 2023  | 3,202.49          |
| Profit for the year ended 31 March 2024                                     | 11,611.98         |
| Other comprehensive income for the year                                     | -                 |
| Less: Distribution to Unit holders for the quarter ended 31 March 2023*     | (2,852.42)        |
| Less: Distribution to Unit holders for the quarter ended 30 June 2023*      | (2,846.49)        |
| Less: Distribution to Unit holders for the quarter ended 30 September 2023* | (2,840.56)        |
| Less: Distribution to Unit holders for the quarter ended 31 December 2023*  | (2,846.29)        |
| Balance at 31 March 2024  | 3,428.71          |
| Balance as on 1 April 2024  | 3,428.71          |
| Profit for the period ended 30 June 2024                                    | 207.36            |
| Other comprehensive income for the period                                   | -                 |
| Less: Distribution to Unit holders for the quarter ended 31 March 2024*     | (2,828.70)        |
| Balance at 30 June 2024   | 807.37            |
| Balance as on 1 April 2023  | 3,202.49          |
| Profit for the period ended 30 June 2023                                    | 2,920.93          |
| Other comprehensive income for the period                                   | -                 |
| Less: Distribution to Unit holders for the quarter ended 31 March 2023*     | (2,852.42)        |
| Balance at 30 June 2023   | 3,271.00          |

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

See the accompanying notes to the Condensed standalone financial statements.

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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 : 30 July 2024

For and on behalf of the Board of Directors of  
K Raheja Corp Investment Managers Private Limited  
(Formerly known as K Raheja Corp Investment Managers LLP)  
(acting as the Manager to Mindspace Business Parks REIT)

Neel C. Raheja  
Director  
DIN: 00029010

Ramesh Nair  
Chief Executive Officer

Place: Mumbai

Date : 30 July 2024

Preeti N. Chheda  
Chief Financial Officer

Place: Mumbai

Date : 30 July 2024

**Mindspace Business Park REIT**

RN:IN/REIT/19-20/003

**Condensed Standalone Financial Statements**

Disclosure pursuant to SEBI master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43

(all amounts in Rs. million unless otherwise stated)

Net Distributable Cash Flows (NDCF) pursuant to SEBI master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43<sup>(B)</sup>

| Description   | For the quarter ended<br>30 June 2024<br>(Unaudited) |
|---|--|
| Cashflows from operating activities of the Trust  | (68.19)  |
| (+) Cash flows received from SPVs / Investment entities which represent distributions of NDCF computed as per relevant framework <sup>(A) &amp; (5)</sup>   | 4,637.09   |
| (+) Treasury Income / Income from investing activities of the Trust (Interest income received from FD, any investment entities as defined in Regulation 18(5), tax refund, any other income in the nature of interest, profit on sale of Mutual funds, investments, assets etc., dividend income etc., excluding any Ind AS adjustments) Further clarified that these amounts will be considered on a cash receipt basis  | 11.30  |
| (+) Proceeds from sale of infrastructure / real estate investments, infrastructure / real estate assets or shares of SPVs/Holdcos or Investment Entity adjusted for the following <ul style="list-style-type: none"><li>• Applicable capital gains and other taxes</li><li>• Related debts settled or due to be settled from sale proceeds</li><li>• Directly attributable transaction costs</li><li>• Proceeds reinvested or planned to be reinvested as per Regulation 18(16)(d) of REIT Regulations or Regulation 18(7) of InvIT Regulations or any other relevant provisions of the REIT/InvIT Regulations</li></ul>  | -  |
| (+) Proceeds from sale of infrastructure / real estate investments, infrastructure / real estate assets or sale of shares of SPVs/ Hold cos or Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(16)(d) of REIT Regulations or Regulation 18(7) of InvIT Regulations or any other relevant provisions of the REIT/InvIT Regulations, if such proceeds are not intended to be invested subsequently  | -  |
| (-) Finance cost on Borrowings, excluding amortisation of any transaction costs as per Profit and Loss account of the Trust <sup>(2)</sup> & (3)  | (1,587.55)   |
| (-) Debt repayment at Trust level (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments / debt refinanced through new debt in any form or equity raise)   | -  |
| (-) any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i) loan agreement entered with banks or financial institution from whom the Trust or any of its SPV/ HoldCos have availed debt or (ii) terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii) terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, (iv) agreement pursuant to which the SPV/ HoldCo operates or owns an Infrastructure asset or real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v) statutory, judicial, regulatory, or governmental stipulations or approvals | -  |
| (-) any capital expenditure on existing assets owned / leased by the REIT / InvIT, to the extent not funded by debt / equity or from contractual reserves created in the earlier years  | -  |
| <b>NDCF at Trust Level</b>  | <b>2,992.65</b>                                      |


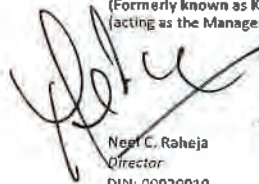
**Notes:**

- The Board of Directors of the Manager to the Trust, in their meeting held on 30 July 2024, has declared distribution to unitholders of Rs 5.04 per unit which aggregates to Rs 2,988.81 million for the quarter ended 30 June 2024. The distributions of Rs 5.04 per unit comprises Rs. 3.03 per unit in the form of dividend, Rs. 0.34 per unit in the form of interest payment, Rs. 0.01 per unit in the form of other income and the balance Rs. 1.66 per unit in the form of repayment of debt by SPV to REIT.
- As per the Revised NDCF Framework, finance cost on Borrowings includes processing fees paid of Rs. 15.76 million.
- Finance cost on Borrowings includes interest accrued but not due on loans as of 31 March 2024 of Rs. 829.84 million, paid in current quarter, and was not part of the NDCF of the earlier quarters.
- Rs. 2,328.30 million has been received post 30 June 2024, but before finalisation and adoption of financial statements by the board of directors and forms part of the NDCF for the quarter ended 30 June 2024 in line with the Revised NDCF Framework.
- Includes distribution out of surplus cash of Rs. 109.00 million received from SPVs.
- In order to promote standardisation of framework for computing NDCF, a revised framework was defined by SEBI vide master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 dated 15 May 2024 (erstwhile SEBI Circular No. SEBI/HO/DDHS/DDHS-PoD/P/CIR/2023/185 dated December 6, 2023 on revised NDCF framework). As per the framework, the Manager is required to declare and distribute at least 90% of the NDCF of Mindspace REIT as distributions ("REIT Distributions"). This framework is applicable with effect from 1 April 2024. Accordingly, Mindspace REIT has computed the NDCF for the period ended 30 June 2024 to comply with the said circular. Comparatives have not been provided in this framework for all the previous periods presented.

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: 49660Place: Mumbai  
Date: 30 July 2024For and on behalf of the Board of Directors of  
K Raheja Corp Investment Managers Private Limited  
(Formerly known as K Raheja Corp Investment Managers LLP)  
(acting as the Manager to Mindspace Business Parks REIT)Neel C. Raheja  
Director  
DIN: 00029010Place: Mumbai  
Date: 30 July 2024Ramesh Nair  
Chief Executive OfficerPlace: Mumbai  
Date: 30 July 2024Preeti N. Chheda  
Chief Financial OfficerPlace: Mumbai  
Date: 30 July 2024



**Mindspace Business Park REIT**

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

**Net Distributable Cash Flows (NDCF) pursuant to guidance under Chapter 3, Paragraph 3.20 to SEBI master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116**

**(all amounts in Rs. million unless otherwise stated)**

| S.no | Description   | For the quarter ended | For the quarter ended | For the year ended |
|------|---|-----------------------|-----------------------|--------------------|
|      |   | 31 March 2024         | 30 June 2023          | 31 March 2024      |
|      |   | (Unaudited)           | (Unaudited)           | (Audited)          |
| 1    | Cash flows received from Asset SPVs including but not limited to:   |                       |                       |                    |
|      | - interest  | 794.49                | 654.01                | 3,048.46           |
|      | - dividends (net of applicable taxes)   | 2,645.99              | 2,654.06              | 10,551.63          |
| 2    | Add: Proceeds from sale of investments, assets, sale of shares of Asset SPVs, liquidation of any other asset or investment (incl. cash equivalents) or any form of fund raise at Mindspace REIT level adjusted for the following <sup>(1)</sup> : | 6,563.99              | 11,684.50             | 31,278.55          |
|      | - applicable capital gains and other taxes, if any  | -                     | -                     | -                  |
|      | - debts settled or due to be settled from sale proceeds   | -                     | -                     | -                  |
|      | - transaction costs   | -                     | -                     | -                  |
|      | - proceeds re-invested or planned to be reinvested in accordance with the REIT regulations  | -                     | -                     | -                  |
|      | - any acquisition   | -                     | -                     | -                  |
|      | - investments as permitted under the REIT regulations   | (999.79)              | -                     | (999.79)           |
|      | - lending to Asset SPVs   | (5,563.84)            | (11,684.50)           | (28,298.51)        |
| 3    | Add: Proceeds from sale of investments, assets or sale of shares of Asset SPVs not distributed pursuant to an earlier plan to re-invest in accordance with the REIT Regulations, if such proceeds are not intended to be invested subsequently    | -                     | -                     | -                  |
| 4    | Add: Any other income received by Mindspace REIT not captured herein  | 3.52                  | 8.16                  | 15.62              |
| 5    | Less: Any other expenses paid by Mindspace REIT not captured herein   | (6.01)                | (11.40)               | (43.49)            |
| 7    | Less: Net debt repayment / (drawdown), redemption of preference shares / debentures / any other such instrument / premiums / any other obligations / liabilities, etc., as maybe deemed necessary by the Manager                                  | -                     | -                     | (2,000.00)         |
| 8    | Add/Less: Other adjustments, including but not limited to net changes in security deposits, working capital, etc., as may be deemed necessary by the Manager <sup>(2)</sup>   | (94.15)               | (77.28)               | (262.05)           |
| 9    | Less: Interest paid on external debt borrowing at Mindspace REIT level  | (502.96)              | (362.62)              | (1,850.83)         |
| 10   | Less: Income tax and other taxes (if applicable) at the Standalone Mindspace REIT level   | (1.90)                | (1.20)                | (10.07)            |
|      | <b>Net Distributable Cash Flows (NDCF)</b>  | <b>2,839.34</b>       | <b>2,863.73</b>       | <b>11,429.52</b>   |

**Notes:**

- 1 Repayment of REIT funding which is further lent to SPVs has been captured under "Liquidation of assets"
- 2 Lending to and repayment from SPVs within the same period has been adjusted under "Other Adjustments" and includes loan given by REIT to SPV out of surplus funds or repayment of such loans.
- 3 NDCF is calculated on quarterly basis, amounts presented for year ended is mathematical summation of quarterly numbers.

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 : 30 July 2024

For and on behalf of the Board of Directors of  
K Raheja Corp Investment Managers Private Limited  
(Formerly known as K Raheja Corp Investment Managers LLP)  
(acting as the Manager to Mindspace Business Parks REIT)

**Neeha C. Raheja**  
Director  
DIN: 00029010

Place: Mumbai  
Date : 30 July 2024

**Ramesh Nair**  
Chief Executive Officer

Place: Mumbai  
Date : 30 July 2024

**Preeti N. Chheda**  
Chief Financial Officer

Place: Mumbai  
Date : 30 July 2024

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## MINDSPACE BUSINESS PARKS REIT

RN:IN/REIT/19-20/003

Notes to the Condensed Standalone Financial Statements

(all amounts in Rs. million unless otherwise stated)

### 1 Mindspace REIT Information

Mindspace Business Parks REIT ('Mindspace REIT' or 'Trust') was set up on 18 November 2019 at Mumbai, Maharashtra, India as a contributory, determinate and irrevocable trust under the provisions of the Indian Trusts Act, 1882, pursuant to a trust deed dated 18 November 2019. Mindspace REIT was registered with Securities and Exchange Board of India ('SEBI') on 10 December 2019, at Mumbai as a Real Estate Investment Trust ('REIT') pursuant to the SEBI (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time including guidelines and circulars issued thereunder ('REIT Regulations') having registration number IN/REIT/19-20/0003. The Trust's principal place of business address is at Raheja Tower, Level 8, Block 'G', C-30, Bandra Kurla Complex, Mumbai - 400 051.

Anbee Constructions LLP (ACL) and Cape Trading LLP ('CTL') are the sponsors of Mindspace REIT. The Trustee to Mindspace REIT is Axis Trustee Services Limited (the 'Trustee') and the Manager for Mindspace REIT is K Raheja Corp Investment Managers Private Limited (the 'Manager').

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

The units of the Trust were listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on 7 August 2020.

The brief activities and shareholding pattern of the Special Purpose Vehicles ('SPVs') are provided below:

| Name of the SPV                                  | Activities  | Equity Shareholding (in percentage) as at 30 June 2024 | Equity Shareholding (in percentage) as at 31 March 2024 |
|--|---|--|---|
| Mindspace Business Parks Private Limited (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 . | Mindspace REIT : 100%                                  | Mindspace REIT : 100%                                   |
| Gigaplex Estate Private Limited (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.                                | Mindspace REIT : 100%                                  | Mindspace REIT : 100%                                   |



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

| <b>Name of the SPV</b>                                      | <b>Activities</b>   | <b>Equity Shareholding (in percentage)<br/>as at 30 June 2024</b>                           | <b>Equity Shareholding (in percentage)<br/>as at 31 March 2024</b>                          |
|---|---|---|---|
| Sundew Properties Limited (Sundew)                          | The SPV is engaged in development and leasing/licensing of Information Technology (IT) park, SEZ to different customers in Hyderabad.   | Mindspace REIT : 89%<br>Telangana State Industrial Infrastructure Corporation Limited (11%) | Mindspace REIT : 89%<br>Telangana State Industrial Infrastructure Corporation Limited (11%) |
| Intime Properties Limited (Intime)                          | The SPV is engaged in development and leasing/licensing of IT park to different customers in Hyderabad.   | Mindspace REIT : 89%<br>Telangana State Industrial Infrastructure Corporation Limited (11%) | Mindspace REIT : 89%<br>Telangana State Industrial Infrastructure Corporation Limited (11%) |
| K. Raheja IT Park (Hyderabad) Limited (KRIT)                | The SPV is engaged in development and leasing/licensing of IT park to different customers in Hyderabad.   | Mindspace REIT : 89%<br>Telangana State Industrial Infrastructure Corporation Limited (11%) | Mindspace REIT : 89%<br>Telangana State Industrial Infrastructure Corporation Limited (11%) |
| KRC Infrastructure And Projects Private Limited (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. The SPV is also engaged in Facility Management services. | Mindspace REIT : 100%   | Mindspace REIT : 100%   |
| Horizonview Properties Private Limited (Horizonview)        | The SPV is engaged in development and leasing/licensing of IT park to different customers in Chennai.   | Mindspace REIT : 100%   | Mindspace REIT : 100%   |
| Avacado Properties and Trading Private Limited (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.   | Mindspace REIT : 100%   | Mindspace REIT : 100%   |



## **MINDSPACE BUSINESS PARKS REIT**

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

**Notes to the Condensed Standalone Financial Statements**

**(all amounts in Rs. million unless otherwise stated)**

### **2 Basis of Preparation**

The Interim Condensed Standalone Financial Statements ("Condensed Standalone Financial Statements") of Mindspace Business Parks REIT comprises the Condensed Standalone Balance Sheet as at 30 June 2024, the Condensed Standalone Statement of Profit and Loss, including other comprehensive income, the Condensed Standalone Statement of Cash Flow for the quarter ended 30 June, 2024, the Condensed Standalone Statement of Changes in Unitholders Equity for the quarter ended 30 June, 2024, the Statement of Net Distributable Cashflows of Mindspace Business Parks REIT for the quarter ended 30 June 2024 and a summary of the material accounting policies and select explanatory information and other additional financial disclosures.

The condensed standalone financial statements have been prepared in accordance with the requirements of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time including guidelines and circulars issued thereunder read with SEBI vide master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 dated 15 May 2024 ("the REIT regulations"); Regulation 52 and Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time ("Listing Regulations"); 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 REIT regulations. (refer note 13 on presentation of "Unit Capital" as "Equity" instead of compound instruments under Ind AS 32 – Financial Instruments: Presentation).

The accounting policies adopted and methods of computation followed are consistent with those of the previous financial year.

These Condensed Standalone Financial Statements were authorised for issue in accordance with the resolution passed by the Board of Directors of the Manager on July 30, 2024.

#### **Statement of compliance to Ind-AS**

These Condensed Standalone financial statements for the quarter ended 30 June 2024 have been prepared in accordance with 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) to the extent not inconsistent with the REIT regulations as more fully described above and Note 13 to the condensed standalone financial statements.

### **3 Material accounting policies**

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

The Condensed Standalone Financial Statements are presented in Indian Rupees, which is also Mindspace REIT functional currency in which Mindspace REIT operates. All financial information presented in Indian Rupees has been rounded off to the nearest million except otherwise stated.

#### **b) Basis of measurement**

These Condensed Standalone Financial Statements are prepared on the historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instrument) measured at fair values.

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

The preparation of the Condensed Standalone Financial Statements in conformity with generally accepted accounting principles in India (Ind AS) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates.

Estimates 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 material effect on the amounts recognised in the Condensed Standalone Financial Statements is included in the following notes:

(i) Presentation of "Unit Capital" as "Equity" in accordance with the SEBI REIT Regulations instead of compound instrument (Note no 13)

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

(iii) recognition and measurement of provisions for contingencies and disclosure of contingent liabilities (Note 30 (a))





## **MINDSPACE BUSINESS PARKS REIT**

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

### **Notes to the Condensed Standalone Financial Statements**

(all amounts in Rs. million unless otherwise stated)

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

Mindspace REIT presents assets and liabilities in the Balance Sheet based on current/ non-current classification:

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

Mindspace REIT classifies all other liabilities as non-current.

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

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

**e) Measurement of fair values**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability and how market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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

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

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

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

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



## **MINDSPACE BUSINESS PARKS REIT**

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

**Notes to the Condensed Standalone Financial Statements**

**(all amounts in Rs. million unless otherwise stated)**

### **3.1 Impairment of assets**

Mindspace REIT assesses at each reporting date, whether there is any indication that an asset may be impaired. If any such indication exists, the trust estimates the recoverable amount of the asset. The recoverable amount of the assets (or where applicable that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. Value in use is the present value of estimated future cash flows (discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset) expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. In determining fair value less costs of disposal, recent market transactions are taken into account. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU. 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 Standalone Statement of Profit and Loss.

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 Standalone Statement of Profit and Loss.

### **3.2 Asset Acquisition**

If the acquisition of an asset or a group of assets does not constitute a business, Mindspace REIT identifies and recognises the individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for, intangible assets in Ind AS 38, Intangible Assets) and liabilities assumed. The cost of the group is allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase and no goodwill is recognised.

### **3.3 Foreign currency transactions**

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the period/ year are recognised in the Statement of Profit and Loss of the period/ year.

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the end of the period and not covered by forward contracts, are translated at the end of the period at the closing exchange rate and the resultant exchange differences are recognised in the Condensed Standalone Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.

### **3.4 Compound financial instruments**

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

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

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

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

### **3.5 Embedded derivatives**

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Embedded derivatives closely related to the host contracts are not separated. Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss.



## **MINDSPACE BUSINESS PARKS REIT**

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

**Notes to the Condensed Standalone Financial Statements**

**(all amounts in Rs. million unless otherwise stated)**

### **3.6 Tax expense**

Income tax expense comprises current tax and deferred tax charge or credit. It is recognised in the Condensed Standalone Statement of Profit and Loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income in which case, the current and deferred tax are also recognised in equity and other comprehensive income respectively.

#### **a) Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income for the period and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid 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.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

#### **b) Deferred tax**

Deferred tax asset/ liability is recognized on temporary differences between the carrying amounts of assets and liabilities in the Condensed Standalone Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets and liabilities are measured that are expected to apply to the period when the asset is realised or the liability is settled, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which Mindspace REIT expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

### **3.7 Provisions, contingent liabilities and contingent assets**

Provisions are recognised when Mindspace REIT has a present legal or constructive obligation as a result of a past event, it is probable that the Trust will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration net of recoveries if any, 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.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation. If the effect of the time value of money is material, provisions are discounted.

A contingent asset is disclosed when there would be a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Mindspace REIT.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each reporting date and adjusted to reflect the current best estimates.



## **MINDSPACE BUSINESS PARKS REIT**

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

**Notes to the Condensed Standalone Financial Statements**

**(all amounts in Rs. million unless otherwise stated)**

### **3.8 Investment in SPVs**

The Company has elected to recognize its investments in SPVs at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. The details of such investments are given in Note 4.

Assets representing investments in SPVs are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

### **3.9 Financial instruments**

#### **1 Initial recognition and measurement**

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

#### **2 Financial assets:**

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

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

##### **b) Subsequent Measurement**

###### **(i) Investment in Debt instruments:**

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

###### **Financial assets at amortised cost**

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

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

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

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

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





## **MINDSPACE BUSINESS PARKS REIT**

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**Notes to the Condensed Standalone Financial Statements**

**(all amounts in Rs. million unless otherwise stated)**

**c) Impairment of financial assets:**

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

**d) Derecognition of financial assets:**

A financial asset is primarily derecognised when:

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

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

### **3.10 Financial liabilities and equity instruments**

**(a) Classification as debt or equity**

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

**Financial Liabilities**

**Recognition, measurement and classification**

Financial liabilities are classified as either held at a) fair value through the Statement of Profit and Loss, or b) at amortised cost. Management

determines the classification of its financial liabilities at the time of initial recognition or, where applicable, at the time of reclassification.

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

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised.

**Offsetting of financial instruments**

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

### **3.11 Financial guarantee contracts**

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

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

### **3.12 Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms.

Revenue is recognised when recovery of the consideration is probable and the amount of revenue can be measured reliably.



## **MINDSPACE BUSINESS PARKS REIT**

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

### **Notes to the Condensed Standalone Financial Statements**

**(all amounts in Rs. million unless otherwise stated)**

#### **Recognition of dividend income, interest income**

Dividend income is recognised in profit or loss on the date on which Mindspace REIT's right to receive payment is established.

Interest income is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future

cash receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

#### **3.13 Borrowing costs**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Interest expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortised cost of the financial liability. In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability.

#### **3.14 Cash and cash equivalents**

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

#### **3.15 Cash distribution to unit holders**

Mindspace REIT recognises a liability to make cash distributions to Unitholders when the distribution is authorised and a legal obligation has been created. As per the REIT Regulations, a distribution is authorised when it is approved by the Board of Directors of the Manager. A corresponding amount is recognised directly in equity.

#### **3.16 Condensed Standalone Statement of Cash flows**

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

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

#### **3.17 Subsequent events**

The Condensed Standalone Financial Statements are adjusted to reflect events that occur after the reporting date but before the Financial Statements are issued. The Financial Statements have their own date of authorisation. Therefore, when preparing the Financial Statements, management considers events up to the date of authorisation of these financial statements.

#### **3.18 Earnings per unit**

The basic earnings per unit is computed by dividing the net profit/ (loss) attributable to the unit holders of the REIT by the weighted average number of units outstanding during the reporting period. The number of units used in computing diluted earnings/ (loss) per unit comprises the weighted average units considered for deriving basic earnings/ (loss) per unit and also the weighted average number of units which could have been issued on the conversion of all dilutive potential units.

Dilutive potential units are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per unit, only potential equity units that are dilutive and which either reduces earnings per share or increase loss per units are included.



## **MINDSPACE BUSINESS PARKS REIT**

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

**Notes to the Condensed Standalone Financial Statements**

**(all amounts in Rs. million unless otherwise stated)**

### **3.19 Earnings before finance costs and tax**

Mindspace REIT has elected to present earnings before finance cost and tax as a separate line item on the face of the Condensed Standalone Statement of Profit and Loss. Mindspace REIT measures earnings before finance cost and tax on the basis of profit/ (loss) from continuing operations. In its measurement, Mindspace REIT does not include finance costs and tax expense.

### **3.20 Errors and estimates**

Mindspace REIT revises its accounting policies if the change is required due to a change in Ind AS or if the change will provide more relevant and reliable information to the users of the Financial Statement. Changes in accounting policies are applied retrospectively.

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

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

### **3.21 Distribution Policy**

The Net Distributable Cash Flows of Mindspace REIT are based on the cash flows generated from Mindspace REIT's assets and investments. In terms of the Distribution Policy of Mindspace REIT and the REIT Regulations, not less than 90% of the NDCF of each of the Asset SPVs is required to be distributed to Mindspace REIT, in proportion of Mindspace REIT's shareholding in the Asset SPV, subject to applicable provisions of the Companies Act 2013. Presently, NDCF to be received by Mindspace REIT from the Asset SPVs may be in the form of dividends, interest income, principal loan repayment, proceeds of any capital reduction or buyback from the Asset SPVs or as specifically permitted under the Trust Deed or in such other form as may be permissible under the applicable law. Such SPV Distributions shall be declared and made for every quarter of a Financial Year in terms of the Distribution Policy. As per the revised NDCF framework, the Manager is required to declare and distribute at least 90% of the NDCF of Mindspace REIT along with its SPVs as distributions ("REIT Distributions") to the Unitholders.



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## Mindspace Business Park REIT

RN:IN/REIT/19-20/003

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

### 4 Non-current investments

| Particulars   | As at<br>30 June 2024 | As at<br>31 March 2024 |
|---|-----------------------|------------------------|
| <b>Unquoted Investments in SPVs (at cost)</b><br>(refer note below)   |                       |                        |
| - 39,75,000 (31 March 2024: 39,75,000) equity shares of Avacado Properties and Trading Private Limited of Rs.10 each, fully paid up | 9,482.25              | 9,482.25               |
| - 29,99,72,205 (31 March 2024: 9,99,90,735) equity shares of Horizonview Properties Private Limited of Rs.10 each, fully paid up*   | 2,999.72              | 999.91                 |
| - 5,88,235 (31 March 2024: 5,88,235) equity shares of KRC Infrastructure And Projects Private Limited of Rs.10 each, fully paid up  | 6,867.84              | 6,867.84               |
| - 1,96,01,403 (31 March 2024: 1,96,01,403) equity shares of Gigaplex Estate Private Limited of Rs.1 each, fully paid up             | 13,121.35             | 13,121.35              |
| - 2,50,71,875 (31 March 2024: 2,50,71,875) equity shares of Sundew Properties Limited of Rs.10 each, fully paid up                  | 33,722.27             | 33,722.27              |
| - 12,03,033 (31 March 2024: 12,03,033) equity shares of Intime Properties Limited of Rs.10 each, fully paid up                      | 15,477.77             | 15,477.77              |
| - 1,78,00,000 (31 March 2024: 1,78,00,000) equity shares of K. Raheja IT Park (Hyderabad) Limited of Rs.10 each, fully paid up      | 25,617.88             | 25,617.88              |
| - 81,513 (31 March 2024: 81,513) equity shares of Mindspace Business Parks Private Limited of Rs.10 each, fully paid up             | 48,813.50             | 48,813.50              |
| <b>Total</b>  | <b>156,102.58</b>     | <b>154,102.77</b>      |

Note: At the time of initial public offer, the Trust has Issued units as consideration to acquire these investments wherein the tradable REIT Unit has been issued at Rs 275 each.

\*During the current quarter, Mindspace REIT has further invested Rs. 1,999.81 Mn ( 31 March 2024 - Rs. 999.79 Mn) towards right issue of 19,99,81,470 equity shares of Horizonview Properties Private Limited

Refer Note 1 for details of % shareholding in the SPVs held by Mindspace REIT.





## Mindspace Business Park REIT

RN:IN/REIT/19-20/003

Notes to the Condensed Standalone Financial Statements

(all amounts are in Rs. millions unless otherwise stated)

### 5 Loans (Non current)

| Particulars                   | As at<br>30 June 2024 | As at<br>31 March 2024 |
|-------------------------------|-----------------------|------------------------|
| Unsecured, considered good    |                       |                        |
| Loan to SPVs- (Refer note 29) | 41,017.06             | 32,936.88              |
| <b>Total</b>                  | <b>41,017.06</b>      | <b>32,936.88</b>       |

Security: Unsecured

Interest : 8.47% per annum for the quarter ended 30 June 2024 (31 March 2024 - 8.55% - 8.60% per annum) in accordance with interest rate policy adopted by Mindspace REIT.

Terms of repayment:

- Bullet repayment of Rs. 5,634.06 million on date falling 15 years from the first disbursement date or such other date as may be mutually agreed between the Lender and the Borrower in writing. (31 March 2024 - Rs. 9,053.88 million)
- Bullet repayment of Rs. 4,470.00 million was paid on 17 May 2024 and accordingly the same was classified as current as on 31 March 2024. (31 March 2024 - 4,470.00 million) (refer note 8)
- Bullet repayment of Rs. 4,965.00 million is due on 31 December 2024 and accordingly the same has been classified as current as on 30 June 2024. (31 March 2024 - Rs. 4,965.00 million) (refer note 8)
- Bullet repayment of Rs. 4,975.00 million is due on 27 July 2027. (31 March 2024 - Rs. 4,975.00 million)
- Bullet repayment of Rs. 5,500.00 million is due on 13 April 2026. (31 March 2024 - Rs. 5,500.00 million)
- Bullet repayment of Rs. 5,000.00 million is due on 30 June 2026. (31 March 2024 - Rs. 5,000.00 million)
- Bullet repayment of Rs. 5,004.00 million is due on 10 December 2026. (31 March 2024 - Rs. 5,004.00 million)
- Bullet repayment of Rs. 1,446.12 million was paid on 06 June 2024 and accordingly the same was classified as current as on 31 March 2024. (31 March 2024 - Rs. 1,446.12 million) (refer note 8)
- Bullet repayment of Rs. 3,404.00 million is due on 20 March 2027. (31 March 2024 - Rs. 3,404.00 million)
- Bullet repayment of Rs. 3,287.13 million is due on 25 February 2025 and accordingly the same has been classified as current as on 30 June 2024. (31 March 2024 - Rs. Nil) (refer note 8)
- Bullet repayment of Rs. 5,000.00 million is due on 11 May 2029. (31 March 2024 - Rs. Nil)
- Bullet repayment of Rs. 6,500.00 million is due on 24 June 2031. (31 March 2024 - Rs. Nil)

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

| Particulars                | As at<br>30 June 2024 | As at<br>31 March 2024 |
|----------------------------|-----------------------|------------------------|
| Unsecured, considered good |                       |                        |
| Deposits                   | 3.13                  | 3.13                   |
| <b>Total</b>               | <b>3.13</b>           | <b>3.13</b>            |

### 7 Other non-current assets

| Particulars      | As at<br>30 June 2024 | As at<br>31 March 2024 |
|------------------|-----------------------|------------------------|
| Prepaid expenses | 7.58                  | 9.00                   |
| <b>Total</b>     | <b>7.58</b>           | <b>9.00</b>            |



## Mindspace Business Park REIT

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Notes to the Condensed Standalone Financial Statements

(all amounts are in Rs. millions unless otherwise stated)

### 8 Loans (Current)

| Particulars                         | As at<br>30 June 2024 | As at<br>31 March 2024 |
|-------------------------------------|-----------------------|------------------------|
| <i>Unsecured, considered good</i>   |                       |                        |
| Loan to SPVs- (Refer Note 5 and 29) | 8,252.13              | 10,881.12              |
| <b>Total</b>                        | <b>8,252.13</b>       | <b>10,881.12</b>       |

### 9 Cash and cash equivalents

| Particulars                            | As at<br>30 June 2024 | As at<br>31 March 2024 |
|--|-----------------------|------------------------|
| Balances with banks                    |                       |                        |
| - in current accounts* (Refer note 29) | 1,892.33              | 3,038.21               |
| <b>Total</b>                           | <b>1,892.33</b>       | <b>3,038.21</b>        |

\*Includes balance with banks of Rs. 0.43 million (31 March 2024 Rs. 0.40 million ) for unpaid distributions.

### 10 Other financial assets (Current)

| Particulars   | As at<br>30 June 2024 | As at<br>31 March 2024 |
|---|-----------------------|------------------------|
| <i>Unsecured, considered good</i>                       |                       |                        |
| Interest receivable on loan to SPVs- (Refer note 29)    | 42.19                 | 926.11                 |
| Other receivables from related parties- (Refer note 29) | 1.06                  | 4.07                   |
| Other receivables from others                           | -                     | 0.01                   |
| <b>Total</b>  | <b>43.25</b>          | <b>930.19</b>          |

### 11 Other current assets

| Particulars   | As at<br>30 June 2024 | As at<br>31 March 2024 |
|---|-----------------------|------------------------|
| <i>Unsecured, considered good</i>                     |                       |                        |
| Advance for supply of goods and rendering of services | 6.88                  | 2.16                   |
| Prepaid expenses                                      | 21.98                 | 6.58                   |
| Balances with government authorities                  | 4.78                  | 0.77                   |
| <b>Total</b>  | <b>33.64</b>          | <b>9.51</b>            |



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Notes to the Condensed Standalone Financial Statements

(all amounts are in Rs. millions unless otherwise stated)

|    |                                    |             |            |
|----|------------------------------------|-------------|------------|
| 12 | Corpus                             |             |            |
|    | Particulars                        |             | Amount     |
|    | As at 1 April 2023                 |             | 0.01       |
|    | Additions during the year          |             | -          |
|    | As at 31 March 2024                |             | 0.01       |
|    | As at 1 April 2024                 |             | 0.01       |
|    | Additions during the period        |             | -          |
|    | Closing balance as at 30 June 2024 |             | 0.01       |
| 13 | Unit Capital                       |             |            |
|    | Particulars                        | No.         | Amount     |
|    | As at 1 April 2023                 | 593,018,182 | 162,838.82 |
|    | Movement during the year           | -           | -          |
|    | As at 31 March 2024                | 593,018,182 | 162,838.82 |
|    | As at 1 April 2024                 | 593,018,182 | 162,838.82 |
|    | Movement during the period         | -           | -          |
|    | Closing Balance as at 30 June 2024 | 593,018,182 | 162,838.82 |

(a) Terms/rights attached to units and other disclosures

The Trust has only one class of Units. Each Unit represents an undivided beneficial interest in the Trust. Each holder of Units is entitled to one vote per unit. The Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Trust & SPV's on quarterly basis in accordance with REIT Regulations/ in terms of the Distribution Policy. The Board of directors of Investment Manager approves distributions. The distribution will be in proportion to the number of Units held by the Unitholders. The Trust declares and pays distributions in Indian Rupees.

Under the provisions of the REIT Regulations, Mindspace Business Parks REIT is required to distribute to Unitholders not less than 90% of the net distributable cash flows of Mindspace Business Parks REIT on half yearly basis for each financial year. Accordingly, a portion of the Unit Capital contains a contractual obligation of the Mindspace Business Parks REIT to pay to its Unitholders cash distributions. Hence, the Unit Capital is a compound financial instrument which contains equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI vide master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 dated 15 May 2024 issued under the REIT Regulations, the Unitholders' funds have been presented as "Equity" in order to comply with the requirements of Section H of Chapter 3 to the SEBI master circular dated 15 May 2024 dealing with the minimum presentation and disclosure requirements for key financial statements. Consistent with Unit Capital being classified as equity, the distributions to Unitholders is also presented in Statement of Changes in Unitholders' Equity when the distributions are approved by the Board of Directors of Investment Manager.

(b) Unit holders holding more than 5 percent Units in Mindspace REIT

| Name of the unit holder             | As at 30 June 2024 |           | As at 31 March 2024 |           |
|-------------------------------------|--------------------|-----------|---------------------|-----------|
|                                     | No of Units        | % holding | No of Units         | % holding |
| Platinum Illumination A 2018 Trust  | 54,375,000         | 9.17%     | 54,375,000          | 9.17%     |
| Anbee Constructions LLP             | 35,404,890         | 5.97%     | 35,404,890          | 5.97%     |
| Cape Trading LLP                    | 35,438,895         | 5.98%     | 35,438,895          | 5.98%     |
| Chandru Lachmandas Raheja*          | 32,634,433         | 5.50%     | 32,634,433          | 5.50%     |
| Capstan Trading LLP                 | 41,095,719         | 6.93%     | 41,095,719          | 6.93%     |
| Casa Maria Properties LLP           | 46,820,719         | 7.90%     | 46,820,719          | 7.90%     |
| Palm Shelter Estate Development LLP | 41,095,719         | 6.93%     | 41,095,719          | 6.93%     |
| Raghukool Estate Development LLP    | 42,004,546         | 7.08%     | 42,004,546          | 7.08%     |
| K Raheja Corp Private Limited       | 36,596,296         | 6.17%     | 36,596,296          | 6.17%     |

\* Excludes holding in for and on behalf of beneficiaries of Ivory Property Trust.

(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 had issued an aggregate of 36,363,600 Units for cash at Rs. 275 per unit and 556,654,582 Units at a price of Rs. 275 per unit for consideration other than cash during the period of five years immediately preceding the balance sheet date.



## Mindspace Business Park REIT

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Notes to the Condensed Standalone Financial Statements

(all amounts are in Rs. millions unless otherwise stated)

### 14 Other Equity

| Particulars                 | As at<br>30 June 2024 | As at<br>31 March 2024 |
|-----------------------------|-----------------------|------------------------|
| <i>Reserves and Surplus</i> |                       |                        |
| Retained earnings*          | 807.37                | 3,428.71               |
| <b>Total</b>                | <b>807.37</b>         | <b>3,428.71</b>        |

\*Refer Condensed Standalone Statement of Changes in Unit holder's Equity for detailed movement in other equity balances.

#### Retained earnings

The cumulative gain or loss arising from the operations which is retained and is recognized and accumulated under the heading of retained earnings.

At the end of the period/year, the profit after tax is transferred from the statement of profit and loss to the retained earnings account.

### 15 Borrowings (Non-current)

| Particulars  | As at<br>30 June 2024 | As at<br>31 March 2024 |
|--|-----------------------|------------------------|
| Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 4) (net of issue expenses, at amortised cost) (refer Note 4)                        | 4,977.15              | 4,975.53               |
| Secured, listed, rated, non-cumulative, taxable, transferable, redeemable non-convertible debentures ("Mindspace REIT Green Bond 1") (net of issue expenses, at amortised cost) (refer Note 5) | 5,476.48              | 5,473.41               |
| Secured, listed, rated, non-cumulative, taxable, transferable, redeemable non-convertible debentures (NCD Series 6) (net of issue expenses, at amortised cost) (refer Note 6)                  | 4,980.00              | 4,977.72               |
| Secured, listed, rated, non-cumulative, taxable, transferable, redeemable non-convertible debentures (NCD Series 7) (net of issue expenses, at amortised cost) (refer Note 7)                  | 4,987.20              | 4,986.16               |
| Secured, listed, rated, non-cumulative, taxable, transferable, redeemable non-convertible debentures (NCD Series 8) (net of issue expenses, at amortised cost) (refer Note 8)                  | 3,392.68              | 3,392.07               |
| Secured, listed, rated, non-cumulative, taxable, transferable, redeemable non-convertible debentures (NCD Series 9) (net of issue expenses, at amortised cost) (refer Note 9)                  | 4,982.32              | -                      |
| Secured, listed, rated, non-cumulative, taxable, transferable, redeemable non-convertible debentures (NCD Series 10) (net of issue expenses, at amortised cost) (refer Note 10)                | 6,488.71              | -                      |
| <b>Total</b>   | <b>35,284.54</b>      | <b>23,804.89</b>       |

**Note 1** In March 2021, Mindspace REIT issued 3,750 10 year G-Sec linked secured, listed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures ("Market Linked Debentures / MLD Series 2") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 3,750,000,000 (Indian Rupees three thousand seven hundred fifty millions only). The tenure of the said MLD Series 2 is 38 months from 18 March 2021, being date of allotment of the MLD Series 2 and coupon, if any shall be payable on the Scheduled Redemption Date i.e. on maturity on 17 May 2024. The coupon payoff structure is linked to condition where the payoff will be fixed on the final fixing date i.e. 16 April 2024. If identified 10 year G-Sec's last traded price as on final fixing date is greater than 25% of its last traded price as on initial fixing date i.e. 18 March 2021, the coupon rate will be 6.65% p.a. If identified 10 year G-Sec's last traded price as on final fixing date is less than or equal to 25% of its last traded price as on initial fixing date, the coupon rate will be zero percent. As per the valuers report in respect of valuation of these MLD Series 2, the probability of occurrence of such an event (last traded price of identified 10 year G-Sec on final fixing date being less than or equal to 25% of its last traded price on initial fixing date) is remote and hence the value of the option considered as zero.

This MLD Series 2 was listed on BSE Limited on 22 March 2021.

#### Security terms

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

a) First and exclusive charge being created by way of equitable mortgage on the aggregate leasable area of approximately 13,71,442 Sq. Ft. or thereabouts in buildings no. 12A and Units of Building 12B of Madhapur, Hyderabad (approx. 12,69,140 sq. ft. in building no.12A and approx. 1,02,302 sq. ft. in building no. 12B) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 29,842 sq. mtrs on which the said two building no.12A and 12B, out of all those pieces and parcels of larger land that are situated, lying and being in Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad ("Mortgaged Properties"), for MLD Series 2.

b) First ranking exclusive charge created by way of a hypothecation over the Hypothecated Properties of MLD Series 2.

c) A charge on the escrow account has been created, in which receivables of the Mortgaged Properties of Sundew shall be received, save and except any common area maintenance charges payable to Sundew with respect to the maintenance of the mortgaged properties.

d) Corporate guarantee executed by Sundew.





## Mindspace Business Park REIT

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Notes to the Condensed Standalone Financial Statements

(all amounts are in Rs. millions unless otherwise stated)

### Redemption terms:

- a) MLD Series 2 are redeemable by way of bullet payment at the end of 38 months from the date of allotment, i.e. 17 May 2024 and accordingly the same has been redeemed.
- b) The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade. The Investors shall have the right to accelerate the MLD Series 2 if the rating is downgraded to A+.
- c) Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days notice to the Issuer require the Issuer to redeem in full, all the Debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each Debenture.

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

This NCD Series 2 was listed on BSE Limited on 22 March 2021.

### Security terms

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

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

### Redemption terms:

- a) NCD Series 2 are redeemable by way of bullet repayment at the end of 38 months from the date of allotment, i.e. 17 May 2024 and accordingly the same has been redeemed.
- b) Interest is payable on the last day of each financial quarter in a year (starting from 30 June, 2021) until the scheduled redemption date.
- c) The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.
- d) Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the Issuer to redeem in full, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.

**Note 3** In February 2022, Mindspace Business Parks REIT issued 5,000 senior, listed, rated, secured, non-cumulative, taxable, transferable, redeemable, non-convertible debentures ("NCD Series 3") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 5,00,00,00,000 (Indian Rupees five thousand millions only) with a coupon rate of 6.35% p.a. Coupon on the outstanding Nominal value of each debenture shall be applicable and computed from day to day, be prorated on an actual/ actual basis for the actual number of days in the Coupon Period and be payable in arrears on the relevant Coupon Payment date to the Debenture Holder whose name is appearing on the Register of Beneficial Owners as on the Record Date. The Issuer hereby acknowledges and agrees that there shall be no moratorium period for the payment of Coupon. The first Coupon payment Date is 31 March 2022, with last coupon payment on the scheduled redemption date i.e. 31 December 2024. The tenure of the said NCD Series 3 is 35 months from 1 February 2022, being date of allotment.

This NCD Series 3 was listed on BSE Limited on February 04, 2022.



## Mindspace Business Park REIT

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Notes to the Condensed Standalone Financial Statements

(all amounts are in Rs. millions unless otherwise stated)

### Security terms

NCD Series 3 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders):

a) First and exclusive charge being registered by way of simple mortgage on the carpet area of approximately 5,52,974 Sq. Ft. ( save and except entire 2nd floor admeasuring 11,883 Sq. Ft. carpet area in building no. 2) (the building no. 2 ) situated on the Mortgage land along with proportionate covered and open parking spaces, in Building 2 together with all the beneficial rights, title and interest of the Assets SPV in appurtenant to Building 2 and all erections. The Building 2 is situated on a portion of the Mortgage Land admeasuring 8.04 Hectares, which portion is notified as a Special Economic Zone & first and exclusive charge being registered by way of simple mortgage on the identified units with aggregating to carpet area of approximately 4,61,527 Sq. Ft. (identified units of building no. 3 ) situated on the Mortgage land along with proportionate covered and open parking spaces, in Building 3 together with all the beneficial rights, title and interest of the Assets SPV in appurtenant to Building 3 and all erections ("Mortgaged Properties") of NCD Series 3 as further detailed in transaction documents.

b) A charge on the escrow account has been created, in which receivables of the Mortgaged Properties shall be received, save and except any common area maintenance charges payable to Gigaplex with respect to the maintenance of the mortgaged properties.

c) Corporate guarantee executed by Gigaplex.

### Redemption terms:

a) NCD Series 3 are redeemable by way of bullet repayment at the end of 35 months from the date of allotment, i.e. 31 December, 2024 and accordingly the same has been classified as current maturities of long term borrowings as on 30 June 2024 (Refer Note 17)

b) Interest is payable on the last day of each financial quarter in a year (starting from 31 March, 2022) until the scheduled redemption date.

c) The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.

d) Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the Issuer to redeem in full, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.

**Note 4** In July 2022, Mindspace Business Parks REIT issued 5,000 senior, listed, rated, secured, non-cumulative, taxable, transferrable, redeemable, non-convertible debentures of face value of INR 1,000,000 (Indian Rupees One Million) per Debenture for aggregate principal amount of upto INR 5,000,000,000/- (Indian Rupees Five Thousand Million Only) with a coupon rate of 7.95% p.a. Coupon on the outstanding Nominal value of each debenture shall be applicable and computed from day to day, be prorated on an actual/ actual basis for the actual number of days in the Coupon Period and be payable in arrears on the relevant Coupon Payment date to the Debenture Holder whose name is appearing on the Register of Beneficial Owners as on the Record Date. The first Coupon payment Date is 30 Sept 2022, with last coupon payment on the scheduled redemption date i.e. 27 July 2027. The tenure of the said NCD Series 4 is 60 months.

This NCD Series 4 was listed on BSE Limited on July 29, 2022

### Security terms

NCD Series 4 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders):

a) First ranking sole and exclusive security interest by way of an equitable mortgage on carpet area of approximately 779,466 sq ft in building 12 D (identified units in building) along with the common areas, usage and access rights appurtenant to the units mortgaged in Building 12D as mentioned in the trust deed, situated on a notionally demarcated land admeasuring approximately 17414.77 square metres (equivalent to 4.30 acres), forming part of a portion of land admeasuring 14.02 hectares equivalent to 34.64 acres or thereabout declared as 'Special Economic Zone' land from and out of the larger piece of land bearing Survey no. 64(part), lying, being and situated at Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad.

b) A charge on the escrow account has been created, in which receivables of the Mortgaged Properties shall be received, save and except any common area maintenance charges payable to Sundew with respect to the maintenance of the mortgaged properties.

c) Corporate guarantee executed by Sundew.

### Redemption terms:

a) NCD Series 4 are redeemable by way of bullet repayment at the end of 60 months from the date of allotment, i.e. 27 July, 2027.

b) Interest is payable on the last day of each financial quarter in a year (starting from 30 September, 2022) until the scheduled redemption date.

c) The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.

d) Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the Issuer to redeem in full, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.



## Mindspace Business Park REIT

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**Note 5** On 15 March 2023, Mindspace Business Parks REIT issued 55000 Green Debt Securities in the form of listed, rated, secured, non-cumulative, taxable, transferable, redeemable non-convertible debentures ("Mindspace REIT Green Bond 1") having nominal value of Rs. 1,00,000 (Rupees One lakh only) each, amounting to Rs. 5,500,000,000 (Rupees Five thousand five hundred millions only) with a coupon rate of 8.02% p.a. payable quarterly beginning from the end of first quarter from the date of allotment i.e. 15 March 2023, with last coupon payment on the scheduled redemption date i.e. 13 April 2026. The tenure of the said Mindspace REIT Green Bond 1 is 3 year and 30 days from 15 March 2023, being date of allotment. The date of payment of first coupon is 31 March 2023.

Mindspace REIT Green Bond 1 was listed on BSE Limited on March 16, 2023.

### Security terms

Mindspace REIT Green Bond 1 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders) as more particularly described in the transaction documents, summarized as follows:

- First and exclusive charge registered by way of equitable mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 1.067 million square feet or thereabouts in buildings no. 5B and 9 of Madhapur Hyderabad (approx. 245,977 sq. ft. in building no. 5B and approx. 821,717 building no. 9) together with the proportionate undivided right, title and interest in (i) the notionally demarcated land admeasuring approximately 7,169.90 square metres (equivalent to 1.7717 acres) on which Building 5B is situated, and (ii) the notionally demarcated land admeasuring approximately 16,871.82 square metres (equivalent to 4.17 acres) on which Building 9 is situated
- A charge on the escrow account in which receivables of the Mortgaged Properties shall be payable to Intime Properties Limited.
- Corporate guarantee executed by Intime Properties Limited.

### Redemption terms:

- Mindspace REIT Green Bond 1 are redeemable by way of bullet repayment at the end of 3 years and 30 days from the date of allotment (date of allotment being 15 March 2023 and date of redemption being 13 April 2026).
- Interest is payable on the last day of each financial quarter in a year (starting from 31 March, 2023) until the scheduled redemption date and on the scheduled redemption date.
- The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.
- Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the Issuer to redeem in full, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.

**Note 6** In June 2023, Mindspace Business Parks REIT issued 50,000 listed, rated, secured, non-cumulative, taxable, transferrable, redeemable, non-convertible debentures of face value of INR 1,00,000 (Indian Rupees One Lakh only) per Debenture for aggregate principal amount of upto INR 5,000,000,000/- (Rupees Five Thousand Million Only) with a coupon rate of 7.75% p.a. payable quarterly. Coupon on the outstanding Nominal value of each debenture shall be applicable and computed from day to day, be prorated on an actual/ actual basis for the actual number of days in the Coupon Period and be payable in arrears on the relevant Coupon Payment date to the Debenture Holder whose name is appearing on the Register of Beneficial Owners as on the Record Date. The first Coupon payment Date is 30 June 2023, with last coupon payment on the scheduled redemption date i.e. 30 June 2026. The tenure of the said NCD Series 6 is 3 year and 29 days.

This NCD Series 6 was listed on BSE Limited on June 06, 2023.

### Security terms

NCD Series 6 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders):

- first ranking sole and exclusive security interest, by way of a registered simple mortgage on identified units in buildings 6, 7 and 8 of Commerzone Yerwada adding to a cumulative carpet area of approximately 0.7msf across these 3 buildings at Commerzone Yerwada, Pune along with the common areas, usage and access rights appurtenant to the units mortgaged in Buildings 6, 7 and 8 as mentioned in the trust deed, situated on a notionally demarcated land admeasuring approximately 26,162 square metres, forming part of a portion of land larger land admeasuring 1,03,919 square metres (after deducting 21 square metres for road from total extent of 1,03,940 square metres) at Village Yerwada, Taluka Haveli, District Pune and within the limits of Pune Municipal Corporation
- A charge on the escrow account has been created, in which receivables of the Mortgaged Properties shall be received, save and except any common area maintenance charges payable to Sundew with respect to the maintenance of the mortgaged properties.
- Corporate guarantee executed by Mindspace Business Parks Private Limited.



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### Redemption terms:

- NCD Series 6 are redeemable by way of bullet repayment at the end of 3 year and 29 days from the date of allotment i.e. 30 June 2026
- Interest is payable on the last day of each financial quarter in a year (starting from 30 June 2023) until the scheduled redemption date.
- The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.
- Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the Issuer to redeem in full, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.

**Note 7** In September 2023, Mindspace Business Parks REIT issued 50,000 listed, rated, secured, non-cumulative, taxable, transferrable, redeemable, non-convertible debentures of face value of INR 1,00,000 (Indian Rupees One Lakh only) per Debenture for aggregate principal amount of upto INR 5,000,000,000/- (Rupees Five Thousand Million Only) with a coupon rate of 8.03% p.a. payable quarterly. Coupon on the outstanding Nominal value of each debenture shall be applicable and computed from day to day, be prorated on an actual/ actual basis for the actual number of days in the Coupon Period and be payable in arrears on the relevant Coupon Payment date to the Debenture Holder whose name is appearing on the Register of Beneficial Owners as on the Record Date. The first Coupon Payment Date is 30 September 2023, with last coupon payment on the scheduled redemption date i.e. 10 December 2026. The tenure of the said NCD Series 7 is 3 years and 3 months.

This NCD Series 7 was listed on BSE Limited on September 13, 2023.

### Security terms

NCD Series 7 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders):

- first ranking sole and exclusive security interest, by way of an equitable mortgage on identified units in buildings 2A, 2B and 10 of Mindspace Madhapur adding to a cumulative carpet area of approximately 0.73 msf across these 3 buildings in buildings 2A, 2B and 10 as mentioned in the trust deed, situated on a notionally demarcated land admeasuring approximately 36,258 square metres, being and situated at Mindspace Madhapur, Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad.
- first ranking sole and exclusive security interest by way of a hypothecation over Collection Account and Escrow Account and all amounts standing to the credit of or accrued or accruing on, receivables, movable assets pertaining to Mortgaged Immovable Properties as further specified in transaction documents.
- Corporate guarantee executed by KRIT.

### Redemption terms:

- NCD Series 7 are redeemable by way of bullet repayment at the end of 3 year and 3 months from the date of allotment i.e. 10 December 2026.
- Interest is payable on the last day of each financial quarter in a year (starting from 30 September 2023) until the scheduled redemption date with last payment falling on the scheduled redemption date.
- The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.
- Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the Issuer to redeem in full, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.

**Note 8** In March 2024, Mindspace Business Park REIT issued 34,000 listed, rated, secured, non-cumulative, taxable, transferrable, redeemable, non-convertible debentures of face value of INR 1,00,000 (Indian Rupees One Lakh only) per Debenture for aggregate principal amount of upto INR 3,400,000,000/- (Rupees Three Thousand Four Hundred Million Only) with a coupon rate of 7.93% p.a. payable quarterly. Coupon on the outstanding Nominal value of each debenture shall be applicable and computed from day to day, be prorated on an actual/ actual basis for the actual number of days in the Coupon Period and be payable in arrears on the relevant Coupon Payment date to the Debenture Holder whose name is appearing on the Register of Beneficial Owners as on the Record Date. The first Coupon Payment Date is 31 March 2024, with last coupon payment on the scheduled redemption date i.e. 20 March 2027. The tenure of the said NCD Series 8 is 3 years.

This NCD Series 8 was listed on BSE Limited on March 22, 2024.





## Mindspace Business Park REIT

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### Security terms

NCD Series 8 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders):

a) first ranking sole and exclusive security interest, by way of an equitable mortgage on identified units in buildings 1, 4, 5 and Amenity building of Commerzone Yerwada adding to a cumulative leasable area of approximately 0.55 msf and carpet area of c.0.43 msf across these 4 buildings in buildings as mentioned in the trust deed, situated on a notionally demarcated land admeasuring approximately 27,826 square metres, being and situated at Village Yerawada, Taluka Haveli, District Pune and within the limits of Pune Municipal Corporation, and bounded as follows:

b) first ranking sole and exclusive security interest by way of a simple mortgage over Collection Account and Escrow Account and all amounts standing to the credit of or accrued or accruing on, receivables, movable assets pertaining to Mortgaged Immovable Properties as further specified in transaction documents

c) Corporate guarantee executed by Mindspace Business Parks Private Limited.

### Redemption terms:

a) NCD Series 8 are redeemable by way of bullet repayment at the end of 3 year from the date of allotment i.e. 20 March 2027.

b) Interest is payable on the last day of each financial quarter in a year (starting from 31 March 2024) until the scheduled redemption date with last payment falling on the scheduled redemption date.

c) The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.

d) Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the Issuer to redeem in full, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.

**Note 9** In May 2024, Mindspace Business Parks REIT issued 50,000 listed, rated, secured, non-cumulative, taxable, transferrable, redeemable, non-convertible debentures of face value of INR 1,00,000 (Indian Rupees One Lakh only) per Debenture for aggregate principal amount of upto INR 5,000,000,000/- (Rupees five thousand million Only) with a coupon rate of 7.96% p.a. payable quarterly. Coupon on the outstanding Nominal value of each debenture shall be applicable and computed from day to day, be prorated on an actual/ actual basis for the actual number of days in the Coupon Period and be payable in arrears on the relevant Coupon Payment date to the Debenture Holder whose name is appearing on the Register of Beneficial Owners as on the Record Date. The first Coupon Payment Date is 30 June 2024, with last coupon payment on the scheduled redemption date i.e. 11 May 2029. The tenure of the said NCD Series 9 is 4 years and 364 days.

This NCD Series 9 was listed on BSE Limited on May 14, 2024.

### Security terms

NCD Series 9 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders):

a) first ranking sole and exclusive security interest, by way of a simple mortgage on 30,700 square metres of land (referred to as Plot B Land and Plot C Land) together with the commercial and IT building as further described in the trust deed, situated at 7, Ahmednagar Road, Village Vadgaon Sheri, Taluka Haveli, District Pune.

b) A charge over Collection Account and Escrow Account and all amounts standing to the credit of or accrued or accruing on, receivables, movable assets pertaining to Mortgaged Immovable Properties as further specified in transaction documents.

c) Corporate guarantee executed by Mindspace Business Parks Private Limited.

### Redemption terms:

a) NCD Series 9 are redeemable by way of bullet repayment at the end of 4 years and 362 days from the date of allotment i.e. 11 May 2029.

b) Interest is payable on the last day of each financial quarter in a year (starting from 13 May 2024) until the scheduled redemption date with last payment falling on the scheduled redemption date.

c) The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.

d) Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the Issuer to redeem in full, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.

**Note 10** In June 2024, Mindspace Business Park REIT issued 65,000 listed, rated, secured, non-cumulative, taxable, transferrable, redeemable, non-convertible debentures of face value of INR 1,00,000 (Indian Rupees One Lakh only) per Debenture for aggregate principal amount of upto INR 6,500,000,000/- (Rupees six thousand five hundred million Only) with a coupon rate of 7.94% p.a. payable quarterly. Coupon on the outstanding Nominal value of each debenture shall be applicable and computed from day to day, be prorated on an actual/ actual basis for the actual number of days in the Coupon Period and be payable in arrears on the relevant Coupon Payment date to the Debenture Holder whose name is appearing on the Register of Beneficial Owners as on the Record Date. The first Coupon Payment Date is 30 June 2024, with last coupon payment on the scheduled redemption date i.e. 24 June 2031. The tenure of the said NCD Series 10 is 7 years. The debenture issued was sustainability linked debenture with provisions for step down of coupon basis achievement of targets. The debenture also has a Early Redemption Date as further described in the respective transaction documents.



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This NCD Series 10 was listed on BSE Limited on June 26, 2024.

### Security terms

NCD Series 10 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders):

a) first ranking sole and exclusive security interest, by way of an equitable mortgage on identified units in buildings 12B and 12C of Mindspace Madhapur adding to a cumulative carpet area of approximately 0.86 msf carpet area (or leasable area – 1.13 msf) across these 2 buildings as mentioned in the trust deed, situated on a notionally demarcated land admeasuring approximately 29,157.16 square metres, being and situated at Mindspace Madhapur, Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad.

b) first ranking sole and exclusive security interest by way of a hypothecation over Collection Account and Escrow Account and all amounts standing to the credit of or accrued or accruing on, receivables, movable assets pertaining to Mortgaged Immovable Properties as further specified in transaction documents.

c) Corporate guarantee executed by Sundew Properties Limited.

### Redemption terms:

a) NCD Series 10 are redeemable by way of bullet repayment at the end of 7 years from the date of allotment i.e. 24 June 2031.

b) Interest is payable on the last day of each financial quarter in a year (starting from 25 June 2024) until the scheduled redemption date with last payment falling on the scheduled redemption date.

c) The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.

d) Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the Issuer to redeem in full, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.

e) The debenture issued was sustainability linked debenture with provisions for step down of coupon basis achievement of identified ESG targets. The debenture also has an Early Redemption Date on 31 December 2028 as further described in the respective transaction documents.

Refer note 36 for Ratio disclosure.

### 16 Other financial liabilities (Non-current)

| Particulars                                     | As at<br>30 June 2024 | As at<br>31 March 2024 |
|---|-----------------------|------------------------|
| Other payables to related party (refer Note 29) | 25.81                 | 25.13                  |
| <b>Total</b>                                    | <b>25.81</b>          | <b>25.13</b>           |

### 17 Borrowings (Current)

| Particulars  | As at<br>30 June 2024 | As at<br>31 March 2024 |
|--|-----------------------|------------------------|
| <b>Secured</b>   |                       |                        |
| <b>Current maturities of long-term debt</b>  |                       |                        |
| 10 year G-Sec linked secured, listed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures ("Market Linked Debentures / MLD Series 2") (net of issue expenses, at amortised cost) (refer note 15 (1)) | -                     | 3,748.84               |
| Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 2) (net of issue expenses, at amortised cost) (refer note 15 (2))   | -                     | 749.75                 |
| Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 3) (net of issue expenses, at amortised cost) (refer Note 15 (3))   | 4,990.83              | 4,986.41               |
| Commercial Paper (Series -2) (refer Note 1 below)  | -                     | 1,446.12               |
| Commercial Paper (Series -3) (refer Note 2 below)  | 3,287.13              | -                      |
| <b>Total</b>   | <b>8,277.96</b>       | <b>10,931.12</b>       |



## Mindspace Business Park REIT

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(all amounts are in Rs. millions unless otherwise stated)

**Note 1** On 19 December 2023, Mindspace Business Parks REIT issued 3,000 Commercial Papers with a face value of Rs. 5,00,000 (Rupees five lakhs only) each, at a discount of 8.0% per annum to the face value. The discounted amount raised by the REIT through the commercial paper was Rs. 1,446,117,000 (Rupees one billion four hundred forty-six million one hundred seventeen thousand only) and the value payable on maturity is Rs. 1,500,000,000 (Rupees one billion five hundred million only). Discount on Commercial papers is amortized over the tenor of the underlying instrument. The commercial papers were listed on BSE and was repaid on 06 June 2024.

**Note 2** On 26 April 2024, Mindspace Business Parks REIT issued 7,000 Commercial Papers with a face value of Rs. 5,00,000 (Rupees five lakhs only) each, at a discount of 7.75% per annum to the face value. The discounted amount raised by the REIT through MREIT CP Series 3 was Rs. 3,287,126,500 (Rupees three billion two hundred eighty-seven million one hundred twenty six thousand five hundred only) and the value payable on maturity is Rs. 3,500,000,000 (Rupees three billion five hundred million only). Discount on Commercial papers is amortized over the tenor of the underlying instrument. The commercial papers were listed on BSE and will mature on 25 February 2025.

### 18 Trade payables

| Particulars   | As at<br>30 June 2024 | As at<br>31 March 2024 |
|---|-----------------------|------------------------|
| <b>Trade payables</b>   |                       |                        |
| - Total outstanding dues to micro and small enterprises         | 0.88                  | 1.63                   |
| - Total outstanding dues other than micro and small enterprises | 17.35                 | 12.99                  |
| <b>Total</b>  | <b>18.23</b>          | <b>14.62</b>           |

### 19 Other financial liabilities (Current)

| Particulars                                | As at<br>30 June 2024 | As at<br>31 March 2024 |
|--|-----------------------|------------------------|
| Interest accrued but not due on borrowings | 53.92                 | 829.84                 |
| Interest accrued and due on others         | 0.05                  | 0.05                   |
| Unpaid Distributions                       | 0.43                  | 0.40                   |
| Other liabilities                          |                       | -                      |
| - to related party (refer Note29)          | 22.92                 | 27.88                  |
| - to others                                | 12.77                 | 1.96                   |
| <b>Total</b>                               | <b>90.09</b>          | <b>860.13</b>          |

### 20 Other current liabilities

| Particulars    | As at<br>30 June 2024 | As at<br>31 March 2024 |
|----------------|-----------------------|------------------------|
| Statutory dues | 6.29                  | 7.29                   |
| <b>Total</b>   | <b>6.29</b>           | <b>7.29</b>            |

### 21 Current tax liabilities

| Particulars                                   | As at<br>30 June 2024 | As at<br>31 March 2024 |
|---|-----------------------|------------------------|
| Provision for Income Tax (Net of Advance Tax) | 2.58                  | 0.09                   |
| <b>Total</b>                                  | <b>2.58</b>           | <b>0.09</b>            |





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(all amounts are in Rs. millions unless otherwise stated)

|    |  |   |  |   |   |
|----|--|---|--|---|---|
| 22 | <b>Interest income</b>                   |   |  |   |   |
|    | <b>Particulars</b>                       | <b>For the quarter ended<br/>30 June 2024<br/>(Unaudited)</b> | <b>For the quarter ended<br/>31 March 2024<br/>(Unaudited)</b> | <b>For the quarter ended<br/>30 June 2023<br/>(Unaudited)</b> | <b>For the year ended<br/>31 March 2024<br/>(Audited)</b> |
|    | Interest income                          |   |  |   |   |
|    | - on loans given to SPVs (refer Note 29) | 999.10  | 913.54   | 743.65  | 3,443.05  |
|    | <b>Total</b>                             | <b>999.10</b>   | <b>913.54</b>  | <b>743.65</b>   | <b>3,443.05</b>   |

|    |   |   |  |   |   |
|----|---|---|--|---|---|
| 23 | <b>Other income</b>                     |   |  |   |   |
|    | <b>Particulars</b>                      | <b>For the quarter ended<br/>30 June 2024<br/>(Unaudited)</b> | <b>For the quarter ended<br/>31 March 2024<br/>(Unaudited)</b> | <b>For the quarter ended<br/>30 June 2023<br/>(Unaudited)</b> | <b>For the year ended<br/>31 March 2024<br/>(Audited)</b> |
|    | Guarantee commission fees               | 0.94  | 3.38   | 0.90  | 6.90  |
|    | Gain on redemption of mutual fund units | 8.29  | 3.52   | 8.16  | 15.62   |
|    | <b>Total</b>                            | <b>9.23</b>   | <b>6.90</b>  | <b>9.06</b>   | <b>22.52</b>  |

|    |                                      |   |  |   |   |
|----|--------------------------------------|---|--|---|---|
| 24 | <b>Other expenses</b>                |   |  |   |   |
|    | <b>Particulars</b>                   | <b>For the quarter ended<br/>30 June 2024<br/>(Unaudited)</b> | <b>For the quarter ended<br/>31 March 2024<br/>(Unaudited)</b> | <b>For the quarter ended<br/>30 June 2023<br/>(Unaudited)</b> | <b>For the year ended<br/>31 March 2024<br/>(Audited)</b> |
|    | Bank charges                         | 0.04  | 0.04   | 0.02  | 0.09  |
|    | Filing and stamping fees             | 4.35  | 4.49   | 3.28  | 19.21   |
|    | Travelling and conveyance            | 1.14  | 2.12   | 0.20  | 2.61  |
|    | Printing and stationery              | -   | -  | -   | 0.01  |
|    | Marketing and advertisement expenses | 2.10  | 1.31   | 1.70  | 5.49  |
|    | Membership & subscription charges    | 0.51  | 0.62   | 1.06  | 5.50  |
|    | Foreign Exchange Loss                | 0.00  | 0.04   | -   | 0.09  |
|    | Miscellaneous expenses               | 0.98  | 1.62   | 0.65  | 5.51  |
|    | <b>Total</b>                         | <b>9.12</b>   | <b>10.24</b>   | <b>6.91</b>   | <b>38.51</b>  |

|    |   |   |  |   |   |
|----|---|---|--|---|---|
| 25 | <b>Finance costs</b>                                      |   |  |   |   |
|    | <b>Particulars</b>  | <b>For the quarter ended<br/>30 June 2024<br/>(Unaudited)</b> | <b>For the quarter ended<br/>31 March 2024<br/>(Unaudited)</b> | <b>For the quarter ended<br/>30 June 2023<br/>(Unaudited)</b> | <b>For the year ended<br/>31 March 2024<br/>(Audited)</b> |
|    | Interest expense on external debts (refer Note 15 and 17) | 756.12  | 615.83   | 446.63  | 2,212.51  |
|    | Guarantee commission charges                              | 1.72  | 2.48   | 1.88  | 9.00  |
|    | <b>Total</b>  | <b>757.84</b>   | <b>618.31</b>  | <b>448.51</b>   | <b>2,221.51</b>   |

|    |                    |   |  |   |   |
|----|--------------------|---|--|---|---|
| 26 | <b>Tax expense</b> |   |  |   |   |
|    | <b>Particulars</b> | <b>For the quarter ended<br/>30 June 2024<br/>(Unaudited)</b> | <b>For the quarter ended<br/>31 March 2024<br/>(Unaudited)</b> | <b>For the quarter ended<br/>30 June 2023<br/>(Unaudited)</b> | <b>For the year ended<br/>31 March 2024<br/>(Audited)</b> |
|    | Current tax        | 3.88  | 1.86   | 3.44  | 8.39  |
|    | <b>Total</b>       | <b>3.88</b>   | <b>1.86</b>  | <b>3.44</b>   | <b>8.39</b>   |

27 **Earnings Per Unit (EPU)**  
Basic EPU amounts are calculated by dividing the profit for the period attributable to unit holders by the weighted average number of units outstanding during the period. Diluted EPU amounts are calculated by dividing the profit attributable to unit holders by the weighted average number of units outstanding during the period plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

The following reflects the profit and unit data used in the basic and diluted EPU computation

|  |  |   |  |   |   |
|--|--|---|--|---|---|
|  | <b>Particulars</b>                                     | <b>For the quarter ended<br/>30 June 2024<br/>(Unaudited)</b> | <b>For the quarter ended<br/>31 March 2024<br/>(Unaudited)</b> | <b>For the quarter ended<br/>30 June 2023<br/>(Unaudited)</b> | <b>For the year ended<br/>31 March 2024<br/>(Audited)</b> |
|  | Profit after tax for calculating basic and diluted EPU | 207.36  | 2,888.65   | 2,920.93  | 11,611.98   |
|  | Weighted average number of Units (Nos)                 | 593,018,182   | 593,018,182  | 593,018,182   | 593,018,182   |
|  | Basic (Rupees/unit)(Not annualised)                    | 0.35  | 4.87   | 4.92  | 19.58   |
|  | Diluted (Rupees/unit)(Not annualised)*                 | 0.35  | 4.87   | 4.92  | 19.58   |

\*Mindspace REIT does not have any outstanding dilutive units

## 28 **Management Fees** **REIT Management Fees**

Pursuant to the Investment Management Agreement dated 21 November 2019, the Manager is entitled to fees @ 0.5% of REIT Net Distributable Cash Flows which shall be payable either in cash or in units or a combination of both, at the discretion of the Manager. The fees has been determined for undertaking management of the REIT and its investments. The REIT Management fees (including GST) accrued for the quarter ended 30 June 2024 is Rs. 17.66 million (Rs. 17.01 million and Rs. 67.51 million for the quarter and year ended 31 March 2024 respectively). There are no changes during the period/year in the methodology for computation of fees paid to the Manager.



## MINDSPACE BUSINESS PARKS REIT

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29 Related party disclosures

A Parties to Mindspace REIT as at 30 June 2024

| Sl. No. | Particulars    | Name of Entities  | Promoters/Partners*  | Directors   |
|---------|----------------|---|--|---|
| 1       | Trustee        | Axis Trustee Services Limited   | Axis Bank Limited<br>(Refer note below)  | Ms. Deepa Rath<br>Mr. Rajesh Kumar Dahiya till January 15, 2024<br>Mr. Ganesh Sankaran till January 15, 2024<br>Mr. Sumit Bali w.e.f. January 16, 2024<br>Mr. Prashant Joshi w.e.f. January 16, 2024<br>Mr. Arun mehta w.e.f. May 3, 2024<br>Mr. Parmod Nagpal w.e.f. May 3, 2024                         |
| 2       | Manager        | K Raheja Corp Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP) | Mr. Ravi C. Raheja<br>Mr. Neel C. Raheja   | Mr. Ravi C. Raheja w.e.f. July 7, 2023<br>Mr. Neel C. Raheja w.e.f. July 7, 2023<br>Mr. Deepak Ghaisas w.e.f. July 11, 2023<br>Mr. Bobby Parikh w.e.f. July 11, 2023<br>Ms. Manisha Girotra w.e.f. July 11, 2023<br>Mr. Manish Kejriwal w.e.f. July 11, 2023<br>Mr. Vinod Rohira w.e.f. September 1, 2023 |
| 3       | Sponsors       | Anbee Constructions LLP   | Mr. Ravi C. Raheja<br>Mr. Neel C. Raheja<br>Mr. Chandru L. Raheja<br>Mrs. Jyoti C. Raheja<br>Ms. Sumati Raheja | -   |
| 4       |                | Cape Trading LLP  | Mr. Ravi C. Raheja<br>Mr. Neel C. Raheja<br>Mr. Chandru L. Raheja<br>Mrs. Jyoti 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       |                | Ms. Sumati Raheja   | -  | -   |
| 10      |                | Capstan Trading LLP   | Mr. Ravi C. Raheja<br>Mr. Neel C. Raheja<br>Mr. Chandru L. Raheja<br>Mrs. Jyoti C. Raheja                      | -   |
| 11      |                | Casa Maria Properties LLP   | Mr. Ravi C. Raheja<br>Mr. Neel C. Raheja<br>Mr. Chandru L. Raheja<br>Mrs. Jyoti C. Raheja                      | -   |
| 12      |                | Raghukool Estate Developement LLP   | Mr. Ravi C. Raheja<br>Mr. Neel C. Raheja<br>Mr. Chandru L. Raheja<br>Mrs. Jyoti C. Raheja                      | -   |
| 13      |                | Palm Shelter Estate Development LLP   | Mr. Ravi C. Raheja<br>Mr. Neel C. Raheja<br>Mr. Chandru L. Raheja<br>Mrs. Jyoti C. Raheja                      | -   |



# **MINDSPACE BUSINESS PARKS REIT**

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

|    |                              |   |  |  |
|----|------------------------------|---|--|--|
| 14 | Sponsors Group               | K. Raheja Corp Pvt. Ltd.  | <p>Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja</p> <p>Mrs. Jyoti C. Raheja Jointly with Mr. Chandru L. Raheja</p> <p>Mr. Ravi C. Raheja Jointly with Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja</p> <p>Mr. Neel C. Raheja Jointly with Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja</p> <p>Anbee Constructions LLP<br/>Cape Trading LLP<br/>Capstan Trading LLP<br/>Casa Maria Properties LLP<br/>Raghukool Estate Development LLP<br/>Palm Shelter Estate Development LLP<br/>Mr. Neel C. Raheja Jointly with Mr. Ramesh M. Valecha</p> | Ravi C. Raheja<br>Neel C. Raheja<br>Ramesh Valecha<br>Ramesh Ranganthan<br>Sunil Hingorani |
| 15 | Sponsors Group               | Ivory Property Trust  | <p>Chandru L. Raheja<br/>Jyoti C. Raheja<br/>Ivory Properties &amp; Hotels Pvt Ltd<br/>Ravi C. Raheja<br/>Neel C. Raheja<br/>(all are trustees)</p>  |  |
| 16 |                              | Genext Hardware & Parks Private Ltd.  | <p>Mr. Ravi C. Raheja Jointly with Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja</p> <p>Mr. Neel C. Raheja Jointly with Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja<br/>Chandru L. Raheja jointly with Jyoti C. Raheja, on behalf of the beneficiaries of Ivory Property Trust.</p>  | Ravi C. Raheja<br>Neel C. Raheja<br>Ramesh Valecha<br>Ramesh Ranganthan                    |
| 17 | Names of SPVs / subsidiaries | <p>1. Avacado Properties and Trading (India) Private Limited</p> <p>2. Gigaplex Estate Private Limited</p> <p>3. Horizon Properties Private Limited</p> <p>4. KRC Infrastructure and Projects Private Limited</p> <p>5. Intime Properties Limited</p> <p>6. Sundew Properties Limited</p> <p>7. K. Raheja IT Park (Hyderabad) Limited</p> <p>8. Mindspace Business Parks Private Limited.</p> |  |  |



## MINDSPACE BUSINESS PARKS REIT

RN:IN/REIT/19-20/003

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

|    |   |   |  |  |
|----|---|---|--|--|
| 18 | Board of Directors and Key Managerial Personnel of the Manager (K Raheja Corp Investment Managers Private Limited)  | <p><u>Board of Directors</u></p> <p>Mr. Deepak Ghaisas (Independent Member)<br/> Ms. Manisha Girotra (Independent Member)<br/> Mr. Bobby Parikh (Independent Member)<br/> Mr. Manish Kejriwal (Independent Member)<br/> Mr. Ravi C. Raheja (Non Executive Non Independent Member)<br/> Mr. Neel C. Raheja (Non Executive Non Independent Member)<br/> Mr. Vinod Rohira (Non Executive Non Independent Member) w.e.f. September 1, 2023</p> <p><u>Key Managerial Personnel</u></p> <p>Mr. Ramesh Nair (Chief Executive Officer) w.e.f. September 1, 2023<br/> Mr. Vinod Rohira (Chief Executive Officer) resigned w.e.f August 31, 2023<br/> Ms. Preeti Chheda (Chief Financial Officer)</p>   |  |  |
| 19 | Entities controlled/jointly controlled by members of the Board of Directors/Key Managerial Personnel of the Manager | <p>Brookfields Agro &amp; Development Private Limited<br/> Grange Hotels And Properties Private Limited<br/> Immense Properties Private Limited<br/> Novel Properties Private Limited<br/> Pact Real Estate Private Limited<br/> Paradigm Logistics &amp; Distribution Private Limited</p> <p>Aqualine Real Estate Private Limited<br/> K Raheja Corp Real Estate Private Limited (Formerly known as "Feat Properties Private Limited") (till 8th August 2023)<br/> Carin Properties Private Limited<br/> Asterope Properties Private Limited<br/> Content Properties Private Limited<br/> Madhurawada Holdings Private Limited ( w.e.f. April 3, 2024)<br/> Sundew Real Estate Private Limited<br/> Gencoval Strategic Services Private Limited<br/> Stemade Biotech Private Limited<br/> Hariom Infrafacilities Services Private Limited</p> <p>K. Raheja Corp Advisory Services (Cyprus) Private Limited<br/> Convex Properties Private Limited<br/> M/s Bobby Parikh &amp; Associates</p> |  |  |

\* only when acting collectively

Note:

Axis Bank Limited, being a promoter of Axis Trustee Services Limited ("Trustee"), trustee to Mindspace Business Parks REIT, also a Debenture Trustee regulated by SEBI, is considered as a related party of Mindspace REIT in line with the SEBI REIT Regulations based on directions from SEBI dated 12 June 2023.





# Mindspace Business Park REIT

RN:IN/REIT/19-20/003

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

## 29 Related party disclosures

### B Transaction with related parties during the Period/Year

The nature and volume of transactions of the company with the above related parties were as follows:

| Particulars  | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited) | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|--|--|---|--|--|
| <b>Unsecured loans given to</b>                      |  |   |  |  |
| Avacado Properties & Trading (India) Private Limited | 3,360.00   | 400.00  | 590.00   | 1,370.00   |
| Gigaplex Estate Private Limited                      | 5,920.00   | 1,403.84  | 4,400.00   | 8,377.89   |
| Horizonview Properties Private Limited               | 2,015.00   | 210.00  | 2,330.00   | 7,040.00   |
| Sundew Properties Limited                            | 5,670.00   | 1,270.00  | 590.00   | 2,960.00   |
| KRC Infrastructure & Projects Private Limited        | 3,355.00   | 3,600.00  | 3,694.50   | 11,364.50  |
| Mindspace Business Park Private Limited              | 9,702.13   | 3,000.00  | 1,270.00   | 9,386.12   |
| K. Raheja IT Park (Hyderabad) Limited                | 2,275.00   | 1,300.00  | 1,870.00   | 5,370.00   |
| <b>Unsecured loans repaid by</b>                     |  |   |  |  |
| Avacado Properties & Trading (India) Private Limited | 4,030.00   | 170.00  | 1,310.00   | 1,720.00   |
| Gigaplex Estate Private Limited                      | 7,958.00   | 1,180.00  | 120.00   | 3,750.00   |
| Horizonview Properties Private Limited               | 3,366.81   | 1,230.11  | 1,840.00   | 4,440.11   |
| Sundew Properties Limited                            | 1,675.00   | 900.00  | 2,620.00   | 4,470.00   |
| KRC Infrastructure & Projects Private Limited        | 2,255.00   | 3,190.00  | 2,320.00   | 8,820.00   |
| Mindspace Business Park Private Limited              | 6,691.12   | 1,600.00  | 1,204.50   | 6,904.50   |
| K. Raheja IT Park (Hyderabad) Limited                | 870.00   | 430.00  | 320.00   | 3,805.00   |
| <b>Investment in equity shares</b>                   |  |   |  |  |
| Horizonview Properties Private Limited               | 1,999.81   | 999.79  | -  | 999.79   |





## Mindspace Business Park REIT

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

### 29 Related party disclosures

#### B Transaction with related parties during the Period/Year

The nature and volume of transactions of the company with the above related parties were as follows:

| Particulars  | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited) | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|--|--|---|--|--|
| <b>Trustee fee expenses</b>                          |  |   |  |  |
| Axis Trustee Services Limited                        | 0.59   | 0.39  | 0.72   | 1.85   |
| <b>Bank Charges</b>                                  |  |   |  |  |
| Axis Bank Limited                                    | 0.02   | 0.03  | 0.02   | 0.03   |
| <b>Dividend Income</b>                               |  |   |  |  |
| Avacado Properties & Trading (India) Private Limited | -  | 250.37  | 504.03   | 1,212.03   |
| Sundew Properties Limited                            | -  | 756.50  | 356.03   | 2,536.97   |
| Mindspace Business Park Private Limited              | -  | 1,050.00  | 370.00   | 3,160.00   |
| K. Raheja IT Park (Hyderabad) Limited                | -  | 222.49  | 1,246.00   | 2,314.00   |
| Intime properties Limited                            | -  | 266.99  | 178.00   | 978.99   |
| KRC Infrastructure & Projects Private Limited        | -  | 100.00  | -  | 350.00   |
| <b>Interest Income**</b>                             |  |   |  |  |
| Avacado Properties & Trading (India) Private Limited | 19.35  | 15.12   | 20.83  | 60.67  |
| Gigaplex Estate Private Limited                      | 372.78   | 365.66  | 287.32   | 1,381.49   |
| Horizonview Properties Private Limited               | 145.10   | 165.85  | 120.83   | 596.99   |
| Sundew Properties Limited                            | 25.95  | 15.18   | 49.80  | 92.18  |
| KRC Infrastructure & Projects Private Limited        | 235.65   | 238.91  | 210.29   | 911.52   |
| Mindspace Business Park Private Limited              | 154.23   | 87.02   | 45.31  | 282.78   |
| K. Raheja IT Park (Hyderabad) Limited                | 46.04  | 25.80   | 9.27   | 117.42   |



## Mindspace Business Park REIT

RN:IN/REIT/19-20/003

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

### 29 Related party disclosures

#### 8 Transaction with related parties during the Period/Year

The nature and volume of transactions of the company with the above related parties were as follows:

| Particulars                                       | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited) | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|---|--|---|--|--|
| <b>Reimbursement of Expenses</b>                  |  |   |  |  |
| K Raheja Corp Investment Managers Private Limited | -  | 1.35  | 0.20   | 2.49   |
| <b>Investment Management Fees</b>                 |  |   |  |  |
| K Raheja Corp Investment Managers Private Limited | 17.66  | 17.01   | 16.84  | 67.51  |
| <b>Legal &amp; Professional Fee</b>               |  |   |  |  |
| M/s Bobby Parikh & Associates                     | 0.08   | 0.15  | -  | 0.15   |
| <b>Guarantee commission fees from SPV</b>         |  |   |  |  |
| Horizonview Properties Private Limited            | -  | (0.03)  | 0.60   | 1.68   |
| Sundew Properties Limited                         | -  | -   | -  | -  |
| KRC Infrastructure & Projects Private Limited     | 0.94   | 1.82  | 0.16   | 3.17   |
| Mindspace Business Park Private Limited           | 0.00   | 0.00  | -  | 0.00   |
| <b>Guarantee commission fees to SPV</b>           |  |   |  |  |
| Gigaplex Estate Private Limited                   | -  | -   | -  | -  |
| Sundew Properties Limited                         | 0.00   | -   | 0.42   | -  |
| Mindspace Business Park Private Limited           | 0.63   | 0.05  | 10.03  | 9.47   |
| K. Raheja IT Park (Hyderabad) Limited             | -  | -   | -  | 7.04   |



## Mindspace Business Park REIT

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

### 29 Related party disclosures

#### B Transaction with related parties during the Period/Year

The nature and volume of transactions of the company with the above related parties were as follows:

| Particulars   | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited) | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|---|--|---|--|--|
| <b>Distribution paid to Sponsors, Sponsors Group, Board of directors and Key Managerial Personnel</b> |  |   |  |  |
| Anbee Constructions LLP   | 168.88   | 169.94  | 170.30   | 679.77   |
| Cape Trading LLP  | 169.04   | 170.11  | 170.30   | 680.26   |
| Ravi Chandru Raheja   | 16.37  | 16.47   | 13.02  | 62.40  |
| Neel Chandru Raheja   | 56.59  | 56.94   | 53.57  | 224.28   |
| Chandru Lachmandas Raheja   | 155.67   | 156.65  | 156.97   | 626.58   |
| Jyoti Chandru Raheja  | 70.91  | 71.36   | 71.50  | 285.42   |
| Capstan Trading LLP   | 196.03   | 197.26  | 197.67   | 789.04   |
| Casa Maria Properties LLP   | 223.33   | 224.74  | 225.21   | 898.96   |
| Palm Shelter Estate Development LLP   | 196.03   | 197.26  | 197.67   | 789.04   |
| Raghukool Estate Development LLP  | 200.36   | 201.62  | 201.97   | 806.16   |
| Genext Hardware And Parks Private Ltd   | 109.17   | 109.86  | 110.44   | 439.43   |
| K Raheja Corp Pvt. Ltd.   | 174.56   | 175.66  | 176.38   | 702.65   |
| Chandru Lachmandas Raheja (held for and on behalf of Ivory Property Trust)                            | 18.50  | 18.62   | 18.66  | 74.47  |
| Sumati Ravi Raheja  | 40.22  | 40.47   | 40.99  | 161.89   |
| Mr. Bobby Kanubhai Parikh   | 0.16   | 0.16  | 0.16   | 0.63   |
| Mr. Manish Kejriwal   | 0.56   | 0.57  | 0.57   | 2.27   |
| Mr. Vinod Rohira  | 0.28   | 0.29  | 0.29   | 1.14   |
| Mr. Ramesh Nair   | 0.33   | 0.20  | -  | 0.39   |



## Mindspace Business Park REIT

RN:IN/REIT/19-20/003

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

### 29 Related party disclosures

#### B Transaction with related parties during the Period/Year

The nature and volume of transactions of the company with the above related parties were as follows:

| Particulars  | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited) | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|--|--|---|--|--|
| <b>Non cash transactions</b>   |  |   |  |  |
| Corporate Guarantee issued to Mindspace Business Park Private Limited towards Bonds Issued   |  |   |  |  |
| Corporate Guarantee issued by Sundew Properties Limited towards Debentures issued  | 6,500.00   |   |  |  |
| Corporate Guarantee issued to KRC Infrastructure and Projects Private Limited towards Loan taken   |  |   |  | 2,100.00   |
| Corporate Guarantee issued by Mindspace Business Park Private Limited towards Debenture Issued   | 5,000.00   | 3,400.00  | 5,000.00   | 8,400.00   |
| Corporate Guarantee issued by K. Raheja IT Park (Hyderabad) Limited towards Debenture Issued   |  |   |  | 5,000.00   |
| * Includes fees paid to M/s Bobby Parikh & Associates amounting to Rs. Nil for the quarter ended 30 June 2024, Rs. 0.15 million for the quarter ended 31 March 2024, Rs. Nil for the quarter ended 30 June 2023 and Rs. 0.15 million for the year ended 31 March 2024. |  |   |  |  |
| ** after Ind AS Adjustments  |  |   |  |  |



## Mindspace Business Park REIT

RN:IN/REIT/19-20/003

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

### 29 Related party disclosures

#### C Closing Balances

| Particulars  | As at<br>30 June 2024 | As at<br>31 March 2024 |
|--|-----------------------|------------------------|
| <b>Unsecured loan receivable (non-current)</b>       |                       |                        |
| Avacado Properties & Trading (India) Private Limited | 222.60                | 892.60                 |
| Gigaplex Estate Private Limited                      | 12,873.36             | 12,393.37              |
| Horizonview Properties Private Limited               | 3,463.60              | 3,813.41               |
| Sundew Properties Limited                            | 4,850.00              | 845.00                 |
| KRC Infrastructure & Projects Private Limited        | 11,361.50             | 9,691.51               |
| Mindspace Business Park Private Limited              | 5,240.00              | 3,860.00               |
| K. Raheja IT Park (Hyderabad) Limited                | 3,006.00              | 1,441.00               |
| <b>Unsecured loan receivable (current)</b>           |                       |                        |
| Gigaplex Estate Private Limited                      | 2,500.00              | 5,018.00               |
| Horizonview Properties Private Limited               | 2,475.00              | 3,477.00               |
| Sundew Properties Limited                            | -                     | 10.00                  |
| KRC Infrastructure & Projects Private Limited        | 500.00                | 1,070.00               |
| Mindspace Business Park Private Limited              | 2,697.13              | 1,066.12               |
| K. Raheja IT Park (Hyderabad) Limited                | 80.00                 | 240.00                 |
| <b>Investment in equity share of SPVs</b>            |                       |                        |
| Avacado Properties & Trading (India) Private Limited | 9,482.25              | 9,482.25               |
| Gigaplex Estate Private Limited                      | 13,121.35             | 13,121.35              |
| Horizonview Properties Private Limited               | 2,999.72              | 999.91                 |
| Sundew Properties Limited                            | 33,722.27             | 33,722.27              |
| KRC Infrastructure & Projects Private Limited        | 6,867.84              | 6,867.84               |
| Mindspace Business Park Private Limited              | 48,813.50             | 48,813.50              |
| K. Raheja IT Park (Hyderabad) Limited                | 25,617.88             | 25,617.88              |
| Intime properties Limited                            | 15,477.77             | 15,477.77              |
| <b>Interest receivable (current)*</b>                |                       |                        |
| Gigaplex Estate Private Limited                      | 6.26                  | 301.16                 |
| Horizonview Properties Private Limited               | -                     | 79.56                  |
| Sundew Properties Limited                            | (0.08)                | 204.37                 |
| KRC Infrastructure & Projects Private Limited        | 5.22                  | 176.78                 |
| Mindspace Business Park Private Limited              | 29.56                 | 126.37                 |
| K. Raheja IT Park (Hyderabad) Limited                | 1.23                  | 37.88                  |





## Mindspace Business Park REIT

RN:IN/REIT/19-20/003

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

### 29 Related party disclosures

#### C Closing Balances

| Particulars  | As at<br>30 June 2024 | As at<br>31 March 2024 |
|--|-----------------------|------------------------|
| <b>Guarantee commission fees receivable (non-current)</b>                                    |                       |                        |
| Gigaplex Estate Private Limited  | -                     | -                      |
| Horizonview Properties Private Limited   | -                     | -                      |
| Sundew Properties Limited  | -                     | -                      |
| KRC Infrastructure & Projects Private Limited  | (0.00)                | (0.00)                 |
| Mindspace Business Park Private Limited  | 0.00                  | -                      |
| <b>Guarantee commission fees receivable (current)</b>  |                       |                        |
| Horizonview Properties Private Limited   | (0.01)                | (0.01)                 |
| KRC Infrastructure & Projects Private Limited  | 1.07                  | 4.08                   |
| Mindspace Business Park Private Limited  | -                     | 0.00                   |
| <b>Other Financial Liabilities (non-current other payables) ( Guarantee Commission fees)</b> |                       |                        |
| Sundew Properties Limited  | 4.32                  | 4.32                   |
| Mindspace Business Park Private Limited  | 9.87                  | 8.89                   |
| K. Raheja IT Park (Hyderabad) Limited  | 6.51                  | 6.51                   |
| Intime properties Limited  | 5.18                  | 5.18                   |
| <b>Other Financial Liabilities (current other liabilities) ( Guarantee Commission fees)</b>  |                       |                        |
| Gigaplex Estate Private Limited  | 5.06                  | 5.06                   |
| Sundew Properties Limited  | -                     | 6.06                   |
| Mindspace Business Park Private Limited  | -                     | (0.07)                 |
| K Raheja Corp Investment Managers Private Limited  | 17.86                 | 16.83                  |
| <b>Trade Payables</b>  |                       |                        |
| Axis Trustee Services Limited  | 2.16                  | -                      |
| <b>Co-Sponsor Initial Corpus</b>   |                       |                        |
| Anbee Constructions LLP  | 0.01                  | 0.01                   |
| Cape Trading LLP   | 0.01                  | 0.01                   |
| <b>Current Account</b>   |                       |                        |
| Axis Bank Limited  | 1,892.33              | 3,038.21               |
| <b>Dividend Account (Unpaid)</b>   |                       |                        |
| Axis Bank Limited  | 0.43                  | 0.40                   |
| <b>Corporate guarantees outstanding</b>  |                       |                        |
| Sundew Properties Limited  | -                     | 4,000.00               |
| KRC Infrastructure & Projects Private Limited  | 4,090.10              | 8,771.90               |
| Mindspace Business Park Private Limited  | -                     | 1,706.30               |



## Mindspace Business Park REIT

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

### 29 Related party disclosures

#### C Closing Balances

| Particulars   | As at<br>30 June 2024 | As at<br>31 March 2024 |
|---|-----------------------|------------------------|
| Security and Corporate guarantee issued by Sundew towards debentures Sundew Properties Limited              | 11,500.00             | 8,750.00               |
| Security and Corporate guarantee issued by MBPPL towards debentures Mindspace Business Park Private Limited | 13,400.00             | 9,150.00               |
| Security and Corporate guarantee issued by GIGAPLEX towards debentures Gigaplex Estate Private Limited      | 5,000.00              | 5,000.00               |
| Security and Corporate guarantee issued by INTIME towards debentures Intime Properties Limited              | 5,500.00              | 5,500.00               |
| Security and Corporate guarantee issued by KRIT towards debentures K. Raheja IT Park (Hyderabad) Limited    | 5,000.00              | 5,000.00               |
| *after Ind AS Adjustments   |                       |                        |



**30 Commitments and contingencies****a) Contingent Liabilities**

Mindspace REIT has provided corporate guarantees for loans availed by KRC Infra, MBPPL and Sundew and the outstanding guarantee is Rs. 4,090.10 million (31 March 2024 Rs. 14,478.20 million)

**b) Commitments**

There are no commitments as at June 30, 2024 and March 31, 2024.

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

| Particulars  | Carrying value   |                  |
|--|------------------|------------------|
|  | 30 June 2024     | 31 March 2024    |
| <b>Financial assets</b>                              |                  |                  |
| <b>Fair value through profit and loss</b>            |                  |                  |
| <b>Fair value through other comprehensive income</b> |                  |                  |
| Measured at amortised cost                           |                  |                  |
| Loans (Non current)                                  | 41,017.06        | 32,936.88        |
| Loans (current)                                      | 8,252.13         | 10,881.12        |
| Cash and cash equivalents                            | 1,892.33         | 3,038.21         |
| Other financial assets                               | 46.37            | 933.00           |
| <b>Total Assets</b>                                  | <b>51,207.89</b> | <b>47,789.20</b> |
| <b>Financial liabilities</b>                         |                  |                  |
| <b>Fair value through profit and loss</b>            |                  |                  |
| <b>Fair value through other comprehensive income</b> |                  |                  |
| Measured at amortised cost                           |                  |                  |
| Borrowings (Non Current)                             | 35,284.54        | 23,804.89        |
| Borrowings (Current)                                 | 8,277.96         | 10,931.12        |
| Other Financial Liabilities                          | 115.90           | 885.26           |
| Trade Payables                                       | 18.23            | 14.62            |
| <b>Total liabilities</b>                             | <b>43,696.63</b> | <b>35,635.89</b> |

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

**(b) Measurement of fair values**

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

- a) recognised and measured at fair value  
b) measured at amortised cost and for which fair values are disclosed in the Condensed Standalone financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, Mindspace REIT has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is mentioned below:

**Fair value hierarchy**

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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

There were no transfers between Level 1, Level 2 or Level 3 during the period/year ended 30 June 2024 and 31 March 2024.





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

32 Segment Reporting

MindSPACE REIT does not have any reportable operating segments as at 30 June 2024 and 31st March 2024 and hence, disclosure under Ind AS 108, operating segments has not been provided in the Standalone financial statements.

33 The figures for the quarter ended 31 March 2024 are the derived figures between the audited figures in respect of the year ended 31 March 2024 and the published year-to-date figures upto 31 December 2023 which were subjected to

34 Previous period figures have been regrouped, as considered necessary, to conform with current period presentation.

35 The company during the current quarter decided to disclose the amounts rounded off to Millions with 2 decimals, correspondingly the amounts pertaining to previous quarters and year have been shown in 2 decimal "0.00" represents value less than Rs. 0.005 million.



# Mindspace Business Park REIT

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Notes to the Condensed Standalone Financial Statements

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

- 36 In accordance with SEBI (LODR) Regulation, 2015 and Other requirements as per SEBI circular (No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 dated 15 May 2024) for issuance of debt securities by Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs), REIT has disclosed the following ratios:

|          | Ratios  | Quarter ended |               |              | Year ended    |
|----------|---|---------------|---------------|--------------|---------------|
|          |   | 30 June 2024  | 31 March 2024 | 30 June 2023 | 31 March 2024 |
| a(i))    | Security / Asset cover (NCD Series 1) (refer note a(i))                   | NA            | NA            | 2.56         | NA            |
| a(ii))   | Security / Asset cover (MLD Series 2) (refer note a(ii))                  | NA            | 2.27          | 2.29         | 2.27          |
| a(iii))  | Security / Asset cover (NCD Series 2) (refer note a(iii))                 | NA            | 2.55          | 2.43         | 2.55          |
| a(iv))   | Security / Asset cover (NCD Series 3) (refer note a(iv))                  | 2.29          | 2.22          | 2.17         | 2.22          |
| a(v))    | Security / Asset cover (NCD Series 4)(refer note a(v))                    | 2.57          | 2.57          | 2.50         | 2.57          |
| a(vi))   | Security / Asset cover (Mindspace REIT Green Bond 1) (refer note a(vi))   | 2.18          | 2.19          | 2.15         | 2.19          |
| a(vii))  | Security / Asset cover (NCD Series 6) (refer note a(vii))                 | 2.19          | 2.19          | 2.17         | 2.19          |
| a(viii)) | Security / Asset cover (NCD Series 7) (refer note a(viii))                | 2.29          | 2.28          | NA           | 2.28          |
| a(ix))   | Security / Asset cover (NCD Series 8) (refer note a(ix))                  | 1.83          | 1.83          | NA           | 1.83          |
| a(x))    | Security / Asset cover (NCD Series 9) (refer note a(x))                   | 1.91          | NA            | NA           | NA            |
| a(xi))   | Security / Asset cover (NCD Series 10) (refer note a(xi))                 | 1.96          | NA            | NA           | NA            |
| b        | Debt-equity ratio (in times) (refer note b)                               | 0.27          | 0.22          | 0.17         | 0.22          |
| c        | Debt service coverage ratio (in times) (refer note c)                     | 1.28          | 5.68          | 7.52         | 6.23          |
| d        | Interest service coverage ratio (in times) (refer note d)                 | 1.28          | 5.68          | 7.52         | 6.23          |
| e(i)     | Outstanding redeemable preference shares (quantity and value)             | NA            | NA            | NA           | NA            |
| e(ii)    | Capital redemption reserve  | NA            | NA            | NA           | NA            |
| f        | Debenture redemption reserve (Amount in Rs. millions)                     | NA            | NA            | NA           | NA            |
| g        | Net worth (Amount in Rs. millions)  | 163,646.20    | 166,267.54    | 166,109.06   | 166,267.54    |
| h(i)     | Net profit after tax (Amount in Rs. millions)                             | 207.36        | 2,888.65      | 2,920.93     | 11,611.98     |
| h(ii)    | Earnings per unit - Basic   | 0.35          | 4.87          | 4.92         | 19.58         |
| i        | Earnings per unit - Diluted   | 0.35          | 4.87          | 4.92         | 19.58         |
| j        | Current Ratio (in times) (refer note f)                                   | 1.22          | 1.26          | 1.41         | 1.26          |
| k        | Long term debt (non current) to working capital (in times) (refer note h) | 19.33         | 7.83          | 6.87         | 7.83          |
| l        | Bad debts to account receivable ratio (in times) (refer note l)           | NA            | NA            | NA           | NA            |
| m        | Current liability ratio (in times) (refer note i)                         | 0.19          | 0.33          | 0.26         | 0.33          |
| n        | Total debt to total assets (in times) (refer note j)                      | 0.21          | 0.18          | 0.14         | 0.18          |
| o        | Debtors Turnover (in times) (refer note k)                                | NA            | NA            | NA           | NA            |
| p        | Inventory Turnover*   | NA            | NA            | NA           | NA            |
| q        | Operating Margin (in %) (refer note m)*                                   | NA            | NA            | NA           | NA            |
| r        | Net Profit Margin (in %) (refer note n)                                   | 21%           | 81%           | 86%          | 83%           |
| s        | Sector Specific equivalent ratio*   | -             | -             | -            | -             |

\*Not Applicable (NA)



## Mindspace Business Park REIT

RN:IN/REIT/19-20/003

Notes to the Condensed Standalone Financial Statements

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

- 36 In accordance with SEBI (LODR) Regulation, 2015 and Other requirements as per SEBI circular (No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 dated 15 May 2024) for issuance of debt securities by Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs), REIT has disclosed the following ratios:

Formulae for computation of ratios are as follows basis condensed standalone financial statements :-

- a(i) Security / Asset cover ratio (NCD Series 1) = Lower of Fair value of the secured assets as computed by two independent valuers / (Outstanding principal amount of NCD Series 1 + Interest accrued thereon)
- a(ii) Security / Asset cover ratio (MLD Series 2) = Fair value of the secured assets as computed by independent valuer / (Outstanding principal amount of MLD Series 2 + Interest accrued thereon)
- a(iii) Security / Asset cover ratio (NCD Series 2) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Series 2 + Interest accrued thereon)
- a(iv) Security / Asset cover ratio (NCD Series 3) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Series 3 + Interest accrued thereon)
- a(v) Security / Asset cover ratio (NCD Series 4) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Series 4 + Interest accrued thereon)
- a(vi) Security / Asset cover ratio (Green Bond 1) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of Mindspace REIT Green Bond 1 + Interest accrued thereon)
- a(vii) Security / Asset cover ratio (NCD Series 6) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Series 6 + Interest accrued thereon)
- a(viii) Security / Asset cover ratio (NCD Series 7) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Series 7 + Interest accrued thereon)
- a(ix) Security / Asset cover ratio (NCD Series 8) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Series 8 + Interest accrued thereon)
- a(x) Security / Asset cover ratio (NCD Series 9) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Series 9 + Interest accrued thereon)
- a(xi) Security / Asset cover ratio (NCD Series 10) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Series 10 + Interest accrued thereon)
- b(i) Total Debt = Long term borrowings + Short term borrowings + Interest accrued on debts (current and non-current)
- b(ii) Debt Equity Ratio = Total Debt/Total Equity
- c) Debt Service Coverage Ratio = Earnings before interest (net of capitalization), depreciation, exceptional items and tax / (Interest expenses (net of capitalization) + Principal repayments made during the period which excludes bullet and full repayment of external borrowings)
- d) Interest Service Coverage Ratio = Earnings before interest (net of capitalization), depreciation, exceptional items and tax / (Interest expense
- e) Net worth = Corpus + Unit capital + Other equity
- f) Current ratio = Current assets/ Current liabilities
- g) Long term Debt = Long term borrowings (excluding current maturities of long term debt) + Interest accrued on debts (Non-current)
- h) Long term debt to working capital ratio = Long term debt/ working capital (i.e. Current assets less current liabilities)
- i) Current liability ratio = Current liabilities/ Total liabilities
- j) Total debt to total assets = Total debt/ Total assets
- k) Debtors Turnover = Revenue from operations (Annualised) / Average trade receivable
- l) Bad debts to account receivable ratio = Bad debts (including provision for doubtful debts) / Average trade receivable
- m) Mindspace REIT's income is earned from its investment in asset SPVs and classified as income from investment activity and therefore, operating margin ratio is not applicable and not disclosed
- n) Net profit margin = Profit after exceptional items and tax/ Total Income





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

To  
The Board of Directors,  
K Raheja Corp Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP) (The "Investment Manager")  
(Acting in capacity as the Investment Manager of Mindspace Business Parks REIT)

### Introduction

1. We have reviewed the accompanying unaudited Condensed Consolidated Interim Financial Statements of **MINDSPACE BUSINESS PARKS REIT** ("the REIT"/ "the Parent") and its subsidiaries (the "Special Purpose Vehicles") (together referred as the "Mindspace Group"), which comprise the unaudited Condensed Consolidated Balance Sheet as at June 30, 2024, the unaudited Condensed Consolidated Statement of Profit and Loss, including other comprehensive income, the unaudited Condensed Consolidated Statement of Cash Flow for the quarter ended June 30, 2024, the unaudited Condensed Consolidated Statement of changes in Unitholders' Equity for the quarter ended June 30, 2024, and the unaudited Statement of Net Distributable Cash Flow of the REIT and each of its special purpose vehicles for quarter ended June 30, 2024, as an additional disclosure in accordance with paragraph 4.6 of Chapter 4 to the Security Exchange Board of India (SEBI) Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 dated May 15, 2024 ("SEBI Circular") along with summary of the material 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 Board of Directors 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 Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 dated May 15, 2024 ("SEBI REIT Regulations"); Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"); 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 REIT Regulations. Our responsibility is to express a conclusion on the Condensed Consolidated Interim Financial Statements based on our review.

### Scope of Review

3. 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 issued by ICAI 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.



## **Deloitte Haskins & Sells LLP**

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

### **Conclusion**

5. 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 SEBI REIT Regulations, 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 REIT Regulations and has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed or that it contains any material misstatement.

### **Emphasis of matter**

6. We draw attention to Note 40(5)(a) to the Condensed Consolidated Interim Financial Statements regarding freehold land and building thereon (Paradigm, Malad) held by Avacado Properties and Trading (India) Private Limited (Special Purpose Vehicle) 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 ended June 30, 2024. Our conclusion is not modified in respect of this matter.
7. We draw attention to Note 19(a) of the Condensed Consolidated Interim Financial Statements, which describes the presentation of "Unit Capital" as "Equity" to comply with the SEBI REIT Regulations. 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: 24049660BKFRSH1508

Mumbai, July 30, 2024



Annexure "A"

List of entities included in the Condensed Consolidated Interim Financial Statements

A. Parent entity

i. Mindspace Business Parks REIT

B. 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



A handwritten signature in blue ink, consisting of a stylized 'S' followed by a horizontal line.

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

|  | Note | As at<br>30 June 2024<br>(Unaudited) | As at<br>31 March 2024<br>(Audited) |
|--|------|--------------------------------------|-------------------------------------|
| <b>ASSETS</b>  |      |                                      |                                     |
| <b>Non-current assets</b>                              |      |                                      |                                     |
| Property, plant and equipment                          | 4    | 1,138.03                             | 1,129.49                            |
| Capital work-in-progress                               | 5    | 336.45                               | -                                   |
| Investment property                                    | 6    | 204,723.14                           | 204,036.96                          |
| Investment property under construction                 | 7    | 15,395.17                            | 14,567.35                           |
| Other intangible assets                                | 8    | 1.42                                 | 1.48                                |
| <b>Financial assets</b>                                |      |                                      |                                     |
| - Investments  | 9    | 38.28                                | 33.04                               |
| - Other financial assets                               | 10   | 3,808.98                             | 3,159.79                            |
| Deferred tax assets (net)                              | 11   | 263.27                               | 300.61                              |
| Non-current tax assets (net)                           | 12   | 720.70                               | 777.69                              |
| Other non-current assets                               | 13   | 1,709.85                             | 1,174.87                            |
| <b>Total non-current assets</b>                        |      | <b>228,135.29</b>                    | <b>225,181.28</b>                   |
| <b>Current assets</b>                                  |      |                                      |                                     |
| Inventories  | 14   | 47.61                                | 43.52                               |
| <b>Financial assets</b>                                |      |                                      |                                     |
| - Trade receivables                                    | 15   | 1,248.37                             | 1,092.30                            |
| - Cash and cash equivalents                            | 15A  | 5,382.81                             | 3,250.36                            |
| - Other bank balances                                  | 15B  | 1,074.85                             | 2,850.48                            |
| - Other financial assets                               | 16   | 4,258.62                             | 3,746.78                            |
| Other current assets                                   | 17   | 650.48                               | 588.67                              |
| <b>Total current assets</b>                            |      | <b>12,662.73</b>                     | <b>11,572.11</b>                    |
| Asset held for sale                                    | 50   | 1,462.10                             | 1,464.99                            |
| <b>Total assets before regulatory deferral account</b> |      | <b>242,260.12</b>                    | <b>238,218.38</b>                   |
| Regulatory deferral account - assets                   |      | 148.35                               | 228.01                              |
| <b>Total assets</b>                                    |      | <b>242,408.47</b>                    | <b>238,446.39</b>                   |



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

|  | Note | As at<br>30 June 2024<br>(Unaudited) | As at<br>31 March 2024<br>(Audited) |
|--|------|--------------------------------------|-------------------------------------|
| <b>EQUITY AND LIABILITIES</b>  |      |                                      |                                     |
| <b>EQUITY</b>  |      |                                      |                                     |
| Corpus   | 18   | 0.01                                 | 0.01                                |
| Unit capital   | 19   | 162,838.83                           | 162,838.83                          |
| Other equity   | 20   | (22,695.68)                          | (21,149.70)                         |
| <b>Equity attributable to unit holders of the Mindspace REIT</b>                         |      | <b>140,143.16</b>                    | <b>141,689.14</b>                   |
| Non-controlling interest   | 45   | 7,692.88                             | 7,596.27                            |
| <b>Total equity</b>  |      | <b>147,836.04</b>                    | <b>149,285.41</b>                   |
| <b>LIABILITIES</b>   |      |                                      |                                     |
| <b>Non-current liabilities</b>   |      |                                      |                                     |
| <b>Financial liabilities</b>   |      |                                      |                                     |
| - Borrowings   | 21   | 62,676.45                            | 48,836.00                           |
| - Lease liabilities  |      | 118.60                               | 115.03                              |
| - Other financial liabilities  | 22   | 3,615.41                             | 3,355.03                            |
| Provisions   | 23   | 68.83                                | 61.01                               |
| Deferred tax liabilities (net)   | 24   | 4,041.80                             | 3,732.05                            |
| Other non-current liabilities  | 25   | 558.88                               | 431.16                              |
| <b>Total non-current liabilities</b>   |      | <b>71,079.97</b>                     | <b>56,530.28</b>                    |
| <b>Current liabilities</b>   |      |                                      |                                     |
| <b>Financial liabilities</b>   |      |                                      |                                     |
| - Borrowings   | 26   | 12,397.33                            | 20,892.11                           |
| - Lease liabilities  |      | 12.52                                | 12.97                               |
| - Trade payables   | 27   |                                      |                                     |
| - total outstanding dues of micro enterprises and small enterprises                      |      | 74.99                                | 223.72                              |
| - total outstanding dues of creditors other than micro enterprises and small enterprises |      | 1,113.54                             | 863.84                              |
| - Other financial liabilities  | 28   | 8,438.14                             | 9,411.48                            |
| Provisions   | 29   | 7.04                                 | 7.14                                |
| Other current liabilities  | 30   | 1,248.49                             | 1,184.76                            |
| Current tax liabilities (net)  | 31   | 200.41                               | 34.68                               |
| <b>Total current liabilities</b>   |      | <b>23,492.46</b>                     | <b>32,630.70</b>                    |
| <b>Total liabilities</b>   |      | <b>94,572.43</b>                     | <b>89,160.98</b>                    |
| <b>Total equity and liabilities</b>  |      | <b>242,408.47</b>                    | <b>238,446.39</b>                   |

**Material accounting policies**

3

See the accompanying notes to the Condensed Consolidated Financial Statements

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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 Board of Directors of

**K Raheja Corp Investment Managers Private Limited (Formerly known as K Raheja Corp Investment Managers LLP)**  
 (acting as the Manager to Mindspace Business Parks REIT)

**Nilesh Shah**  
 Partner

Membership number: 49660

Place: Mumbai

Date : 30 July 2024

**Neel C. Raheja**  
 Director

DIN: 00029010

Place: Mumbai

Date : 30 July 2024

**Ramesh Nair**  
 Chief Executive Officer

Place: Mumbai

Date : 30 July 2024

**Preeti N. Chheda**  
 Chief Financial Officer

Place: Mumbai

Date : 30 July 2024



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

**Consolidated Statement of Profit and Loss**

(All amounts in Rs. million unless otherwise stated)

| Note  | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited)* | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|---|--|--|--|--|
| <b>Income and gains</b>   |  |  |  |  |
| 32  | 6,277.45   | 6,100.33   | 5,897.86   | 24,292.00  |
| 33  | 104.16   | 93.89  | 36.11  | 296.89   |
| 34  | 30.73  | 46.80  | 83.14  | 180.01   |
|   | <b>6,412.34</b>                                      | <b>6,241.02</b>  | <b>6,017.11</b>                                      | <b>24,768.90</b>                                 |
| <b>Expenses</b>   |  |  |  |  |
|   | -  | 119.05   | 264.10   | 710.05   |
|   | -  | -  | 0.15   | 1.03   |
|   | 251.10   | 190.03   | 224.04   | 793.03   |
| 35  | 87.59  | 67.55  | 77.86  | 297.83   |
|   | 0.59   | 0.39   | 0.72   | 1.85   |
|   | 0.13   | 2.97   | 1.09   | 6.32   |
|   | 30.49  | 25.30  | 35.91  | 106.30   |
|   | 6.82   | 8.53   | 8.39   | 25.53  |
|   | 158.57   | 161.89   | 152.42   | 598.89   |
|   | 37.46  | 63.03  | 28.27  | 161.03   |
| 36  | 1,184.62   | 1,124.02   | 863.90   | 4,078.83   |
|   | <b>1,757.37</b>                                      | <b>1,762.76</b>  | <b>1,656.85</b>                                      | <b>6,780.69</b>                                  |
|   | <b>4,654.97</b>                                      | <b>4,478.26</b>  | <b>4,360.26</b>                                      | <b>17,988.21</b>                                 |
| <b>Earnings before finance costs, depreciation and amortisation, regulatory income / expense, exceptional items and tax</b> |  |  |  |  |
| 37  | 1,262.99   | 1,191.17   | 1,065.89   | 4,566.32   |
| 38  | 969.18   | 940.15   | 932.75   | 3,826.54   |
|   | <b>2,422.80</b>                                      | <b>2,346.94</b>  | <b>2,361.62</b>                                      | <b>9,595.35</b>                                  |
| <b>Profit before rate regulated activities, exceptional items and tax</b>   |  |  |  |  |
|   | (33.64)  | 7.99   | 11.30  | (8.01)   |
| Add : Regulatory income/ (expense) (net)  | (46.00)  | (29.30)  | (29.33)  | (117.30)   |
| Add : Regulatory income/(expense) (net) in respect of earlier periods   | 2,343.16   | 2,325.63   | 2,343.59   | 9,470.04   |
| <b>Profit before exceptional items and tax</b>  | -  | (363.93)   | -  | (363.93)   |
| Exceptional items (refer note 50)   | 2,343.16   | 1,961.70   | 2,343.59   | 9,106.11   |
| <b>Profit before tax</b>  |  |  |  |  |



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

**Consolidated Statement of Profit and Loss**

(All amounts in Rs. million unless otherwise stated)

| Note | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited)* | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|------|--|--|--|--|
| 39   | 618.57   | 577.05   | 500.94   | 2,084.00   |
| 39   | 347.54   | 113.73   | 473.40   | 1,409.73   |
|      | 966.11   | 690.78   | 974.34   | 3,493.73   |
|      | <b>1,377.05</b>                                      | <b>1,270.92</b>  | <b>1,369.25</b>                                      | <b>5,612.38</b>                                  |
|      |  |  |  |  |
|      | <b>1,282.72</b>                                      | <b>1,185.97</b>  | <b>1,275.48</b>                                      | <b>5,250.43</b>                                  |
|      | <b>94.33</b>   | <b>84.95</b>   | <b>93.77</b>   | <b>361.95</b>                                    |
|      |  |  |  |  |
|      | -  | (0.35)   | -  | (0.35)   |
|      | -  | -  | -  | -  |
|      | -  | -  | -  | -  |
|      | -  | -  | -  | -  |
|      | -  | (0.35)   | -  | (0.35)   |
|      | <b>1,377.05</b>                                      | <b>1,270.57</b>  | <b>1,369.25</b>                                      | <b>5,612.03</b>                                  |
|      |  |  |  |  |
|      | <b>1,282.72</b>                                      | <b>1,185.62</b>  | <b>1,275.48</b>                                      | <b>5,250.08</b>                                  |
|      | <b>94.33</b>   | <b>84.95</b>   | <b>93.77</b>   | <b>361.95</b>                                    |

Profit/(Loss) for the period/year attributable to unit holders of Mindspace REIT

Profit/(Loss) for the period/year attributable to non-controlling interests

**Other comprehensive income**

**A. (i) Items that will not be reclassified to profit or loss**

- Gain/(Loss) on 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**

Other comprehensive income attributable to unit holders of Mindspace REIT

Other comprehensive income attributable to non controlling interests

Total comprehensive income/(loss) for the period/ year

Total comprehensive income/(loss) for the period / year attributable to unit holders of Mindspace

Total comprehensive income/(loss) for the period/year attributable to non controlling interests



# MINDSPACE BUSINESS PARKS REIT

RN:IN/REIT/19-20/003

## Condensed Consolidated Financial Statements

### Consolidated Statement of Profit and Loss

(All amounts in Rs. million unless otherwise stated)

| Note   | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited)* | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|--|--|--|--|--|
| 42   |  |  |  |  |
| Earning per unit                                     |  |  |  |  |
| Before net movement in Regulatory Deferral Balances: |  |  |  |  |
| -Basic   | 2.30   | 2.04   | 2.18   | 9.06   |
| -Diluted   | 2.30   | 2.04   | 2.18   | 9.06   |
| After net movement in Regulatory Deferral Balances:  |  |  |  |  |
| -Basic   | 2.16   | 2.00   | 2.15   | 8.85   |
| -Diluted   | 2.16   | 2.00   | 2.15   | 8.85   |

## Material accounting policies

See the accompanying notes to the Condensed Consolidated Financial Statements

\*Refer Note 48

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 : 30 July 2024

for and on behalf of the Board of Directors of

K Raheja Corp Investment Managers Private Limited (Formerly known as K

Raheja Corp Investment Managers LLP)

(acting as the Manager to Mindspace Business Parks REIT)

Neel C. Raheja

Director

Ramesh Nair

Chief Executive Officer

Preeti N. Chheda

Chief Financial Officer

Place: Mumbai

Date : 30 July 2024

Place: Mumbai

Date : 30 July 2024

Place: Mumbai

Date : 30 July 2024

7

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

|  | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited)* | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|--|--|--|--|--|
| <b>A Cash flows from operating activities</b>  |  |  |  |  |
| Profit before tax  | 2,343.16   | 1,961.70   | 2,343.59   | 9,106.11   |
| <b>Adjustments for:</b>  |  |  |  |  |
| Depreciation and amortisation expense  | 969.18   | 940.15   | 932.75   | 3,826.54   |
| Finance costs  | 1,262.99   | 1,191.17   | 1,065.89   | 4,566.32   |
| Interest income  | (104.16)   | (79.01)  | (11.06)  | (250.01)   |
| (Profit)/ loss on sale of asset  | (0.09)   | -  | -  | -  |
| Provision for unbilled revenue   | -  | -  | -  | 57.43  |
| Bad debts written off  | 0.14   | -  | -  | -  |
| Provision for doubtful debts (net)   | 2.25   | 6.31   | 0.01   | 9.80   |
| Assets written off/ demolished   | 157.77   | 24.90  | 1.00   | 35.56  |
| Gain on redemption of mutual fund units  | (12.76)  | (8.17)   | (10.76)  | (35.00)  |
| Foreign exchange fluctuation loss (net)  | 0.08   | 0.39   | 0.37   | 1.13   |
| Liabilities no longer required written back  | (1.54)   | (29.63)  | (72.41)  | (124.00)   |
| Exceptional items (refer note 50)  | -  | 363.93   | -  | 363.82   |
| <b>Operating cash flow before working capital changes</b>                              | <b>4,617.02</b>                                      | <b>4,371.74</b>  | <b>4,249.38</b>                                      | <b>17,557.70</b>                                 |
| <b>Movement in working capital</b>   |  |  |  |  |
| (Increase) / decrease in inventories   | (4.09)   | 8.33   | 11.32  | 28.19  |
| (Increase) in trade receivables  | (158.46)   | (464.05)   | (114.06)   | (530.10)   |
| (Increase) / decrease in other financial assets and other assets                       | 527.66   | 64.31  | (252.19)   | (340.82)   |
| Increase / (decrease) in other financial liabilities, other liabilities and provisions | 453.87   | (60.15)  | 371.50   | (31.01)  |
| Increase in regulatory deferral account (assets / liabilities)                         | 79.66  | 21.01  | 19.00  | 126.41   |
| Increase in trade payables   | 100.88   | 202.56   | 162.40   | 378.96   |
| <b>Cash generated/(used in) from operations</b>  | <b>5,616.54</b>                                      | <b>4,143.75</b>  | <b>4,447.35</b>                                      | <b>17,189.33</b>                                 |
| Direct taxes paid net of refund received   | (395.85)   | (424.95)   | (328.29)   | (1,924.01)                                       |
| <b>Net cash generated from operating activities (A)</b>                                | <b>5,220.69</b>                                      | <b>3,718.80</b>  | <b>4,119.06</b>                                      | <b>15,265.32</b>                                 |



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

|   | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited)* | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|---|--|--|--|--|
| <b>B Cash flows from investing activities</b>   |  |  |  |  |
| Expenditure incurred on investment property, investment property under construction, property, plants and equipment and capital work-in progress including capital advances, net of capital creditors and asset acquisition (Note 6(b)) | (3,545.10)   | (2,255.96)   | (2,481.13)   | (10,831.51)                                      |
| Proceeds from sale of investment property & property plant and equipments   | 0.09   | 9.46   | -  | 12.02  |
| Investment in government bond   | (5.24)   | -  | (5.04)   | (4.01)   |
| Investment in mutual fund   | (11,351.43)  | (2,713.25)   | (5,799.72)   | (13,057.25)                                      |
| Proceeds from redemption of mutual fund   | 11,364.19  | 2,722.22   | 5,810.51   | 13,092.22  |
| Movement in fixed deposits/other bank balances  | (166.77)   | (44.98)  | (4,147.07)   | (3,873.03)                                       |
| Interest received   | 289.69   | 9.97   | 13.44  | 75.01  |
| <b>Net cash (used in) investing activities ( B )</b>  | <b>(3,414.58)</b>                                    | <b>(2,272.54)</b>                                      | <b>(6,609.01)</b>                                    | <b>(14,586.54)</b>                               |
| <b>C Cash flows from financing activities</b>   |  |  |  |  |
| Proceeds from external borrowings   | 7,061.63   | 2,244.99   | 8,076.46   | 15,975.20  |
| Repayment of external borrowings including non-convertible debentures and bonds   | (16,236.88)  | (1,513.88)   | (8,686.47)   | (15,713.88)                                      |
| Proceeds from issue of non-convertible debentures and bonds   | 11,500.00  | 3,400.02   | 5,000.00   | 13,399.57  |
| Proceeds from issue of commercial paper   | 3,287.13   | -  | -  | 1,446.12   |
| Non-convertible debentures issue expenses   | (15.76)  | (6.16)   | (21.52)  | (61.01)  |
| Redemption of commercial paper  | (1,446.12)   | -  | -  | -  |
| Payment towards lease liabilities   | -  | (13.09)  | -  | (12.42)  |
| Distribution to unitholders and dividend to non-controlling interest holder (including tax)   | (2,828.70)   | (3,000.95)   | (3,072.42)   | (12,106.95)                                      |
| Recovery expense fund deposits  | -  | -  | (1.05)   | (0.95)   |
| Finance costs paid  | (2,192.21)   | (1,265.15)   | (992.91)   | (4,561.46)                                       |
| <b>Net cash generated/(used in) financing activities ( C )</b>  | <b>(870.92)</b>                                      | <b>(154.22)</b>  | <b>302.09</b>  | <b>(1,635.78)</b>                                |
| <b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>   | <b>935.21</b>  | <b>1,292.04</b>  | <b>(2,187.86)</b>                                    | <b>(957.00)</b>                                  |





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

|  | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited)* | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|--|--|--|--|--|
| <b>Cash and cash equivalents at the beginning of the period/year</b>   | 1,886.00   | 593.96   | 2,843.00   | 2,843.00   |
| <b>Cash and cash equivalents at the end of the period / year</b>       | 2,821.21   | 1,886.00   | 655.14   | 1,886.00   |
| <b>Cash and cash equivalents comprises (refer note no. 15A and 26)</b> |  |  |  |  |
| Cash on hand   | 3.30   | 3.21   | 3.00   | 3.21   |
| Balance with banks   |  |  |  |  |
| - in current accounts  | 5,378.14   | 3,194.76   | 3,192.63   | 3,194.76   |
| - in escrow accounts   | 1.37   | 52.39  | 11.41  | 52.39  |
| - in deposit accounts with original maturity of less than three months | -  | -  | 310.00   | -  |
| Less : Bank overdraft  | (2,561.60)   | (1,364.36)   | (2,861.90)   | (1,364.36)                                       |
| <b>Cash and cash equivalents at the end of the period / year</b>       | 2,821.21   | 1,886.00   | 655.14   | 1,886.00   |

**Material accounting policies - refer note 3**

Note: 1. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) 7 - "Statement of Cash Flows".  
 See the accompanying notes to the Condensed Consolidated Financial Statements

\*Refer Note 48

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 : 30 July 2024

for and on behalf of the Board of Directors of

**K Raheja Corp Investment Managers Private Limited (Formerly known as K Raheja Corp Investment Managers LLP)**

(acting as the Manager to Mindspace Business Parks REIT)

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

Place: Mumbai  
 Date : 30 July 2024

**Ramesh Nair**  
 Chief Executive Officer

Place: Mumbai  
 Date : 30 July 2024

**Preeti N. Chheda**  
 Chief Financial Officer

Place: Mumbai  
 Date : 30 July 2024

*(Signature)*

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

| <b>A. Corpus</b>  | <b>Amount</b> |
|---|---------------|
| Balance as on 1 April 2023  | 0.01          |
| Changes during the year   | -             |
| Balance as on 31 March 2024   | 0.01          |
| Balance as on 1 April 2024  | 0.01          |
| Changes during the period   | -             |
| Closing balance as on 30 June 2024  | 0.01          |
| <b>Corpus</b>   | <b>Amount</b> |
| Balance as on 1 April 2023  | 0.01          |
| Changes during the period   | -             |
| Balance as on 30 June 2023  | 0.01          |
| <b>B. Unit Capital</b>  | <b>Amount</b> |
| Balance as at 1 April 2023  | 162,838.82    |
| Changes during the year   | -             |
| Balance as at 31 March 2024   | 162,838.82    |
| Balance as at 1 April 2024  | 162,838.82    |
| Changes during the period   | -             |
| Balance as at 30 June 2024  | 162,838.82    |
| <b>Unit Capital</b>   | <b>Amount</b> |
| Balance as at 1 April 2023  | 162,838.82    |
| Changes during the period   | -             |
| Balance as at 30 June 2023  | 162,838.82    |
| <b>C. Other equity</b>  |               |
| <b>Retained Earnings</b>  | <b>Amount</b> |
| Balance as at 1 April 2023  | (15,546.48)   |
| Add: Profit for the year attributable to the unitholders of Mindspace REIT                  | 5,250.43      |
| Add: Other comprehensive income/(expense) attributable to the unitholders of Mindspace REIT | (0.35)        |
| Less: Distribution to unitholders for the quarter ended 31 March 2023*                      | (2,852.49)    |
| Less: Distribution to unitholders for the quarter ended 30 June 2023*                       | (2,846.49)    |
| Less: Distribution to unitholders for the quarter ended 30 September 2023*                  | (2,841.49)    |
| Less: Distribution to unitholders for the quarter ended 31 December 2023*                   | (2,846.49)    |
| Less: Transfer to/from debenture redemption reserve**                                       | 133.66        |
| Balance as at 31 March 2024   | (21,549.70)   |
| Balance as at 1 April 2024  | (21,549.70)   |
| Add: Profit for the year attributable to the unitholders of Mindspace REIT                  | 1,282.72      |
| Add: Other comprehensive income/(expense) attributable to the unitholders of Mindspace REIT | -             |
| Less: Distribution to unitholders for the quarter ended 31 March 2024*                      | (2,828.70)    |
| Less: Transfer to/from debenture redemption reserve**                                       | 400.00        |
| Balance as at 30 June 2024  | (22,695.68)   |
| <b>Other equity</b>   |               |
| <b>Retained Earnings</b>  | <b>Amount</b> |
| Balance as at 1 April 2023  | (15,546.33)   |
| Add: Profit for the period attributable to the unitholders of Mindspace REIT                | 1,275.48      |
| Add: Other comprehensive income attributable to the unitholders of Mindspace REIT           | -             |
| Less: Distribution to Unitholders for the quarter ended 31 March 2023*                      | (2,852.42)    |
| Less: Transfer to/from Debenture Redemption Reserve**                                       | 134.00        |
| Balance as at 30 June 2023  | (16,989.27)   |



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

| <b>Debtenture Redemption Reserve**</b> | <b>Amount</b> |
|--|---------------|
| Balance as at 1 April 2023             | 534.00        |
| Transfer to retained earnings          | (299.03)      |
| Transfer from retained earnings        | 165.03        |
| Balance as at 31 March 2024            | 400.00        |
| Balance as at 1 April 2024             | 400.00        |
| Transfer to retained earnings          | (400.00)      |
| Balance as at 30 June 2024             | -             |

| <b>Debtenture Redemption Reserve**</b> | <b>Amount</b> |
|--|---------------|
| Balance as at 1 April 2023             | 534.00        |
| Transfer to retained earnings          | (165.03)      |
| Transfer from retained earnings        | 31.03         |
| Balance as at 30 June 2023             | 400.00        |

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

\*\* Refer Note 20

**Material accounting policies - refer note 3**

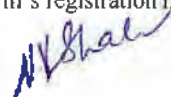
See the accompanying notes to the Condensed Consolidated Financial Statements

4-51

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

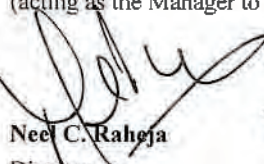
Membership number: 49660

Place: Mumbai

Date : 30 July 2024

for and on behalf of the Board of Directors of

**K Raheja Corp Investment Managers Private Limited (Formerly known as K Raheja Corp Investment Managers LLP)**  
(acting as the Manager to Mindspace Business Parks REIT)



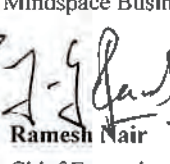
**Neel C. Raheja**

Director

DIN: 00029010

Place: Mumbai

Date : 30 July 2024

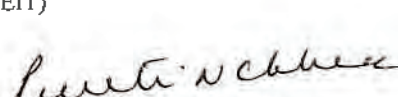


**Ramesh Nair**

Chief Executive Officer

Place: Mumbai

Date : 30 July 2024



**Preeti N. Chheda**

Chief Financial Officer

Place: Mumbai

Date : 30 July 2024





# MINDSPACE BUSINESS PARKS REIT

RN:IN/REIT/19-20/003

## Condensed Consolidated Financial Statements

Disclosure pursuant to SEBI master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43

(All amounts in Rs. million unless otherwise stated)

Net Distributable Cash Flows (NDCF) pursuant to SEBI master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 <sup>(6)</sup>

### (i) Mindspace REIT Standalone

| Particulars  | For the quarter ended<br>30 June 2024<br>(Unaudited) |
|--|--|
| Cashflows from operating activities of the Trust   | (68.19)  |
| (+) Cash flows received from SPV's / Investment entities which represent distributions of NDCF computed as per relevant framework <sup>(1) &amp; (4)</sup>   | 4,637.09   |
| (+) Treasury income / income from investing activities of the Trust (interest income received from FD, any investment entities as defined in Regulation 18(5), tax refund, any other income in the nature of interest, profit on sale of Mutual funds, investments, assets etc., dividend income etc., excluding any Ind AS adjustments. Further clarified that these amounts will be considered on a cash receipt basis)  | 11.30  |
| (+) Proceeds from sale of real estate investments, real estate assets or shares of SPVs/Holdcos or Investment Entity adjusted for the following  | -  |
| • Applicable capital gains and other taxes   | -  |
| • Related debts settled or due to be settled from sale proceeds  | -  |
| • Directly attributable transaction costs  | -  |
| • Proceeds reinvested or planned to be reinvested as per Regulation 18(16)(d) of REIT Regulations or Regulation 18(7) of InvIT Regulations or any other relevant provisions of the REIT/InvIT Regulations  | -  |
| (+) Proceeds from sale of real estate investments, real estate assets or sale of shares of SPVs/ Hold cos or Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(16)(d) of REIT Regulations or Regulation 18(7) of InvIT Regulations or any other relevant provisions of the REIT/InvIT Regulations, if such proceeds are not intended to be invested subsequently   | -  |
| (-) Finance cost on Borrowings, excluding amortisation of any transaction costs as per Profit and Loss account of the Trust <sup>(2 &amp; 3)</sup>   | (1,587.55)   |
| (-) Debt repayment at Trust level (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments / debt refinanced through new debt in any form or funds raised through issuance of units)  | -  |
| (-) any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks or financial institution from whom the Trust or any of its SPV/ HoldCos have availed debt or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, (iv) agreement pursuant to which the SPV/ HoldCo operates or owns an infrastructure asset or real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations or approvals- | -  |
| (-) any capital expenditure on existing assets owned / leased by the REIT, to the extent not funded by debt / equity or from contractual reserves created in the earlier years   | -  |
| <b>NDCF at Trust Level</b>   | <b>2,992.65</b>                                      |



**MINDSPACE BUSINESS PARKS REIT**

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

**Condensed Consolidated Financial Statements**

**Disclosure pursuant to SEBI master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43**

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

**Net Distributable Cash Flows (NDCF) pursuant to SEBI master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43<sup>(5)</sup>**

Note 1. The Board of Directors of the Manager to the Trust, in their meeting held on 30 July 2024, has declared distribution to unitholders of Rs 5.04 per unit which aggregates to Rs. 2,988.81 million for the quarter ended 30 June 2024. The distributions of Rs 5.04 per unit comprises Rs. 3.03 per unit in the form of dividend, Rs. 1.66 per unit in the form of repayment of debt by SPV to REIT, Rs. 0.34 per unit in the form of interest payment and Rs. 0.01 per unit in the form of other income. The aggregate distribution includes Rs. 109.00 million received by REIT out of surplus cash of Asset SPVs.

Note 2. As per the Revised NDCF Framework, finance cost on Borrowings includes processing fees paid of Rs. 15.76 million.

Note 3: Finance cost on borrowings includes interest accrued but not due on loans as of 31 March 2024 of Rs. 829.84 million, paid in current quarter, but not part of the NDCF of the earlier quarters.

Note 4. Rs. 2,328.30 million has been received post 30 June 2024, but before finalisation and adoption of financial statements by the board of directors and forms part of the NDCF for the quarter ended 30 June 2024 in line with the Revised NDCF Framework.

Note 5 : In order to promote standardisation of framework for computing NDCF, a revised framework was defined by SEBI vide master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 dated 15 May 2024 ("Revised NDCF Framework") (erstwhile SEBI Circular No. SEBI/HO/DDHS-PoD/P/CIR/2023/185 dated December 6, 2023 on revised NDCF framework). As per the framework, the Manager is required to declare and distribute at least 90% of the NDCF of Mindspace REIT as distributions ("REIT Distributions"). This framework is applicable with effect from 1 April 2024. Accordingly, Mindspace REIT has computed the NDCF for the period ended 30 June 2024 as per the revised framework. Comparatives have not been provided in this framework for all the previous periods presented.

As per our report of even date attached.

**for Deloitte Haskins & Sells LLP**

**Chartered Accountants**

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



**Nitesh Shah**

Partner

Membership number: 49660

Place: Mumbai

Date : 30 July 2024

for and on behalf of the Board of Directors of

**K Raheja Corp Investment Managers Private Limited (Formerly known as K Raheja Corp Investment**

**Managers LLP)**

(acting as the Manager to Mindspace Business Parks REIT)



**Neel C. Raheja**

Director

DIN: 000290106

Place: Mumbai

Date : 30 July 2024

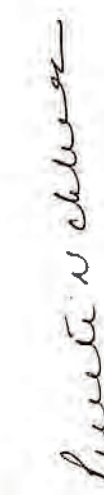


**Ramesh Nair**

Chief Executive Officer

Place: Mumbai

Date : 30 July 2024



**Preeti N. Chheda**

Chief Financial Officer

Place: Mumbai

Date : 30 July 2024



# MINDSPACE BUSINESS PARKS REIT

RN:IN/REIT/19-20/003

## Condensed Consolidated Financial Statements

Disclosure pursuant to SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116

(All amounts in Rs. million unless otherwise stated)

### Net Distributable Cash Flows (NDCF) pursuant to guidance under SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116

#### (i) Mindspace REIT Standalone

| Sr. no. | Description  | For the quarter ended<br>31 March 2024<br>(Unaudited) | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|---------|--|---|--|--|
| 1.      | Cash flows received from Asset SPVs including but not limited to:  |   |  |  |
|         | · interest   | 794.49  | 654.01   | 3,048.46   |
|         | · dividends (net of applicable taxes)  | 2,645.99  | 2,654.06   | 10,551.63  |
|         | · repayment of REIT Funding  | -   | -  | -  |
|         | · proceeds from buy-backs/ capital reduction (net of applicable taxes)   | -   | -  | -  |
|         | · redemption proceeds from preference shares or any other similar instrument   | -   | -  | -  |
| 2.      | Add: Proceeds from sale of investments, assets, sale of shares of Asset SPVs, liquidation of any other asset or investment (incl. cash equivalents) or any form of fund raise at Mindspace REIT level adjusted for the following: (1)  | 6,563.99  | 11,684.50  | 31,278.55  |
|         | · applicable capital gains and other taxes, if any   | -   | -  | -  |
|         | · debts settled or due to be settled from sale proceeds  | -   | -  | -  |
|         | · transaction costs  | -   | -  | -  |
|         | · proceeds re-invested or planned to be reinvested in accordance with the REIT regulations   | -   | -  | -  |
|         | · any acquisition  | -   | -  | -  |
|         | · investments as permitted under the REIT regulations  | (999.79)  | -  | (999.79)   |
|         | · lending to Asset SPVs  | (5,563.84)  | (11,684.50)  | (28,298.51)                                      |
| 3.      | as maybe deemed necessary by the Manager<br>Add: Proceeds from sale of investments, assets or sale of shares of Asset SPVs not distributed pursuant to an earlier plan to re-invest in accordance with the REIT Regulations, if such proceeds are not intended to be invested subsequently | -   | -  | -  |
| 4.      | Add: Any other income received by Mindspace REIT not captured herein   | 3.52  | 8.16   | 15.62  |
| 5.      | Less: Any other expenses paid by Mindspace REIT not captured herein  | (6.01)  | (11.40)  | (43.49)  |
| 6.      | Less: Any expense in the nature of capital expenditure at Mindspace REIT level   | -   | -  | -  |



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

Disclosure pursuant to SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116

(All amounts in Rs. million unless otherwise stated)

Net Distributable Cash Flows (NDCF) pursuant to guidance under SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116

**(i) Mindspace REIT Standalone**

| Sr. no.                                    | Description  | For the quarter ended<br>31 March 2024<br>(Unaudited) | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|--|--|---|--|--|
| 7.   | Less: Net debt repayment / (drawdown), redemption of preference shares / debentures / any other such instrument / premiums / any other obligations / liabilities, etc., as maybe deemed necessary by the Manager | -   | -  | (2,000.00)                                       |
| 8.   | Add/Less: Other adjustments, including but not limited to net changes in security deposits, working capital, etc., as may be deemed necessary by the Manager (2)   | (94.15)   | (77.28)  | (262.05)   |
| 9.   | Less: Interest paid on external debt borrowing at Mindspace REIT level   | (502.96)  | (362.62)   | (1,850.83)                                       |
| 10.  | Less: Income tax and other taxes (if applicable) at the standalone Mindspace REIT level  | (1.90)  | (1.20)   | (10.07)  |
| <b>Net Distributable Cash Flows (NDCF)</b> |  | <b>2,839.34</b>                                       | <b>2,863.73</b>                                      | <b>11,429.52</b>                                 |

Note 1. Repayment of REIT funding which is further lent to SPVs has been captured under "Liquidation of assets"

Note 2. Lending to and repayment from SPVs within the same period has been adjusted under "Other Adjustments" and includes loan given by REIT to SPV out of surplus funds or repayment of such loans.

Note 3. NDCF is calculated on quarterly basis and amount presented for the year end is mathematical summation of quarterly numbers.

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 Board of Directors of

**K Raheja Corp Investment Managers Private Limited (Formerly known as K****Raheja Corp Investment Managers LLP)**

(acting as the Manager to Mindspace Business Parks REIT)

**Nilesh Shah**

Partner

Membership number: 49660

Place: Mumbai

Date : 30 July 2024

Place: Mumbai

Date : 30 July 2024

Place: Mumbai

Date : 30 July 2024

Place: Mumbai

Date : 30 July 2024

**Neel C. Ratheja**

Director

DIN: 00029010

**Ramesh Nair**

Chief Executive Officer

**Preeti N. Chheda**

Chief Financial Officer



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

Disclosure pursuant to SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43

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

Additional disclosures as required by SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43

Net Distributable Cash Flows (NDCF) pursuant to SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43

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

For the quarter ended 30 June 2024 pursuant to SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 <sup>(i)</sup>

| Description  | Avaado  | MBPPL    | Horizonview | Gigaplex | KRC Infra | Intime  | KRIT    | Sundew   | Total    |
|--|---------|----------|-------------|----------|-----------|---------|---------|----------|----------|
| Cash flow from operating activities as per Cash Flow Statement of HoldCo/ SPV  | 277.20  | 1,386.35 | 234.78      | 1,262.35 | 400.14    | 317.89  | 290.19  | 1,125.31 | 5,294.21 |
| Add: Cash Flows received from SPV's which represent distributions of NDCF computed as per relevant framework   | -       | -        | -           | -        | -         | -       | -       | -        | -        |
| Add: Treasury income / income from investing activities (interest income received from FD, tax refund, any other income in the nature of interest, profit on sale of Mutual funds, investments, assets etc., dividend income etc., excluding any Ind AS adjustments. Further clarified that these amounts will be considered on a cash receipt basis)  | 1.83    | 169.09   | 0.10        | 5.11     | 5.00      | 86.70   | 3.07    | 10.91    | 281.82   |
| Add: Proceeds from sale of real estate investments, real estate assets or shares of SPVs or Investment Entity adjusted for the following:  | -       | -        | -           | -        | 0.17      | -       | -       | -        | 0.17     |
| • Applicable capital gains and other taxes   | -       | -        | -           | -        | -         | -       | -       | -        | -        |
| • Related debts settled or due to be settled from sale proceeds  | -       | -        | -           | -        | -         | -       | -       | -        | -        |
| • Directly attributable transaction costs  | -       | -        | -           | -        | -         | -       | -       | -        | -        |
| • Proceeds reinvested or planned to be reinvested as per Regulation 18(16)(d) of REIT Regulations or Regulation 18(7) of InvIT Regulations or any other relevant provisions of the REIT/InvIT Regulations  | -       | -        | -           | -        | -         | -       | -       | -        | -        |
| Add: Proceeds from sale of real estate investments, real estate assets or sale of shares of SPVs or Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(16)(d) of REIT Regulations or Regulation 18(7) of InvIT Regulations or any other relevant provisions of the REIT/InvIT Regulations, if such proceeds are not intended to be invested subsequently  | -       | -        | -           | -        | -         | -       | -       | -        | -        |
| Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per Profit and Loss Account and any shareholder debt / loan from Trust <sup>(2 &amp; 3)</sup>   | (86.35) | (152.04) | (64.04)     | (55.28)  | (123.45)  | (0.73)  | (30.30) | (121.73) | (633.93) |
| Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments / debt refinancing through new debt, in any form or equity raise as well as repayment of any shareholder debt / loan from Trust)  | -       | -        | (2.22)      | (6.11)   | -         | -       | (15.16) | -        | (23.49)  |
| (-) any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with: (i). loan agreement entered with banks or financial institution from whom the Trust or any of its SPV/ HoldCos have availed debt or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii) terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, (iv) agreement pursuant to which the SPV/ HoldCo operates or owns an infrastructure asset or real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v) statutory, judicial, regulatory, or governmental stipulations or approvals | (30.48) | (22.50)  | -           | (10.74)  | (92.79)   | (23.16) | (71.18) | (10.22)  | (261.07) |



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

Disclosure pursuant to SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43

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

Additional disclosures as required by SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43

Net Distributable Cash Flows (NDCF) pursuant to SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43

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

For the quarter ended 30 June 2024 pursuant to SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 <sup>(i)</sup>

| Description   | Avacado | MBPPL    | Horizonview | Gigaplex | KRC Infra | Intime | KRIT   | Sundew   | Total    |
|---|---------|----------|-------------|----------|-----------|--------|--------|----------|----------|
| Less: any capital expenditure to the extent not funded by debt / equity or from reserves created in the earlier years | -       | -        | -           | -        | -         | -      | -      | -        | -        |
| Net Distributable Cash Flows for HoldCo/SPVs  | 162.20  | 1,380.90 | 168.62      | 1,195.33 | 189.08    | 380.70 | 176.62 | 1,004.27 | 4,657.72 |
| Surplus cash on account of Liquidation of fixed deposits  | -       | -        | -           | -        | -         | 100.00 | -      | 20.00    | 120.00   |
| NDCF including surplus cash   | 162.20  | 1,380.90 | 168.62      | 1,195.33 | 189.08    | 480.70 | 176.62 | 1,024.27 | 4,777.72 |

Note 1: In order to promote standardisation of framework for computing NDCF, a revised framework was defined by SEBI vide master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 dated 15 May 2024 (erstwhile SEBI Circular No. SEBI/HO/DDHS/DDHS-PoD/P/CIR/2023/185 dated December 6, 2023 on revised NDCF framework). As per the framework, the SPVs are required to declare and distribute at least 90% of their NDCF as distributions ("SPV Distributions") to Mindspace REIT in proportion of its holding in the SPVs subject to applicable provisions of the Companies Act, 2013. This framework is applicable with effect from 1 April 2024. Accordingly, the SPVs have computed the NDCF for the period ended 30 June 2024 as per the revised framework. Comparatives have not been provided in this framework for all the previous periods presented

Note 2: As per the Revised NDCF Framework, finance cost on Borrowings includes processing fees paid of Rs. 26.62 million.

Note 3: Finance cost on Borrowings includes interest accrued but not due on loans as of 31 March 2024 of Rs. 69.43 million paid in current quarter, and was not part of the NDCF of the earlier quarters

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 Board of Directors of

**K Raheja Corp Investment Managers Private Limited (Formerly known as K Raheja Corp Investment Managers LLP)**

(acting as Manager to the Mindspace Business Parks REIT)

**Nilish Shah**

Partner

Membership number: 49660

Place: Mumbai

Date : 30 July 2024

**Neel C. Raheja**

Director

DIN: 00029010

Place: Mumbai

Date : 30 July 2024

**Ramesh Vair**

Chief Executive Officer

Place: Mumbai

Date : 30 July 2024

**Preeti N. Chheda**

Chief Financial Officer

Place: Mumbai

Date : 30 July 2024

**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

Disclosure pursuant to SEBI master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116

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

Additional disclosures as required by SEBI master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116

Net Distributable Cash Flows (NDCF) pursuant to guidance under SEBI master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116

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

 For the quarter ended 31 March 2024 pursuant to guidance under SEBI master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116<sup>(3)</sup>

| Sr. no. | Description   | Avacado | MBPPL    | Horizonview | Gigaplex | KRC Infra | Intime | KRIT    | Sundew | Elimination <sup>(1)</sup> | Total    |
|---------|---|---------|----------|-------------|----------|-----------|--------|---------|--------|----------------------------|----------|
| 1.      | Profit after tax as per Statement of profit and loss/income and expenditure (standalone) (A)  | 130.16  | 573.50   | (128.81)    | (33.41)  | 102.86    | 238.85 | 141.13  | 515.28 | -                          | 1,539.56 |
| 2.      | Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure   | 29.43   | 149.96   | 44.40       | 159.03   | 80.95     | 18.90  | 37.67   | 120.52 | -                          | 640.86   |
| 3.      | Add/Less: Loss/gain on sale of real estate assets   | -       | -        | -           | -        | -         | -      | -       | -      | -                          | -        |
| 4.      | Add: Proceeds from sale of real estate assets, liquidation of any other asset or investment (incl. cash equivalents) or any form of fund raise at the Asset SPV level adjusted for the following:   | 230.00  | 1,400.00 | 999.79      | 223.81   | 410.00    | -      | 870.00  | 370.00 | (1,020.00)                 | 3,483.60 |
|         | debits settled or due to be settled from sale proceeds  | -       | -        | -           | -        | -         | -      | -       | -      | -                          | -        |
|         | transaction costs   | -       | -        | -           | -        | -         | -      | -       | -      | -                          | -        |
|         | proceeds re-invested or planned to be reinvested in accordance with the REIT Regulations  | -       | -        | -           | -        | -         | -      | -       | -      | -                          | -        |
|         | any acquisition   | -       | -        | -           | -        | -         | -      | -       | -      | -                          | -        |
|         | investment in any form as permitted under the REIT Regulations  | -       | -        | -           | -        | -         | -      | -       | -      | -                          | -        |
|         | as may be deemed necessary by the Manager   | -       | -        | -           | -        | -         | -      | -       | -      | -                          | -        |
| 5.      | Add: Proceeds from sale of real estate assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently   | -       | -        | -           | -        | -         | -      | -       | -      | -                          | -        |
| 6.      | Add/Less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), as may be deemed necessary by the Manager  | 18.66   | (2.07)   | 19.91       | 81.49    | 120.67    | 28.23  | 31.20   | 185.40 | -                          | 483.49   |
|         | For example, any decrease/increase in carrying amount of an asset or of a liability recognised in statement of profit and loss/income and expenditure on measurement of the asset or the liability at fair value, interest cost as per effective interest rate method, deferred tax, lease rents recognised on a straight line basis, etc | -       | -        | -           | -        | -         | -      | -       | -      | -                          | -        |
| 7.      | Add: Cash flow received from Asset SPV and investment entity, if any including (applicable for Holdco only, to the extent not covered above):   | -       | -        | -           | -        | -         | -      | -       | -      | -                          | -        |
|         | repayment of the debt in case of investments by way of debt   | -       | -        | -           | -        | -         | -      | -       | -      | -                          | -        |
|         | proceeds from buy-backs/ capital reduction  | -       | -        | -           | -        | -         | -      | -       | -      | -                          | -        |
| 8.      | Add: Interest on borrowings from Mindspace REIT <sup>(5)</sup>  | 15.56   | 77.03    | 150.10      | 305.67   | 214.47    | -      | 20.28   | 11.35  | -                          | 794.46   |
| 9.      | Add/Less: Other adjustments, including but not limited to net changes in security deposits, working capital, etc., as may be deemed necessary by the Manager <sup>(2) &amp; (4)</sup>   | (10.79) | (211.50) | (20.96)     | (125.00) | 131.50    | 96.68  | (15.25) | 8.83   | -                          | (146.49) |





**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

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

Additional disclosures as required by SEBI master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116

Net Distributable Cash Flows (NDCF) pursuant to guidance under SEBI master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116

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

For the quarter ended 31 March 2024 pursuant to guidance under SEBI master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116<sup>(a)</sup>

| 10. Less: Any expense in the nature of capital expenditure including capitalized interest thereon (to the parties other than Mindspace REIT), overheads, etc <sup>(4)</sup>   | (20.11)       | (41.93)         | (6.18)          | (428.20)      | (861.55)      | (137.99)      | (702.79)      | (147.80)      | -                 | (2,346.55)      |
|---|---------------|-----------------|-----------------|---------------|---------------|---------------|---------------|---------------|-------------------|-----------------|
| 11. Less: Net debt repayment / (drawdown) / redemption of preference shares / debentures / any other such instrument / premiums / accrued interest / any other obligations / liabilities etc., to parties other than Mindspace REIT, as may be deemed necessary by the Manager                              | (126.66)      | (773.51)        | 108.01          | 114.44        | 126.64        | 41.05         | (107.36)      | (213.33)      | -                 | (830.72)        |
| 12. Less: Proceeds to shareholders other than Mindspace REIT through buyback of shares/ capital reduction/ dividend paid on preference or equity capital, buyback distribution tax if any paid on the same, and further including buyback distribution tax, if applicable on distribution to Mindspace REIT | -             | -               | -               | -             | -             | (33.22)       | (28.05)       | (93.95)       | -                 | (155.22)        |
| <b>Total Adjustments (B)</b>  | 136.09        | 597.99          | 1,295.06        | 331.24        | 222.68        | 13.66         | 105.70        | 241.01        | (1,020.00)        | 1,923.43        |
| <b>Net Distributable Cash Flows (C)=(A+B)</b>   | <b>266.25</b> | <b>1,171.49</b> | <b>1,166.25</b> | <b>297.83</b> | <b>325.54</b> | <b>252.51</b> | <b>246.83</b> | <b>756.29</b> | <b>(1,020.00)</b> | <b>3,462.99</b> |

Note 1: For the purpose of eliminations, repayment of Inter SPV loans and repayment of loans to REIT (further lent to Asset SPVs) is considered

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

Note 3: As per Chapter V, clause 16(a) of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time, the entity is required to distribute not less than 90% of net distributable cash flows of the entity to Mindspace REIT in proportion of its holding in the SPV subject to applicable provisions in the Companies Act, 2013. As per distribution policy adopted by the board of directors of Mindspace REIT's Manager (K. Raheja Corp Investment Managers Private Limited), any proceeds to shareholders other than Mindspace REIT is reduced to arrive at net distributable cash flows (NDCF)

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

Note 4: During the quarter ended March 31, 2024, in case of Horizonview, MBPPL and Sundew a total amount of Rs 194.01 million, 178.00 million and 46.48 million respectively have been transferred from capital expenditure to other adjustments pursuant to lease commencement of fit-outs.

Note 5: Interest on borrowings from Mindspace REIT includes the interest paid to Mindspace REIT and the interest accrued but not paid is considered in the item no 9 (Add/Less: Other adjustments, including but not limited to net changes in security deposits, working capital, etc., as may be deemed necessary by the Manager)

Note 6: In case of Horizonview, the balance in book overdraft for previous quarter disclosed under Other Current Financial liabilities are considered to determine net distributable cash flow for the current quarter

As per our report of even date attached:

for Deloitte Haskins &amp; Sells LLP

Chartered Accountants

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

Nitesh Shah

Partner

Membership number: 49660

Place: Mumbai

Date: 30 July 2024

for and on behalf of the Board of Directors of

K Raheja Corp Investment Managers Private Limited (Formerly known as K Raheja Corp Investment Managers LLP)

Acting as Manager to the Mindspace Business Parks REIT

Neel C. Raheja

Director

DIN: 00029010

Place: Mumbai

Date: 30 July 2024

Ramesh Khair

Chief Executive Officer

Place: Mumbai

Date: 30 July 2024

Preeti N. Chheda

Chief Financial Officer

Place: Mumbai

Date: 30 July 2024

# MINDSPACE BUSINESS PARKS REIT

RN:IN/REIT/19-20/003

## Condensed Consolidated Financial Statements

Disclosure pursuant to SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116

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

Additional disclosures as required by SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116

Net Distributable Cash Flows (NDCF) pursuant to guidance under SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116

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

For the quarter ended 30 June 2023 pursuant to guidance under Paragraph 6 to SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116 <sup>(3)</sup>

| Sr. no. | Description   | Avacado  | MBPPL      | Horizonview | Gigaplex | KRC Infra | Intime     | KRIT     | Sundew | Elimination <sup>(1)</sup> | Total      |
|---------|---|----------|------------|-------------|----------|-----------|------------|----------|--------|----------------------------|------------|
| 1.      | Profit after tax as per Statement of profit and loss/income and expenditure (standalone) (A)  | 129.49   | 530.15     | (167.93)    | (33.16)  | 48.61     | 233.63     | 192.72   | 533.07 | -                          | 1,466.58   |
| 2.      | Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure   | 28.48    | 146.07     | 36.06       | 157.61   | 76.22     | 17.29      | 34.51    | 113.23 | -                          | 609.46     |
| 3.      | Add/less: Loss/gain on sale of real estate assets   | -        | -          | -           | -        | -         | -          | -        | -      | -                          | -          |
| 4.      | Add: Proceeds from sale of real estate assets, liquidation of any other asset or investment (incl cash equivalents) or any form of fund raise at the Asset SPV level adjusted for the following:<br>debts settled or due to be settled from sale proceeds<br>transaction costs<br>proceeds re-invested or planned to be reinvested in accordance with the REIT Regulations<br>any acquisition investment in any form as permitted under the REIT Regulations as may be deemed necessary by the Manager                    | 1,195.76 | 5,315.69   | 490.00      | 4,280.45 | 1,374.50  | 1,475.63   | 1,550.05 | -      | (10,671.55)                | 5,010.53   |
| 5.      | Add: Proceeds from sale of real estate assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently   | -        | -          | -           | -        | -         | -          | -        | -      | -                          | -          |
| 6.      | Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), as may be deemed necessary by the Manager <sup>(4)&amp;(6)</sup><br>For example, any decrease/increase in carrying amount of an asset or of a liability recognised in statement of profit and loss/income and expenditure on measurement of the asset or the liability at fair value, interest cost as per effective interest rate method, deferred tax, lease rents recognised on a straight line basis, etc. | 30.00    | 193.00     | (25.20)     | 17.47    | 21.35     | 44.55      | 49.90    | 93.39  | -                          | 424.46     |
| 7.      | Add: Cash flow received from Asset SPV and investment entity, if any including (applicable for Holdco only, to the extent not covered above):<br>repayment of the debt in case of investments by way of debt<br>proceeds from buy-backs/ capital reduction  | -        | -          | -           | -        | -         | -          | -        | -      | -                          | -          |
| 8.      | Add: Interest on borrowings from Mindspace REIT <sup>(5)</sup>  | 20.83    | 38.48      | 108.26      | 240.27   | 196.41    | -          | 8.65     | 40.69  | -                          | 653.60     |
| 9.      | Add/less: Other adjustments, including but not limited to net changes in security deposits, working capital, etc., as may be deemed necessary by the Manager <sup>(2)&amp;(4)&amp;(6)</sup>   | 3.00     | (2,545.95) | 109.30      | 67.57    | 859.50    | (1,516.97) | (105.65) | 22.53  | -                          | (3,106.68) |



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

Disclosure pursuant to SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116

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

Additional disclosures as required by SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116

Net Distributable Cash Flows (NDCF) pursuant to guidance under SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116

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

For the quarter ended 30 June 2023 pursuant to guidance under Paragraph 6 to SEBI circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116 <sup>(b)</sup>

| Sr. no.                                       | Description   | Avacado  | MBPPL      | Horizonview | Gigaplex   | KRC Infra  | Intime  | KRIT     | Sundew   | Elimination <sup>(c)</sup> | Total      |
|---|---|----------|------------|-------------|------------|------------|---------|----------|----------|----------------------------|------------|
| 10.   | Less: Any expense in the nature of capital expenditure including capitalized interest thereon (to the parties other than Mindspace REIT), overheads, etc.   | (42.09)  | (338.37)   | (290.09)    | (383.36)   | (995.51)   | (69.02) | (225.01) | (148.03) | -                          | (2,491.48) |
| 11.   | Less: Net debt repayment / (drawdown) / redemption of preference shares / debentures / any other such instrument / premiums / accrued interest / any other obligations / liabilities etc., to parties other than Mindspace REIT, as may be deemed necessary by the Manager                              | (120.20) | (2,930.98) | (140.54)    | (4,107.35) | (1,384.32) | -       | (94.77)  | 1,832.05 | 7,922.00                   | 975.89     |
| 12.   | Less: Proceeds to shareholders other than Mindspace REIT through buyback of shares/ capital reduction/ dividend paid on preference or equity capital, buyback distribution tax if any paid on the same, and further including buyback distribution tax, if applicable on distribution to Mindspace REIT | -        | -          | -           | -          | -          | (22.00) | (154.00) | (44.00)  | -                          | (220.00)   |
| <b>Total Adjustments (B)</b>                  |   | 1,115.78 | (122.06)   | 287.59      | 272.65     | 148.05     | (70.12) | 1,063.68 | 1,909.85 | (2,749.55)                 | 1,855.40   |
| <b>Net Distributable Cash Flows (C)=(A+B)</b> |   | 1,245.27 | 408.09     | 119.26      | 239.50     | 196.66     | 163.51  | 1,256.40 | 2,442.92 | (2,749.55)                 | 3,321.98   |

Note 1: For the purpose of eliminations, repayment of Inter SPV loans and repayment of loans to REIT (further lent to Asset SPVs) is considered.

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

Note 3: As per Chapter V, clause 16(a) of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time, the entity is required to distribute not less than 90% of net distributable cash flows of the entity to Mindspace REIT in proportion of its holding in the SPV subject to applicable provisions in the Companies Act, 2013. As per distribution policy adopted by the board of directors of Mindspace REIT's Manager (K Raheja Corp Investment Managers Private Limited), any proceeds to shareholders other than Mindspace REIT is reduced to arrive at net distributable cash flows (NDCF).

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

Note 4: Includes Investment in fixed deposits in MBPPL and Intime amounting Rs 2,600.00 million and Rs 1,300.00 million respectively on account of repayment of inter SPV loans.

Note 5: Interest on borrowings from Mindspace REIT includes the interest paid to Mindspace REIT and the interest accrued but not paid is considered in the item no. 9 (Add/Less: Other adjustments, including but not limited to net changes in security deposit, working capital, etc. as may be deemed necessary by the Manager)

Note 6: In case of MBPPL, regrouped Rs 175.00 million pertaining to income tax from point no. 6(Add/Less: Any other item of non-cash expense /non cash income (net of actual cashflows for these items), as may be deemed necessary by the Manager) to point no. 9(Other adjustments, including but not limited to net changes in security deposits, working capital, etc. as may be deemed necessary by the Manager)

As per our report of even date attached:

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

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

*NV Shah*

**Nilesh Shah**

Partner

Membership number: 49660

Place: Mumbai

Date : 30 July 2024

for and on behalf of the Board of Directors of

**K Raheja Corp Investment Managers Private Limited (Formerly known as K Raheja Corp Investment Managers LLP)**

(acting as Manager to the Mindspace Business Parks REIT)

*[Signature]*

**Neel C. Rathod**

Director

DIN: 00029010

Place: Mumbai

Date : 30 July 2024

**Ramesh Nair**

Chief Executive Officer

*[Signature]*

Place: Mumbai

Date : 30 July 2024

*[Signature]*

**Preeti N. Chheda**

Chief Financial Officer

Place: Mumbai

Date : 30 July 2024

*[Signature]*



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

Disclosure pursuant to SEBI master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116

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

Additional disclosures as required by SEBI master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116

Net Distributable Cash Flows (NDCF) pursuant to guidance under SEBI master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116

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

For the year ended 31 March 2024 pursuant to guidance under SEBI master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116 <sup>(3)</sup>

| Sr. no. | Description  | Avacado  | MBPPL      | Horizonview | Gigaplex   | KRC Infra  | Intime     | KRIT       | Sundew   | Elimination <sup>(1)</sup> | Total       |
|---------|--|----------|------------|-------------|------------|------------|------------|------------|----------|----------------------------|-------------|
| 1.      | Profit after tax as per Statement of profit and loss/income and expenditure (standalone) (A)   | 522.75   | 2,333.49   | (601.66)    | (98.50)    | 237.57     | 927.54     | 680.70     | 2,136.05 | -                          | 6,137.94    |
| 2.      | Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure  | 113.50   | 588.50     | 160.50      | 632.51     | 328.52     | 71.54      | 147.50     | 482.62   | -                          | 2,525.19    |
| 3.      | Add/less: Loss/gain on sale of real estate assets  | -        | -          | -           | -          | -          | -          | -          | -        | -                          | -           |
| 4.      | Add: Proceeds from sale of real estate assets, liquidation of any other asset or investment (incl. cash equivalents) or any form of fund raise at the Asset SPV level adjusted for the following:  | 1,565.58 | 7,731.70   | 4,620.07    | 4,883.85   | 2,885.02   | 1,476.05   | 2,894.99   | 540.00   | (13,113.75)                | 13,483.51   |
|         | debits settled or due to be settled from sale proceeds   | -        | -          | -           | -          | -          | -          | -          | -        | -                          | -           |
|         | transaction costs  | -        | -          | -           | -          | -          | -          | -          | -        | -                          | -           |
|         | proceeds re-invested or planned to be reinvested in accordance with the REIT Regulations.  | -        | -          | -           | -          | -          | -          | -          | -        | -                          | -           |
|         | any acquisition  | -        | -          | -           | -          | -          | -          | -          | -        | -                          | -           |
|         | investment in any form as permitted under the REIT Regulations as may be deemed necessary by the Manager   | -        | -          | -           | -          | -          | -          | -          | -        | -                          | -           |
| 5.      | Add: Proceeds from sale of real estate assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently  | -        | -          | -           | -          | -          | -          | -          | -        | -                          | -           |
| 6.      | Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), as may be deemed necessary by the Manager. <sup>(4)</sup>   | 70.50    | 298.78     | 21.50       | 235.82     | 248.28     | 160.22     | 164.41     | 594.99   | -                          | 1,794.51    |
|         | For example, any decrease/increase in carrying amount of an asset or of a liability recognised in statement of profit and loss/income and expenditure on measurement of the asset or the liability at fair value, interest cost as per effective interest rate method, deferred tax, lease rents recognised on a straight line basis, etc. | -        | -          | -           | -          | -          | -          | -          | -        | -                          | -           |
| 7.      | Add: Cash flow received from Asset SPV and investment entity, if any including (applicable for Holdco only, to the extent not covered above):  | -        | -          | -           | -          | -          | -          | -          | -        | -                          | -           |
|         | repayment of the debt in case of investments by way of debt  | -        | -          | -           | -          | -          | -          | -          | -        | -                          | -           |
|         | proceeds from buy-backs/ capital reduction   | -        | -          | -           | -          | -          | -          | -          | -        | -                          | -           |
| 8.      | Add: Interest on borrowings from Mindspace REIT <sup>(7)</sup>   | 60.49    | 251.49     | 543.49      | 1,177.49   | 842.49     | -          | 100.49     | 72.57    | -                          | 3,048.50    |
| 9.      | Add/less: Other adjustments, including but not limited to net changes in security deposits, working capital, etc., as may be deemed necessary by the Manager <sup>(2) (3) (4) (5)</sup>  | 11.12    | (2,421.29) | (471.46)    | 19.02      | 1,566.56   | (1,404.25) | (340.92)   | 87.74    | -                          | (2,953.49)  |
| 10.     | Less: Any expense in the nature of capital expenditure including capitalized interest thereon (to the parties other than Mindspace REIT), overheads, etc. <sup>(3) (4) (5)</sup>   | (131.49) | (930.46)   | (1,840.49)  | (1,367.47) | (4,099.38) | (220.03)   | (1,976.44) | (523.79) | -                          | (11,089.54) |
| 11.     | Less: Net debt repayment / (drawdown) / redemption of preference shares / debentures / any other such instrument / premiums / accrued interest / any other obligations / liabilities etc., to parties other than Mindspace REIT, as may be deemed necessary by the Manager   | (221.48) | (4,405.23) | (862.49)    | (4,086.71) | (472.44)   | 81.42      | 2,377.13   | 1,572.44 | 7,921.87                   | 1,904.51    |



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

Disclosure pursuant to SEBI master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116

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

Additional disclosures as required by SEBI master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116

Net Distributable Cash Flows (NDCF) pursuant to guidance under SEBI master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116

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

For the year ended 31 March 2024 pursuant to guidance under SEBI master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/116<sup>(b)</sup>

| Sr. no.                                       | Description   | Avacado  | MBPPL    | Horizonview | Gigaplex | KRC Infra | Intime   | KRIT     | Sundew   | Elimination <sup>(1)</sup> | Total     |
|---|---|----------|----------|-------------|----------|-----------|----------|----------|----------|----------------------------|-----------|
| 12.   | Less: Proceeds to shareholders other than Mindspace REIT through buyback of shares/ capital reduction/ dividend paid on preference or equity capital, buyback distribution tax if any paid on the same, and further including buyback distribution tax, if applicable on distribution to Mindspace REIT | -        | -        | -           | -        | -         | (121.46) | (286.07) | (313.98) | -                          | (721.51)  |
| <b>Total Adjustments (B)</b>                  |   | 1,468.23 | 1,113.50 | 2,171.11    | 1,494.51 | 1,299.04  | 43.50    | 3,081.09 | 2,512.59 | (5,191.88)                 | 7,991.68  |
| <b>Net Distributable Cash Flows (C)=(A+B)</b> |   | 1,990.98 | 3,446.99 | 1,569.45    | 1,396.01 | 1,536.61  | 971.04   | 3,761.79 | 4,648.64 | (5,191.88)                 | 14,129.62 |

Note 1: For the purpose of eliminations, repayment of Inter SPV loans and repayment of loans to REIT (further lent to Asset SPVs) is considered.

Note 2: Borrowing from and repayment to REIT, if any within the same year has been adjusted under "Other Adjustments"

Note 3: As per Chapter V, clause 16(a) of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time, the entity is required to distribute not less than 90% of net distributable cash flows of the entity to Mindspace REIT in proportion of its holding in the SPV subject to applicable provisions in the Companies Act, 2013. As per distribution policy adopted by the board of directors of Mindspace REIT's Manager (K Raheja Corp Investment Managers Private Limited), any proceeds to shareholders other than Mindspace REIT is reduced to arrive at net distributable cash flows (NDCF).

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

Note 4: In case of Gigaplex, adjusted for reimbursement for power infrastructure and any other modification to investment property as required and reimbursed by tenant

Note 5: NDCF is calculated on quarterly basis and amount presented for the year end is mathematical summation of quarterly numbers

Note 6: In case of MBPPL and Intime, Quarter ended June 30, 2023 includes Investment in fixed deposits amounting Rs 2,600.00 and Rs 1,300.00 million respectively on account of repayment of inter SPV loans.

Note 7: Interest on borrowings from Mindspace REIT includes the interest paid to Mindspace REIT and the interest accrued but not paid is considered in the item no.9 (Add/Less: Other adjustments, including but not limited to net changes in security deposits, working capital, etc., as may be deemed necessary by the Manager).

Note 8: During the year ended March 31, 2024, in case of Horizonview, Intime, Sundew, Gigaplex and MBPPL a total amount of Rs 950.72 million, 59.69 million, 116.48 million, 70.10 million and 200.00 million respectively have been transferred from capital expenditure to other adjustments pursuant to lease commencement of fit-outs.

Note 9: In case of Horizonview, Refer Note 6(b) for asset acquisition

As per our report of even date attached:

for Deloitte Haskins &amp; Sells LLP

Chartered Accountants

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



Nitesh Shah

Partner

Membership number: 49660

Place: Mumbai

Date : 30 July 2024

for and on behalf of the Board of Directors of

K Raheja Corp Investment Managers Private Limited (Formerly known as K Raheja Corp Investment Managers LLP)

(acting as Manager to the Mindspace Business Parks REIT)



Neel C. Raheja

Director

DIN: 00029010

Place: Mumbai

Date : 30 July 2024



Ramesh Nair

Chief Executive Officer

Place: Mumbai

Date : 30 July 2024

Preeti N. Chheda

Chief Financial Officer

Place: Mumbai

Date : 30 July 2024



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements****Notes to Accounts**

(All amounts in Rs. million unless otherwise stated)

**1 Organisation Structure**

The 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/Trust'), its SPVs Mindspace Business Parks Private Limited ('MBPPL'), Gigaplex Estate Private Limited ('Gigaplex'), Sundew Properties Limited ('Sundew') Intime Properties Limited ('Intime'), K. Raheja IT Park (Hyderabad) Limited ('KRIT'), KRC Infrastructure and Projects Private Limited ('KRC Infra'), Horizonview Properties Private Limited ('Horizonview'), Avacado Properties and Trading (India) Private Limited ('Avacado') (individually referred to as 'Special Purpose Vehicle' or 'SPV' or "Asset SPV" and together referred to as 'Mindspace Business Parks Group'/'Mindspace Group'). The SPVs are companies domiciled in India.

Anbee Constructions LLP ('ACL') and Cape Trading LLP ('CTL') collectively known as (the 'Sponsors' or the 'Co-Sponsors') have set up the 'Mindspace Business Parks REIT' as an irrevocable trust, pursuant to the Trust Deed, under the provisions of the Indian Trusts Act, 1882 and the Trust has been registered with Securities and Exchange Board of India ('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 Private Limited (Formerly known as K Raheja Corp Investment Managers LLP) (the 'Investment Manager')

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

The units of the trust were 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<br>(in percentage) as at 30 June 24  | Shareholding<br>(in percentage) as at 31 March 2024   |
|-----------------|--|---|---|
| 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 | Mindspace Business Parks REIT : 100%  | 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.                             | Mindspace Business Parks REIT : 100%  | Mindspace Business Parks REIT : 100%  |
| Sundew          | The SPV is engaged in development and leasing/licensing of Information Technology (IT) park, SEZ to different customers in Hyderabad.  | Mindspace REIT : 89%<br>Telangana State Industrial Infrastructure Corporation Limited (11%) | Mindspace REIT : 89%<br>Telangana State Industrial Infrastructure Corporation Limited (11%) |
| Intime          | The SPV is engaged in development and leasing/licensing of IT park to different customers in Hyderabad   | Mindspace REIT : 89%<br>Telangana State Industrial Infrastructure Corporation Limited (11%) | Mindspace REIT : 89%<br>Telangana State Industrial Infrastructure Corporation Limited (11%) |
| KRIT            | The SPV is engaged in development and leasing/licensing of IT park to different customers in Hyderabad.  | Mindspace REIT : 89%<br>Telangana State Industrial Infrastructure Corporation Limited (11%) | Mindspace REIT : 89%<br>Telangana State 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. The SPV is also engaged in Facility Management services. | Mindspace Business Parks REIT : 100% | Mindspace Business Parks REIT : 100% |
| Horizonview | The SPV is engaged in development and leasing/licensing of IT park to different customers in Chennai.   | Mindspace Business Parks REIT : 100% | 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.   | Mindspace Business Parks REIT : 100% | Mindspace Business Parks REIT : 100% |

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#### Basis of preparation

The Interim Condensed Consolidated Financial Statements ('Condensed Consolidated Financial Statements') of Mindspace Business Parks REIT comprise the Condensed Consolidated Balance Sheet as at June 30, 2024, the Condensed Consolidated Statement of Profit and Loss, including other comprehensive income, the Condensed Consolidated Statement of Cash Flow for the quarter ended June 30, 2024, the Condensed Consolidated Statement of Changes in Unitholders Equity for the quarter ended June 30, 2024, the Statement of Net Distributable Cashflows of Mindspace Business Parks REIT and each of the SPVs for the quarter ended June 30, 2024, and a summary of the material accounting policies and select explanatory information and other additional financial disclosures.

The Condensed Consolidated Financial Statements have been prepared in accordance with the requirements of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder read with SEBI Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 dated 15 May 2024 ("the REIT regulations"); Regulation 52 and Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations"); 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 REIT regulations (refer note 19 on presentation of "Unit Capital" as "Equity" instead of compound instruments under Ind AS 32 – Financial Instruments: Presentation). The Condensed Consolidated Financial Statements were authorised for issue in accordance with the resolution passed by the Board of Directors of the Manager on July 30, 2024.

Statement of compliance to Ind AS:

These Condensed Consolidated financial statements for the quarter ended June 30, 2024 have been prepared in accordance with 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) to the extent not inconsistent with the REIT regulations as more fully described above and Note 19 to the condensed consolidated financial statements. The accounting policies adopted and methods of computation followed are consistent with those of the previous financial year. The financial statements of all the SPVs and the Trust used for the purpose of consolidation are drawn up to the same reporting date.

#### Basis of Consolidation

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

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

- The financial statements of Mindspace Business Parks Group are consolidated for like items and intragroup balances and transactions for assets and liabilities, equity, income, expenses and cash flows between entities of Mindspace Business Parks Group are eliminated in full upon consolidation.
- Telangana State Industrial Infrastructure Corporation Limited, which is a shareholder in Intime, KRIT and Sundew has not agreed to exchange their equity interest in the SPVs (Intime, KRIT and Sundew), thus, Mindspace Business Parks REIT has recorded a non-controlling interests for these SPVs. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interest proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.
- The figures in the notes to accounts and disclosures have been Consolidated line by line and Inter-company transactions and balances including unrealised profits are eliminated in full on consolidation.
- Mindspace Business Parks Group holds 4% of the equity share capital of Stargaze Properties Private Limited, a company involved in the real estate development. Mindspace Business Parks Group is of the view that it is not able to exercise significant influence over Stargaze Properties Private Limited and hence it has not been accounted using equity method.





### Material accounting policies

#### (a) Functional and presentation currency

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

#### (b) Basis of measurement

The 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.

Estimates 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 material effect on the amounts recognised in the Condensed Consolidated Financial Statements is included in the following notes:

- \* Presentation of "Unit Capital" as "Equity" in accordance with the REIT Regulations instead of compound instrument (Note 19)
- \* 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 and Property, plant and equipment
- \* Recognition and measurement of provisions for contingencies and disclosure of contingent liabilities
- \* Significant judgements is involved in the allocation cost of acquisition to the identifiable assets and liabilities based on their relative fair values at the date of acquisition in case of asset acquisition.

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

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.

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

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

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

#### (e) Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, Mindspace REIT takes into account the characteristics of the asset or liability and how market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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

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

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

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

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

### 3.1 Financial guarantee contracts

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

Financial guarantee contracts are measured initially at the fair value and in accordance with Ind AS 109 unless on a case to case basis elected to be accounted for financial guarantee as Insurance Contracts as specified under Ind AS 104



### 3.2 Property, plant and equipment

#### (a) Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Depreciation is charged when the assets are ready for their intended use. The cost of property, plant and equipment includes freight, duties, taxes and other incidental expenses related to the acquisition or construction of the respective assets. The cost of such assets not ready for their intended use are disclosed as capital work-in-progress. Purchase price or construction cost is defined as any consideration paid or fair value of any other consideration given to acquire the asset.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

#### (b) Subsequent expenditure

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

#### (c) Depreciation

Depreciation / amortisation is provided using straight line method as per the useful life of the assets estimated by the management over the balance useful life. The estimated useful lives of the assets, which are higher than, lower than or equal to those prescribed under Schedule II of the Companies Act 2013, are listed in the table below. Depreciation on addition / deletion of property, plant and equipment made during the period 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<br>(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 except Leasehold Land is estimated to be 5% of the original cost of those respective assets at SPV.

(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.

#### (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<br>(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 Consolidated Statement of Profit and Loss when the asset is derecognised.



### 3.4 Investment property

#### (a) Recognition and measurement

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

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

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

In case ancillary services are provided to the occupants of the property, such property is treated as investment property if the services are insignificant to the arrangement as a whole.

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

If significant parts of an item of Investment property have different useful lives, then they are accounted for as separate items (major components) of Investment property.

#### (b) Subsequent expenditure

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

#### (c) Depreciation

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

| Asset group                   | Estimated Useful Life<br>(in years) |
|-------------------------------|-------------------------------------|
| Right to use - Leasehold land | Balance Lease term                  |
| Buildings*                    | 75/90                               |
| Infrastructure and developm   | 15                                  |
| Roadwork*                     | 15                                  |
| Broadwalk, vantage café etc   | 50                                  |
| 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.

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

(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.

(4) Useful life of building is restricted to the lease term of leasehold land on which the building is constructed.

#### (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.

In determining the amount of consideration from the derecognition of Investment properties, the Group considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

#### (f) Investment properties under construction

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

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

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

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





### 3.5 Impairment of assets

MindSpace Business Parks Group assesses at each balance sheet date, whether there is any indication that an asset may be impaired. If any such indication exists, MindSpace Business Parks Group estimates the recoverable amount of the asset. The recoverable amount of the assets (or where applicable that of the cash generating unit (CGU) to which the asset belongs) is estimated as the higher of its fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows (discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset) expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. In determining fair value less costs of disposal, recent market transactions are taken into account. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU. An impairment loss is recognised whenever the carrying amount of an asset or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment loss is recognised in the Consolidated Statement of Profit and Loss

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, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss.

### 3.6 Borrowing costs

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

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

Interest expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortised cost of the financial liability. In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability.

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

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

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

### 3.7 Inventories

#### (a) Measurement of inventory

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

#### (b) Cost of inventories

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

#### (c) Net realisable value

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

### 3.8 Revenue recognition

#### (a) Facility rentals

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

Lease incentives granted are recognised as an integral part of the total rental income. The lease term is the non-cancellable period together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the MindSpace Business Parks Group is reasonably certain that the tenant will exercise that option. Contingent rents are recognised as revenue in the period in which they are earned on a receipt basis.

#### (b) Revenue from works contractual services

Revenue from contracts with customers is recognised when a performance obligation is satisfied by transfer of promised goods or services to a customer in accordance with the agreement with the customer. For works contract arrangement, the performance obligation gets satisfied over time, and therefore, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation from time to time as per the agreement with the customer. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party

#### (c) Maintenance services

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

#### (d) Revenue from power supply

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

#### (e) Revenue from sale of goods

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of various discounts offered by the Company as part of the contract. Revenue from the sale of goods is recognised when the Group performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer.



**(f) Finance Lease**

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

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

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

Revenue from sale of surplus construction material and scrap is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods net of the expected removal cost.

**3.9 Recognition of dividend income, interest income :**

(i) Dividend income is recognised in profit or loss on the date on which Mindspace REIT group has right to receive payment is established

(ii) Interest income is recognised on time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

(iii) Delayed payment charges and interest on delayed payments are recognised, on time proportion basis, except when there is uncertainty of ultimate collection

**3.10 Tax expense**

Income tax expense comprises current tax and deferred tax charge or credit. It is recognised in the Statement of Profit and Loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income in which case, the current and deferred tax are also recognised in equity and other comprehensive income respectively.

**(a) Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by end of reporting period.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**(b) Deferred tax**

Deferred tax asset/liability is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets and liabilities are measured that are expected to apply to the period when the asset is realised or the liability is settled, using the tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which Mindspace Business Parks Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is not recognised for:

- Temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; and

- Temporary differences related to investments in subsidiaries, associates, and joint arrangements to the extent that Mindspace Business Park Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Mindspace Business Parks Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

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 (80IA benefits of Income Tax Act, 1961), deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

In the situations where one or more units of the Group are entitled to a tax holiday under the tax law, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned unit's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Group restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

**(c) Minimum Alternate Tax (MAT)**

MAT credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Consolidated Statement of Profit and Loss and shown as MAT credit entitlement under deferred tax assets. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.



### 3.11 Earnings per unit (EPU):

The basic earnings per unit is computed by dividing the net profit/ (loss) attributable to the unit holders of Mindspace REIT by the weighted average number of units outstanding during the reporting period. The number of units used in computing diluted earnings/ (loss) per unit comprises the weighted average units considered for deriving basic earnings/ (loss) per unit and also the weighted average number of units which could have been issued on the conversion of all dilutive potential units

Dilutive potential units are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per unit, only potential equity units that are dilutive and which either reduces earnings per unit or increase loss per unit are included.

### 3.12 Provisions, contingent liabilities and contingent assets

Provisions are recognised when Mindspace Business Parks Group has a present legal or constructive obligation as a result of a past event, it is probable that Mindspace Business Parks Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation

The amount recognised as a provision is the best estimate of the consideration net of recoveries if any, 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.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation. If the effect of the time value of money is material, provisions are discounted.

A contingent asset is disclosed when there would be a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Mindspace Business Parks Group.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

### 3.13 Foreign currency transactions and translations

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Consolidated Statement of Profit and Loss of the period.

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the period-end and not covered by forward contracts, are translated at the period-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

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

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

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

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease and presented as unbilled revenue in other financial assets

The lease term is the non-cancellable period together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the Mindspace Group is reasonably certain that the tenant will exercise that option.

Initial direct costs such as brokerage expenses incurred specifically to earn revenues from an operating lease are capitalised to the carrying amount of leased asset and recognised over the lease term on the same basis as rental income.

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

#### As a Lessee

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

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

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

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

The lease liability is presented separately as part of Financial Liabilities in the Condensed Consolidated balance sheet. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

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

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





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

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

Right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter period of lease term and useful life of the underlying asset.

Mindspace Business Parks Group applies Ind AS 36 Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 3.5.

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 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, plus in case of financial assets/ financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition or issue of financial assets/ financial liabilities are added to or deducted, as the case may be, from the fair value of such assets or liabilities. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss. Trade receivables that do not contain a significant financing component are measured at transaction price.

#### 2 Financial assets:

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

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

##### (b) Subsequent Measurement

###### (i) Debt instruments:

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

###### Financial assets at amortised cost

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

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

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

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

Financial assets are subsequently measured at fair value through the 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:

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

###### Investments in equity instruments at FVTPL:

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

###### Investments in equity instruments at FVTOCI:

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



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

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

**(d) Derecognition of financial assets:**

A financial asset is primarily derecognised when:

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

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

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

Mindspace Business Parks Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

**3 Financial liabilities and equity instruments**

**(a) Classification as debt or equity**

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

**(b) Equity instruments**

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

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

**(c) Compound financial instruments**

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

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

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

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

**(d) Financial Liabilities**

**• Recognition, measurement and classification**

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

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

**• Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Gains and losses are recognized in the 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.

**5 Embedded derivatives**

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Embedded derivatives closely related to the host contracts are not separated. Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss.



### 3.16 Cash and cash equivalents

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

### 3.17 Statement of Cash flow

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

For the purpose of the Condensed Consolidated Statement of Cash Flow, Initial direct costs such as brokerage expenses incurred specifically to earn revenues from an operating lease which are capitalised to the carrying amount of leased assets are considered as cashflows used in investing activity.

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 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 period 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 period.

#### (2) Long term employee benefits

##### Defined contribution plans

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

##### Defined benefit plan

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

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the 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. Mindspace Business Parks Group has determined the liability for compensated absences based on internal calculation which is determined on the basis of leave credited to employee's account and the last drawn salary. Mindspace Business Parks Group's net obligation in respect of compensated absences is the amount of benefit to be settled in future, that employees have earned in return for their service in the current and previous years. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation / by SPVs using the projected unit credit method. Remeasurement is recognised in the Consolidated Statement of Profit and Loss in the period in which they arise. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability.

### 3.19 Earnings before finance costs, depreciation and amortisation, regulatory income / expense, exceptional items and tax

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

### 3.20 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 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.

### 3.21 Errors and estimates

Mindspace Business Parks Group revises its accounting policies if the change is required due to a change in Ind AS or if the change will provide more relevant and reliable information to the users of the 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.





### 3.22 Segment Information

#### Primary segment information

The primary reportable segment is business segments.

#### Business segment

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

#### Real estate segment

Real estate comprises development and management of projects under Special Economic Zone (SEZ), Information Technology Parks and other commercial assets. The Group has its project/properties in Mumbai Region, Hyderabad, Pune and Chennai for development and management of commercial SEZ, IT parks and commercial assets including incidental activities.

#### Power distribution

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

#### Secondary segment

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

### 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, Condensed Consolidated Statement of Changes in Equity and Condensed Balance Sheet.

| SPV    | Shareholder   | % Holding in SPV<br>(As on reporting date) |
|--------|---|--|
| KRIT   | Telangana State Industrial Infrastructure Corporation Limited | 11.0%                                      |
| Intime | Telangana State Industrial Infrastructure Corporation Limited | 11.0%                                      |
| Sundew | Telangana State 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 other equity.

### 3.25 Distribution Policy

The Net Distributable Cash Flows of Mindspace REIT are based on the cash flows generated from Mindspace REIT's assets and investments. In terms of the Distribution Policy of Mindspace REIT and the REIT Regulations, not less than 90% of the NDCF of each of the Asset SPVs is required to be distributed to Mindspace REIT, in proportion of Mindspace REIT's shareholding in the Asset SPV, subject to applicable provisions of the Companies Act 2013. Presently, NDCF to be received by Mindspace REIT from the Asset SPVs may be in the form of dividends, interest income, principal loan repayment, proceeds of any capital reduction or buyback from the Asset SPVs or as specifically permitted under the Trust Deed or in such other form as may be permissible under the applicable law. Such SPV Distributions shall be declared and made for every quarter of a Financial Year in terms of the Distribution Policy. As per revised NDCF the framework, the Manager is required to declare and distribute at least 90% of the NDCF of Mindspace REIT along with its SPVs as distributions ("REIT Distributions") to the Unitholders.

### 3.26 Non-current assets held for sale and Discontinued Operations:

Discontinued operation is a component of the Company that has been disposed of or classified as held for sale and represents a major line of business or geographies. Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition.

Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.



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#### 4 Property, plant and equipment (PPE)

## Reconciliation of carrying amounts for the Quarter ended 30 June 2024

| Particulars                         | Power assets                  |           |                     |                         | Other assets |                     |                         |                  | Total  |           |
|-------------------------------------|-------------------------------|-----------|---------------------|-------------------------|--------------|---------------------|-------------------------|------------------|--------|-----------|
|                                     | Right of use - Leasehold Land | Buildings | Plant and machinery | Electrical Installation | Computers    | Plant and machinery | Electrical Installation | Office equipment |        | Computers |
| Gross block (cost or deemed cost)   |                               |           |                     |                         |              |                     |                         |                  |        |           |
| At 1 April 2023                     | 0.89                          | 325.07    | 843.22              | 195.21                  | -            | 159.75              | 9.99                    | 5.76             | 24.21  | 10.25     |
| Additions during the period         | -                             | -         | 7.44                | 1.52                    | 0.57         | 1.82                | -                       | 1.40             | 14.24  | 0.02      |
| Disposals/adjustments (net)         | -                             | -         | (5.41)              | -                       | -            | (67.70)             | -                       | -                | (2.95) | -         |
| Asset Held for Sale (refer note 50) | -                             | -         | -                   | -                       | -            | (8.35)              | -                       | (0.01)           | -      | (0.19)    |
| At 31 March 2024                    | 0.89                          | 325.07    | 845.25              | 196.73                  | 0.57         | 85.52               | 9.99                    | 7.15             | 35.50  | 10.08     |
| At 1 April 2024                     | 0.89                          | 325.07    | 845.25              | 196.73                  | 0.57         | 85.52               | 9.99                    | 7.15             | 35.50  | 10.08     |
| Additions during the period         | -                             | -         | 35.37               | -                       | -            | 6.70                | -                       | 0.27             | 2.25   | -         |
| Disposals/adjustments (net)         | -                             | -         | -                   | -                       | -            | -                   | -                       | (4.24)           | (0.10) | (1.75)    |
| At 30 June 2024                     | 0.89                          | 325.07    | 880.62              | 196.73                  | 0.57         | 92.22               | 9.99                    | 3.18             | 37.65  | 8.33      |
| Accumulated depreciation            |                               |           |                     |                         |              |                     |                         |                  |        |           |
| At 1 April 2023                     | -                             | 6.99      | 192.01              | 24.21                   | -            | 27.05               | 4.70                    | 5.50             | 14.15  | 3.23      |
| Charge for the year                 | -                             | 5.74      | 73.00               | 13.00                   | 0.05         | 20.67               | 4.21                    | 0.48             | 12.20  | 1.02      |
| Disposals/adjustments (net)         | -                             | -         | (3.52)              | -                       | -            | (10.15)             | -                       | -                | (2.46) | -         |
| Asset Held for Sale (refer note 50) | -                             | -         | -                   | -                       | -            | (4.82)              | -                       | -                | -      | (0.00)    |
| At 31 March 2024                    | -                             | 12.73     | 261.49              | 37.21                   | 0.05         | 32.75               | 8.91                    | 5.98             | 23.89  | 4.25      |
| At 1 April 2024                     | -                             | 12.73     | 261.49              | 37.21                   | 0.05         | 32.75               | 8.91                    | 5.98             | 23.89  | 4.25      |
| Charge for the period               | 0.00                          | 1.15      | 18.62               | 3.26                    | 0.11         | 6.15                | 0.82                    | 0.19             | 4.78   | 0.14      |
| Disposals/adjustments (net)         | -                             | -         | -                   | -                       | -            | -                   | -                       | (3.74)           | (0.09) | (1.42)    |
| At 30 June 2024                     | 0.00                          | 13.88     | 280.11              | 40.47                   | 0.16         | 38.90               | 9.73                    | 2.43             | 28.58  | 2.97      |
| Carrying amount (net)               |                               |           |                     |                         |              |                     |                         |                  |        |           |
| At 31 March 2024                    | 0.89                          | 312.34    | 583.76              | 159.52                  | 0.52         | 52.77               | 1.08                    | 1.17             | 11.61  | 5.83      |
| At 30 June 2024                     | 0.89                          | 311.19    | 600.51              | 156.27                  | 0.41         | 53.32               | 0.26                    | 0.75             | 9.07   | 5.36      |



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**5 Capital work in progress  
at cost**

| Particulars   | Amount        |
|---|---------------|
| As at 1 April 2023                                      | -             |
| Add: Addition   | -             |
| Less: Deletion/Adjustments transfer to<br>Finance Lease | -             |
| Less: Capitalisation                                    | -             |
| As at 31 March 2024                                     | -             |
| <b>Other inventories</b>                                |               |
| Building materials, components and<br>spares            | -             |
| <b>Carrying amount as at 31 March<br/>2024</b>          | -             |
| As at 1 April 2024                                      | -             |
| Add: Addition   | 75.45         |
| Add/Less: Adjustments/transfer*                         | 261.00        |
| Less: Capitalisation                                    | -             |
| As at 30 June 2024                                      | 336.45        |
| <b>Other inventories</b>                                |               |
| Building materials, components and<br>spares            | -             |
| <b>Carrying amount as at 30 June 2024</b>               | <b>336.45</b> |

\*Note 5(a): During the quarter, the Management has formalised plans for a property basis which the ancillary services are expected to be significant as compared to leasing activities. Accordingly, the same has been transferred from Investment Property under Construction to Capital work-in-progress.





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**6 Investment property**

**Reconciliation of carrying amounts for the Quarter ended 30 June 2024**

| Particulars  | Land (Under Development Agreement)** | Freehold Land | Right of use-Leasehold Land* | Buildings  | Infrastructure and development | Roadwork | Plant and machinery | Furniture and fixtures | Electrical installation | Total      |
|--|--------------------------------------|---------------|------------------------------|------------|--------------------------------|----------|---------------------|------------------------|-------------------------|------------|
| <b>Gross block (cost or deemed cost)</b>                 |                                      |               |                              |            |                                |          |                     |                        |                         |            |
| At 1 April 2023  | 2,757.99                             | 68,322.82     | 27,959.49                    | 99,433.49  | 5,930.16                       | 72.00    | 6,934.32            | 118.96                 | 2,302.36                | 213,831.59 |
| Additions during the period (including asset acquired)** | 246.50                               | 555.79        | -                            | 2,327.66   | 6.59                           | -        | 505.74              | 70.03                  | 231.24                  | 3,943.55   |
| Disposals/adjustments (net)                              | (3,004.49)                           | 3,004.46      | -                            | (33.50)    | -                              | -        | 45.90               | -                      | -                       | 12.37      |
| Asset Held for Sale (refer note 50)                      | -                                    | (107.07)      | -                            | (1,243.55) | (20.74)                        | -        | (98.46)             | -                      | (19.15)                 | (1,488.97) |
| At 31 March 2024   | -                                    | 71,776.00     | 27,959.49                    | 100,484.10 | 5,916.01                       | 72.00    | 7,387.50            | 188.99                 | 2,514.45                | 216,298.54 |
| At 1 April 2024  | -                                    | 71,776.00     | 27,959.49                    | 100,484.10 | 5,916.01                       | 72.00    | 7,387.50            | 188.99                 | 2,514.45                | 216,298.54 |
| Additions during the period ***                          | -                                    | -             | -                            | 1,575.96   | 49.22                          | -        | 107.23              | 0.56                   | 49.22                   | 1,782.19   |
| Disposals/adjustments (net)                              | -                                    | -             | -                            | (306.14)   | -                              | -        | (29.44)             | (8.94)                 | -                       | (344.52)   |
| At 30 June 2024  | -                                    | 71,776.00     | 27,959.49                    | 101,753.92 | 5,965.23                       | 72.00    | 7,465.29            | 180.61                 | 2,563.67                | 217,736.21 |
| <b>Accumulated depreciation</b>                          |                                      |               |                              |            |                                |          |                     |                        |                         |            |
| At 1 April 2023  | -                                    | -             | 1,336.19                     | 4,247.27   | 932.49                         | 8.11     | 1,577.86            | 47.49                  | 538.17                  | 8,687.58   |
| Charge for the year                                      | -                                    | -             | 512.29                       | 1,815.79   | 478.02                         | 4.38     | 650.02              | 22.97                  | 213.50                  | 3,696.97   |
| Disposals/adjustments (net)                              | -                                    | -             | -                            | (10.00)    | -                              | -        | 4.00                | -                      | -                       | (6.00)     |
| Asset Held for Sale (refer note 50)                      | -                                    | -             | -                            | (60.58)    | (2.21)                         | -        | (47.67)             | -                      | (6.51)                  | (116.97)   |
| At 31 March 2024   | -                                    | -             | 1,848.48                     | 5,992.48   | 1,408.30                       | 12.49    | 2,184.21            | 70.46                  | 745.16                  | 12,261.58  |
| At 1 April 2024  | -                                    | -             | 1,848.48                     | 5,992.48   | 1,408.30                       | 12.49    | 2,184.21            | 70.46                  | 745.16                  | 12,261.58  |
| Charge for the period                                    | -                                    | -             | 128.05                       | 470.67     | 112.18                         | 0.47     | 156.04              | 13.47                  | 52.99                   | 933.87     |
| Disposals/adjustments (net)                              | -                                    | -             | -                            | (153.38)   | -                              | -        | (20.67)             | (8.33)                 | -                       | (182.38)   |
| At 30 June 2024  | -                                    | -             | 1,976.53                     | 6,309.77   | 1,520.48                       | 12.96    | 2,319.58            | 75.60                  | 798.15                  | 13,013.06  |
| At 31 March 2024   | -                                    | 71,776.00     | 26,111.01                    | 94,491.62  | 4,507.71                       | 59.51    | 5,203.29            | 118.53                 | 1,769.29                | 204,036.96 |
| At 30 June 2024  | -                                    | 71,776.00     | 25,982.96                    | 95,444.16  | 4,444.75                       | 59.04    | 5,145.71            | 105.01                 | 1,765.52                | 204,723.14 |



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\*Note 6(a): Right of use- Leasehold Land includes-

(i) In MBPPL - The leasehold land (admeasuring 198,997 sq mtrs. in Airoli, Navi Mumbai) has been acquired on lease by the Company from Maharashtra Industrial Development Corporation ('MIDC'). The lease is due to expire on 31 July 2064. The SPV has right to renewal of said lease for a further year of 99 years upon payment of premium as may be decided.

(ii) In Gigaplex - The lease hold land is a part of land (admeasuring 202,300 sq. mtrs. in Airoli, Navi Mumbai) which has been acquired on lease from Maharashtra Industrial Development Corporation ('MIDC'). The lease is due to expire on 31 May 2102. The SPV has right of renewal of said lease for a period of 95 years upon payment of premium as may be decided.

\*\*Note 6(b): During the previous year, Horizonview (SPV) has handed over 22% of the proportionate share of the constructed area, belonging to the landowner as per the Development Agreement, upon completion of work for such area by SPV. Against payment of such consideration in the form of the said area handed over, corresponding execution of Conveyance Deed, as agreed, of the proportionate share of the SPV in the land, was done during the quarter ended September 2023. Further, the Company had acquired 22% of the proportionate share of the constructed area along with the land attributable to land owner for a consideration of Rs 1,659.00 million. The consideration was allocated to individually identifiable assets acquired on the basis of their relative fair values as determined by an independent valuer at the date of purchase. Accordingly, the land was recorded at Rs 419.60 million, building was recorded at Rs 1,080.60 million, plant and machinery was recorded at Rs 93.80 million and electrical installations was recorded at Rs 65.00 million.

\*\*\*Note 6(c): During the current quarter, the REIT has acquired certain commercial units with leasable area of 0.42kcsf in one of its parks for a consideration of Rs. 438.73 million.

## 7 Investment property under construction (IPUC)

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

| Particulars  | As at<br>30 June 2024 | As at<br>31 March |
|--------------|-----------------------|-------------------|
| Intime       | 245.67                | 234.25            |
| MBPPL*       | 1,026.70              | 1,248.41          |
| Gigaplex *&# | 2,067.12              | 2,060.63          |
| Sundew       | 402.09                | 287.16            |
| KRIT**       | 2,720.38              | 2,494.83          |
| KRC Infra    | 8,678.04              | 8,030.80          |
| Avacado      | 253.49                | 208.92            |
| Horizonview  | 1.68                  | 2.35              |
| <b>Total</b> | <b>15,395.17</b>      | <b>14,567.35</b>  |

\* Refer Note 6(a) and 50

\*\* During the quarter, the Management has formalised plans for a property basis which the ancillary services are expected to be significant as compared to leasing activities. Accordingly, the same has been transferred from Investment Property under Construction to Capital work-in-progress.

# Net of cost related to Power and Power infrastructure and design changes to investment property reimbursed by tenants.



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**8 Other Intangible assets**

**Reconciliation of carrying amounts for the Quarter ended 30 June 2024**

| Particulars                     | Trademarks  |
|---------------------------------|-------------|
| <b>Gross block</b>              |             |
| At 1 April 2023                 | 1.50        |
| Additions                       | -           |
| Disposals                       | -           |
| <b>At 31 March 2024</b>         | <b>1.50</b> |
| At 1 April 2024                 | 1.50        |
| Additions                       | -           |
| Disposals                       | -           |
| <b>At 30 June 2024</b>          | <b>1.50</b> |
| <b>Accumulated amortisation</b> |             |
| At 1 April 2023                 | 0.01        |
| Charge for the year             | 0.01        |
| Disposals                       | -           |
| <b>At 31 March 2024</b>         | <b>0.02</b> |
| At 1 April 2024                 | 0.02        |
| Charge for the period           | 0.06        |
| Disposals                       | -           |
| <b>At 30 June 2024</b>          | <b>0.08</b> |
| <b>Carrying amount (net)</b>    |             |
| At 31 March 2024                | 1.48        |
| <b>At 30 June 2024</b>          | <b>1.42</b> |

Note: Includes trademark (less than Rs 0.005 million)



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**9 Non Current Investment**

| Particulars   | As at<br>30 June 2024 | As at<br>31 March 2024 |
|---|-----------------------|------------------------|
| <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 2024 : 2,000) | 0.02                  | 0.02                   |
| <b>Financial assets</b>   |                       |                        |
| <b>Unquoted investment in Government Securities at amortised cost</b>   |                       |                        |
| 7.61% Central Government Loan (Face value Rs 100), 25,000 units (31 March 2024: 25,000)                                     | 2.64                  | 2.64                   |
| 8.24% GOI 2027 Bond (Face value Rs 100), 25,000 units (31 March 2024: 25,000)   | 2.66                  | 2.66                   |
| 7.17% Central Government Loan (Face value Rs 100), 25,000 units (31 March 2024: 25,000)                                     | 2.43                  | 2.43                   |
| 7.26% Central Government Loan (Face value Rs 100), 22,000 units (31 March 2024: 22,000)                                     | 2.32                  | 2.32                   |
| 7.06% Central Government Loan (Face value Rs 100), 22,000 units (31 March 2024: 22,000)                                     | 2.32                  | 2.32                   |
| 6.67% GOI 2050 Bond (Face value Rs 100), 8,000 units (31 March 2024: 8,000)   | 0.81                  | 0.81                   |
| 7.72% GOI 2055 Bond (Face value Rs 100), 10,000 units (31 March 2024: 10,000)   | 0.96                  | 0.96                   |
| 6.99% GOI 2051 Bond (Face value Rs 100), 11,300 units , (31 March 2024: 11,300)   | 1.06                  | 1.06                   |
| 7.26% GOI 2029 Bond (Face value Rs 100), 18,000 units (31 March 2024: 18,000)   | 1.90                  | 1.90                   |
| 7.40% GOI 2055 Bond (Face value Rs 100), 28,700 units (31 March 2024: 28,700)   | 3.07                  | 3.07                   |
| 8.33% GOI 2036 Bond (Face value Rs 100), 21,210 units (31 March 2024: 21,210)   | 2.50                  | 2.50                   |
| 7.06% GOI 2046 Bond (Face value Rs 100), 12,000 units (31 March 2024: 12,000)   | 1.27                  | 1.27                   |
| 8.33% GOI 2036 Bond (Face value Rs 100), 1,790 units (31 March 2024: 1,790)   | 0.21                  | 0.21                   |
| 6.99% GOI 2051 Bond (Face Value Rs 100), 28,000 units (31 March 2024: 28,000)   | 2.62                  | 2.62                   |
| 6.99% GOI 2051 Bond (Face Value Rs 100), 17,700 units (31 March 2024: 17,700)   | 1.66                  | 1.66                   |
| 7.36% GS 2052; Bond (Face Value Rs 100), 1,200 units (31 March 2024: 1,200)   | 0.12                  | 0.12                   |
| 6.99% GS 2051; Bond (Face Value Rs 100), 10,400 units (31 March 2024: 10,400)   | 1.03                  | 1.03                   |
| 6.99% GS 2051; Bond (Face Value Rs 100), 1,037 units (31 March 2024: 1,037)   | 0.11                  | 0.11                   |
| 6.99% GOI 2051; Bond (Fave Value Rs 100), 24,700 units (31 March 2024: 24,700)  | 1.85                  | 1.85                   |
| 7.18% GOI 2033; FV:2,412,300 (24,123 bonds FV Rs.100) (31 March 2024: Nil)  | 2.47                  | -                      |
| 7.18% GOI 2033 : FV 14,57,800 ( 14578 bonds FV Rs. 100) (31 March 2024: Nil)  | 1.49                  | -                      |
| 7.18% GOI 2033: FV: 1,246,900 (12,469 bonds FV Rs.100) (31 March 2024: Nil)   | 1.28                  | -                      |
| 6.99% GOI 2051; Bond (Face Value Rs 100), 14,900 units (31 March 2024: 14,900)  | 1.48                  | 1.48                   |
|   | 38.28                 | 33.04                  |
| <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>  | 0.02                  | 0.02                   |
| <b>Investments measured at amortised cost</b>   | 38.26                 | 33.02                  |
| <b>Aggregate amount of impairment recognised</b>  | -                     | -                      |
| <b>Aggregate amount of quoted investments and market value thereof</b>  | -                     | -                      |
| <b>Aggregate amount of unquoted investments</b>   | 38.28                 | 33.04                  |





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**10 Other financial assets (Non current)**

| Particulars                       | As at<br>30 June 2024 | As at<br>31 March 2024 |
|-----------------------------------|-----------------------|------------------------|
| <i>Unsecured, considered good</i> |                       |                        |
| Fixed deposits with banks*        | 893.03                | 144.93                 |
| Unbilled revenue                  | 901.86                | 881.87                 |
| Interest receivable               | 0.67                  | 0.59                   |
| Finance lease receivable          | 1,505.20              | 1,627.15               |
| Security deposits for others      | 31.19                 |                        |
| Security deposits                 | 472.80                | 497.93                 |
| Other receivables                 | 4.23                  | 7.32                   |
|                                   | <b>3,808.98</b>       | <b>3,159.79</b>        |

\* Fixed deposits amounting to Rs. 294.15 million (31 March 2024 – 144.93 million) are held as lien in respect of loan availed by the SPVs.

**11 Deferred tax assets (net)**

| Particulars               | As at<br>30 June 2024 | As at<br>31 March 2024 |
|---------------------------|-----------------------|------------------------|
| Deferred tax assets (net) | 263.27                | 300.61                 |
|                           | <b>263.27</b>         | <b>300.61</b>          |

**12 Non-current Tax assets (net)**

| Particulars                            | As at<br>30 June 2024 | As at<br>31 March 2024 |
|--|-----------------------|------------------------|
| Advance Tax (net of provision for tax) | 720.70                | 777.69                 |
|  | <b>720.70</b>         | <b>777.69</b>          |

**13 Other non-current assets**

| Particulars                          | As at<br>30 June 2024 | As at<br>31 March 2024 |
|--------------------------------------|-----------------------|------------------------|
| <i>Unsecured, considered good</i>    |                       |                        |
| Capital advances                     | 1,568.09              | 1,010.74               |
| Balances with government authorities | 107.45                | 107.14                 |
| Prepaid expenses                     | 34.31                 | 56.99                  |
|                                      | <b>1,709.85</b>       | <b>1,174.87</b>        |

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

| Particulars                       | As at<br>30 June 2024 | As at<br>31 March 2024 |
|-----------------------------------|-----------------------|------------------------|
| Building materials and components | 47.61                 | 43.52                  |
|                                   | <b>47.61</b>          | <b>43.52</b>           |

**15 Trade receivables**

| Particulars          | As at<br>30 June 2024 | As at<br>31 March 2024 |
|----------------------|-----------------------|------------------------|
| <i>Unsecured</i>     |                       |                        |
| Considered good      | 1,248.37              | 1,092.30               |
| Credit impaired      | 43.67                 | 42.51                  |
| Less: loss allowance | (43.67)               | (42.51)                |
|                      | <b>1,248.37</b>       | <b>1,092.30</b>        |



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**15A Cash and cash equivalents**

| Particulars            | As at<br>30 June 2024 | As at<br>31 March 2024 |
|------------------------|-----------------------|------------------------|
| Cash on hand           | 3.30                  | 3.21                   |
| Balances with banks    |                       |                        |
| - in current accounts* | 5,378.14              | 3,194.76               |
| - in escrow accounts   | 1.37                  | 52.39                  |
|                        | 5,382.81              | 3,250.36               |

\*Includes balance with bank of Rs 0.43 million as on 30 June 2024 (31 March 2024: Rs 0.40 million) for unpaid distributions.

**15B Other bank balances**

| Particulars   | As at<br>30 June 2024 | As at<br>31 March 2024 |
|---|-----------------------|------------------------|
| Fixed deposits with original maturity for more than 3 months and less than twelve months* | 733.54                | 2,666.10               |
| Balance with banks**  | 341.31                | 184.38                 |
|   | 1,074.85              | 2,850.48               |

\* Fixed deposits amounting to Rs. 482.63 million (31 March 2024 – Rs 578.59 million) are held as lien in respect of loan availed by the SPVs and earmarked for Debenture Redemption Reserve.

\*\* These amounts includes Rs. 272.27 million, deposited in separate escrow accounts, earmarked for on-going Corporate Social Responsibility (CSR)

**16 Other financial assets (Current)**

| Particulars                               | As at<br>30 June 2024 | As at<br>31 March 2024 |
|---|-----------------------|------------------------|
| <i>Unsecured, considered good</i>         |                       |                        |
| Interest receivable                       |                       |                        |
| - on fixed deposits                       | 16.51                 | 190.54                 |
| - from others                             | 9.06                  | 11.89                  |
| Interest accrued but not due              |                       |                        |
| - on fixed deposits                       | 4.79                  | 9.67                   |
| - from others                             | -                     | 3.19                   |
| Security deposits                         | 6.81                  | 210.47                 |
| Fixed deposits with banks*                | 2,629.79              | 1,435.49               |
| Other deposits                            | 4.40                  | -                      |
| Unbilled revenue                          | 1,092.62              | 1,434.88               |
| Less: loss allowance for Unbilled revenue | (57.23)               | (57.23)                |
| Finance lease receivable                  | 514.60                | 503.73                 |
| Other receivables**                       |                       |                        |
| - Considered good                         | 37.27                 | 4.15                   |
| - Credit impaired                         | 0.73                  | 0.73                   |
| Less: loss allowance                      | (0.73)                | (0.73)                 |
|   | 4,258.62              | 3,746.78               |

\* Fixed deposits amounting to Rs. 383.90 million (31 March 2024 – Rs. 325.15 million) are held as lien in respect of loan availed by the SPVs and earmarked for Debenture Redemption Reserve.

\*\* Refer Note 46 for related party disclosure.

**17 Other current assets**

| Particulars   | As at<br>30 June 2024 | As at<br>31 March 2024 |
|---|-----------------------|------------------------|
| <i>Unsecured, considered good</i>                     |                       |                        |
| Advance for supply of goods and rendering of services | 197.60                | 323.01                 |
| Loan to staff   | 0.24                  | -                      |
| Balances with government authorities                  | 155.40                | 165.59                 |
| Prepaid expenses                                      | 292.48                | 99.19                  |
| Other receivables                                     | 4.76                  | 0.88                   |
|   | 650.48                | 588.67                 |





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**18 Corpus**

| Corpus                              | Amount |
|-------------------------------------|--------|
| As at 1 April 2023                  | 0.01   |
| Changes during the year             | -      |
| Closing balance as at 31 March 2024 | 0.01   |
| As at 1 April 2024                  | 0.01   |
| Changes during the period           | -      |
| Closing balance as at 30 June 2024  | 0.01   |

**19 Unit Capital**

| A. Unit Capital                     | No.            | Amount     |
|-------------------------------------|----------------|------------|
| As at 1 April 2023                  | 593,018,182.00 | 162,838.83 |
| Changes during the year             | -              | -          |
| Closing balance as at 31 March 2024 | 593,018,182.00 | 162,838.83 |
| As at 1 April 2024                  | 593,018,182.00 | 162,838.83 |
| Changes during the period           | -              | -          |
| Closing balance as at 30 June 2024  | 593,018,182.00 | 162,838.83 |

**(a) Terms/rights attached to Units and other disclosures**

The Trust has only one class of Units. Each Unit represents an undivided beneficial interest in the Trust. Each holder of Units is entitled to one vote per unit. The Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Trust on quarterly basis in accordance with REIT Regulations/ in terms of the Distribution Policy. The Board of directors of Investment Manager approves distributions. The distribution will be in proportion to the number of Units held by the Unitholders. The Trust declares and pays distributions in Indian Rupees.

Under the provisions of the REIT Regulations, Mindspace Business Parks REIT is required to distribute to Unitholders not less than 90% of the net distributable cash flows of Mindspace Business Parks REIT on half year basis for each financial year. Accordingly, a portion of the Unit Capital contains a contractual obligation of the Mindspace Business Parks REIT to pay to its Unitholders cash distributions. Hence, the Unit Capital is a compound financial instrument which contains equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 dated 15 May 2024 issued under the REIT Regulations, the Unitholders' funds have been presented as "Equity" in order to comply with the requirements of Section H of Chapter 3 to the SEBI master circular dated 15 May 2024 dealing with the minimum presentation and disclosure requirements for key financial statements. Consistent with Unit Capital being classified as equity, the distributions to Unitholders is also presented in Statement of Changes in Unitholders' Equity when the distributions are approved by the Board of Directors of Investment Manager.

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

| Name of the unitholder              | As at 30 June 2024 |           | As at 31 March 2024 |           |
|-------------------------------------|--------------------|-----------|---------------------|-----------|
|                                     | No of Units        | % holding | No of Units         | % holding |
| Platinum Illumination A 2018 Trust  | 54,375,000         | 9.17%     | 54,375,000          | 9.17%     |
| Anbee Constructions LLP             | 35,404,890         | 5.97%     | 35,404,890          | 5.97%     |
| Cape Trading LLP                    | 35,438,895         | 5.98%     | 35,438,895          | 5.98%     |
| Chandru Lachmandas Raheja*          | 32,634,433         | 5.50%     | 32,634,433          | 5.50%     |
| Capstan Trading LLP                 | 41,095,719         | 6.93%     | 41,095,719          | 6.93%     |
| Casa Maria Properties LLP           | 46,820,719         | 7.90%     | 46,820,719          | 7.90%     |
| Palm Shelter Estate Development LLP | 41,095,719         | 6.93%     | 41,095,719          | 6.93%     |
| Raghukool Estate Development LLP    | 42,004,546         | 7.08%     | 42,004,546          | 7.08%     |
| K. Raheja Corp Private Limited      | 36,596,296         | 6.17%     | 36,596,296          | 6.17%     |

\*Excludes holding in for and on behalf of beneficiaries of Ivory Property Trust

**(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 had issued an aggregate of 36,363,600 Units for cash at Rs. 275 per unit and 556,654,582 Units at a price of Rs. 275 per unit for consideration other than cash during the period of five years immediately preceding the balance sheet date**



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**20 Other Equity\***

| Particulars                  | As at<br>30 June 2024 | As at<br>31 March 2024 |
|------------------------------|-----------------------|------------------------|
| <i>Reserves and Surplus</i>  |                       |                        |
| Retained earnings            | (22,695.68)           | (21,549.70)            |
| Debenture redemption reserve | -                     | 400.00                 |
|                              | <b>(22,695.68)</b>    | <b>(21,149.70)</b>     |

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

**Debenture redemption reserve**

As per the Companies (Share Capital and Debentures) Rules, 2014 (amended), SPV is required to create Debenture Redemption Reserve (DRR) out of profits, which is available for payment of dividend, equal to 10% of the amount of debentures issued. Accordingly, the SPV has created DRR out of their profits in terms of the Companies (Share Capital and Debenture) Rules, 2014 (as amended) which would be utilized for redemption of debentures at the time of its maturity. During the quarter ended June 30, 2024, such debentures were redeemed and hence balance in the reserve has been transferred to retained earnings.



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**21 Borrowings (Non-current)**

| Particulars  | As at<br>30 June 2024 | As at<br>31 March 2024 |
|--|-----------------------|------------------------|
| <b>Secured</b>   |                       |                        |
| <b>Terms loans</b>   |                       |                        |
| - from banks   | 23,247.72             | 21,562.93              |
| - from other parties   | 3,077.32              | 3,106.27               |
| <b>Flexi term loan</b>   | 1,066.87              | 361.91                 |
| <b>Debentures</b>  |                       |                        |
| Senior, listed, rated, secured, non-cumulative, taxable, transferable, redeemable, non-convertible debentures ("NCD Series 4") (net of issue expenses, at amortised cost) (Refer note 1)                 | 4,977.15              | 4,975.53               |
| Secured, listed, rated, secured, non-cumulative, taxable, transferable, redeemable non-convertible debentures ("Mindspace REIT Green Bond 1") (net of issue expenses, at amortised cost) (refer Note 2)  | 5,476.48              | 5,473.41               |
| Secured, listed, rated, non-cumulative, taxable, transferable, redeemable non-convertible debentures (NCD Series 6) (net of issue expenses, at amortised cost) (refer Note 3)                            | 4,980.00              | 4,977.72               |
| Secured, listed, rated, non-cumulative, taxable, transferable, redeemable non-convertible debentures (NCD Series 7) (net of issue expenses, at amortised cost) (refer Note 4)                            | 4,987.20              | 4,986.16               |
| Secured, listed, rated, non-cumulative, taxable, transferable, redeemable non-convertible debentures (NCD Series 8) (net of issue expenses, at amortised cost) (31 March 2024 : NIL) (refer Note 5)      | 3,392.68              | 3,392.07               |
| Secured, listed, rated, non-cumulative, taxable, transferable, redeemable non-convertible debentures (NCD Series 9) (net of issue expenses, at amortised cost) (31 March 2024 : Rs. Nil) (refer Note 6)  | 4,982.32              | -                      |
| Secured, listed, rated, non-cumulative, taxable, transferable, redeemable non-convertible debentures (NCD Series 10) (net of issue expenses, at amortised cost) (31 March 2024 : Rs. Nil) (refer Note 7) | 6,488.71              | -                      |
|  | <b>62,676.45</b>      | <b>48,836.00</b>       |

**Non- Convertible Debentures and Bonds**

**Note 1** In July 2022, Mindspace Business Parks REIT issued 5,000 senior, listed, rated, secured, non-cumulative, taxable, transferrable, redeemable, non-convertible debentures of face value of INR 1,000,000 (Indian Rupees One Million) per Debenture for aggregate principal amount of upto INR 5,000,000,000/- (Indian Rupees Five Thousand Million Only) with a coupon rate of 7.95% p.a. Coupon on the outstanding Nominal value of each debenture shall be applicable and computed from day to day, be prorated on an actual/ actual basis for the actual number of days in the Coupon Period and be payable in arrears on the relevant Coupon Payment date to the Debenture Holder whose name is appearing on the Register of Beneficial Owners as on the Record Date. The first Coupon payment Date is 30 Sept 2022, with last coupon payment on the scheduled redemption date i.e. 27 July 2027. The tenure of the said NCD Series 4 is 60 months.

This NCD Series 4 was listed on BSE Limited on July 29, 2022

**Security terms**

NCD Series 4 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders):

- First ranking sole and exclusive security interest by way of an equitable mortgage on carpet area of approximately 779,466 sq ft in building 12 D (identified units in building) along with the common areas, usage and access rights appurtenant to the units mortgaged in Building 12D as mentioned in the trust deed, situated on a notionally demarcated land admeasuring approximately 17414.77 square metres (equivalent to 4.30 acres), forming part of a portion of land admeasuring 14.02 hectares equivalent to 34.64 acres or thereabout declared as 'Special Economic Zone' land from and out of the larger piece of land bearing Survey no. 64(part), lying, being and situated at Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad.
- A charge on the escrow account has been created, in which receivables of the Mortgaged Properties shall be received, save and except any common area maintenance charges payable to Sundew with respect to the maintenance of the mortgaged properties.
- Corporate guarantee executed by Sundew.

**Redemption terms:**

- NCD Series 4 are redeemable by way of bullet repayment at the end of 60 months from the date of allotment, i.e. 27 July, 2027.
- Interest is payable on the last day of each financial quarter in a year (starting from 30 September, 2022) until the scheduled redemption date.
- The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.



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d) Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the Issuer to redeem in full, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.

**Note 2** On 15 March 2023, Mindspace Business Parks REIT issued 55,000 Green Debt Securities in the form of listed, rated, secured, non-cumulative, taxable, transferable, redeemable non-convertible debentures ("Mindspace REIT Green Bond I") having nominal value of Rs. 1,00,000 (Rupees One lakh only) each, amounting to Rs. 5,500,000,000 (Rupees Five thousand five hundred millions only) with a coupon rate of 8.02% p.a. payable quarterly beginning from the end of first quarter from the date of allotment i.e. 15 March 2023, with last coupon payment on the scheduled redemption date i.e. 13 April 2026. The tenure of the said Mindspace REIT Green Bond I is 3 year and 30 days from 15 March 2023, being date of allotment. The date of payment of first coupon is 31 March 2023.

Mindspace REIT Green Bond I was listed on BSE Limited on March 16, 2023.

**Security terms**

Mindspace REIT Green Bond I are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders) as more particularly described in the transaction documents, summarized as follows:

a) First and exclusive charge registered by way of equitable mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 1.067 million square feet or thereabouts in buildings no. 5B and 9 of Madhapur Hyderabad (approx. 245,977 sq. ft. in building no. 5B and approx. 821,717 building no. 9) together with the proportionate undivided right, title and interest in (i) the notionally demarcated land admeasuring approximately 7,169.90 square metres (equivalent to 1.7717 acres) on which Building 5B is situated, and (ii) the notionally demarcated land admeasuring approximately 16,871.82 square metres (equivalent to 4.17 acres) on which Building 9 is situated.

b) A charge on the escrow account in which receivables of the Mortgaged Properties shall be payable to Intime Properties Limited.

c) Corporate guarantee executed by Intime Properties Limited.

**Redemption terms:**

a) Mindspace REIT Green Bond I are redeemable by way of bullet repayment at the end of 3 years and 30 days from the date of allotment (date of allotment being 15 March 2023 and date of redemption being 13 April 2026).

b) Interest is payable on the last day of each financial quarter in a year (starting from 31 March, 2023) until the scheduled redemption date and on the scheduled redemption date.

c) The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.

d) Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the Issuer to redeem in full, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.

**Note 3** In June 2023, Mindspace Business Parks REIT issued 50,000 listed, rated, secured, non-cumulative, taxable, transferrable, redeemable, non-convertible debentures of face value of INR 1,00,000 (Indian Rupees One Lakh only) per Debenture for aggregate principal amount of upto INR 5,000,000,000/- (Rupees Five Thousand Million Only) with a coupon rate of 7.75% p.a. payable quarterly. Coupon on the outstanding Nominal value of each debenture shall be applicable and computed from day to day, be prorated on an actual/ actual basis for the actual number of days in the Coupon Period and be payable in arrears on the relevant Coupon Payment date to the Debenture Holder whose name is appearing on the Register of Beneficial Owners as on the Record Date. The first Coupon payment Date is 30 June 2023, with last coupon payment on the scheduled redemption date i.e. 30 June 2026. The tenure of the said NCD Series 6 is 3 year and 29 days.

This NCD Series 6 was listed on BSE Limited on June 06, 2023.

**Security terms**

NCD Series 6 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders):

a) first ranking sole and exclusive security interest, by way of a registered simple mortgage on identified units in buildings 6, 7 and 8 of Commerzone Yerwada adding to a cumulative carpet area of approximately 0.7msf across these 3 buildings at Commerzone Yerwada, Pune along with the common areas, usage and access rights appurtenant to the units mortgaged in Buildings 6, 7 and 8 as mentioned in the trust deed, situated on a notionally demarcated land admeasuring approximately 26,162 square metres, forming part of a portion of land larger land admeasuring 1,03,919 square metres (after deducting 21 square metres for road from total extent of 1,03,940 square metres) at Village Yerwada, Taluka Haveli, District Pune and within the limits of Pune Municipal Corporation.

b) A charge on the escrow account has been created, in which receivables of the Mortgaged Properties shall be received, save and except any common area maintenance charges payable to Sundew with respect to the maintenance of the mortgaged properties.

c) Corporate guarantee executed by Mindspace Business Parks Private Limited.

**Redemption terms:**

a) NCD Series 6 are redeemable by way of bullet repayment at the end of 3 year and 29 days from the date of allotment i.e. 30 June 2026

b) Interest is payable on the last day of each financial quarter in a year (starting from 30 June 2023) until the scheduled redemption date.

c) The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.





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d) Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the Issuer to redeem in full, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.

**Note 4** In September 2023, Mindspace Business Parks REIT issued 50,000 listed, rated, secured, non-cumulative, taxable, transferrable, redeemable, non-convertible debentures of face value of INR 1,00,000 (Indian Rupees One Lakh only) per Debenture for aggregate principal amount of upto INR 5,000,000,000/- (Rupees Five Thousand Million Only) with a coupon rate of 8.03% p.a. payable quarterly. Coupon on the outstanding Nominal value of each debenture shall be applicable and computed from day to day, be prorated on an actual/ actual basis for the actual number of days in the Coupon Period and be payable in arrears on the relevant Coupon Payment date to the Debenture Holder whose name is appearing on the Register of Beneficial Owners as on the Record Date. The first Coupon Payment Date is 30 September 2023, with last coupon payment on the scheduled redemption date i.e. 10 December 2026. The tenure of the said NCD Series 7 is 3 years and 3 months.

This NCD Series 7 was listed on BSE Limited on September 13, 2023.

**Security terms**

NCD Series 7 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders):

a) first ranking sole and exclusive security interest, by way of an equitable mortgage on identified units in buildings 2A, 2B and 10 of Mindspace Madhapur adding to a cumulative carpet area of approximately 0.73 msf across these 3 buildings in buildings 2A, 2B and 10 as mentioned in the trust deed, situated on a notionally demarcated land admeasuring approximately 36,258 square metres, being and situated at Mindspace Madhapur, Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad.

b) first ranking sole and exclusive security interest by way of a hypothecation over Collection Account and Escrow Account and all amounts standing to the credit of or accrued or accruing on, receivables, movable assets pertaining to Mortgaged Immovable Properties as further specified in transaction documents.

c) Corporate guarantee executed by KRIT.

**Redemption terms:**

a) NCD Series 7 are redeemable by way of bullet repayment at the end of 3 year and 3 months from the date of allotment i.e. 10 December 2026.

b) Interest is payable on the last day of each financial quarter in a year (starting from 30 September 2023) until the scheduled redemption date with last payment falling on the scheduled redemption date.

c) The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.

d) Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the Issuer to redeem in full, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.

**Note 5** In March 2024, Mindspace Business Park REIT issued 34,000 listed, rated, secured, non-cumulative, taxable, transferrable, redeemable, non-convertible debentures of face value of INR 1,00,000 (Indian Rupees One Lakh only) per Debenture for aggregate principal amount of upto INR 3,400,000,000/- (Rupees Three Thousand Four Hundred Million Only) with a coupon rate of 7.93% p.a. payable quarterly. Coupon on the outstanding Nominal value of each debenture shall be applicable and computed from day to day, be prorated on an actual/ actual basis for the actual number of days in the Coupon Period and be payable in arrears on the relevant Coupon Payment date to the Debenture Holder whose name is appearing on the Register of Beneficial Owners as on the Record Date. The first Coupon Payment Date is 31 March 2024, with last coupon payment on the scheduled redemption date i.e. 20 March 2027. The tenure of the said NCD Series 8 is 3 years.

This NCD Series 8 was listed on BSE Limited on March 22, 2024.

**Security terms**

NCD Series 8 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders):

a) first ranking sole and exclusive security interest, by way of an equitable mortgage on identified units in buildings 1, 4, 5 and Amenity building of Commerzone Yerwada adding to a cumulative leasable area of approximately 0.55 msf and carpet area of c.0.43 msf across these 4 buildings in buildings as mentioned in the trust deed, situated on a notionally demarcated land admeasuring approximately 27,826 square metres, being and situated at Village Yerawada, Taluka Haveli, District Pune and within the limits of Pune Municipal Corporation, and bounded as follows:

b) first ranking sole and exclusive security interest by way of a simple mortgage over Collection Account and Escrow Account and all amounts standing to the credit of or accrued or accruing on, receivables, movable assets pertaining to Mortgaged Immovable Properties as further specified in transaction documents.

c) Corporate guarantee executed by Mindspace Business Parks Private Limited.



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**Redemption terms:**

- a) NCD Series 8 are redeemable by way of bullet repayment at the end of 3 year from the date of allotment i.e. 20 March 2027.
- b) Interest is payable on the last day of each financial quarter in a year (starting from 31 March 2024) until the scheduled redemption date with last payment falling on the scheduled redemption date.
- c) The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.
- d) Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the Issuer to redeem in full, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.

**Note 6** In May 2024, Mindspace Business Parks REIT issued 50,000 listed, rated, secured, non-cumulative, taxable, transferrable, redeemable, non-convertible debentures of face value of INR 1,00,000 (Indian Rupees One Lakh only) per Debenture for aggregate principal amount of upto INR 5,000,000,000/- (Rupees five thousand million Only) with a coupon rate of 7.96% p.a. payable quarterly. Coupon on the outstanding Nominal value of each debenture shall be applicable and computed from day to day, be prorated on an actual/ actual basis for the actual number of days in the Coupon Period and be payable in arrears on the relevant Coupon Payment date to the Debenture Holder whose name is appearing on the Register of Beneficial Owners as on the Record Date. The first Coupon Payment Date is 30 June 2024, with last coupon payment on the scheduled redemption date i.e. 11 May 2029. The tenure of the said NCD Series 9 is 4 years and 364 days.

This NCD Series 9 was listed on BSE Limited on May 14, 2024.

**Security terms**

NCD Series 9 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders):

- a) first ranking sole and exclusive security interest, by way of a simple mortgage on 30,700 square metres of land (referred to as Plot B Land and Plot C Land) together with the commercial and IT building as further described in the trust deed, situated at 7, Ahmednagar Road, Village Vadgaon Sheri, Taluka Haveli, District Pune.
- b) A charge over Collection Account and Escrow Account and all amounts standing to the credit of or accrued or accruing on, receivables, movable assets pertaining to Mortgaged Immovable Properties as further specified in transaction documents.
- c) Corporate guarantee executed by Mindspace Business Parks Private Limited.

**Redemption terms:**

- a) NCD Series 9 are redeemable by way of bullet repayment at the end of 4 years and 362 days from the date of allotment i.e. 13 May 2024.
- b) Interest is payable on the last day of each financial quarter in a year (starting from 13 May 2024) until the scheduled redemption date with last payment falling on the scheduled redemption date.
- c) The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.
- d) Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the Issuer to redeem in full, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.

**Note 7** In June 2024, Mindspace Business Park REIT issued 65,000 listed, rated, secured, non-cumulative, taxable, transferrable, redeemable, non-convertible debentures of face value of INR 1,00,000 (Indian Rupees One Lakh only) per Debenture for aggregate principal amount of upto INR 6,500,000,000/- (Rupees six thousand five hundred million Only) with a coupon rate of 7.94% p.a. payable quarterly. Coupon on the outstanding Nominal value of each debenture shall be applicable and computed from day to day, be prorated on an actual/ actual basis for the actual number of days in the Coupon Period and be payable in arrears on the relevant Coupon Payment date to the Debenture Holder whose name is appearing on the Register of Beneficial Owners as on the Record Date. The first Coupon Payment Date is 30 June 2024, with last coupon payment on the scheduled redemption date i.e. 24 June 2031. The tenure of the said NCD Series 10 is 7 years. The debenture issued was sustainability linked debenture with provisions for step down of coupon basis achievement of targets. The debenture also has a Early Redemption Date as further described in the respective transaction documents.

This NCD Series 10 was listed on BSE Limited on June 26, 2024.

**Security terms**

NCD Series 10 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders):

- a) first ranking sole and exclusive security interest, by way of an equitable mortgage on identified units in buildings 12B and 12C of Mindspace Madhapur adding to a cumulative carpet area of approximately 0.86 msf carpet area (or leasable area – 1.13 msf) across these 2 buildings as mentioned in the trust deed, situated on a notionally demarcated land admeasuring approximately 29,157.16 square metres, being and situated at Mindspace Madhapur, Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad.
- b) first ranking sole and exclusive security interest by way of a hypothecation over Collection Account and Escrow Account and all amounts standing to the credit of or accrued or accruing on, receivables, movable assets pertaining to Mortgaged Immovable Properties as further specified in transaction documents.
- c) Corporate guarantee executed by Sundew Properties Limited.





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**Redemption terms:**

- a) NCD Series 10 are redeemable by way of bullet repayment at the end of 7 years from the date of allotment i.e. 25 June 2024.
- b) Interest is payable on the last day of each financial quarter in a year (starting from 25 June 2024) until the scheduled redemption date with last payment falling on the scheduled redemption date.
- c) The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.
- d) Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the Issuer to redeem in full, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.
- e) The debenture issued was sustainability linked debenture with provisions for step down of coupon basis achievement of identified ESG targets. The debenture also has an Early Redemption Date on 31 December 2028 as further described in the respective transaction documents.

Refer Note 47 for Ratio disclosure

**22 Other non-current financial liabilities**

| Particulars                          | As at<br>30 June 2024 | As at<br>31 March 2024 |
|--------------------------------------|-----------------------|------------------------|
| Security deposits                    | 3,477.20              | 3,233.91               |
| Retention money payable              |                       |                        |
| - due to micro and small enterprises | 41.95                 | 36.68                  |
| - others                             | 32.86                 | 21.04                  |
| Capital creditors                    |                       |                        |
| - Due to micro and small enterprises | -                     | -                      |
| - Others                             | 63.40                 | 63.40                  |
|                                      | <b>3,615.41</b>       | <b>3,355.03</b>        |

**23 Provisions (Non current)**

| Particulars                     | As at<br>30 June 2024 | As at<br>31 March 2024 |
|---------------------------------|-----------------------|------------------------|
| Provision for employee benefits |                       |                        |
| - gratuity                      | 28.05                 | 23.05                  |
| - compensated absences          | 14.14                 | 11.32                  |
| Other Provision                 | 26.64                 | 26.64                  |
|                                 | <b>68.83</b>          | <b>61.01</b>           |

**24 Deferred tax liabilities (net)**

| Particulars                    | As at<br>30 June 2024 | As at<br>31 March 2024 |
|--------------------------------|-----------------------|------------------------|
| Deferred tax liabilities (net) | 4,041.80              | 3,732.05               |
|                                | <b>4,041.80</b>       | <b>3,732.05</b>        |

**25 Other non-current liabilities**

| Particulars   | As at<br>30 June 2024 | As at<br>31 March 2024 |
|---------------|-----------------------|------------------------|
| Unearned rent | 558.86                | 431.14                 |
| Other advance | 0.02                  | 0.02                   |
|               | <b>558.88</b>         | <b>431.16</b>          |



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**26 Short term borrowings**

| Particulars   | As at<br>30 June 2024 | As at<br>31 March 2024 |
|---|-----------------------|------------------------|
| <b>Secured:</b>   |                       |                        |
| Term loan from banks and financial institution  |                       |                        |
| Loans repayable on demand   |                       |                        |
| - overdraft from banks  | 2,561.60              | 1,364.36               |
| <b>Unsecured:</b>   |                       |                        |
| - Commercial Paper (Series -2) (31 March 2024 : 1,446.12) (Note 1)  | -                     | 1,446.12               |
| -Commercial Paper (Series -3) (31 March 2024 : Rs. Nil) (Note 2)  | 3,287.13              |                        |
| <b>Current maturities of long-term debt (Secured)</b>   |                       |                        |
| 10 year G-Sec linked secured, listed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures ("Market Linked Debentures / MLD Series 2") (net of issue expenses, at amortised cost) (refer Note 4) | -                     | 3,748.84               |
| Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 2) (net of issue expenses, at amortised cost) (refer Note 5)   | -                     | 749.75                 |
| Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 3) (net of issue expenses, at amortised cost) (refer Note 3)   | 4,990.83              | 4,986.41               |
| Senior, Listed, Rated, Secured, Non-Cumulative, Taxable, Transferable, Redeemable Non-Convertible Debentures (Sundew NCD 1) (refer Note 6)  | -                     | 3,997.56               |
| - from banks  | 1,410.75              | 4,475.01               |
| - from other parties  | 108.89                | 105.97                 |
| - Flexi term loan from other parties  | 38.13                 | 18.09                  |
|   | 12,397.33             | 20,892.11              |

**Note 1** On 19 December 2023, Mindspace Business Parks REIT issued 3,000 Commercial Papers (Series -2) with a face value of Rs. 5,00,000 (Rupees five lakhs only) each, at a discount of 8.0% per annum to the face value. The discounted amount raised by the REIT through MREIT CP Series-2/2023-24 was Rs. 1,446,117,000 (Rupees one thousand four hundred forty six million one hundred and seventeen thousands only) and the value payable on maturity is Rs. 1,500,000,000 (Rupees one thousand five hundred million only). Discount on Commercial papers is amortized over the tenor of the underlying instrument. The commercial papers were listed on BSE and will mature on 6 June 2024

**Note 2** On 26 April 2024, Mindspace Business Parks REIT issued 7,000 Commercial Papers (Series -3) with a face value of Rs. 5,00,000 (Rupees five lakhs only) each, at a discount of 7.75% per annum to the face value. The discounted amount raised by the REIT through MREIT CP Series 3 was Rs. 3,287,126,500 (Rupees three thousand two hundred eighty seven million one hundred and twenty six thousand five hundred only) and the value payable on maturity is Rs. 3,500,000,000 (Rupees three thousand five hundred million only). Discount on Commercial papers is amortized over the tenor of the underlying instrument. The commercial papers were listed on BSE and will mature on 25 February 2025.

**Note 3** In February 2022, Mindspace Business Parks REIT issued 5,000 senior, listed, rated, secured, non-cumulative, taxable, transferable, redeemable, non-convertible debentures ("NCD Series 3") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 5,000,000,000 (Indian Rupees five thousand millions only) with a coupon rate of 6.35% p.a. Coupon on the outstanding Nominal value of each debenture shall be applicable and computed from day to day, be prorated on an actual/ actual basis for the actual number of days in the Coupon Period and be payable in arrears on the relevant Coupon Payment date to the Debenture Holder whose name is appearing on the Register of Beneficial Owners as on the Record Date. The Issuer hereby acknowledges and agrees that there shall be no moratorium period for the payment of Coupon. The first Coupon payment Date is 31 March 2022, with last coupon payment on the scheduled redemption date i.e. 31 December 2024. The tenure of the said NCD Series 3 is 35 months from 1 February 2022, being date of allotment.

This NCD Series 3 was listed on BSE Limited on February 04, 2022.



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**Security terms**

NCD Series 3 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders):

a) First and exclusive charge being registered by way of simple mortgage on the carpet area of approximately 5,52,974 Sq. Ft. ( save and except entire 2nd floor admeasuring 11,883 Sq. Ft. carpet area in building no. 2) (the building no. 2 ) situated on the Mortgage land along with proportionate covered and open parking spaces, in Building 2 together with all the beneficial rights, title and interest of the Assets SPV in appurtenant to Building 2 and all erections. The Building 2 is situated on a portion of the Mortgage Land admeasuring 8.04 Hectares, which portion is notified as a Special Economic Zone & first and exclusive charge being registered by way of simple mortgage on the identified units with aggregating to carpet area of approximately 4,61,527 Sq. Ft. (identified units of building no. 3 ) situated on the Mortgage land along with proportionate covered and open parking spaces, in Building 3 together with all the beneficial rights, title and interest of the Assets SPV in appurtenant to Building 3 and all erections ("Mortgaged Properties") of NCD Series 3 as further detailed in transaction documents.

a) first ranking pari passu charge by way of a simple mortgage over the Mortgaged Land as further detailed in transaction documents.

b) A charge on the escrow account has been created, in which receivables of the Mortgaged Properties shall be received, save and except any common area maintenance charges payable to Gigaplex with respect to the maintenance of the mortgaged properties.

c) Corporate guarantee executed by Gigaplex.

**Redemption terms:**

a) NCD Series 3 are redeemable by way of bullet repayment at the end of 35 months from the date of allotment, i.e. 31 December, 2024 and accordingly the same has been classified as current maturities of long term borrowings as on 30 June 2024

b) Interest is payable on the last day of each financial quarter in a year (starting from 31 March, 2022) until the scheduled redemption date.

c) The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.

d) Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the Issuer to redeem in full, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.

**Note 4** In March 2021, Mindspace REIT issued 3,750 10 year G-Sec linked secured, listed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures ("Market Linked Debentures / MLD Series 2") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 3,750,000,000 (Rupees three thousand seven hundred fifty million only). The tenure of the said MLD Series 2 is 38 months from 18 March 2021, being date of allotment of the MLD Series 2 and coupon, if any shall be payable on the Scheduled Redemption Date i.e. on maturity on 17 May 2024. The coupon payoff structure is linked to condition where the payoff will be fixed on the final fixing date i.e. 16 April 2024. If identified 10 year G-Sec's last traded price as on final fixing date is greater than 25% of its last traded price as on initial fixing date i.e. 18 March 2021, the coupon rate will be 6.65% p.a. If identified 10 year G-Sec's last traded price as on final fixing date is less than or equal to 25% of its last traded price as on initial fixing date, the coupon rate will be zero percent. As per the valuers report in respect of valuation of these MLD Series 2, the probability of occurrence of such an event (last traded price of identified 10 year G-Sec on final fixing date being less than or equal to 25% of its last traded price on initial fixing date) is remote and hence the value of the option considered as zero.

This MLD Series 2 was listed on BSE Limited on 22 March 2021.

**Security terms**

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

a) First and exclusive charge being created by way of equitable mortgage on the aggregate leasable area of approximately 13,71,442 Sq. Ft. or thereabouts in buildings no. 12A and Units of Building 12B of Madhapur, Hyderabad (approx. 12,69,140 sq. ft. in building no.12A and approx. 1,02,302 sq. ft. in building no. 12B) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 29,842 sq. mtrs on which the said two building no.12A and 12B, out of all those pieces and parcels of larger land that are situated, lying and being in Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad ("Mortgaged Properties"), for MLD Series 2.

b) First ranking exclusive charge created by way of a hypothecation over the Hypothecated Properties of MLD Series 2.

c) A charge on the escrow account has been created, in which receivables of the Mortgaged Properties of Sundew shall be received, save and except any common area maintenance charges payable to Sundew with respect to the maintenance of the mortgaged properties.

d) Corporate guarantee executed by Sundew.

**Redemption terms:**

a) MLD Series 2 are redeemable by way of bullet payment at the end of 38 months from the date of allotment, i.e. 17 May 2024 and accordingly the same has been redeemed.

b) The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade. The Investors shall have the right to accelerate the MLD Series 2 if the rating is downgraded to A+.

c) Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days notice to the Issuer require the Issuer to redeem in full, all the Debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each Debenture.





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**Note 5** In March 2021, Mindspace Business Parks REIT issued 750 secured, listed, senior, taxable, non-cumulative, rated, redeemable, non-convertible debentures ("NCD Series 2") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 750,000,000 (Rupees seven hundred fifty million only) with a coupon rate of 6.6861% p.a. payable quarterly beginning from the end of first full quarter from the date of allotment i.e. 30 June 2021, with last coupon payment on the scheduled redemption date i.e. 17 May 2024. The tenure of the said NCD Series 2 is 38 months from 18 March 2021, being date of allotment.

NCD Series 2 was listed on BSE Limited on 22 March 2021.

**Security terms**

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

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

**Redemption terms:**

- NCD Series 2 are redeemable by way of bullet repayment at the end of 38 months from the date of allotment, i.e. 17 May 2024 and accordingly the same has been redeemed.
- Interest is payable on the last day of each financial quarter in a year (starting from 30 June, 2021) until the scheduled redemption date.
- The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.
- Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the Issuer to redeem in full, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.

**Note 6** In September 2021, Sundew Properties Limited issued 4,000 Senior, Listed, Rated, Secured, Non-Cumulative, Taxable, Transferable, Redeemable Non-Convertible Debentures of ("Sundew NCD 1") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 4,000,000,000 (Rupees four thousand million only) with a coupon rate of 6.1% p.a. payable quarterly beginning from the end of first full quarter from the date of allotment (date of allotment being 28 September 2021 and end of first full quarter being 31 December 2021), with last coupon payment on the scheduled redemption date i.e. 28 June 2024. The tenure of the said NCD is from deemed date of allotment i.e. 28 September 2021, till scheduled redemption date i.e. 28 June 2024. Hence, the same was classified as current as on 31 March 2024 and it is paid on 28 June 2024.

This NCD was listed on BSE Limited on 1 October 2021 and delisting is in process.

**Security terms:**

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

- First ranking exclusive security interest by way of an equitable mortgage over identified immovable properties (as identified below); First ranking sole and exclusive security interest by way of hypothecation over

(a) the current & future movable assets owned by the Sundew and receivables pertaining to identified immovable properties Building 20 with 709,165 square feet carpet area (save and except 11,974 square feet carpet area of cafeteria and 1,520 square feet carpet area of SEZ office), Building 12B (unit no 1301 (22,069 square feet carpet area), unit no 1302 (16,296 square feet carpet area), unit no 1401 (37,050 square feet carpet area) Part Project Mindspace Madhapur, Hyderabad Buildings

(b) the escrow account and the subscription account and all amounts standing to the credit of, or accrued or accruing on escrow account and the subscription account.

- NCD are backed by guarantee provided by Mindspace REIT.

**Redemption terms:**

- NCD 1 are redeemable by way of bullet payment on 28 June 2024 and accordingly the same has been redeemed.
- Interest is payable on the last day of each financial quarter in a year (starting from 31 December, 2021) until the scheduled redemption date.
- The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.
- Upon occurrence of a mandatory redemption event, the Sundew shall issue mandatory redemption notice within 2 business days and no later than than 30 (thirty) Business Days from issuance of mandatory redemption notice (unless instructed otherwise by debenture trustee), redeem in full (or as the case may be, in part) all the Debentures then outstanding by paying an amount equal to the mandatory redemption amount in respect of each Debenture.



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**27 Trade payables**

| Particulars  | As at<br>30 June 2024 | As at<br>31 March 2024 |
|--|-----------------------|------------------------|
| Trade Payables   |                       |                        |
| - total outstanding dues of micro enterprises and small enterprises                        | 74.99                 | 223.72                 |
| - total outstanding dues of creditors other than micro enterprises and small enterprises * | 1,113.54              | 863.84                 |
|  | <b>1,188.52</b>       | <b>1,087.56</b>        |

\* Refer note 46 for related party disclosure.

**28 Other current financial liabilities**

| Particulars                                | As at<br>30 June 2024 | As at<br>31 March 2024 |
|--|-----------------------|------------------------|
| Employees dues payable                     | 28.02                 | 10.17                  |
| Interest accrued but not due on loans from |                       |                        |
| - banks / financial institutions           | 128.95                | 60.20                  |
| - debenture/bonds                          | -                     | 830.38                 |
| Interest accrued and due on others         | 21.16                 | 40.27                  |
| Security deposits                          | 5,973.16              | 5,892.07               |
| Retention dues payable                     |                       |                        |
| - due to micro and small enterprises       | 122.93                | 145.82                 |
| - others                                   | 218.60                | 245.91                 |
| Unpaid Distributions                       | 0.43                  | 0.40                   |
| Capital creditors                          |                       |                        |
| - Due to micro and small enterprises       | 769.25                | 813.53                 |
| - Others                                   | 1,124.10              | 1,341.12               |
| Other liabilities*                         | 51.54                 | 31.61                  |
|  | <b>8,438.14</b>       | <b>9,411.48</b>        |

\* Refer note 46 for related party disclosure.

**29 Provisions (Current)**

| Particulars                     | As at<br>30 June 2024 | As at<br>31 March 2024 |
|---------------------------------|-----------------------|------------------------|
| Provision for employee benefits |                       |                        |
| - gratuity                      | 4.23                  | 4.11                   |
| - compensated absences          | 2.81                  | 3.03                   |
|                                 | <b>7.04</b>           | <b>7.14</b>            |

**30 Other current liabilities**

| Particulars                      | As at<br>30 June 2024 | As at<br>31 March 2024 |
|----------------------------------|-----------------------|------------------------|
| Unearned rent                    | 388.10                | 333.76                 |
| Advances received from customers | 22.74                 | 17.04                  |
| Statutory dues                   | 266.78                | 374.99                 |
| Other advances                   | 31.26                 | 13.97                  |
| Other payable*                   | 539.60                | 445.00                 |
|                                  | <b>1,248.49</b>       | <b>1,184.76</b>        |

\*This includes Unspent Corporate Social Responsibility amount.

**31 Current tax liabilities (net)**

| Particulars                                  | As at<br>30 June 2024 | As at<br>31 March 2024 |
|--|-----------------------|------------------------|
| Provision for income-tax, net of advance tax | 200.41                | 34.68                  |
|  | <b>200.41</b>         | <b>34.68</b>           |



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**32 Revenue from operations**

| Particulars                                     | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited) | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|---|--|---|--|--|
| <b>Sale of services</b>                         |  |   |  |  |
| Facility rentals                                | 4,711.34   | 4,564.49  | 4,367.14   | 17,995.49  |
| Maintenance services                            | 1,225.38   | 1,143.94  | 1,016.22   | 4,391.94   |
| <b>Sale of Equipment</b>                        | -  | 7.24  | 29.66  | 54.24  |
| Less: Cost of Equipment sold                    | -  | (7.24)  | (29.66)  | (54.24)  |
| <b>Revenue from power supply</b>                | 248.23   | 188.89  | 197.36   | 764.03   |
| <b>Revenue from works contract services</b>     | -  | 131.24  | 275.67   | 655.24   |
| <b>Other operating income</b>                   |  |   |  |  |
| Interest income from finance lease              | 71.44  | 66.86   | 33.60  | 227.86   |
| Sale of surplus construction material and scrap | 21.06  | 4.91  | 7.87   | 124.91   |
| Compensation*                                   | -  | -   | -  | 132.53   |
|   | <b>6,277.45</b>                                      | <b>6,100.33</b>                                       | <b>5,897.86</b>                                      | <b>24,292.00</b>                                 |

\* It mainly includes one time compensation received from tenants for termination of letter of intent/ lease deed during the lock in period

**33 Interest Income**

| Particulars               | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited) | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|---------------------------|--|---|--|--|
| <b>Interest income</b>    |  |   |  |  |
| - on fixed deposits       | 78.23  | 76.96   | 11.06  | 241.96   |
| - on electricity deposits | 8.20   | 3.60  | 7.00   | 17.60  |
| - on Income-tax refunds   | 13.11  | 11.28   | 18.05  | 29.28  |
| - others                  | 4.62   | 2.05  | -  | 8.05   |
|                           | <b>104.16</b>  | <b>93.89</b>  | <b>36.11</b>   | <b>296.89</b>                                    |





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**34 Other income**

| Particulars                                 | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited) | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|---|--|---|--|--|
| Gain on redemption of investments           | 12.76  | 8.17  | 10.76  | 35.00  |
| Liabilities no longer required written back | 1.54   | 29.63   | 72.06  | 124.00   |
| Miscellaneous income                        | 16.43  | 9.00  | 0.32   | 21.01  |
|   | 30.73  | 46.80   | 83.14  | 180.01   |

**35 Employee benefits expense\***

| Particulars                               | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited) | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|---|--|---|--|--|
| Salaries and wages                        | 72.78  | 67.93   | 68.52  | 266.98   |
| Contribution to provident and other funds | 4.45   | 4.96  | 4.65   | 17.93  |
| Gratuity expenses                         | 5.21   | (8.09)  | 2.89   | 0.99   |
| Compensated absences                      | 2.86   | (1.24)  | 0.39   | 0.95   |
| Staff welfare expenses                    | 2.29   | 3.99  | 1.41   | 10.98  |
|   | 87.59  | 67.55   | 77.86  | 297.83   |

\* Employee benefits expenses majorly refers to employees of facilities maintenance services.



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**36 Other expenses**

| Particulars   | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited) | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|---|--|---|--|--|
| Rent  | 0.74   | 3.27  | 3.85   | 14.27  |
| Property tax  | 160.64   | 165.61  | 155.96   | 668.61   |
| Repairs and maintenance                                       | 353.06   | 480.54  | 326.75   | 1,639.54   |
| Electricity, water and diesel charges                         | 298.23   | 183.01  | 227.97   | 834.01   |
| Travelling and conveyance                                     | 5.84   | 16.25   | 3.19   | 27.25  |
| Rates and taxes   | 6.32   | 6.91  | 4.65   | 21.11  |
| Donation  | 1.09   | 0.90  | -  | 3.45   |
| Provision for Unbilled revenue                                | -  | -   | -  | 57.23  |
| Business support fees   | 27.44  | 22.27   | 27.33  | 98.36  |
| Assets written off/ Demolished                                | 157.77   | 24.90   | 1.00   | 35.56  |
| Filing fees and stamping charges                              | 27.55  | 7.05  | 24.71  | 62.30  |
| Business promotion expenses/advertising expense               | 38.03  | 62.75   | 7.02   | 165.75   |
| Bank Charges  | 3.08   | 4.92  | 0.97   | 9.92   |
| Bad debts written off   | 0.14   | 1.43  | 0.66   | 2.43   |
| Corporate Social Responsibility expenses                      | 48.88  | 45.90   | 46.05  | 185.90   |
| Revenue share   | 50.60  | 49.86   | 25.07  | 155.86   |
| Provision for Doubtful Debts (expected credit loss allowance) | 2.25   | 6.31  | 0.01   | 9.80   |
| Foreign exchange loss (net)                                   | 0.08   | 0.39  | 0.37   | 0.99   |
| Miscellaneous expenses  | 2.88   | 41.75   | 8.34   | 86.49  |
|   | <b>1,184.62</b>                                      | <b>1,124.02</b>                                       | <b>863.90</b>  | <b>4,078.83</b>                                  |



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**37 Finance costs**

| Particulars   | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited) | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|---|--|---|--|--|
| Interest expense  |  |   |  |  |
| - on borrowings from banks and financial institutions                     | 613.14   | 656.05  | 443.92   | 2,279.30   |
| - on debentures and bonds   | 817.45   | 679.05  | 642.04   | 2,597.76   |
| - on lease liability  | 3.22   | 3.09  | 3.41   | 13.09  |
| - on others   | 0.11   | 6.36  | 0.76   | 9.36   |
| Unwinding of interest expenses on security deposits                       | 97.01  | 96.85   | 78.85  | 402.85   |
| Other finance charges   | 1.06   | -   | 1.75   | -  |
| Less: Finance costs capitalised to investment property under construction | (269.00)   | (250.23)  | (104.84)   | (736.04)   |
|   | <b>1,262.99</b>                                      | <b>1,191.17</b>                                       | <b>1,065.89</b>                                      | <b>4,566.32</b>                                  |

**38 Depreciation and amortisation**

| Particulars                                   | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited) | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|---|--|---|--|--|
| Depreciation of property, plant and equipment | 35.22  | 34.08   | 29.00  | 129.85   |
| Depreciation of investment property           | 933.87   | 906.00  | 903.75   | 3,696.51   |
| Amortisation of intangible assets             | 0.09   | 0.07  | -  | 0.18   |
|   | <b>969.18</b>  | <b>940.15</b>   | <b>932.75</b>  | <b>3,826.54</b>                                  |



| Particulars         | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited) | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|---------------------|--|---|--|--|
| Current tax         | 618.57   | 577.05  | 500.94   | 2,084.00   |
| Deferred tax charge | 347.54   | 113.73  | 473.40   | 1,409.73   |
|                     | 966.11   | 690.78  | 974.34   | 3,493.73   |





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**40 Contingent liabilities and Capital commitments**

| Particulars   | As at<br>30 June 2024 | As at<br>31 March 2024 |
|---|-----------------------|------------------------|
| <b>Contingent liabilities</b>   |                       |                        |
| Claims not acknowledged as debt in respect of   |                       |                        |
| - Income-Tax matters (Refer note 1 below) excluding interest  | 963.05                | 963.05                 |
| - Service-Tax matters (Refer note 2 below)  | 368.25                | 368.25                 |
| - Customs duty matters (Refer note 3 below)   | 34.09                 | 34.09                  |
| - Stamp duty  | 65.48                 | 65.48                  |
| - Stamp duty and registration fees (Refer note 10 below)  | 221.28                | 221.28                 |
| <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) | 8,638.56              | 9,680.67               |

**Notes:**

**1 KRIT** - Contingent liability of Rs. 932.50 million relate to AY 2012-13 to AY 2018-19 for which it 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. In case of unfavourable decisions in appeal for AY 2012-13 to AY 2018-19, the tax would be payable under normal tax and hence, MAT credit currently available with KRIT will no longer be available. As a result, in addition to above contingent liability, KRIT would require to pay additional tax of Rs. 325.57 million w.r.t. AY 2019-20 and AY 2020-21 (These years are not under litigation) because during these years KRIT has utilised the MAT credit availed during AY 2012-13 to AY 2018-19. The disallowance of deduction under section 80IA for AYs 2012-13 to 2018-19 by the Income Tax department was based on the order for earlier AY 2011-12 wherein similar disallowance was made. KRIT had challenged the said order of AY 2011-12 before the ITAT. The Hon'ble ITAT vide its order dated 06.05.2021 allowed the appeal in favour of KRIT by quashing the disallowance made by the income-tax authority. The Income Tax department has further filed an appeal before the High Court against the said order for AY 2011-12 of the Hon'ble ITAT. KRIT has received orders of CIT(A) on 24th July 2024 allowing the claim of 80IA. However, considering the time for any further appeal by the tax department, the contingent liability is currently disclosed.

**Avacado** - Contingent liability of Rs. 30.55 million relates to AY 2015-16 and AY 2016-17. For AY 2015-16 and AY 2016-17, the Company had filed appeals against order under section 143(3) read with 153A of the Income Tax Act, 1961 on account of disallowances u/s 14A and u/s 80IA which were disposed-off in favour of the Company in earlier year. The department has filed an appeal before the Hon'ble High Court against the same.

**2 SPVs**

|         | As at<br>30 June 2024 | As at<br>31 March 2024 |
|---------|-----------------------|------------------------|
| MBPPL   | 92.03                 | 92.03                  |
| Sundew  | 2.35                  | 2.35                   |
| Intime  | 57.00                 | 57.00                  |
| KRIT    | 208.80                | 208.80                 |
| Avacado | 8.07                  | 8.07                   |
|         | 368.25                | 368.25                 |

**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. 92.03 million excluding applicable interest and penalty. 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. 1.87 Million and Demand for Interest and Penalty on account of wrong availment of credit of service tax paid on input services Rs.0.48 million. SPV has filed an appeals with CESTAT and matter is pending.

**Intime** : (a) Intime has filed an appeal with CESTAT against demand of Rs. 20.70 million for Non Payment of service tax on renting of fitouts and equipment for the period April 2010 to March 2015 and Department filed an appeal with CESTAT against the order of Commissioner (Appeals) deleting the demand of Rs. 15.30 million for Non Payment of service tax on renting of fitouts and equipment for the period April 2015 to June 2017 and these matters are pending adjudication.

(b) Intime received favourable order w.r.t demand of Rs. 21.00 million for service tax on recovery of electricity and water and irregular availment of credit of service tax paid on input services.

**KRIT** : The company has filed an appeal with CESTAT against demand of Rs. 96.10 million for Non Payment of service tax on renting of fitouts and equipment for the period April 2010 to March 2015 and Department filed an appeal with CESTAT against the order of Commissioner (Appeals) deleting the demand of Rs. 19.77 million for Non Payment of service tax on renting of fitouts and equipment for the period April 2015 to June 2017 and these matters are pending adjudication.

The company received favourable order w.r.t demand of Rs. 92.93 million for service tax on recovery of electricity and water and irregular availment of credit of service tax paid on input services.





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Avacado : (a) The SPV has received an order dated 31 January 2018 pronounced by the Commissioner (Appeals), confirming the service tax demand of Rs. 7.14 million (excluding applicable interest and penalty thereon) on renting of immovable property services provided to tenants during the period April 2008 to March 2011. It has filed an Appeal before the Customs, Central Excise & Service Tax Appellate Tribunal. The matter is pending adjudication

(b) For the period April 2011 to September 2011, Avacado had received a Show Cause cum Demand Notice dated 22 October 2012 alleging non-payment of service tax of Rs. 0.93 million (excluding applicable interest and penalty thereon) on renting of immovable property services provided to tenants. Avacado had filed its detailed reply on 24 December 2012. No further correspondence has been received in this case.

For both the above matters, Avacado had filed applications in Form SVLDRS-1 under the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019. Avacado had received SVLDRS-3 with service tax demand in respect of above matters. Avacado had not accepted the demand and therefore the matter remains under dispute.

- 3 Customs duty demand at the time of debonding of assets from the Software Technology Parks of India scheme ( STPI ) for Intime Rs. 15.93 million and KRIT Rs. 9.08 million

Future Cash outflow in respect of above, if any, is determinable only on receipt of judgement / decision pending with relevant authorities. KRIT - Bank guarantees to Deputy Commissioner of Customs, Export Promotion Division for Rs. 9.08 million.

- 4 The SPV wise details of capital commitments are as follows:

| SPVs        | As at<br>30 June 2024 | As at<br>31 March 2024 |
|-------------|-----------------------|------------------------|
| MBPPL       | 515.42                | 649.98                 |
| Gigaplex    | 602.48                | 742.94                 |
| Sundew      | 254.66                | 302.10                 |
| KRC Infra   | 2,046.00              | 1,970.20               |
| Horizonview | 97.82                 | 112.98                 |
| KRIT        | 5,003.43              | 5,681.13               |
| Avacado     | 6.15                  | 67.62                  |
| Intime      | 112.60                | 153.86                 |
|             | 8,638.56              | 9,680.82               |

- 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 Avacado as one of the Defendants inter alia in respect of the land and the 'Paradigm' Industrial Park building of Avacado. The Plaintiff has prayed against Avacado 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 Avacado 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. Avacado has filed its reply to the said Suit denying the allegations and praying that no interim relief be granted to the Plaintiff. The notice of motion for interim relief and the Suit are pending for the final hearing before the High Court

Based on an advice obtained from an independent legal counsel, the management is confident that Avacado 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 Avacado 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 K. Raheja Corp Pvt.Ltd., 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 Avacado 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 Avacado, 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 instalments, 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 Avacado in respect of interest payable on account of the delayed payment of service tax, which amount would be recoverable from the respective lessees by Avacado.



## 6 KRC Infra

a) In respect of KRC Infra's project at Village Kharadi, Pune, a special civil suit is 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 been joined as parties to the civil suit or Gera Developments Private Limited nor KRC Infrastructure and Projects Private Limited have filed any intervention application. There are no orders passed in the matter affecting the suit lands or the development thereof or restraining the transfer or development of the aforesaid land in any manner whatsoever. Next date is September 24, 2024 for filing list of witnesses by Ashok Phulchand Bhandari. The matter is currently pending.

b) Saraswatibai Malhari Gaikwad (deceased) ("Plaintiff") through her heir Sangita Shivaji Kate through her constituted attorney Mr. Amit Jeevan Pathare has filed special civil suit no. 2040 of 2021 ("2021 Suit") against Yashwant Punaji Pathare & 65 others ("Defendants") before the Civil Judge, Senior Division, Pune ("Court") seeking inter alia preliminary decree of partition for 1/5th undivided share of the Plaintiff in the suit lands including inter alia portion of land bearing Survey No. 65/3 on which Gera Commerzone Kharadi is situated, cancellation of sale deeds, declaration, permanent injunction and several other reliefs. KRC Infrastructure & Projects Private Limited is not a party to the 2021 Suit and further, no summons from the Court have been received by KRC Infrastructure & Projects Private Limited till date. Gera Developments Private Limited and Gera Resorts Private Limited i.e. Defendant No. 15 & 16 in the said suit have filed their written statement and an Application for rejection of plaint on the grounds mentioned therein. The matter is currently pending. Gera Developments Private Limited ("Gera Developments") and Gera Resorts Private Limited ("Gera Resorts"), two of the defendants in the matter have filed an application for rejection of plaint under Order VII Rule 11 of Code of Civil Procedure, which application was rejected by the Court by way of an order passed on May, 05, 2022. Thereafter, on June 22, 2022 Gera Developments and Gera Resorts have filed a written statement in the matter. On June 22, 2022 the Plaintiff has filed an application under section 151 of Code of Civil Procedure seeking injunction against certain Defendants from creating third party rights by way of sale, not to carry out construction or development activities. On June 27, 2022, the defendants, Gera Developments and Gera Resorts filed their reply to the temporary injunction application. An application to recall the order dated May 5, 2022 was filed by defendants 1 to 15. The matter was heard on July 16, 2022, wherein the Court rejected the application filed by the defendants 1 and 15. On August 29, 2022 KRC Infra filed an application for intervention as third party for being impleaded in the suit. The hearing was concluded on September 27, 2022 on the intervention application and the matter has been posted to October 01, 2022 for passing of an order on the Application for intervention filed by KRC Infra. On October 1, 2022 the matter was further adjourned to October 6, 2022 and further to October 7, 2022. On October 7, 2022 additional arguments were advanced on the intervention application and the matter has been posted for order on the intervention application. By an order dated November 18, 2022, the Court allowed the intervention application filed by KRC Infra and directed the Plaintiff to implead the intervener i.e. KRC Infra as Defendant No. 66 in the suit within one month of the order. On December 3, 2022 the Plaintiff filed applications for amendment of the plaint and for injunction. On December 13, 2022, KRC Infra filed its say to the application for amendment. By an order dated December 13, 2022, the Court allowed the application of the Plaintiff to amend the plaint in Exhibit 5. Further, by the said Order the Court has directed the Plaintiff to serve the amended compilation upon KRC Infra and KRC Infra to file its written statement along with its say to the application for temporary injunction filed by the Plaintiff. The matter was posted to January 5, 2023 for compliance. On January 5, 2023, Defendant no.66 (i.e., KRC Infrastructure and Project Private Limited) has filed on record the written Statement and say to Application for Temporary Injunction along with affidavit in support of Say, and Application for production of documents along with List of documents. Thereafter, Defendant no. 1 to 14 filed two applications.

– (1) an Application seeking an adjournment to file Additional Written Statement; and, (2) an Application seeking direction from the Hon'ble Court to the Plaintiff to provide documents referred to in the amended plaint filed by the Plaintiff, to the said Defendants and the matter was posted to January 11, 2023, for arguments on behalf of the Plaintiff and the Defendant no.66 on the Application for Temporary Injunction filed at Exhibit 5. On January 11, 2023, the Plaintiff advanced oral arguments before the Court on the application for temporary injunction. Thereafter, the Court adjourned the matter and the same was posted to January 24, 2023, for arguments on behalf of Defendant no.66 on the application for temporary injunction. On January 24, 2023, Defendant No. 66 filed an application for production of documents along with a separate list of documents and filed photographs on record and the matter was adjourned to February 07, 2023 for arguments on behalf of Defendant no.66 on the application for temporary injunction. On February 07, 2023 and February 21, 2023 the Defendant No. 66 advanced arguments before the Court on the Application for injunction. The matter was further posted to March 2, 2023 for concluding the arguments on Application for injunction by the Plaintiff. The Plaintiff concluded her arguments in reply to the arguments made by Defendant no.66. Defendant No. 66 filed the written notes of arguments. The Plaintiff has filed copy of the Order dated January 13, 2023, thereby granting status quo to the order dated December 05, 2022, passed in RTS Appeal No. 429 of 2022 rejecting the Appeal on merits till the final disposal of the Appeal RTS/2/A/1554/2022 filed before the Hon'ble Additional Collector, Pune. Thereafter the captioned matter has been adjourned to March 15, 2023, for filing of written arguments, if any, by the Plaintiff and other Defendants. On March 15, 2023 the matter was adjourned till March 23, 2023. On March 23, 2023 Defendant Nos. 62 and 63 filed an application for amendment of the WS filed by them and the Plaintiff has filed its say to the said application. Thereafter, the Plaintiff and the Defendant Nos. 62 and 63 argued on the aforesaid application and the Hon'ble Court was pleased to allow the aforesaid amendment application. The Defendant Nos. 16, 17, 18, 19, 51, 52 and 53 filed their written notes of arguments and the Defendant No. 16 and 17 have filed their written notes of arguments. The 2021 Suit matter has been adjourned till July 10, 2023 for passing order on Application for injunction filed by the Plaintiff. On July 19, 2023, the Court partly allowed the Application for injunction, restraining Defendant 1 and 2 from alienating and creating third party rights in any manner over suit properties 1 (a), 1 (b) and 1 (f) till disposal of the suit. On September 11, 2023 the Advocate for the Plaintiff filed an application for amendment of the suit, inter alia, seeking (a) rectification of boundaries in respect of suit property 1(e) of Defendant No. 66 i.e. KRC Infra (viz. Survey No. 65/3), (b) addition/amendment in para No. 8 and 12 stating that Defendant No. 1 to 19, 51 to 54, 63 to 67 and other defendants have refused for partition and undivided share of the Plaintiff, Thereafter, pursuant to Defendants No. 1 to 14 filing their say and matter has been adjourned to November 3, 2023 for say of other Defendants. Further, A notice of lis pendens dated February 1, 2022 has been registered at the office of Sub Registrar, Haveli no. 11, Pune. On November 3, 2023, the Plaintiff carried out the amendment and filed the amended plaint, adjourned to November 22, 2023 for filing additional written statement by Defendant No. 66 and other defendants and appearance by the Defendant No. 67. On November 22, 2023 the matter was adjourned to December 13, 2023. On December 13, 2023 the Defendant No. 66 sought time to file additional written statement and the Plaintiff filed an Application for amendment. Some Defendants filed additional Written Statements. Plaintiff filed further amendment application. Defendant Nos. 16, 17 and 66 (KRC Infra) filed say to amendment application along with application for production of documents. Matter is kept for arguments on amendment application on April 2, 2024. Being aggrieved by the Impugned Order, (i) the Plaintiff filed Appeal from Order No. 753 of 2023 along with IA No. 5246/2023, and (ii) Respondent Nos. 1 and 2 filed an Appeal from Order No. 32 of 2024, both before the High Court. At the request of Respondent Nos. 1 and 2, the court was pleased to tag the appeals together. The appeals are posted for hearing on May 03, 2024. The matter was heard on April 10, 2024 and adjourned till June 18, 2024 for taking steps and providing the copies of the Appeal Memo by the Appellants. The appeals was posted for hearing on 5.7.24 which was adjourned to 10.7.24. On 10.7.24, the court allowed the amended application of Plaintiff. Defendant No.66 i.e. KRC Infra filed an application for stay. The Court directed Plaintiff to file its say by 23.7.24, till then Plaintiff has been directed not to carry out amendment. The next date is 30.7.2024. KRC Infra is in the process of challenging the Order dated 10.7.24. The matter is currently pending.





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- c) Saraswati Malhari Gaikwad (deceased) through her heir ("Appellant") filed an RTS Appeal No. 2/A/1554/2022 on June 6, 2022 before the Additional Collector, Pune ("Additional Collector") against Gera Resorts Private Limited through Mr. Ashish Jangda ("Respondents") seeking to quash and set aside the order passed on December 5, 2022 by the Sub Division Officer, Haveli ("Impugned Order") in respect of the Mutation Entry No. 27115 On January 13, 2023, pursuant to the hearing, the Additional Collector granted a stay on the Impugned Order till the final order disposing of the Appeal. On October 16, 2023, the Appellant filed an Amendment Application for impleading 13 new respondents ("Amendment Application") and the same was allowed and notices were issued to the newly added Respondents on October 16, 2023. However, the copies of the aforesaid were not served on KRC Infra and the matter was posted on December 5, 2023 for receipt of records and proceedings of i) Complaint Case no.6 of 2020 before the Ld. Circle Inspector, Kalas; ii) RTS Appeal No. 429 of 2022 before the Ld. Sub-Divisional Officer. On December 5, 2023 KRC Infra filed its say to the Amendment Application and the Appellant filed on record the R.P.A.D slips and Track Consignment Report of the said notices as the notices issued to the proposed Respondents were unserved. Appellant filed an application to issue notices to the proposed Respondents through the Talathi. KRC Infra objected to it and requested for hearing on the Amendment Application before issuing such notices. The Respondent Nos. 1 and 2 objected to the Amendment Application, filed an application seeking directions to the Appellant to provide copies of the documents relied by the Appellant in the Amendment Application and to file reply to it. KRC Infra was directed to conduct the arguments on the Amendment Application and the Respondent Nos. 1 and 2 were directed to file their reply to the Amendment Application. The Court noted that no notices will be issued to the proposed Respondents through the Talathi till the said Amendment Application is decided. On February 5, 2024 Respondent No.66 (KRC Infra) filed additional note of written arguments along with list of documents. Respondent 1 and 2 filed application for vacating the Status Quo Order passed by Additional Collector. The matter has been adjourned till June 12, 2024. On February 05, 2024 Respondent No. 66 filed additional written notes of arguments. Respondent No. 1 and 2 filed an Application for vacating status quo order passed by the Additional Collector and the matter has been adjourned for filing say by the Respondent No. 1 and 2 till July 25, 2024. The next date is 2.8.2024. The matter is pending.

**7 MBPPL**

- a) Pursuant to the demerger and vesting of the Commerzone Undertaking of K Raheja Corp Pvt Ltd. (KRCPL), in MBPPL, MBPPL is the owner to the extent of 88.16 % undivided right title and interest in the land bearing S. No 144, 145 Yerawade, Pune which is comprised in the said Undertaking. "Shrimant Chhatrapati Udayan Raje Bhosale ("the Plaintiff") has filed a Special Civil Suit bearing No.133 of 2009 in the Court of Civil Judge, Senior Division Pune against the erstwhile land Owner Shri Mukund Bhavan Trust (who had entrusted development rights to MBPPL) and the State of Maharashtra, claiming to be the owner of the said land. The Hon'ble Court was pleased to reject the Application for amendment of plaint filed by the Plaintiff and allow the Third Party Applications on November, 14 2016. The Plaintiff has filed two writ petitions bearing Nos. 4415/2017 and 4268/2017 in the Bombay High Court challenging the aforesaid orders passed on November 14, 2016. The matter was transferred to another Court for administrative reasons and adjourned on several occasions for compliance of the order by the Plaintiff. On 5th March 2018 the Advocate for the Plaintiff filed a purshis on record stating that since he does not have any instructions in the matter from the Plaintiff, the Vakalatnama is being withdrawn by him and the matter was posted on 20th March 2018. On 20th March 2018 the Hon'ble Court was pleased to adjourn the matter till 22nd June 2018 since the Advocate for the Plaintiff had withdrawn the Vakalatnama and the Plaintiff was not represented by any Advocate. Writ Petition Nos. 4415/2017 and 4268/2017 filed in the Hon'ble Bombay High Court challenging the orders dated 14th November 2016 by Shrimant Chatrapati Udayanraje Bhosale against Shri. Mukund Bhavan Trust and others came up for hearing on 28 November 2017 wherein the Advocate for the Petitioner undertook to serve the copy of the petition on the Respondent No. 2 i.e. State of Maharashtra and the Hon'ble High Court was pleased to adjourn the same till 16.01.2018, 26.02.2018, 22.06.2018. On 22.06.2018 the Advocate for the Defendant No. 1 filed a purshis stating that the Defendant No. 1 (a) expired matter was further adjourned till 24.10.18, 26.11.18, 21.12.18, 01.02.2019, 25.03.2019 and 15.04.2019, 18.06.2019, 27.08.2019, 19.09.2019. On 19.09.2019 the matter has been stayed by the Hon'ble Court and further posted on 11.11.2019 for compliance of the order dated 14.11.2016 by the Plaintiff. The matter has been stayed under Sec 10 of Code of Civil Procedure. Next date 16.09.23 for steps. Both the Writ Petitions were posted on 21.09.18, 11.10.18, 22.10.18 and further posted on 10.06.19 for Admission. The matters came on board on 20.06.2019, 14.11.2019, 15.01.2019 and 21.02.2019. As per the CMIS Writ Petition No. 4415/2017 was last posted on 27.03.2020 and is yet not listed. As per the CMIS Writ Petition No. 4268/2017 was last posted on 27.03.2020 and thereafter on 23.07.20 for Admission and is yet not listed. In the management's view, as per legal advice, considering the matter and the facts, no provision for any loss / liability is presently required to be made.
- b) 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. By letter dated 20.07.2019 to MBPPL, PMC provided the copy of the audit report to MBPPL and requested MBPPL to provide its clarifications in respect of objectionable issues and furnish the challans in lieu of payment of the recoverable amount. By letter dated 17.08.2021 to the architect firm and another, PMC stated that it has not received any clarifications and provided the challans of amounts by assessing interest thereon and required submission of challan/receipt towards payment of an amount of ₹ 183.60 million recoverable against all objectionable issues. By its reply letter dated 06.09.2021 to PMC, MBPPL has again reiterated that the earlier PMC letter dated 04.02.2019 and the PMC letter dated 17.08.2021 are addressed to the wrong persons and informed PMC of the non-receipt of relevant information and documents from PMC as requested by MBPPL earlier. By letter dated 11.10.2021 to PMC, MBPPL replied stating that the impugned challans, demands and notice are illegal, null and void and ultra vires; and likewise the act of issuing the letter dated 17.08.2021 is ultra vires and without the authority of law and called upon PMC to withdraw the impugned challans and letter forthwith. By the said letter MBPPL further stated that if the challans and letter is not withdrawn and any further action is initiated in that event the letter dated 11.10.2021 may be treated as a notice under section 487 of The Maharashtra Municipal Corporations Act, 1949 and under section 159 of The Maharashtra Regional and Town Planning Act, 1966. Further, without prejudice to the contentions raised in the reply and without admitting any liability to pay the amount as per the impugned challans, MBPPL has submitted that, in order to resolve the controversy, MBPPL is willing to offer to pay in full and final settlement on all accounts of all demands raised in the said challans, a lumpsum one-time amount of ₹ 26.64 million without any liability for interest thereon or for any other payments relating to the subject and to provide an opportunity of hearing and furnishing clarifications, if required by PMC. Subsequently, by letter dated March 10, 2022, PMC informed MBPPL that it has not accepted the cheque issued by MBPPL vide its letter dated January 25, 2022 and requested MBPPL to issue demand draft for the amount as per the Challans and make the payment to PMC at the earliest.

On April 7, 2022 MBPPL submitted a reply/ letter to PMC enclosing a demand draft as desired by the PMC, for an amount of ₹ 26.64 million towards the payment as set out in MBPPL's earlier communications. Vide letter dated July 11, 2022 PMC returned MBPPL's demand draft while demanding entire demanded payment. MBPPL vide its letter dated July 22, 2022 read with MBPPL letter dated July 21, 2022 remitted the entire demanded payment of Rs.10,13,57,239/- under protest. MBPPL on July 28, 2022 also paid an amount of Rs.60,93,225/- being Challan Late Fees and recorded this payment under MBPPL letter dated August 8, 2022. MBPPL ("Petitioner") has filed writ petition on November 14, 2022 in the Bombay High Court ("Court") against Pune Municipal Corporation and others ("Respondents") inter alia, seeking to impugn and set aside the Demand Notice dated January 5, 2022 enclosing challans for certain amounts allegedly due and payable by the Petitioner ("Impugned Demand Notice") and for refund of the amount of ₹ 107.45 million paid by the Petitioner under protest to the Respondents towards the Impugned Demand Notice. The matter is currently pending for admission.



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(All amounts in Rs. million unless otherwise stated)

**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.
- Intime and Sundew 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 31 March 2024.
- 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**

- a) 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. Gigaplex 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 has been transferred to Belapur Court is still pending for Arguments in Appellant's Applications for injunction and status quo before relevant court in Belapur. Both Suit and Appeal are pending for hearing. In management view, the estimate of liability arising out of the same is remote, no provision has been taken.
- b) Gigaplex, one of the SPV's of Mindspace REIT, has received notice dated 11th December 2023 ("Demand Notice") issued by MIDC demanding differential premium of Rs. 528 million on account of change in shareholding pattern i.e. participation of the Company into the Mindspace REIT. In the meantime, in view of the permission for subleasing required by the Company from MIDC in respect of proposed transactions by the Company, and pending the determination as to whether the said demand is payable at all to MIDC and whether payable by the Company, the Company has obtained a bank guarantee in favour of MIDC for the said demand in order that the said permission for subleasing is obtained by the Company from MIDC. Management is of the view that the said demand is not payable by the Company. The Company had sent intimation to MIDC of the participation by the Company into Mindspace REIT ("Transaction") on 15th July 2020 (i.e. pre-Transaction) and also on 5th October 2020 (i.e. post-Transaction) and also explained in detail the rationale why the Transaction ought to be treated as a 'Formal Transfer' under the circulars issued by MIDC and only a standard transfer fee is payable which will be a nominal amount only and not such a large amount as per the Demand Notice. The Company has sent its response to the Demand Notice on 2nd January 2024 and once again reiterated its aforesaid position and thus the demand for differential premium is erroneous and unwarranted and has requested MIDC, inter alia, to withdraw/revoke the Demand Notice. In this regard, the Company has been legally advised that under the MIDC Circulars issued with respect to the change in shareholding of any lessee company of MIDC, which Circulars are also referred to in the REIT Circular issued by MIDC, as long as the natural persons belonging to the same family holding directly or indirectly in the lessee company by reckoning the shareholding within the shareholding entity does not fall below 51% post transfer of shares of the lessee company as compared to the position prior to the transfer of shares, the transfer premium payable will be a nominal sum being treated as a Formal Transfer under the MIDC Circulars. In pursuance of REIT acquiring entire shareholding of a Company, the position with respect to satisfying the said 51% holding is fully satisfied and the Company has furnished substantial evidence and documents in support of the same to MIDC. Therefore, in Company's view there is no such premium payable as demanded by MIDC except a nominal transfer premium as a Formal Transfer for which the Company has made provision of Rs. 6 million in the books of account. Considering pendency in the disposal of this matter, in management's view, no further provision is presently required to be made.

The said Transaction is in pursuance of swap of shares of the Company by, inter alia, the Sponsor Group i.e. K. Raheja Corp Pvt. Ltd. and Ivory Property Trust (collectively, "Erstwhile Shareholders") in exchange for the units of the Mindspace Business Park REIT. The Erstwhile Shareholders have provided an indemnity and also agreed to make good the differential premium or any other amount which is finally decided by MIDC in this respect by way of a Counter Guarantee dated 7th June 2024 in favour of the Company for such demand liability, if any, and any expenditure as may be incurred by the Company for obtaining the bank guarantee or any security in respect of the bank guarantee and any other cost, whether direct or indirect, as may be incurred by the Company in relation thereto.

**10 Horizonview**

RPIL has executed a Deed of Conveyance dated 19th August, 2023, in favour of Horizonview for transfer of 78% undivided interest in the Land, which has been submitted for registration with the concerned Sub-Registrar of Assurances, Kunderathur, Chennai. Further, RPIL has also executed a Deed of Conveyance dated 2nd September, 2023 in favour of Horizonview for transfer of its units in the building along with the corresponding 22% undivided interest in the Land. Both documents have been submitted for registration with the Sub-Registrar of Assurances Kunderathur ("Registrar"). The Registrar has issued demand notices for deficit of stamp duty and registration fees aggregating to ₹ 221.28 million in respect of the conveyance deeds and most of the demand is with respect to the Registrar's view that there is transfer of the building besides transfer of Land under the first Conveyance. Horizonview has responded to the demand notices, objecting to the same as Horizonview has constructed the building together with plant and machinery in the building for itself, on its own account and therefore there is no transfer from RPIL. As the transaction, which is subject matter of deed of conveyance, is only for transfer of the 78% undivided right, title and interest in the land and not the building/ machinery, in view of Management, the demand is not tenable. Further, regarding the 22% conveyance, the demand has been made for stamp duty and registration fees on the TDS amount deducted which demand is not tenable since the stamp duty and registration charges have been paid on the entire consideration which includes the TDS amount under the conveyance deed. The Company has the right to appeal to a higher authority. Considering pendency in the disposal of this matter, in management's view, no further provision is presently required to be made.





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**11 Sundew**

The Office of the Land Reforms Tribunal Cum Deputy Collector & Special Grade Revenue Divisional Officer, Attapur ("Tribunal") had, by letter dated 27 August 2009, sought information from Sundew under Section 8(2) of the Andhra Pradesh Land Reforms (Ceiling on Agriculture Holdings) Act, 1973 ("APLRAC") in respect of the entire land parcel at Mindspace Madhapur. The Revenue Department of the Government of Andhra Pradesh forwarded a Memo dated 5 September 2009 for furnishing of certain information to the Government of Andhra Pradesh, including information requested by the letter dated 27 August 2009. Sundew had filed a detailed response on 30 September 2009 stating that (a) the land was originally granted by the Government of Andhra Pradesh to K Raheja IT Park Hyderabad Limited (KRIT) which was a joint venture company with Andhra Pradesh Industrial Infrastructure Corporation Limited, (b) the land was vested in Sundew by way of demerger order of the Andhra Pradesh High Court, (c) the land has been declared as an SEZ and is therefore exempt from the local laws; (d) the land was shown as a non-agricultural land in the master plan of Hyderabad and is therefore not "land" covered under the APLRAC. The Tribunal issued a final notice to Sundew in January 2012 requesting to submit a declaration for full and correct particulars of the lands held. In September 2009, Sundew also submitted a copy of the order dated August 9, 2012, which was passed by the Hon'ble High Court of Andhra Pradesh ("High Court") in a similar matter (being Writ Petition No. 19300/2012 filed by Neogen Properties Pvt. Ltd.) wherein a stay was granted by the High Court until further orders. The matter is currently pending before the Tribunal. Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.

**41 Management and Support fees****A Management Fees\*****Property Management Fee**

Pursuant to the Investment Management Agreement dated 29 June 2020 as amended, the Manager is entitled to fees @ 3% of the total rent (lease and fitout, car park charges or any other compensation on account of letting out) per annum of the relevant property in respect to operations, maintenance and management of the SPVs, as applicable to be reduced to the extent of employee cost directly incurred by the SPVs. The fees is charged based on the billing done to the tenants. The fees has been determined to meet the ongoing costs of the Investment Manager to undertake the services provided to the SPVs.

Property Management fees for the quarter ended 30 June 2024 amounts to Rs.116.90 million and for the quarter and year ended 31 March 2024 amounts to Rs.119.57 million and Rs. 439.37 million respectively. There are no changes during the period in the methodology for computation of fees paid to the Manager.

**Support Services Fee**

Pursuant to the Investment Management Agreement dated 29 June 2020 as amended, the Manager is entitled to fees @ 0.5% of the total rent (lease and fitout, car park charges or any other compensation on account of letting out) per annum of the relevant property in respect to general administration and other support service of the SPVs, as applicable. The fees has been determined to meet the ongoing costs of the Investment Manager to undertake the services provided to the SPVs. The fees is charged based on the billing done to the tenants.

Support Management fees for the quarter ended 30 June 2024 amounts to Rs.24.01 million and for the quarter and year ended 31 March 2024 amounts to Rs. 24.95 million and Rs. 91.46 million respectively. There are no changes during the period in the methodology for computation of fees paid to the Manager.

**REIT Management Fees**

Pursuant to the Investment Management Agreement dated 21 November 2019, Investment Manager is entitled to fees @ 0.5% of REIT Net Distributable Cash Flows which shall be payable either in cash or in Units or a combination of both, at the discretion of the Investment Manager. The fees has been determined for undertaking management of the REIT and its investments.

The REIT Management fees (including GST) accrued for the quarter ended 30 June 2024 amounts to Rs.17.66 million and for the quarter and year ended 31 March 2024 amounts to Rs. 16.83 million and Rs. 67.51 million respectively. There are no changes during the period in the methodology for computation of fees paid to the Investment Manager.

\*Refer Note-46 for related party disclosure





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**42 Earnings Per Unit (EPU)**

Basic EPU amounts are calculated by dividing the profit/(loss) for the period attributable to Mindspace REIT by the weighted average number of units outstanding during the period. Diluted EPU amounts are calculated by dividing the profit attributable to Mindspace REIT by the weighted average number of units outstanding during the period.

| Particulars   | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited) | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|---|--|---|--|--|
| Profit after tax before net movement in Regulatory Deferral Balances for calculating basic and diluted EPU attributable to Mindspace REIT | 1,362.36   | 1,207.28  | 1,293.51   | 5,375.74   |
| Profit after tax after net movement in Regulatory Deferral Balances for calculating basic and diluted EPU attributable to Mindspace REIT  | 1,282.72   | 1,185.97  | 1,275.48   | 5,250.43   |
| Weighted average number of units  | 593,018,182  | 593,018,182   | 593,018,182  | 593,018,182                                      |
| <b>Earnings Per Unit</b>  |  |   |  |  |
| <b>Before net movement in Regulatory Deferral Balances</b>  |  |   |  |  |
| - Basic (Rupees/unit)   | 2.30   | 2.04  | 2.18   | 9.06   |
| - Diluted (Rupees/unit) *   | 2.30   | 2.04  | 2.18   | 9.06   |
| <b>After net movement in Regulatory Deferral Balances</b>   |  |   |  |  |
| - Basic (Rupees/unit)   | 2.16   | 2.00  | 2.15   | 8.85   |
| - Diluted (Rupees/unit) *   | 2.16   | 2.00  | 2.15   | 8.85   |

\* Mindspace REIT does not have any outstanding dilutive units.



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**43 Financial instruments**

**A The carrying value of financial instruments by categories are as**

| <b>Financial assets</b>   | <b>As at<br/>30 June 2024</b> | <b>As at<br/>31 March 2024</b> |
|---|-------------------------------|--------------------------------|
| <b>Fair value through Other Comprehensive Income ('FVTOCI')</b> |                               |                                |
| Investments in equity instruments                               | 0.02                          | 0.02                           |
| <b>Amortised cost</b>   |                               |                                |
| Investments - non-current                                       | 38.26                         | 33.02                          |
| Trade receivables   | 1,248.37                      | 1,092.30                       |
| Cash and cash equivalents                                       | 5,382.81                      | 3,250.36                       |
| Other bank balances   | 1,074.85                      | 2,850.48                       |
| Other financial assets  | 8,067.60                      | 6,906.57                       |
| <b>Total assets</b>   | <b>15,811.91</b>              | <b>14,132.75</b>               |
| <b>Financial liabilities</b>                                    |                               |                                |
| Borrowings  | 75,073.78                     | 69,728.11                      |
| Lease Liabilities   | 131.12                        | 128.00                         |
| Security deposits   | 9,450.36                      | 9,125.98                       |
| Trade payables  | 1,188.52                      | 1,087.56                       |
| Other financial liabilities (other than Security deposits)      | 2,603.19                      | 3,640.53                       |
| <b>Total liabilities</b>  | <b>88,446.98</b>              | <b>83,710.18</b>               |

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

**B. Measurement of fair values**

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

- recognised and measured at fair value
- 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 June 2024.

**Financial instruments**

Quantitative disclosures fair value measurement hierarchy for assets as at 30 June 2024:

| <b>Particulars</b>                              | <b>Date of valuation</b> | <b>Total</b> | <b>Level 1</b> | <b>Level 2</b> | <b>Level 3</b> |
|---|--------------------------|--------------|----------------|----------------|----------------|
| <b>Financial assets measured at fair value:</b> |                          |              |                |                |                |
| FVTOCI financial investments:                   | 6/30/2024                | 0.02         | -              | -              | 0.02           |
| FVTOCI financial investments:                   | 3/31/2024                | 0.02         | -              | -              | 0.02           |

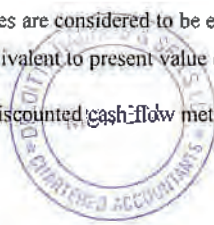
**C Transfers between Level 1, Level 2 and Level 3**

There were no transfers between Level 1, Level 2 or Level 3 during the period ended 30 June 2024 and year ended 31 March 2024.

**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.

- The fair value of mutual funds are based on price quotations at reporting date.
- The fair values of other current financial assets and financial liabilities are considered to be equivalent to their carrying values.
- The fair values of borrowings at fixed rates are considered to be equivalent to present value of the future contracted cashflows discounted at the current market rate.
- Security deposits accepted are measured at fair value based on the discounted cash flow method considering the discount rate determined as the average borrowing rate.



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**44 Segment information**

**Primary segment information**

The primary reportable segment is business segment.

**Business Segment**

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

**Real estate**

Real estate comprises development and management of projects under Special Economic Zone (SEZ), Information Technology Parks and other commercial assets. The Group has its project/properties in Mumbai Region, Hyderabad, Pune and Chennai for development and management of commercial SEZ, IT parks and commercial assets including incidental activities.

**Power distribution**

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

Sundew has a power distribution system for supplying electricity to its consumers in its SEZ project at Mindspace Cyberabad, Madhapur, Hyderabad

Sundew has filed a Civil appeal on 15 November 2019 before the Hon'ble Supreme Court of India for obtaining the Deemed distribution licensee status in terms of Ministry of Commerce and Industry Notification dated 3 March 2010 and Sec 14(b) of the Electricity Act, 2003 to operate and maintain a power distribution system for supplying electricity to its consumers in its SEZ project at Mindspace Cyberabad, Madhapur, Hyderabad. The matter is disposed off vide Judgement dated 17.5.2024 by Hon'ble Supreme Court allowing the Civil Appeal allowing Sundew to operate and maintain a power distribution license for supplying electricity to its consumers.

**For the quarter ended 30 June 2024**

| Particulars                         | Real estate     | Power distribution | Unallocable       | Inter segment elimination | Total           |
|-------------------------------------|-----------------|--------------------|-------------------|---------------------------|-----------------|
| Segment revenue                     | 6,029.22        | 393.20             | -                 | (144.97)                  | 6,277.45        |
| Segment result                      | 3,621.05        | 2.27               | (152.06)          | -                         | 3,471.26        |
| Less: Finance cost                  | 97.01           | 0.04               | 1,165.93          | -                         | 1,262.99        |
| Add: Interest income / other income | 6.16            | 0.70               | 128.04            | -                         | 134.89          |
| <b>Profit / (loss) before tax</b>   | <b>3,530.19</b> | <b>2.92</b>        | <b>(1,189.95)</b> | <b>-</b>                  | <b>2,343.16</b> |
| Less: Tax                           | -               | -                  | 966.11            | -                         | 966.11          |
| <b>Profit / (Loss) after tax</b>    | <b>3,530.19</b> | <b>2.92</b>        | <b>(2,156.06)</b> | <b>-</b>                  | <b>1,377.05</b> |

**For the quarter ended 31 March 2024**

| Particulars   | Real estate     | Power distribution | Unallocable       | Inter segment elimination | Total           |
|---|-----------------|--------------------|-------------------|---------------------------|-----------------|
| Segment revenue   | 5,910.97        | 271.28             | -                 | (82.25)                   | 6,100.00        |
| Segment result  | 3,586.22        | (2.22)             | (209.49)          | -                         | 3,374.51        |
| Less: Finance cost                                      | 97.15           | 3.69               | 1,090.49          | -                         | 1,191.33        |
| Add: Interest income / other income                     | 32.38           | 0.49               | 109.49            | -                         | 142.36          |
| <b>Profit / (Loss) before exceptional items and tax</b> | <b>3,521.45</b> | <b>(5.42)</b>      | <b>(1,191.49)</b> | <b>-</b>                  | <b>2,325.54</b> |
| Less: Exceptional Items (refer note 50)                 | (364.23)        | -                  | -                 | -                         | (364.23)        |
| <b>Profit / (loss) before tax</b>                       | <b>3,157.22</b> | <b>(5.42)</b>      | <b>(1,191.49)</b> | <b>-</b>                  | <b>1,961.31</b> |
| Less: Tax   | -               | -                  | 690.78            | -                         | 690.78          |
| <b>Profit / (Loss) after tax</b>                        | <b>3,157.22</b> | <b>(5.42)</b>      | <b>(1,882.27)</b> | <b>-</b>                  | <b>1,270.53</b> |

**For the quarter ended 30 June 2023**

| Particulars                         | Real estate     | Power distribution | Unallocable       | Inter segment elimination | Total           |
|-------------------------------------|-----------------|--------------------|-------------------|---------------------------|-----------------|
| Segment revenue                     | 5,700.64        | 303.03             | -                 | (105.82)                  | 5,897.85        |
| Segment result                      | 3,424.04        | 5.02               | (139.07)          | -                         | 3,289.99        |
| Less: Finance cost                  | 78.85           | -                  | 986.95            | -                         | 1,065.80        |
| Add: Interest income / other income | 71.95           | -                  | 47.10             | -                         | 119.05          |
| <b>Profit / (loss) before tax</b>   | <b>3,417.14</b> | <b>5.02</b>        | <b>(1,078.92)</b> | <b>-</b>                  | <b>2,343.24</b> |
| Tax                                 | -               | -                  | 974.00            | -                         | 974.00          |
| <b>Profit / (Loss) after tax</b>    | <b>3,417.14</b> | <b>5.02</b>        | <b>(2,052.92)</b> | <b>-</b>                  | <b>1,369.24</b> |

**For the year ended 31 March 2024**

| Particulars   | Real estate      | Power distribution | Unallocable       | Inter segment elimination | Total           |
|---|------------------|--------------------|-------------------|---------------------------|-----------------|
| Segment revenue   | 23,527.97        | 1,156.90           | -                 | (392.87)                  | 24,292.00       |
| Segment result  | 14,180.22        | 17.78              | (639.00)          | -                         | 13,559.00       |
| Less: Finance cost                                      | 402.85           | 4.10               | 4,159.02          | -                         | 4,565.97        |
| Add: Interest income / other income                     | 132.00           | 2.01               | 343.00            | -                         | 477.01          |
| <b>Profit / (Loss) before exceptional items and tax</b> | <b>13,909.37</b> | <b>15.69</b>       | <b>(4,455.02)</b> | <b>-</b>                  | <b>9,470.04</b> |
| Less: Exceptional Items (refer note 50)                 | (363.93)         | -                  | -                 | -                         | (363.93)        |
| <b>Profit / (loss) before tax</b>                       | <b>13,545.44</b> | <b>15.69</b>       | <b>(4,455.02)</b> | <b>-</b>                  | <b>9,106.11</b> |
| Tax   | -                | -                  | 3,493.73          | -                         | 3,493.73        |
| <b>Profit / (Loss) after tax</b>                        | <b>13,545.44</b> | <b>15.69</b>       | <b>(7,948.75)</b> | <b>-</b>                  | <b>5,612.38</b> |



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**Other Information**

| Particulars                 | Real estate | Power distribution | Unallocable | Inter segment elimination | Total      |
|-----------------------------|-------------|--------------------|-------------|---------------------------|------------|
| Segment assets              | 229,395.94  | 1,750.53           | 11,262.00   | -                         | 242,408.47 |
| Segment liabilities         | 13,031.32   | 1,420.10           | 80,121.00   | -                         | 94,572.42  |
| Capital expenditure         | 2,955.68    | 35.37              | -           | -                         | 2,991.05   |
| Depreciation & amortisation | 945.98      | 23.20              | -           | -                         | 969.18     |

**For the year ended 31 March 2024**

**Other Information**

| Particulars                 | Real estate | Power distribution | Unallocable | Inter segment elimination | Total      |
|-----------------------------|-------------|--------------------|-------------|---------------------------|------------|
| Segment assets              | 227,343.55  | 1,853.42           | 9,249.44    | -                         | 238,446.41 |
| Segment liabilities         | 12,529.52   | 1,490.91           | 75,140.15   | -                         | 89,160.58  |
| Capital expenditure         | 10,660.88   | 10.34              | -           | -                         | 10,671.22  |
| Depreciation & amortisation | 3,736.32    | 90.68              | -           | -                         | 3,827.00   |

**Secondary segment information**

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

Segment accounting policies are in line with accounting policies of the Mindspace Group. In addition, the following specific accounting policies have been followed for segment reporting:

Segment revenue includes income directly attributable to the segment.

Revenue and expenses directly attributable to segments are reported under respective reportable segment.

Revenue and expenses which are not attributable or allocable to segments have been disclosed under 'Unallocable'.

Borrowings and finance cost of the Group which are not attributable or allocable to segments have been disclosed under 'Unallocable'.





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**45 Non-controlling interest**

| Name of the entity   | As at 30 June 2024                   |                   | For the Quarter ended<br>30 June 2024                   |                 |
|--|--------------------------------------|-------------------|---|-----------------|
|  | Net assets                           |                   | Share in total comprehensive income                     |                 |
|  | As a % of consolidated<br>net assets | Amount            | As a % of consolidated<br>total comprehensive<br>income | Amount          |
| <b>Parent</b>  |                                      |                   |   |                 |
| Mindspace Business Parks REIT                              | 94.8%                                | 140,143.16        | 93.1%   | 1,282.72        |
| <b>SPVs</b>  |                                      |                   |   |                 |
| Intime Properties Limited                                  | 1.1%                                 | 1,678.66          | 1.8%  | 25.02           |
| K. Raheja IT Park (Hyderabad) Limited                      | 1.4%                                 | 2,066.87          | 1.2%  | 16.22           |
| Sundew Properties Limited                                  | 2.7%                                 | 3,947.35          | 3.9%  | 53.09           |
| <b>Consolidated net assets/ Total comprehensive income</b> | <b>100%</b>                          | <b>147,836.04</b> | <b>100%</b>   | <b>1,377.05</b> |

| Name of the entity   | As at 31 March 2024                  |                   | For the quarter ended<br>31 March 2024                  |                 |
|--|--------------------------------------|-------------------|---|-----------------|
|  | Net assets                           |                   | Share in total comprehensive income                     |                 |
|  | As a % of consolidated net<br>assets | Amount            | As a % of consolidated<br>total comprehensive<br>income | Amount          |
| <b>Parent</b>  |                                      |                   |   |                 |
| Mindspace Business Parks REIT                              | 94.9%                                | 141,689.00        | 93.3%   | 1,184.93        |
| <b>SPVs</b>  |                                      |                   |   |                 |
| Intime Properties Limited                                  | 1.1%                                 | 1,654.01          | 1.7%  | 21.61           |
| K. Raheja IT Park (Hyderabad) Limited                      | 1.4%                                 | 2,047.92          | 1.0%  | 13.08           |
| Sundew Properties Limited                                  | 2.6%                                 | 3,894.17          | 4.0%  | 50.76           |
| <b>Consolidated net assets/ Total comprehensive income</b> | <b>100.0%</b>                        | <b>149,285.09</b> | <b>100.0%</b>   | <b>1,270.39</b> |





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| Name of the entity                                  | As at 30 June 2023                |            | For the Quarter ended<br>30 June 2023             |          |
|---|-----------------------------------|------------|---|----------|
|   | Net assets                        |            | Share in total comprehensive income               |          |
|   | As a % of consolidated net assets | Amount     | As a % of consolidated total comprehensive income | Amount   |
| Parent  |                                   |            |   |          |
| Mindspace Business Parks REIT                       | 94.9%                             | 146,249.96 | 93.2%   | 1,275.48 |
| SPVs  |                                   |            |   |          |
| Intime Properties Limited                           | 1.1%                              | 1,688.18   | 1.6%  | 21.61    |
| K. Raheja IT Park (Hyderabad) Limited               | 1.4%                              | 2,135.04   | 1.3%  | 18.15    |
| Sundew Properties Limited                           | 2.6%                              | 4,005.25   | 3.9%  | 53.14    |
| Consolidated net assets/ Total comprehensive income | 100%                              | 154,078.43 | 100%  | 1,368    |

| Name of the entity                                  | As at 31 March 2024               |            | For the year ended<br>31 March 2024               |          |
|---|-----------------------------------|------------|---|----------|
|   | Net assets                        |            | Share in total comprehensive income               |          |
|   | As a % of consolidated net assets | Amount     | As a % of consolidated total comprehensive income | Amount   |
| Parent  |                                   |            |   |          |
| Mindspace Business Parks REIT                       | 94.9%                             | 141,688.89 | 93.6%   | 5,249.94 |
| SPVs  |                                   |            |   |          |
| Intime Properties Limited                           | 1.1%                              | 1,654.07   | 1.5%  | 86.84    |
| K. Raheja IT Park (Hyderabad) Limited               | 1.4%                              | 2,048.09   | 1.1%  | 63.69    |
| Sundew Properties Limited                           | 2.6%                              | 3,894.11   | 3.8%  | 211.42   |
| Consolidated net assets/ Total comprehensive income | 100%                              | 149,285.16 | 100%  | 5,611.89 |



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

**(i) Intime Properties Limited**

**Summarised balance sheet**

| Particulars                                  | As at<br>30 June 2024 | As at<br>31 March 2024 |
|--|-----------------------|------------------------|
| Non-current assets                           | 15,261.35             | 14,477.01              |
| Current assets                               | 1,029.66              | 1,512.48               |
| Non-current liabilities                      | (147.68)              | (146.31)               |
| Current liabilities                          | (882.75)              | (806.76)               |
| Net assets                                   | 15,260.57             | 15,036.42              |
| NCI holdings                                 | 0.11                  | 0.11                   |
| Carrying amount of Non-controlling interests | 1,678.66              | 1,654.01               |

**Summarised statement of profit & loss and Cash flow**

| Particulars   | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited) | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|---|--|---|--|--|
| Total comprehensive income for the period             | 227.50   | 196.49  | 204.45   | 789.49   |
| Attributable to Non-controlling interest              | 25.02  | 21.61   | 22.49  | 86.84  |
| Total comprehensive income for the period             |  |   |  |  |
| Cash flows from/ (used in) :                          |  |   |  |  |
| Operating activities                                  | 34.93  | 35.47   | 30.16  | 106.64   |
| Investing activities                                  | 15.13  | (16.07)   | 13.16  | (0.45)   |
| Financing activities                                  | (0.08)   | (33.03)   | (22.00)  | (121.03)   |
| Net increase/ (decrease) in cash and cash equivalents | 49.98  | (13.64)   | 21.32  | (14.85)  |



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

**Summarised balance sheet**

| Particulars                                  | As at<br>30 June 2024 | As at<br>31 March 2024 |
|--|-----------------------|------------------------|
| Non-current assets                           | 25,063.63             | 24,174.17              |
| Current assets                               | 960.02                | 553.49                 |
| Non-current liabilities                      | (5,807.17)            | (4,302.48)             |
| Current liabilities                          | (1,426.72)            | (1,807.76)             |
| Net assets                                   | 18,789.76             | 18,617.42              |
| NCI holdings                                 | 0.11                  | 0.11                   |
| Carrying amount of Non-controlling interests | 2,066.87              | 2,047.92               |

**Summarised statement of profit & loss and Cash flow**

| Particulars                               | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited) | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|---|--|---|--|--|
| Total comprehensive income for the period | 147.45   | 118.92  | 164.99   | 579.62   |
| Attributable to Non-controlling interest  |  |   |  |  |
| Total comprehensive income for the period | 16.22  | 13.08   | 18.15  | 63.76  |
| Cash flows from:                          |  |   |  |  |
| Operating activities                      | 31.92  | 24.67   | 21.43  | 93.52  |
| Investing activities                      | (122.09)   | (73.45)   | (27.28)  | (223.51)   |
| Financing activities                      | 137.12   | 57.32   | 15.30  | 142.90   |
| Net increase in cash and cash equivalents | 46.95  | 8.54  | 9.45   | 12.91  |



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**(iii) Sundew Properties Limited**

**Summarised balance sheet**

| Particulars                                  | As at<br>30 June 2024 | As at<br>31 March 2024 |
|--|-----------------------|------------------------|
| Non-current assets                           | 45,151.72             | 46,004.58              |
| Current assets                               | 1,646.95              | 715.77                 |
| Non-current liabilities                      | (8,416.46)            | (5,074.71)             |
| Current liabilities                          | (2,497.23)            | (6,244.09)             |
| Net assets                                   | 35,884.97             | 35,401.55              |
| NCI holdings                                 | 0.11                  | 0.11                   |
| Carrying amount of Non-controlling interests | 3,947.35              | 3,894.17               |

**Summarised statement of profit & loss and Cash flow**

| Particulars                               | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited) | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|---|--|---|--|--|
| Total comprehensive income for the period | 482.61   | 461.49  | 483.06   | 1,921.45   |
| Attributable to Non-controlling interest  |  |   |  |  |
| Total comprehensive income for the period | 53.09  | 50.76   | 53.14  | 211.36   |
| Cash flows from/ (used in) :              |  |   |  |  |
| Operating activities                      | 123.78   | 105.06  | 106.92   | 428.57   |
| Investing activities                      | (18.98)  | (15.34)   | (24.97)  | (65.20)  |
| Financing activities                      | (42.94)  | (72.16)   | (94.87)  | (362.06)   |
| Net increase in cash and cash equivalents | 61.86  | 17.56   | (12.92)  | 1.31   |
| Total carrying amount of NCI              | 7,692.88   | 7,596.09  | 7,828.47   | 7,596.27   |





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**46 Related party disclosures**
**A Parties to Mindspace REIT as at 30 June 2024**

| Sl. | Particulars    | Name of Entities   | Promoters/Partners*  | Directors  |
|-----|----------------|--|--|--|
| 1   | Trustee        | Axis Trustee Services Limited  | Axis Bank Limited**  | Ms. Deepa Rath<br>Mr. Rajesh Kumar Dahiya ceased w.e.f. January 15, 2024<br>Mr. Ganesh Sankaran<br>ceased w.e.f. January 15, 2024<br>Mr. Sumit Bali w.e.f. January 16, 2024<br>Mr. Prashant Joshi w.e.f. January 16, 2024<br>Mr. Pramod Nagpal w.e.f. May 03, 2024<br>Mr. Arun Mehta w.e.f. May 03, 2024     |
| 2   | Manager        | K Raheja Corp Investment Managers Private Limited<br>(formerly known as K Raheja Corp Investment Managers LLP) *** | Mr. Ravi C. Raheja<br>Mr. Neel C. Raheja   | Mr. Ravi C. Raheja w.e.f. July 7, 2023<br>Mr. Neel C. Raheja w.e.f. July 7, 2023<br>Mr. Deepak Ghaisas w.e.f. July 11, 2023<br>Mr. Bobby Parikh w.e.f. July 11, 2023<br>Ms. Manisha Girotra w.e.f. July 11, 2023<br>Mr. Manish Kejriwal w.e.f. July 11, 2023<br>Mr. Vinod Rohira<br>w.e.f. September 1, 2023 |
| 3   | Sponsors       | Anbee Constructions LLP  | Mr. Ravi C. Raheja<br>Mr. Neel C. Raheja<br>Mr. Chandru L. Raheja<br>Mrs. Jyoti C. Raheja<br>Ms. Sumati Raheja | -  |
| 4   |                | Cape Trading LLP   | Mr. Ravi C. Raheja<br>Mr. Neel C. Raheja<br>Mr. Chandru L. Raheja<br>Mrs. Jyoti 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   |                | Ms. Sumati Raheja  | -  | -  |
| 10  |                | Capstan Trading LLP  | Mr. Ravi C. Raheja<br>Mr. Neel C. Raheja<br>Mr. Chandru L. Raheja<br>Mrs. Jyoti C. Raheja                      | -  |
| 11  |                | Casa Maria Properties LLP  | Mr. Ravi C. Raheja<br>Mr. Neel C. Raheja<br>Mr. Chandru L. Raheja<br>Mrs. Jyoti C. Raheja                      | -  |
| 12  |                | Raghukool Estate Development LLP   | Mr. Ravi C. Raheja<br>Mr. Neel C. Raheja<br>Mr. Chandru L. Raheja<br>Mrs. Jyoti C. Raheja                      | -  |
| 13  |                | Palm Shelter Estate Development LLP  | Mr. Ravi C. Raheja<br>Mr. Neel C. Raheja<br>Mr. Chandru L. Raheja<br>Mrs. Jyoti C. Raheja                      | -  |





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**46 Related party disclosures****A Parties to Mindspace REIT as at 30 June 2024**

| Sl. | Particulars    | Name of Entities                  | Promoters/Partners*  | Directors  |
|-----|----------------|-----------------------------------|--|--|
| 14  | Sponsors Group | K. Raheja Corp Pvt. Ltd.          | Mr. Chandru L. Raheja Jointly with<br>Mrs. Jyoti C. Raheja<br><br>Mrs. Jyoti C. Raheja Jointly with<br>Mr. Chandru L. Raheja<br>Mr. Ravi C. Raheja Jointly with<br>Mr. Chandru L. Raheja Jointly with<br>Mrs. Jyoti C. Raheja<br>Mr. Neel C. Raheja Jointly with<br>Mr. Chandru L. Raheja Jointly with<br>Mrs. Jyoti C. Raheja<br><br>Anbee Constructions LLP<br>Cape Trading LLP<br>Capstan Trading LLP<br>Casa Maria Properties LLP<br>Raghukool Estate Development LLP<br>Palm Shelter Estate Development LLP<br>Mr. Neel C. Raheja Jointly with<br>Mr. Ramesh M. Valecha | Ravi C. Raheja<br>Neel C. Raheja<br>Ramesh Valecha<br>Ramesh Ranganthan<br>Sunil Hingorani |
| 15  | Sponsors Group | Ivory Property Trust              | Chandru L. Raheja<br>Jyoti C. Raheja<br>Ivory Properties & Hotels Pvt Ltd<br>Ravi C. Raheja<br>Neel C. Raheja<br>(all are trustees)  | -  |
| 16  |                | Genext Hardware & Parks Pvt. Ltd. | Mr. Ravi C. Raheja Jointly with<br>Mr. Chandru L. Raheja Jointly with<br>Mrs. Jyoti C. Raheja<br><br>Mr. Neel C. Raheja Jointly with<br>Mr. Chandru L. Raheja Jointly with<br>Mrs. Jyoti C. Raheja<br>Chandru L. Raheja jointly with Jyoti C. Raheja,<br>on behalf of the beneficiaries of Ivory Property<br>Trust.  | Ravi C. Raheja<br>Neel C. Raheja<br>Ramesh Valecha<br>Ramesh Ranganthan                    |



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**A Parties to Mindspace REIT as at 30 June 2024**

| Sl. | Particulars   | Name of Entities  | Promoters/Partners* | Directors |
|-----|---|---|---------------------|-----------|
| 17  | Board of Directors/Governing Board and Key Managerial Personnel of the Manager (K Raheja Corp Investment Managers Private Limited)*** | <b>Board of directors/Governing Board</b><br>Mr. Deepak Ghaisas (Independent Member)<br>Ms. Manisha Girotra (Independent Member)<br>Mr. Bobby Parikh (Independent Member)<br>Mr. Manish Kejriwal (Independent Member)<br>Mr. Ravi C. Raheja (Non Executive Non Independent Member)<br>Mr. Neel C. Raheja (Non Executive Non Independent Member)<br>Mr. Vinod Rohira (Non Executive Non Independent Member) w.e.f. September 1, 2023<br><b>Key Managerial Personnel</b><br>Mr. Ramesh Nair (Chief Executive Officer) w.e.f. September 1, 2023<br>Mr. Vinod Rohira (Chief Executive Officer) till August 31, 2023<br>Ms. Preeti Chheda (Chief Financial Officer)  |                     |           |
| 18  | Entities controlled/jointly controlled by Board of Directors/Members of Governing Board/Key Managerial Personnel of the manager       | Brookfields Agro & Development Private Limited<br>Grange Hotels And Properties Private Limited<br>Immense Properties Private Limited<br>Novel Properties Private Limited<br>Pact Real Estate Private Limited<br>Paradigm Logistics & Distribution Private Limited<br>Aqualine Real Estate Private Limited<br>K Raheja Corp Real Estate Private Limited (Formerly known as "Feat Properties Private Limited") (till 8th August 2023)<br>Carin Properties Private Limited<br>Asterope Properties Private Limited<br>Content Properties Private Limited<br>Madhurawada Holdings Private Limited (w.e.f. April 3, 2024)<br>Gencoval Strategic Services Private Limited<br>Stemade Biotech Private Limited<br>Harion Infrafacilities Services Private Limited<br>K. Raheja Corp Advisory Services (Cyprus) Private Limited<br>Convex Properties Private Limited<br>M/s Bobby Parikh & Associates |                     |           |
| 19  | Close Member (Relatives) of Directors and Key Managerial Personnel of the Manager   | Meera Rohira (Wife of Mr. Vinod Rohira)   |                     |           |

\* only when acting collectively

\*\* Axis Bank Limited, being a promoter of Axis Trustee Services Limited ("Trustee"), trustee to Mindspace Business Parks REIT, also a Debenture Trustee regulated by SEBI, is considered as a related party of Mindspace REIT in line with the SEBI REIT Regulations based on directions from SEBI dated 12 June 2023.

\*\*\* K Raheja Corp Investment Managers LLP (Manager) was converted into a private company as per Rule 5 of Companies (Authorised to Register) Rules 2014. Since the Manager had received approval for the conversion effective July 07, 2023, The Manager, therefore, stands converted into a private company i.e., K Raheja Corp Investment Managers Private Limited effective July 07, 2023



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**46 Related party disclosures**

**B. Related parties with whom the transactions have taken place during the period / year**

| Particulars  | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited) | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|--|--|---|--|--|
| <b>Property Management Fee and Support Services Fee</b>  |  |   |  |  |
| K Raheja Corp Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP)  | 140.91   | 144.58  | 135.03   | 530.83   |
| <b>Investment Management Fees</b>  |  |   |  |  |
| K Raheja Corp Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP)  | 17.66  | 17.01   | 16.84  | 67.51  |
| <b>Trustee fee expenses</b>  |  |   |  |  |
| Axis Trustee Services Limited  | 0.59   | 0.39  | 0.72   | 1.85   |
| <b>Legal &amp; professional fees</b>   |  |   |  |  |
| M/s Bobby Parikh and Associates  | 0.08   | 0.15  | -  | 0.15   |
| <b>Leasing Income/related recoveries</b>   |  |   |  |  |
| Axis Bank Limited***   | 52.15  | 72.44   | 34.88  | 225.31   |
| <b>Sitting Fees</b>  |  |   |  |  |
| Neel C Raheja  | 0.08   | 0.18  | 0.11   | 0.34   |
| Ravi C Raheja  | -  | 0.03  | 0.08   | 0.30   |
| Vinod N. Rohira  | 0.02   | 0.18  | 0.06   | 0.34   |
| Preeti Chheda  | 0.06   | -   | 0.06   | 0.48   |
| Ramesh Nair  | 0.12   | 0.06  | -  | 0.06   |
| <b>Reimbursement of Expenses</b>   |  |   |  |  |
| K Raheja Corp Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP)* | 0.19   | 1.17  | 0.20   | 2.49   |
| Asterope Properties Private Limited  | 0.40   | -   | -  | -  |
| <b>Maintenance Services</b>  |  |   |  |  |
| Meera Rohira   | 0.02   | 0.03  | -  | 0.12   |
| <b>Security Deposits Received</b>  |  |   |  |  |
| Axis Bank Limited  | -  | -   | -  | 14.99  |



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**46 Related party disclosures**

**B. Related parties with whom the transactions have taken place during the period / year**

| Particulars                                     | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited) | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|---|--|---|--|--|
| <b>Repayment of Security Deposits</b>           |  |   |  |  |
| Axis Bank Limited                               | -  | -   | -  | 11.99  |
| <b>Sale of Asset</b>                            |  |   |  |  |
| K. Raheja Corp Private Limited                  | -  | -   | -  | 0.01   |
| <b>Material purchase</b>                        |  |   |  |  |
| Ivory Properties & Hotels Pvt Ltd               | -  | -   | -  | 0.02   |
| Genext Hardware & Parks Pvt. Ltd.               | -  | 7.66  | -  | 7.66   |
| <b>Incremental overdraft Drawn**</b>            |  |   |  |  |
| Axis Bank Limited                               | 1,443.95   | 824.41  | 1,933.31   | 2,440.63   |
| <b>Overdraft Repaid**</b>                       |  |   |  |  |
| Axis Bank Limited                               | 1,027.24   | 1,636.41  | 614.70   | 2,371.10   |
| <b>Fixed Deposit Placed</b>                     |  |   |  |  |
| Axis Bank Limited                               | 760.88   | 123.19  | 390.68   | 649.24   |
| <b>Fixed Deposit Redeemed</b>                   |  |   |  |  |
| Axis Bank Limited                               | 13.05  | 117.55  | 223.98   | 706.91   |
| <b>Interest Income on Fixed Deposit</b>         |  |   |  |  |
| Axis Bank Limited                               | 3.76   | 1.78  | 2.16   | 5.64   |
| <b>Term Loan Drawn</b>                          |  |   |  |  |
| Axis Bank Limited                               | 950.00   | 750.00  | -  | 750.00   |
| <b>Term Loan Repaid</b>                         |  |   |  |  |
| Axis Bank Limited                               | 68.63  | 811.51  | 2,480.70   | 4,442.11   |
| <b>Interest Expense (Including capitalised)</b> |  |   |  |  |
| Axis Bank Limited                               | 58.59  | 67.47   | 86.66  | 340.39   |



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**46 Related party disclosures**

**B. Related parties with whom the transactions have taken place during the period / year**

| Particulars   | For the quarter ended<br>30 June 2024<br>(Unaudited) | For the quarter ended<br>31 March 2024<br>(Unaudited) | For the quarter ended<br>30 June 2023<br>(Unaudited) | For the year ended<br>31 March 2024<br>(Audited) |
|---|--|---|--|--|
| <b>Miscellaneous income (Guarantee commission income)</b> |  |   |  |  |
| 'K. Raheja Corp Pvt. Ltd.                                 | 8.06   | -   | -  | -  |
| Ivory Properties & Hotels Pvt Ltd                         | 5.13   | -   | -  | -  |
| <b>Miscellaneous expenses</b>                             |  |   |  |  |
| 'K. Raheja Corp Pvt. Ltd.                                 | 0.04   | -   | -  | -  |
| <b>Bank Charges and Commission</b>                        |  |   |  |  |
| Axis Bank Limited   | 3.27   | 12.06   | 3.16   | 16.70  |

\*Includes fees paid to M/s Bobby Parikh & Associates amounting to Rs. Nil million for the quarter ended 30 June 2024, Rs. 0.15 million for the quarter ended 31 March 2024, Rs. Nil for the quarter ended 30 June 2023 and Rs. 0.15 million for the year ended 31 March 2024.

\*\*Considering constant movements in the overdraft balances during the period/year, to ascertain the incremental borrowing for compliance under SEBI REIT Regulations, the maximum overdraft drawn during the period/year is reduced by the opening of the relevant period/year to arrive at incremental overdraft borrowing during the period/year and the maximum overdraft drawn during the period/year is reduced by the closing of the relevant period/year to arrive at repayment of overdraft during the period/year. However, the cumulative overdraft drawn during the period/year is Rs. 18,358.55 million (for the quarter ended 31 March 2024; Rs.9,652.11 for the quarter ended 30 June 2023; 12,987.86 million and for the year ended 31 March 2024; Rs.47,439.05 million) and cumulative overdraft repaid during the period/year is Rs. 18,216.63 million (for the quarter ended 31 March 2024; Rs. 10,439.97, for the quarter ended 30 June 2023; 14,351.92 million and for the year ended 31 March 2024; Rs.47,319.66 million).

\*\*\* Includes ind as adjustments





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**46 Related party disclosures**

**B. Related parties with whom the transactions have taken place during the period / year**

| Particulars   | For the quarter ended 30 June 2024<br>(Unaudited) | For the quarter ended 31 March 2024<br>(Unaudited) | For the quarter ended 30 June 2023<br>(Unaudited) | For the year ended 31 March 2024<br>(Audited) |
|---|---|--|---|---|
| <b>Distribution paid to Sponsors, Sponsors Group, Board of directors and Key Managerial Personnel</b> |   |  |   |   |
| Anbee Constructions LLP   | 168.88  | 169.94   | 170.30  | 679.77  |
| Cape Trading LLP  | 169.04  | 170.11   | 170.30  | 680.26  |
| Mr. Ravi C. Raheja  | 16.37   | 16.47  | 13.02   | 62.40   |
| Mr. Neel C. Raheja  | 56.59   | 56.94  | 53.57   | 224.28  |
| Mr. Chandru L. Raheja   | 155.67  | 156.65   | 156.97  | 626.58  |
| Mr. Chandru L. Raheja<br>(Trustee for and on behalf of beneficiaries of Ivory Property Trust)         | 18.50   | 18.62  | 18.66   | 74.47   |
| Mrs. Jyoti C. Raheja  | 70.91   | 71.36  | 71.50   | 285.42  |
| Capstan Trading LLP   | 196.03  | 197.26   | 197.67  | 789.04  |
| Casa Maria Properties LLP   | 223.33  | 224.74   | 225.21  | 898.96  |
| Palm Shelter Estate Development LLP   | 196.03  | 197.26   | 197.67  | 789.04  |
| Raghukool Estate Development LLP  | 200.36  | 201.62   | 201.97  | 806.16  |
| Genext Hardware And Parks Private Limited   | 109.17  | 109.86   | 110.44  | 439.43  |
| K Raheja Corp Private Limited   | 174.56  | 175.66   | 176.38  | 702.65  |
| Mrs. Sumati R. Raheja   | 40.22   | 40.47  | 40.99   | 161.89  |
| Mr. Bobby Parikh  | 0.16  | 0.16   | 0.16  | 0.63  |
| Mr. Manish Kejriwal   | 0.56  | 0.57   | 0.57  | 2.27  |
| Mr. Vinod Rohira  | 0.28  | 0.29   | 0.29  | 1.14  |
| Mr. Ramesh Nair   | 0.33  | 0.20   | -   | 0.39  |
| <b>Total distribution</b>   | <b>1,797.00</b>                                   | <b>1,808.16</b>                                    | <b>1,805.65</b>                                   | <b>7,222.78</b>                               |



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**46 Related party disclosures**  
**C. Balances as at the year end**

| Particulars   | As at<br>30 June 2024 | As at<br>31 March 2024 |
|---|-----------------------|------------------------|
| <b>Other Receivable/ Advance to vendors</b>   |                       |                        |
| K Raheja Corp Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP) | 11.70                 | 10.46                  |
| <b>Capital Advances</b>   |                       |                        |
| Genext Hardware & Parks Pvt. Ltd.   | 0.13                  | -                      |
| <b>Trade Payables</b>   |                       |                        |
| Meera Rohira  | -                     | 0.00                   |
| M/s Bobby Parikh and Associates   | 0.07                  | 0.15                   |
| Axis Bank Limited   | 0.51                  | 0.63                   |
| Axis Trustee Services Limited   | 2.16                  | -                      |
| <b>Sitting Fees Payable</b>   |                       |                        |
| Neel C.Raheja   | 0.04                  | 0.07                   |
| Ravi C.Raheja   | 0.04                  | 0.04                   |
| Preeti Chheda   | -                     | 0.05                   |
| Ramesh Nair   | -                     | 0.05                   |
| Vinod N Rohira  | 0.11                  | 0.12                   |
| <b>Other Financial Liabilities</b>  |                       |                        |
| K Raheja Corp Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP) | 22.59                 | 17.49                  |
| Genext Hardware & Parks Pvt. Ltd.   | -                     | 7.66                   |
| <b>Security Deposit</b>   |                       |                        |
| Axis Bank Limited   | 76.52                 | 76.52                  |
| <b>Co-Sponsor Initial Corpus</b>  |                       |                        |
| Anbee Constructions LLP   | 0.01                  | 0.01                   |
| Cape Trading LLP  | 0.01                  | 0.01                   |
| <b>Bank Balance (Including Escrow and Dividend Account)</b>   |                       |                        |
| Axis Bank Limited   | 3,698.38              | 3,367.80               |
| <b>Overdraft Balance</b>  |                       |                        |
| Axis Bank Limited   | 950.72                | 534.29                 |
| <b>Fixed Deposit Balance</b>  |                       |                        |
| Axis Bank Limited   | 908.11                | 160.28                 |
| <b>Interest Receivable on Fixed Deposit</b>   |                       |                        |
| Axis Bank Limited   | 5.14                  | 2.85                   |
| <b>Term Loan</b>  |                       |                        |
| Axis Bank Limited   | 3,478.06              | 2,596.69               |
| <b>Trade Receivable</b>   |                       |                        |
| Axis Bank Limited   | 13.67                 | 21.96                  |
| K Raheja Corp Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP) | -                     | 22.71                  |
| <b>Non-Fund Based Facilities</b>  |                       |                        |
| Axis Bank Limited   | 879.87                | 701.20                 |



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**47 In accordance with SEBI (LODR) Regulation, 2015 and Other requirements as per SEBI circular (No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 dated 15 May 2024) for issuance of debt securities by Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs), REIT has disclosed the following ratios:**

| Ratios  | Quarter ended |            |            | Year ended |            |
|---|---------------|------------|------------|------------|------------|
|   | 30-Jun-24     | 31-Mar-24  | 30-Jun-23  | 31-Mar-24  | 31-Mar-24  |
| a Security / Asset cover (NCD Series 1) (refer note a(i))                                       | NA            | NA         | 2.56       | NA         | NA         |
| b Security / Asset cover (MLD Series 2) (refer note a(ii))                                      | NA            | 2.27       | 2.29       | 2.27       | 2.27       |
| c Security / Asset cover (NCD Series 2) (refer note a(iii))                                     | NA            | 2.55       | 2.43       | 2.55       | 2.55       |
| d Security / Asset cover (NCD Series 3) (refer note a(iv))                                      | 2.29          | 2.22       | 2.17       | 2.22       | 2.22       |
| e Security / Asset cover (Sundew 1) (refer note a(v))   | NA            | 2.51       | 2.49       | 2.51       | 2.51       |
| f Security / Asset cover (MBPPL 1) (refer note a(vi))   | NA            | NA         | NA         | NA         | NA         |
| g Security / Asset cover (NCD Series 4) (refer note a(vii))                                     | 2.57          | 2.57       | 2.50       | 2.57       | 2.57       |
| h Security / Asset cover (Mindspace REIT Green Bond 1) (refer note a(viii))                     | 2.18          | 2.19       | 2.15       | 2.19       | 2.19       |
| i Security / Asset cover (NCD Series 6) (refer note a(ix))                                      | 2.19          | 2.19       | 2.17       | 2.19       | 2.19       |
| j Security / Asset cover (NCD Series 7) (refer note a(x))                                       | 2.29          | 2.28       | NA         | 2.28       | 2.28       |
| k Security / Asset cover (NCD Series 8) (refer note a(xi))                                      | 1.83          | 1.83       | NA         | 1.83       | 1.83       |
| l Security / Asset cover (NCD Series 9) (refer note a(xii))                                     | 1.91          | NA         | NA         | NA         | NA         |
| m(i) Security / Asset cover (NCD Series 10) (refer note a(xiii))                                | 1.96          | NA         | NA         | NA         | NA         |
| m(ii) Debt-equity ratio (in times) (refer note b)   | 0.51          | 0.47       | 0.40       | 0.47       | 0.47       |
| n Debt service coverage ratio (in times) (refer note c)   | 3.10          | 2.95       | 0.59       | 2.44       | 2.44       |
| o Interest service coverage ratio (in times) (refer note d)                                     | 3.84          | 3.99       | 4.33       | 4.19       | 4.19       |
| p(i) Outstanding redeemable preference shares (quantity and value)                              | NA            | NA         | NA         | NA         | NA         |
| p(ii) Capital redemption reserve  | NA            | NA         | NA         | NA         | NA         |
| q Debenture redemption reserve (Amount in Rs. millions)   | -             | 400.00     | 400.00     | 400.00     | 400.00     |
| r Net worth (Amount in Rs. millions)  | 147,836.04    | 149,285.00 | 154,082.00 | 149,285.00 | 149,285.00 |
| s Net profit after tax (Amount in Rs. millions)   | 1,377.05      | 1,271.00   | 1,369.00   | 5,612.00   | 5,612.00   |
| t Earnings per unit- Basic (Rupees/unit) (after net movement in Regulatory Deferral Balances)   | 2.16          | 2.00       | 2.15       | 8.85       | 8.85       |
| u Earnings per unit- Diluted (Rupees/unit) (after net movement in Regulatory Deferral Balances) | 2.16          | 2.00       | 2.15       | 8.85       | 8.85       |
| v Current Ratio (in times) (refer note f)   | 0.54          | 0.35       | 0.44       | 0.35       | 0.35       |
| w Long term debt to working capital (in times) (refer note h)                                   | (5.80)        | (2.32)     | (2.84)     | (2.32)     | (2.32)     |
| x Bad debts to account receivable ratio (in times) (refer note i)                               | 0.00          | 0.01       | 0.00       | 0.01       | 0.01       |
| y Current liability ratio (in times) (refer note j)   | 0.25          | 0.37       | 0.35       | 0.37       | 0.37       |
| z Total debt to total assets (in times) (refer note i)  | 0.31          | 0.30       | 0.26       | 0.30       | 0.30       |
| aa Debtors Turnover (in times) (refer note k)   | 21.46         | 28.26      | 37.84      | 29.20      | 29.20      |
| ab Inventory Turnover*  | NA            | NA         | NA         | NA         | NA         |
| ac Operating Margin (in %) (refer note m)   | 69.17%        | 69.19%     | 70.26%     | 69.92%     | 69.92%     |
| ad Net Profit Margin (in %) (refer note n)  | 21.47%        | 20.35%     | 22.81%     | 22.65%     | 22.65%     |
| ae Sector Specific equivalent ratio*  | NA            | NA         | NA         | NA         | NA         |





# MINDSPACE BUSINESS PARKS REIT

RN:IN/REIT/19-20/003

## Condensed Consolidated Financial Statements

### Notes to Accounts

(All amounts in Rs. million unless otherwise stated)

47 In accordance with SEBI (LODR) Regulation, 2015 and Other requirements as per SEBI circular (No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 dated 15 May 2024) for issuance of debt securities by Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs), REIT has disclosed the following ratios:

\*Not Applicable (NA)

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

- a(i) Security / Asset cover ratio (NCD Series 1) = Lower of Fair value of the secured assets as computed by two independent valuers / (Outstanding principal amount of NCD Series 1 + Interest accrued thereon)
- a(ii) Security / Asset cover ratio (MLD Series 2) = Fair value of the secured assets as computed by independent valuer / (Outstanding principal amount of MLD Series 2 + Interest accrued thereon)
- a(iii) Security / Asset cover ratio (NCD Series 2) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Series 2 + Interest accrued thereon)
- a(iv) Security / Asset cover ratio (NCD Series 3) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Series 3 + Interest accrued thereon)
- a(v) Security / Asset cover ratio (NCD Sundew 1) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Sundew 1 + Interest accrued thereon)
- a(vi) Security / Asset cover ratio (NCD MBPPL 1) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD MBPPL 1 + Interest accrued thereon)
- a(vii) Security / Asset cover ratio (NCD Series 4) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Series 4 + Interest accrued thereon). (This ratio has been calculated basis valuation report)
- a(viii) Security / Asset cover ratio (Mindspace REIT Green Bond 1) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of Mindspace REIT Green Bond 1 + Interest accrued thereon)
- a(ix) Security / Asset cover ratio (NCD Series 6) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Series 6 + Interest accrued thereon)
- a(x) Security / Asset cover ratio (NCD Series 7) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Series 7 + Interest accrued thereon)
- a(xi) Security / Asset cover ratio (NCD Series 8) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Series 8 + Interest accrued thereon)
- a(xii) Security / Asset cover ratio (NCD Series 9) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Series 9 + Interest accrued thereon)
- a(xiii) Security / Asset cover ratio (NCD Series 10) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Series 10 + Interest accrued thereon)
- b(i) Total Debt = Long term borrowings (Non-current) + Short term borrowings (current) + Lease liabilities (current and non-current) + Interest accrued on debts (current and non-current)
- b(ii) Debt Equity Ratio = Total Debt/Total Equity (including non-controlling interest)
- c) Debt Service Coverage Ratio = Earnings before interest (net of capitalization), depreciation, exceptional items and tax / (Interest expenses (net of capitalization) + Principal repayments made during the period which excludes bullet and full repayment of external borrowings)
- d) Interest Service Coverage Ratio = Earnings before interest (net of capitalization), depreciation, exceptional items and tax / (Interest expense (net of capitalization))
- e) Net worth = Corpus + Unit capital + Other equity (including non-controlling interest)
- f) Current ratio = Current assets/ Current liabilities
- g) Long term Debt = Long term borrowings (excluding current maturities of long term debt) + Lease liabilities (Non-current) + Interest accrued on debts (Non-current)
- h) Long term debt to working capital ratio = Long term debt (Non-current) / working capital (i.e. Current assets less current liabilities)
- i) Current liability ratio = Current liabilities/ Total liabilities including regulatory liabilities
- j) Total debt to total assets = Total debt/ Total assets including regulatory assets
- k) Debtors Turnover = Revenue from operations (Annualised)/ Average trade receivable
- l) Bad debts to account receivable ratio = Bad debts (including provision for doubtful debts) / Average trade receivable
- m) Operating margin = (Earnings before interest (net of capitalization), depreciation, exceptional items and tax - Other income - Interest income) / Revenue from operations
- n) Net profit margin = Profit after exceptional items and tax/ Total Income



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

- 48 The figures for the quarter ended 31 March 2024 are the derived figures between the audited figures in respect of the year ended 31 March 2024 and the published year-to-date figures upto period ended 31 December 2023, respectively which were subjected to limited review.
- 49 Intime had received show cause notice during the previous year from the Jurisdictional GST Authority for the periods beginning July 2017 to March 2020 for not considering charging of GST, on the recovery of utilities being electricity, water and DG back-up power provided to tenants, amounting to Rs. 100.22 million. The Management, after due consultation with the Consultant, is of the view that the charges towards electricity and DG back-up power are incurred in the capacity of a 'pure agent' as covered under Rule 33 of CGST Rules, 2017 and also such supplies are exempt as per the Exemption Notification and hence to be excluded from the value of taxable supply. The Management had filed its detailed response to the show cause notice. Based on the facts of the case and the provisions of the GST law, no provision has been made w.r.t. recovery of electricity and DG back-up power.
- 50 Considering the weak micro market dynamics and no immediate demand visibility and also this being a non-core asset, the Board of Directors of the Manager, at its meeting held on January 29, 2024 approved initiation of the process of sale of Mindspace Pocharam, comprising all piece and parcel of land admeasuring approximately 26 acres along with the structures thereon located at Mindspace Pocharam, Telangana. This investment property is part of "Real Estate" segment of the Group. An active program for sale will be in place. On conclusion of the process, a detailed proposal shall be placed before the Board for its consideration and approval. The asset, which is expected to be sold within 12 months, has been classified as a held for sale and presented separately in the balance sheet. The Group has estimated the fair value less costs of disposal of this asset based on the external fair valuation, which is less than the carrying value as on March 31, 2024. Accordingly, the asset was recognised at the lower of carrying value and fair value less cost of disposal resulting into impairment loss of Rs 363.93 million, which was recognised in the statement of profit and loss and considered the same as an Exceptional Item for the year ended March 31, 2024

**Assets classified as held for sale are as follows**

| <u>Asset class</u>                     | <u>As at</u><br><u>30 June 2024</u> | <u>As at</u><br><u>31 March 2024</u> |
|--|-------------------------------------|--------------------------------------|
| Investment property                    | 1371.51                             | 1,371.51                             |
| Property, plant and equipment          | 3.55                                | 3.55                                 |
| Investment property under construction | 442.19                              | 445.08                               |
| Deposits                               | 8.78                                | 8.78                                 |
| - Less - Impairment                    | (363.93)                            | (363.93)                             |
| <b>Total</b>                           | <b>1,462.10</b>                     | <b>1,464.99</b>                      |

- 51 The group during the current quarter decided to disclose the amounts rounded off to Millions with 2 decimals, correspondingly the amounts pertaining to previous quarters and year have been shown in 2 decimal."0.00" represents value less than Rs. 0.005 million.





## Development Progress (1/2)

## Pune



## Commerzone Kharadi (B4)

- Leasable area: ~1.0 msf
- Status: Finishes, façade and MEP works in progress
- Estimated completion : Q3 FY25

## Mumbai Region



## Highstreet, Airoli East

- Leasable area: ~0.05 msf
- Status: Structure Completed; Allied external works to be taken after denotification
- Completion date: Q2 FY25 (Earlier Q1 FY24; Awaiting Denotification order to apply for OC)

## Mumbai Region

Mindspace Airoli West  
(Building 8- Data center )

- Leasable area: ~0.32 msf
- 100% Pre-leased
- Status: Terrace slab completed, above terrace work in progress,
- Estimated Completion: Q4 FY25

## Development Progress (2/2)

Hyderabad



**Mindspace Madhapur  
(Building 1)**

- Leasable area: ~1.3 msf
- Status: B1 & GF slab casting work under Progress
- Estimated Completion: Q1 FY27 (earlier Q4 FY26)

Hyderabad



**Mindspace Madhapur  
(Experience Center)**

- Leasable area: ~0.1 msf
- Status: Upper Ground Floor Slab works in progress
- Estimated Completion: Q1 FY26 (Q3 FY25 for core and shell)

Hyderabad



**Mindspace Madhapur  
(Building 8)**

- Leasable area: ~1.6 msf
- Status: Foundation under Progress
- Estimated Completion: Q4 FY27



# Annexure-4



## Q1 FY25 Investor Presentation

30<sup>th</sup> July 2024



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## Note:

1. For ease and simplicity of representation, certain figures may have been rounded
2. Mindspace Business Parks REIT is referred to as Mindspace REIT in the presentation
3. "The Square Avenue 61 (BKC)" & "The Square Signatures Business Chambers (Nagar Road - Pune)" are referred as "The Square BKC" and "The Square Nagar Road" respectively in the presentation



01

# Key Highlights

---



## Q1 FY25: Strong Operational Performance driving Financial Growth

91.1%

Rising Committed Occupancy excl. Pocharam <sup>(1)</sup>

1.1 msf

Robust Gross Leasing

9.2 %

NOI growth Y-o-Y

INR c. 3.0 Bn

Distribution up 5% YoY

1.5 msf

New Development planned in Airoli East

0.5 msf

Received approval for NPA conversion during the quarter

INR 6.5 Bn

First Indian REIT to raise Sustainability linked Bond

1. Board approval received for potential divestment of Mindspace Pocharam.

# Strong Leasing momentum results in Committed Occupancy surpassing 91%<sup>(1)</sup>

## Key Operating Indicators

Q1 FY25



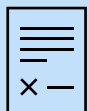
Gross Leasing

1.1 msf



Re-leased Area

0.6 msf



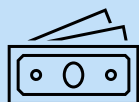
New and Vacant Area Leased

0.5 msf



Re-leasing Spread<sup>(2)</sup>

23.9 %  
on 1.0 msf



Average Rent for Area Leased

INR c. **72** psf/Month



Portfolio In-Place rent

INR **70** psf/Month  
(6% Y-o-Y)

1. Excluding Mindspace Pocharam; Board approval received for potential divestment of Mindspace Pocharam.

2. Re-leasing spread includes spread on extensions and leasing of area vacant as of 31 Mar 24 for Q1 FY25.

# Modern and Sustainable workplaces attracting occupiers

Rising occupancies across parks; 6 out of 9 parks<sup>(1)</sup> achieving >96% committed occupancy levels

**100%**  
Gera  
Commerzone  
Kharadi

**100%**  
The Square  
BKC

**100%**  
The Square  
Nagar Road  
Pune

**99.6%**  
Mindspace  
Malad

**97.4%**  
Mindspace  
Madhapur

**96.4%**  
Commerzone  
Yerwada

**90%**

**Commerzone Porur  
Committed Occupancy**

**0.5 msf**

**Approval received for  
demarcation in Q1FY25;  
0.9 msf demarcated so far**

## Q1 FY25 – Gross leasing

| Assets       | Location  | Type        | Tenant               | Leased (ksf) |
|--------------|-----------|-------------|----------------------|--------------|
| Yerwada      | Pune      | Releasing   | Technology           | 375          |
| Airoli (E)   | Mumbai    | Releasing   | Technology           | 164          |
| Madhapur     | Hyderabad | Vacant area | Co-Working           | 101          |
| Madhapur     | Hyderabad | Vacant area | Professional service | 70           |
| Porur        | Chennai   | Releasing   | Financial services   | 68           |
| Airoli (W)   | Mumbai    | Vacant area | Healthcare & Pharma  | 60           |
| Airoli (W)   | Mumbai    | Vacant area | Healthcare & Pharma  | 56           |
| Others       |           |             |                      | 196          |
| <b>Total</b> |           |             |                      | <b>1,090</b> |

1. Excluding Pocharam



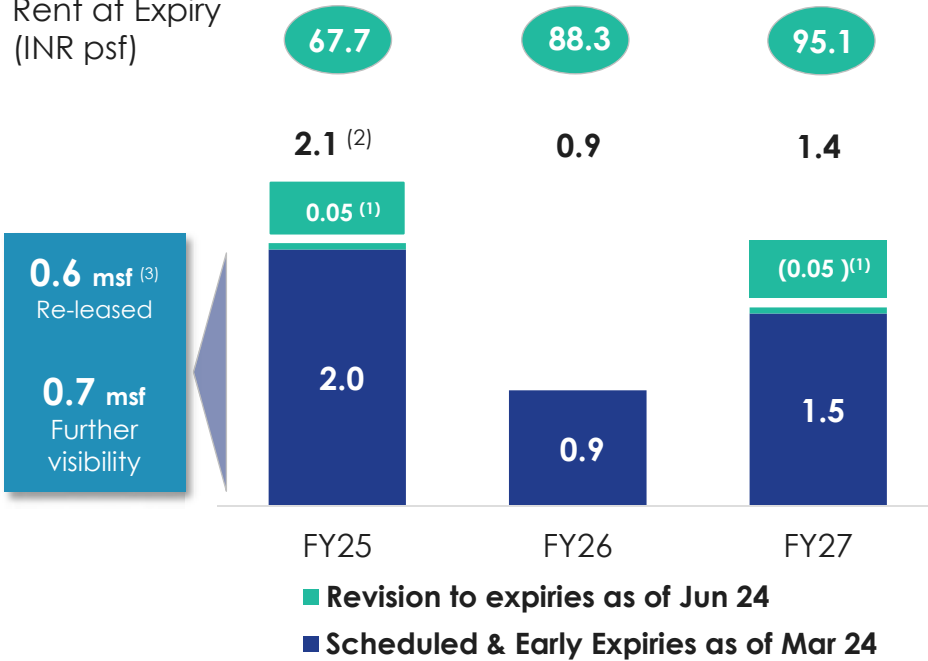
# Lease Expiry Profile

Released 68% out of 0.9msf expiries in Q1 FY25; No material increase in expiries for Q2-Q4 FY25

~63% releasing visibility (inc. area re-let in Q1) for 2.1 msf expiries in FY25

## Area Expiry (msf)

Rent at Expiry  
(INR psf)



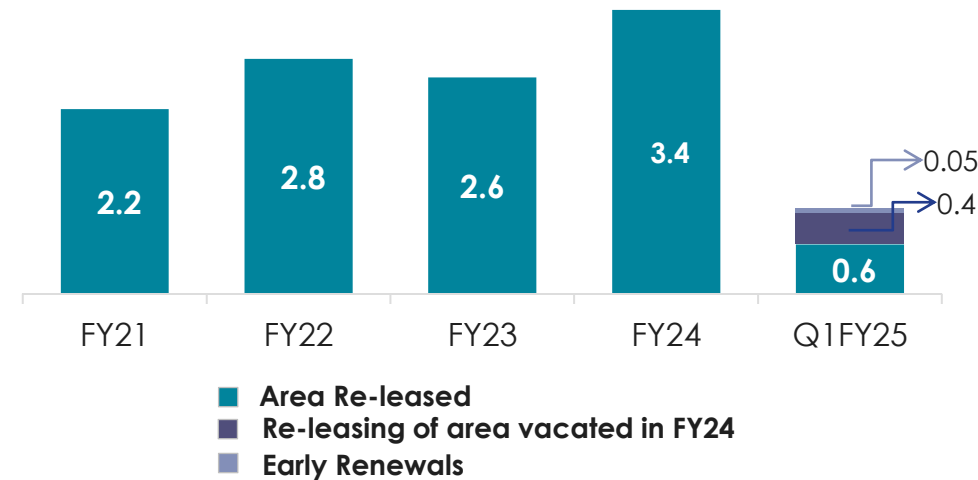
Track record of achieving Re-leasing spread across parks

## Area Re-leased (since Apr 20)

msf

Average  
Re-leasing Spread<sup>(5)</sup>

21.9%



|                         |       |        |       |
|-------------------------|-------|--------|-------|
| Expiries <sup>(4)</sup> | 5.2 % | 4.9%   | 7.8%  |
| MTM Opportunity         | 8.1%  | (4.4%) | 12.3% |

Re-leasing  
Spread

19.1%

31.0%

26.3%

14.3%

23.9%

1. 0.05 msf of incremental exit notices received and (0.05)msf deferred to FY28  
2. Excludes early renewals of 0.05msf during FY25  
3. Includes efficiency adjustment of 38 ksf

4. Gross rent as % of total rent of Completed Area as of 30 Jun 24  
5. Re-leasing spread includes spread on extensions and on leasing of vacant area



# Key Strategic initiatives

Perspective



c. 1.5 msf<sup>1</sup>

Planned strategic development in Airoli East to meet anticipated demand in 3 – 4 years

- Configuration: G + 5P+ 14 office floors<sup>(1)</sup>
- Estimated commencement: End Q3 FY25<sup>(2)</sup>
- Estimated Completion Date: Q4FY28

1. Design under finalization  
2. Subject to necessary approvals

02

# Project Updates

---





# Gearing for Demand Resurgence (1/2)

## 4.4 msf of Ongoing developments

### Pune



#### Commerzone Kharadi Building 4

- Leasable area: ~1.0 msf
- Status: Finishes, façade and MEP works in progress
- Estimated completion : Q3 FY25
- Balance cost: INR 1,308 Mn

### Mumbai Region



#### Mindspace Airoli East Highstreet

- Leasable area: ~0.05 msf
- Largely Complete; denotification in progress
- Balance cost: INR 59 Mn

### Mumbai Region



#### Mindspace Airoli West Building 8- Data center

- Leasable area: ~0.3 msf
- 100% Pre-leased
- Status: Terrace slab completed, above terrace work in progress
- Estimated Completion: Q4 FY25
- Balance Cost: INR 893 Mn

Balance Capex – INR 34,960<sup>(1)</sup> Mn

Note: Status is as of 30 June 24

1. Includes ongoing projects INR 16,535 Mn, future development projects INR 13,664 Mn, recently completed projects INR 441 Mn, upgrades INR 3,640 Mn and fit-out / general development INR 681 Mn; excludes approval cost



## Gearing for Demand Resurgence (2/2)

Hyderabad



Mindspace Madhapur  
(1A-1B Re-development)

- Leasable area: 1.3 msf
- Status: B1 & GF slab casting work under Progress
- Estimated Completion: Q1 FY27
- Balance cost: INR 5,745 Mn

Hyderabad



Mindspace Madhapur  
(Experience Center)

- Leasable area: 0.13 msf
- Status: Upper Ground Floor Slab works in progress
- Estimated Completion: Q1 FY26  
(Q3 FY25 for shell & core)
- Balance cost: INR 868 Mn

Hyderabad



Mindspace Madhapur  
(7/8 Re-development)

- Leasable area: 1.6 msf
- Status: Foundation under Progress
- Estimated Completion: Q4 FY27
- Balance cost: INR 7,327 Mn



03











# Financial Updates

---





## Financial Performance Supported by Strong Operational Performance

| Key Financial Indicators   | Q1 FY25   |
|--|---|
|  <b>Revenue from Operations<sup>(1)</sup></b> | <div>Figures in INR Mn</div> <div>6,198  10.6% Y-o-Y</div> |
|  <b>Net Operating Income<sup>(1)</sup></b>    | <div>4,964  9.2% Y-o-Y</div>                               |
|  <b>Distribution</b>                          | <div>2,989  5.0% Y-o-Y</div>                               |
|  <b>DPU</b>                                  | <div>5.04 p.u  5.0% Y-o-Y</div>                           |
|  <b>Loan to Value</b>                       | <div>21.9% (low debt levels to support future growth)</div>   |
|  <b>Cost of Debt</b>                        | <div>7.9% p.a.p.m (AAA rated)</div>   |

1. Revenue from Operations & NOI numbers above include Regulatory Income/(Expense) of Power Business

# NDCF Build-up

| Particulars (INR Mn)  | Q1 FY25 |
|---|---------|
| Revenue from Operations <sup>(1)</sup>  | 6,198   |
| Property Taxes & Insurance  | (191)   |
| Other Direct Operating Expenses   | (1,043) |
| Net Operating Income (NOI)  | 4,964   |
| Property Management Fees  | (141)   |
| Net Other Expenses  | (139)   |
| EBITDA <sup>(1)</sup>   | 4,684   |
| Cash Taxes (Net of Refunds)   | (395)   |
| Working Capital changes and other adjustments   | 1,005   |
| Cashflow from Operations  | 5,294   |
| Other Income  | 4       |
| Finance Costs on borrowings including accrued interest (excluding interest to REIT) (Net) <sup>(2)</sup>      | (356)   |
| Debt repayment (to the extent not refinanced) and reserves created pursuant to statutory obligations          | (117)   |
| Reserves created pursuant to debt obligations   | (168)   |
| NDCF (SPV Level)  | 4,657   |
| Proceeds to shareholders other than Mindspace REIT  | (140)   |
| Surplus cash on account of liquidation of fixed deposits including those created pursuant to debt obligations | 120     |
| Net Distributions from SPV to REIT  | 4,637   |
| Finance Cost at REIT level including accrued interest   | (1,588) |
| Other Inflows / (Outflows) at REIT Level  | (57)    |
| NDCF (REIT Level)   | 2,993   |
| Distribution  | 2,989   |

1. Includes Regulatory Income/ (Expense)

2. Net of interest income

# Low Leverage Offers Balance Sheet Headroom for Future Growth

**INR 65,504 Mn**

Net Debt <sup>(1)</sup>

**21.9 %**

Net Debt to  
Market Value <sup>(1)</sup>

**INR 7,771 Mn**

Undrawn Committed  
Facilities

**7.9%**

Cost of Debt  
(p.a.)

**3.6 x**

Net Debt to EBITDA <sup>(5)</sup>

**Well staggered maturity profile**  
Weighted Average Maturity 5.2 years

**Total INR  
(mn)**

9,782

1,841

21,175

7,560

3,039

31,938

Repayments spread across the year;  
Debt Headroom Available

1,282

8,500

1,841

2,275

18,900

2,650

5,000

3,039

20,438

11,500

Q2-Q4 FY25

FY26

FY27

FY28

FY29

FY30 &  
Beyond

■ REIT Level ■ SPV Level

**Repayment  
(%)**

13.0%

2.4%

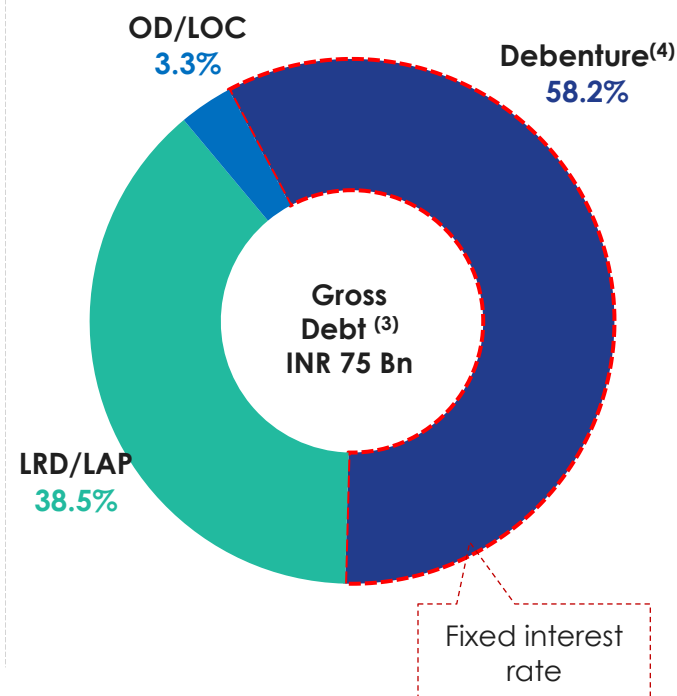
28.1%

10.1%

4.0%

42.3%

**Diversified debt Book with a mix of debentures  
and bank borrowings <sup>(2)</sup>**



• Raised CP of **INR 3.5 Bn** at an effective rate of **7.5%** p.a.p.m and **INR 11.5 Bn** at **7.9%** p.a.p.m via NCD

• **LTV – 22.9% (without adjusting for fixed deposits with maturity > 3 months of INR 3,096 Mn)**

Note: As of 30 Jun 24

- For the purpose of Net Debt and LTV calculation, Cash and Cash Equivalents, Fixed Deposits (with tenure > 3 months) which can be liquidated when required, accounting & minority adj. are reduced from Gross Debt; and Market value is as on 30 Jun 24
- Excluding accrued interest

- Represents 100% of the SPVs including minority interest in Madhapur SPVs
- Pertains to Non-Convertible Debentures and Market Linked Debentures
- EBITDA and Net Debt is prior to minority interest; EBITDA is TTM



# Sustainability initiatives and Recognitions

## First Indian REIT to raise Sustainability Linked Bond INR 6.5 Bn subscribed by IFC

- Opportunity to optimize cost through a step down mechanism
- Reduction in coupon linked to sustainability targets
- Framework in alignment with ICMA<sup>1</sup> & SLLP<sup>1</sup> principles
- Verified by Bureau Veritas

## Sustainability Performance Targets



Emission  
Reduction



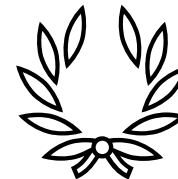
Energy Intensity  
Reduction



Green Building  
O&M Certification

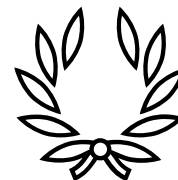
Share of Green / Sustainability-Linked Financing stands at INR  
16.6Bn or 22% of outstanding Debt

## Awards & Recognitions



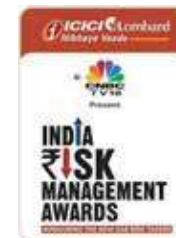
**Business World -  
Finance innovation  
of the Year Award**

“Financial Innovation of the Year  
Award 2024”



**Business World -  
Remarkable leverage  
management**

“Remarkable Leverage Management  
Award 2024”



**CNBC TV 18  
Masters of Risk**  
Real estate Mid Cap  
Category



04

# Our Markets

---





# Indian Office Sector: Riding the Winds of Favorable Trends



(1) JLL research  
(2) CBRE

# GCCs: India a preferred destination

c.50%

% share of India in  
global GCC  
market<sup>(1)</sup>

72 msf

Total demand of  
Grade A office  
space from GCCs  
since 2020<sup>(2)</sup>

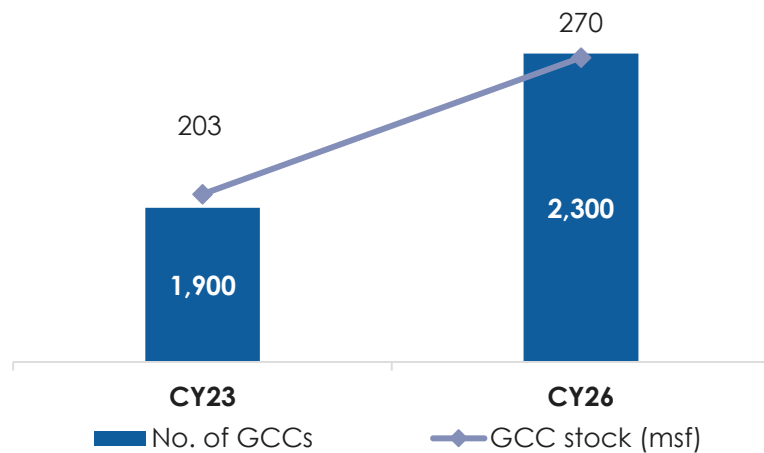
1.7 Mn

GCC employees in  
India<sup>(1)</sup>

c.85%

Lower average  
salary of engineers  
viz-a-viz developed  
countries<sup>(3)</sup>

GCC Growth forecast<sup>(2)(3)</sup>



**GCC office likely to grow from 203 msf to 270 msf over the next three years**

Factors driving GCC leasing in India

Talent Cost Advantage

Rentals Arbitrage

India's economic and Infrastructure Growth

(1) CBRE India Location Assessment – March 2024. Data as of December 2023. GCC Market Size in India - \$46 Bn  
(2) Colliers India Global Capability Center Report - February 2024.  
(3) CLSA

# Hyderabad – Second largest Tech hub of India

Progressive government policies and Infrastructure growth are key market drivers

9.1  
Lakh

Tech workforce in Telangana driven by Hyderabad<sup>(1)</sup>

60%

Share of GCCs in overall leasing in H1 CY24<sup>(3)</sup>

180+

GCCs in Hyderabad<sup>(6)</sup>

31%

% share of Pan India GCC leasing in H1 CY24<sup>(3)</sup>

~7.6 msf

Avg. net annual absorption since CY 2019<sup>(6)</sup>

2<sup>nd</sup>

Highest avg. absorption since CY 2019 across India<sup>(6)</sup> (1 msf behind Bengaluru)

60%

Of Hyderabad GCC leasing in SBD\* between CY20-23<sup>(2)</sup>

200k+

Talent pool in GCC Hyderabad<sup>(4)</sup>

Major GCCs present in Hyderabad

Microsoft

Amazon

Bank of America

Verizon

Wells Fargo

## Madhapur as the preferred office market drives highest absorption in Hyderabad



**73 msf**

57% share of City's  
office stock<sup>(1)</sup>

**66%**

Share of net absorption since  
CY 2019<sup>(1)</sup>

**70-80  
Rs psf**

Highest rentals amongst all  
micro markets

**2<sup>nd</sup>**  
(in Size)

Largest micro market across  
India <sup>(1)</sup>

## Mumbai Region - Infrastructure projects upgrades driving office demand uptick

132 msf

Completed Stock as on  
Q2 CY2024<sup>(1)</sup>

3.0 msf

Net leasing in H1 CY2024<sup>(1)</sup>

### Navi Mumbai – A Preferred Location with Accessible Talent



Ranked amongst **top 3** in terms of overall quality of living in India



Ranked **3<sup>rd</sup>**, **2<sup>nd</sup>** time in a row, in cleanliness index<sup>(2)</sup> in India



Ranks **best** in terms of traffic index

### Combined activity in Thane-Belapur and Malad-Goregaon micro-market

c.1.8  
msf

Avg. net annual absorption  
since CY 2019<sup>(1)</sup>

c.39%

% share of net absorption  
since CY 2019 in  
Mumbai Region <sup>(1)</sup>

Infrastructure  
upgrades aiding  
Airoli's office leasing  
growth

Airoli Katai Naka Tunnel Road



Navi Mumbai International  
Airport



Navi Mumbai metro  
commenced in 2023

Source: Publicly available information.

(1) JLL.

(2) Swachh Survekshan 2023



# Pune - Thriving Office Market with Excellent Social Infrastructure

79 msf

Completed Stock as on  
Q2 CY2024<sup>(1)</sup>

~3.5 msf

Avg. annual net absorption  
since CY 2019<sup>(1)</sup>



- Pune - Mumbai express way **Missing link project** to **reduce** travel time by **20-25 mins**
- Atal setu improved connectivity from Mumbai to Pune

## SBD East Micro Market<sup>(2)</sup>

44 msf

56% share of City's  
office stock<sup>(1)</sup>

56%

Share of net absorption  
since CY 2019<sup>(1)</sup>

85-90  
Rs psf

Highest rentals amongst  
all micro markets<sup>(1)</sup>

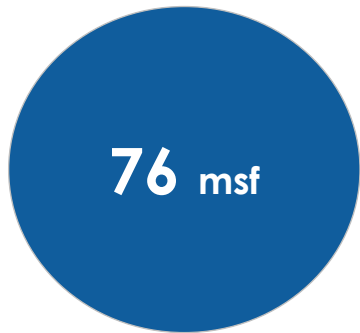
c.5.8%

Low vacancy rate  
as of Q2 CY2024<sup>(1)</sup>



Ranked amongst **top 3** in  
terms of overall quality of  
living in India

## Chennai - One of the key growth markets



Completed Stock as on  
Q2 CY2024<sup>(1)</sup>

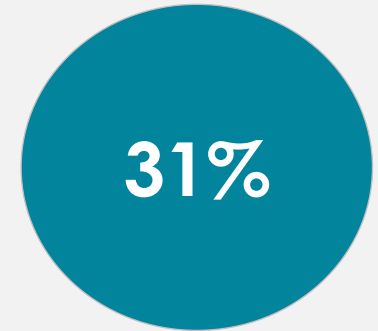


Average annual net  
absorption since 2019<sup>(1)</sup>

### South-West Micro Market<sup>(2)</sup>

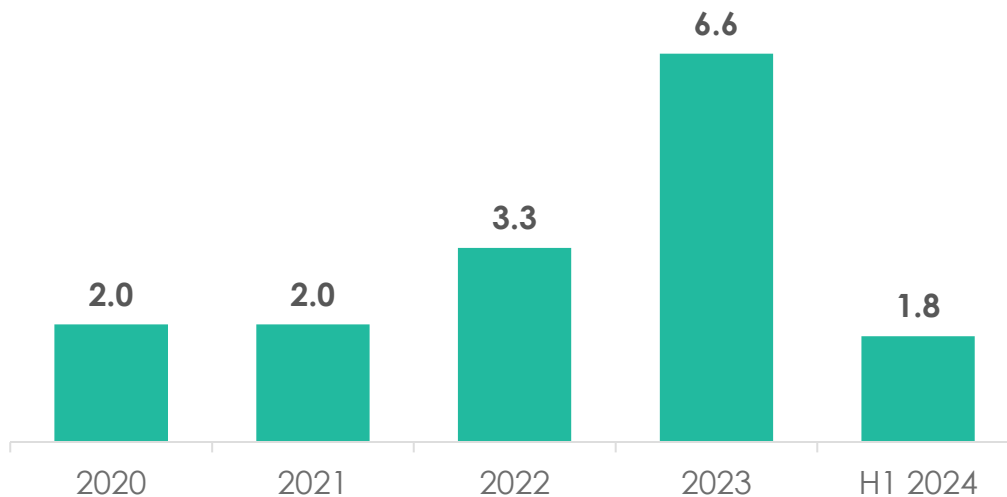


28% share of City's  
office stock<sup>(1)</sup>



Share of net absorption  
since 2019 <sup>(1)</sup>

### Highest ever net leasing in Chennai in CY2023



Source: (1) JLL. (2) South West includes Porur, Guindy, Ashok Nagar, Vadapalani, Manapakkam, Ekkaduthangal.

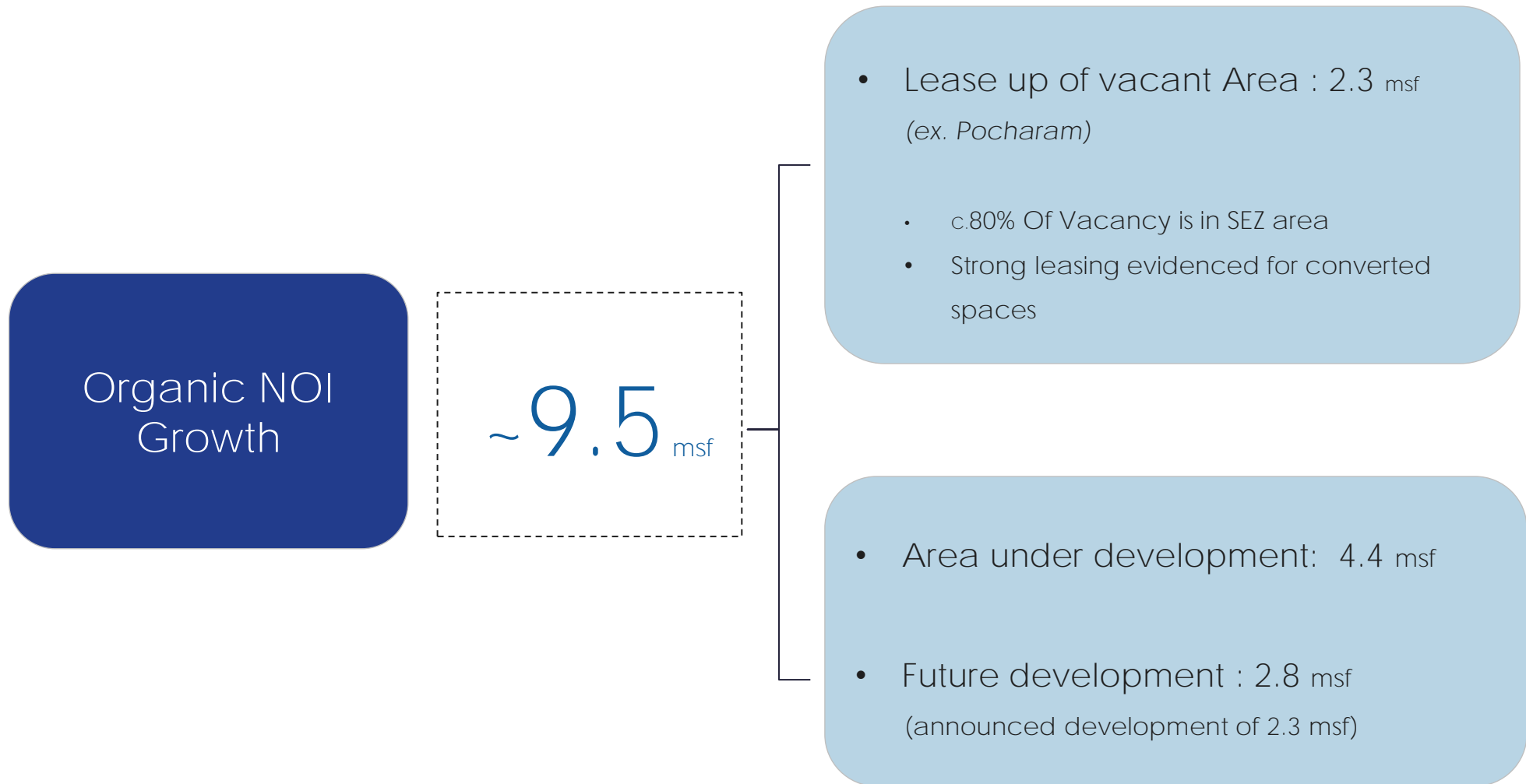
# 05

## Our Growth Drivers



# Embedded opportunities within Portfolio to drive NOI and Occupancy growth

Focused execution and leveraging growth levers to drive NOI growth



Rent escalation and MTM to further boost NOI growth



## Near term Portfolio Growth Potential

Continuous  
sponsor  
pipeline  
(~15 msf  
potential)

Two assets  
already  
offered<sup>(1)</sup>

Commerzone Raidurg  
Hyderabad



1.8 msf

Leased to US tech giant

The Square BKC 98  
Mumbai



0.15 msf

Leased to BFSI tenant

In addition to sponsor assets, third party inorganic opportunities being explored

1. Deferred due to the volatility and uncertainty in the markets.



06

# Our Franchise & Portfolio





# Sponsored by One Of India's Leading Real Estate Group

Over 6 decades of experience across Residential, Office, Malls & Hotels



## Office



## Hospitality



## Malls



## Residential



## Retail



Leasable Area >50 msf <sup>(1)</sup>



3,300+ <sup>(2)</sup> operational hotel keys



4 operational malls



Developed residential projects across 5 cities



Operates 230+ retail outlets across India

SHOPPERS STOP

Strong experience of working with institutional investors - GIC, Blackstone, JP Morgan, HDFC

3 listed entities in the group – Shoppers Stop, Chalet Hotels and Mindspace REIT with total market cap of >USD 5bn

Note: All data as on 30 Jun 2024

1. Includes completed area – 34msf; under construction and future development of >16msf; includes; REIT and sponsor's portfolio

2. Including joint ownership assets of K Raheja Corp

3. Marriot Hotels India Pvt. Ltd and its affiliates | AAPC India Hotel Management Private Limited



## Presence in 4 Key Office Markets

Located strategically in established office micro-markets

### Mumbai Region

13.3 msf



Presence in **Malad-Goregaon** and **Navi Mumbai IT Corridor** markets

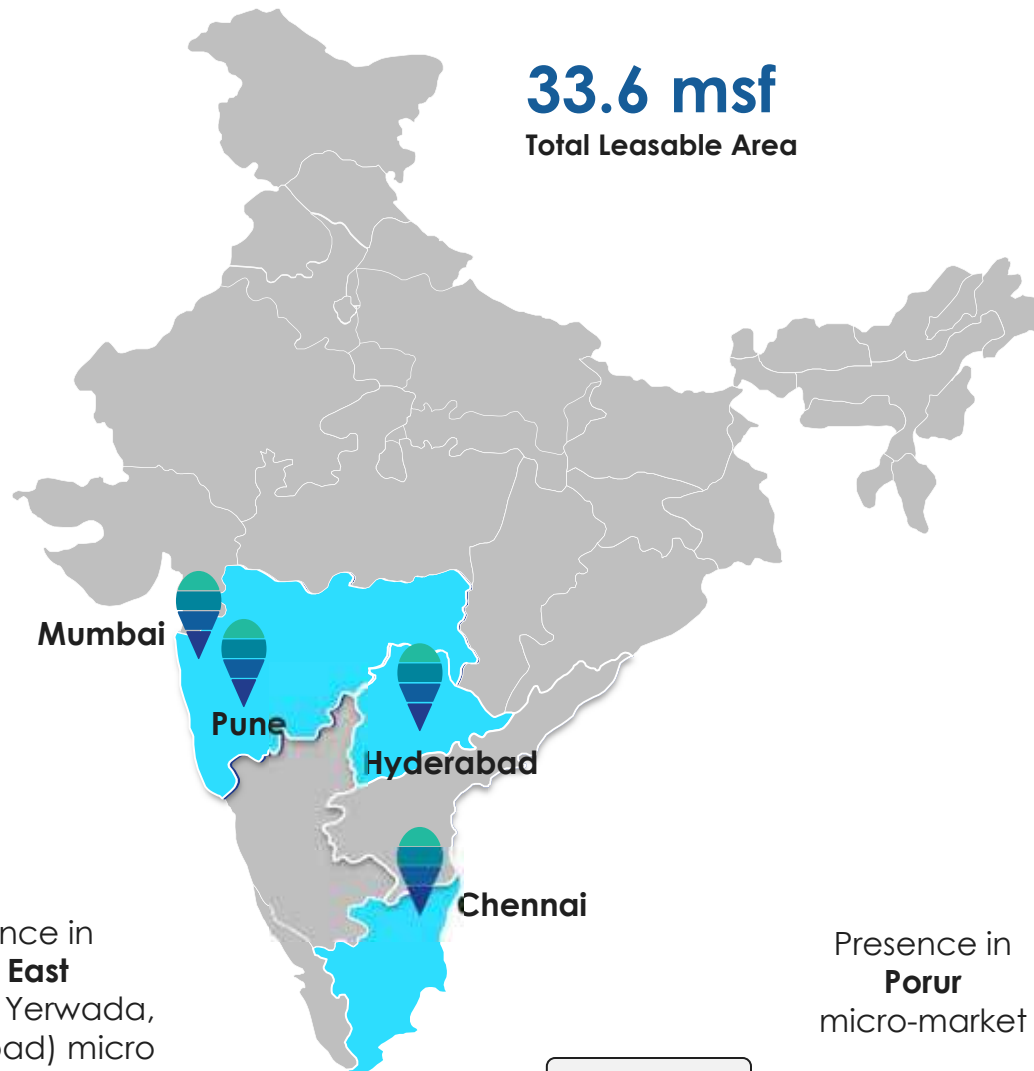


### Pune

5.4 msf

Presence in **SBD East** (Kharadi, Yerwada, Nagar Road) micro market

**33.6 msf**  
Total Leasable Area



### Hyderabad

13.7 msf



Presence in **Madhapur** micro-market



### Chennai

1.1 msf

Presence in **Porur** micro-market

Leasable Area

# Delivered Robust Performance

Cumulative distribution of INR 71.3 p.u. since listing

c.16.1 msf<sup>(1)</sup>  
Gross Leasing

21.1%  
Releasing Spread on  
11.6 msf

INR 42.3 Bn  
Total distribution<sup>(3)</sup>

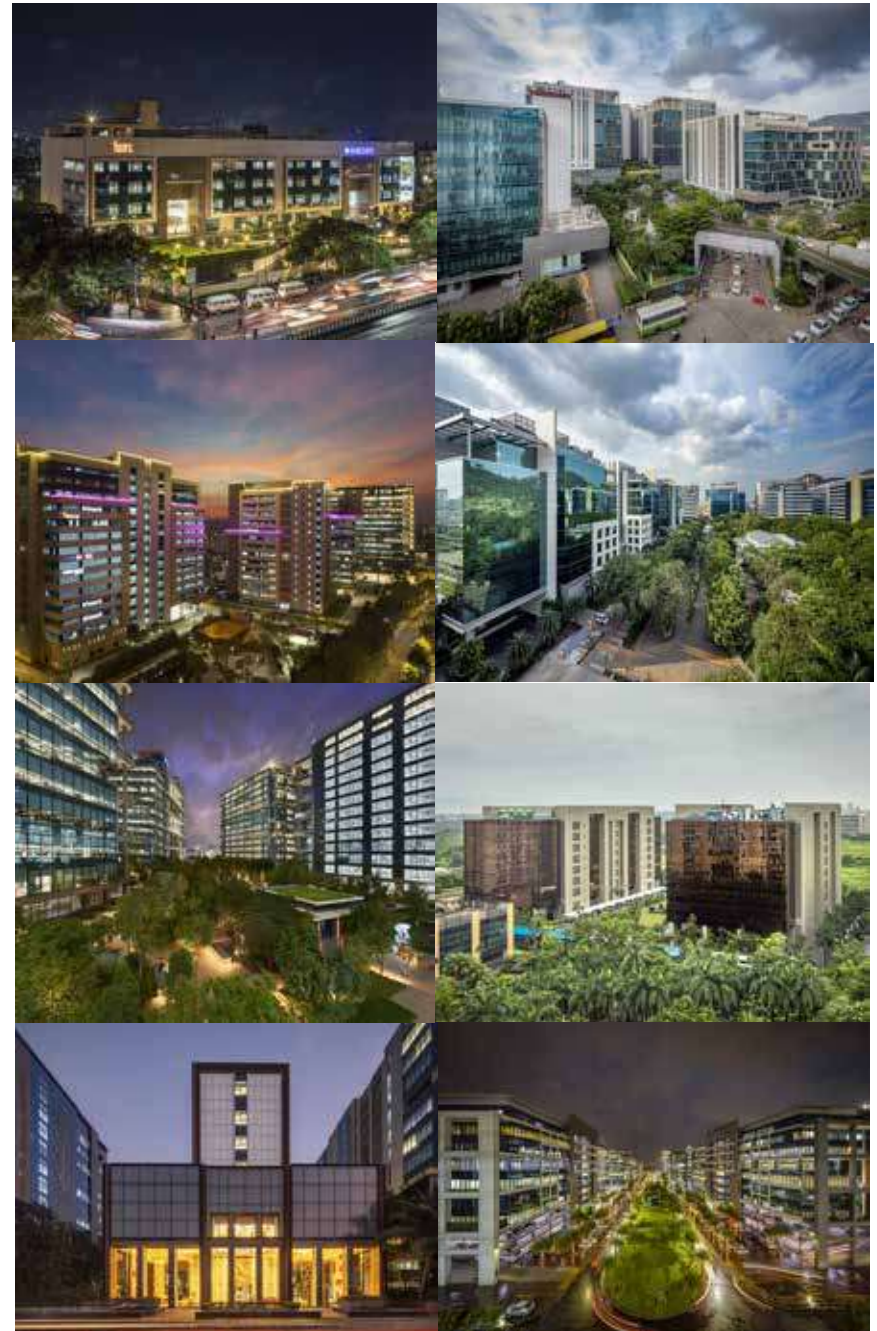
11.4 %  
Annualized returns<sup>(7)</sup>

2.3 msf  
Delivered New  
Developments

7.9 % p.a.p.m.  
Cost of Debt as on 30  
Jun 24<sup>(5)</sup>

7.0% CAGR  
In-place rent<sup>(6)</sup>

21.9 %  
Loan to Market  
Value<sup>(2)(4)</sup>



1. Includes releasing and vacant area leasing  
2. Market value as of 31 Mar 24; Market Value of Mindspace Madhapur is with respect to 89.0% ownership of REIT in respective Asset SPVs  
3. Includes distribution for Q1 FY25.  
4. For the purpose of LTV calculation, Net Debt is considered post accounting & minority adjustment,

5. as of 30 June 2024.  
6. Represents 100% of the SPVs including minority interest in Madhapur SPVs  
7. CAGR for a period 30-Sep-20 to 30-Jun-24.  
Annualized Returns as of 30 June 2024.



## High Quality Office portfolio in Prime Locations (1/5)

### Mindspace Madhapur: Largest Business Park in Hyderabad

**13.1** msf  
Leasable Area

**9.6** msf  
Completed Area

**97.4 %**  
Committed Occupancy





## High Quality Office portfolio in Prime Locations (2/5)



### Commerzone Kharadi, Pune

**2.9** msf  
Leasable Area

---

**1.9** msf  
Completed Area

---

**100%**  
Committed Occupancy



### Commerzone Yerwada, Pune

**1.7** msf  
Leasable Area

---

**1.7** msf  
Completed Area

---

**96.4%**  
Committed Occupancy

## High Quality Office portfolio in Prime Locations (3/5)



### The Square Nagar Road, Pune

**0.8** msf  
Leasable Area

---

**0.8** msf  
Completed Area

---

**100%**  
Committed Occupancy



### Commerzone Porur, Chennai

**1.1** msf  
Leasable Area

---

**1.1** msf  
Completed Area

---

**90.0%**  
Committed Occupancy



## High Quality Office portfolio in Prime Locations (4/5)



### Mindspace Airoli East, Navi Mumbai

**7.1** msf  
Leasable Area

---

**4.8** msf  
Completed Area

---

**78.4%**  
Committed Occupancy



### Mindspace Airoli West, Navi Mumbai

**5.3** msf  
Leasable Area

---

**5.0** msf  
Completed Area

---

**83.2%**  
Committed Occupancy

## High Quality Office portfolio in Prime Locations (5/5)



### Mindspace Malad, Mumbai

**0.8** msf  
Leasable Area

---

**0.8** msf  
Completed Area

---

**99.6%**  
Committed Occupancy



### The Square BKC, Mumbai

**0.1** msf  
Leasable Area

---

**0.1** msf  
Completed Area

---

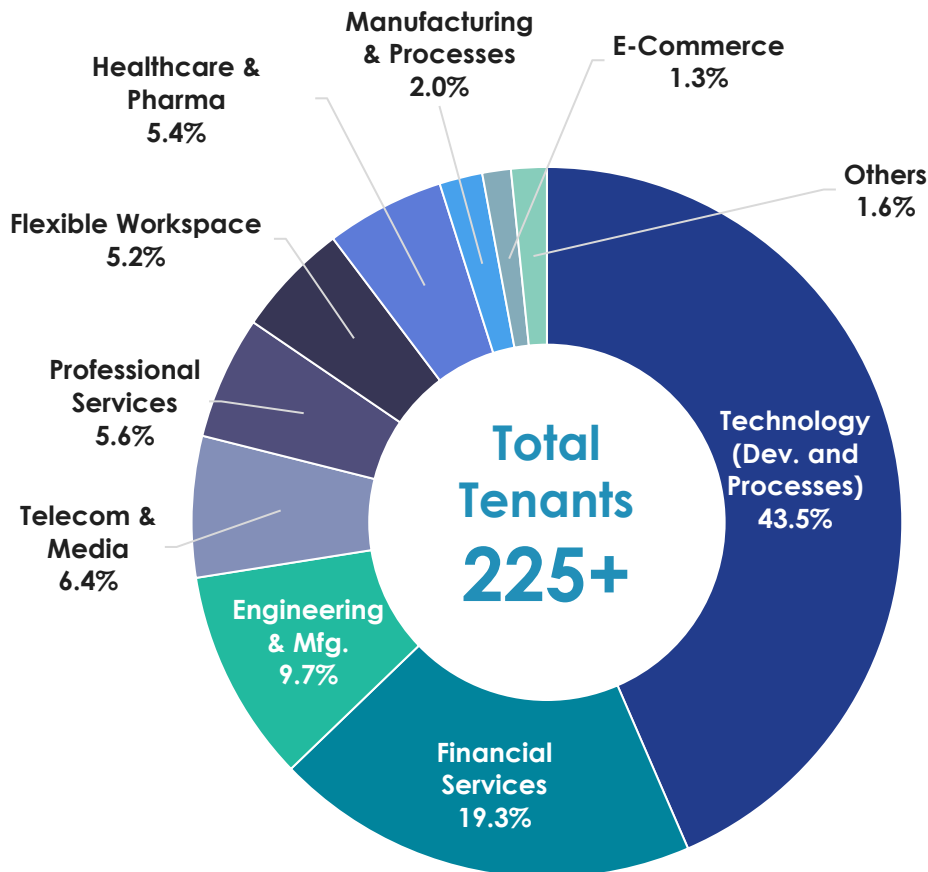
**100.0%**  
Committed Occupancy

# Diversified Portfolio of Marquee Tenants

Top 10 tenants contributing 27.5% (Jun 24) vs. 28.1% (Mar 24)

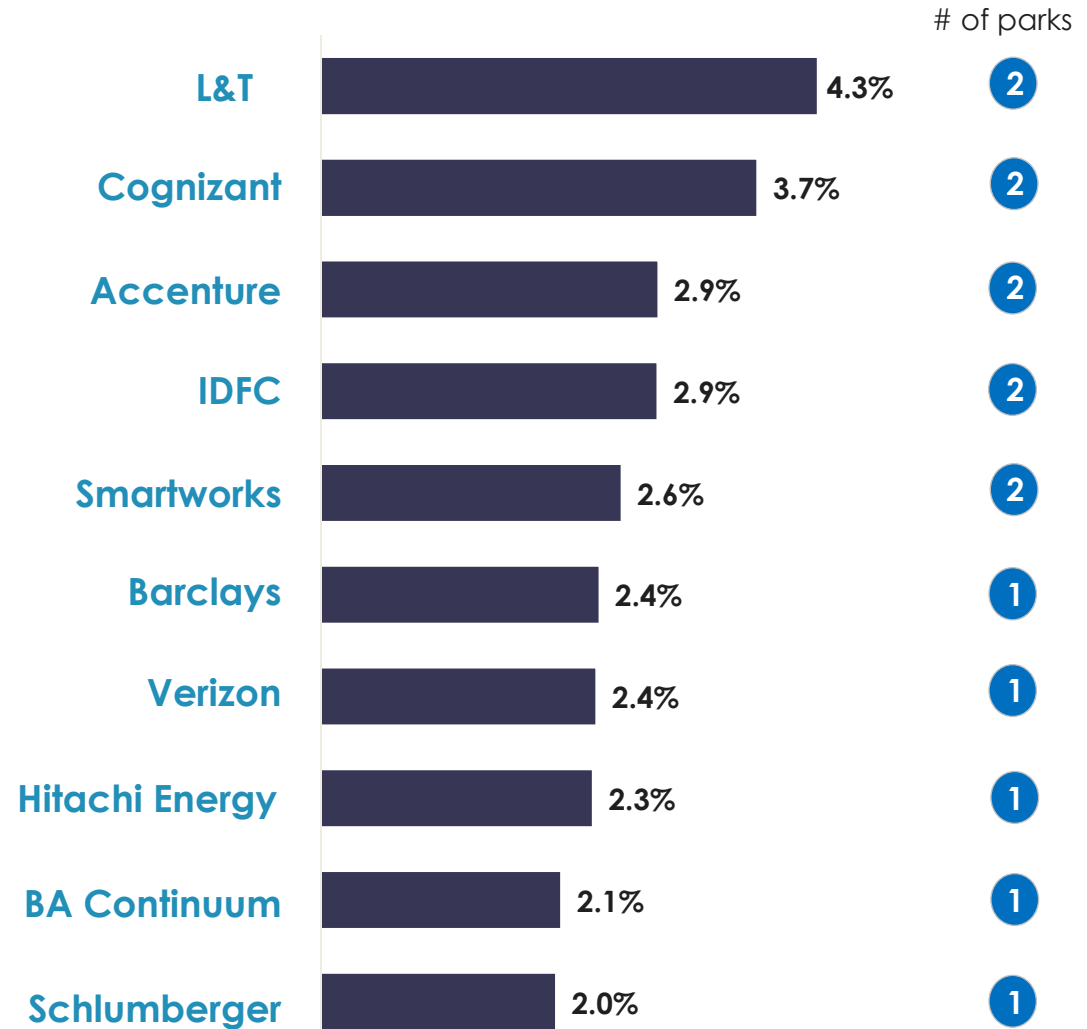
## Diversified tenant mix across sectors

% split by Gross Contracted Rentals<sup>(1)</sup>



## Top 10 tenants Gross Contracted Rentals contribution (27.5%)

% of total Gross Contracted Rentals<sup>(1)</sup>



1. Basis Gross Contracted Rentals as on 30 June 24



# Marquee Tenant Base

Leading MNCs and Fortune 500 companies across sectors

## Technology

Accenture Wipro  
Cognizant Atos India  
Highradius NCR Princeton  
L&T AMD Nvidia

## Financial Services

Barclays BNY Mellon  
UBS Fiserv Allstate  
B.A. Continuum Axis  
J.P.Morgan IDFC HDFC

## Diversified

Smartworks Verizon  
Hitachi energy Qualcomm  
British petroleum  
Worley Parsons Schlumberger

68.9%

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

27.5%

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

32.5%

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

1. Represents % of Gross Contracted Rentals as on 30 Jun 24

2. Fortune 500 Global List of 2023

07

# Re-energizing Parks





## Dynamic Environment, Vibrant Workspaces





# Energized Landscape for Business Excellence





# Infusing modern design elements to elevate experience

Tailoring common areas to meet the evolving preferences of tenants





# Experience Center: An Inclusive Ecosystem for all Lifestyle & Business Needs

Enhancing the Mindspace offering with a modern club facility with top notch amenities



Offers enriching entertainment, sports, lifestyle, recreation and dining experiences



## Curated mix of amenities enhancing work place experience



Indoor-Outdoor Cafes



Bar and Lounge



Badminton | Squash | Tennis



Yoga | Meditation | Aerobic Rooms



State of the art gym facility



Half Olympic Size Lap Pool



## SOCIALising at Vantage Café in the Park



Launched the first-ever  
SOCIAL in Hyderabad

One of the largest SOCIAL  
OUTLETS in the country



# Tenant Engagement Initiatives, Designed to Build Camaraderie



**IPL SCREENING**



**IPL SCREENING**



**HAPPY VIBES FEST – Mango Wonderland**



**HAPPY VIBES FEST – Mango Wonderland**



**HAPPY VIBES FEST – Around the World**



**HAPPY VIBES FEST – Around the World**



**PHOTOGRAPHY EXHIBITION**



**PHOTOGRAPHY EXHIBITION**



**PHOTOGRAPHY EXHIBITION**



# Tenant Engagement Initiatives, Designed to Build Camaraderie

1

RAVI GUPTA LIVE



2

HAPPY VIBES FEST



3

PHOTOGRAPHY EXHIBITION



Over 35,000 employees across 6 of our business parks attended the events



07

# Value Creation via ESG





## ESG - Key Highlights

**28.9%**

Renewable energy mix  
for FY24<sup>(1)</sup>

Scope 1+2 emission

**56,645**

tCO<sub>2</sub>e  
(30.4% reduction from FY20  
baseline)

**12,58,068** KL  
Water Recycled

**61.4%**  
of material  
sourced using  
sustainable sourcing

INR **12** Bn<sup>(3)</sup>  
of Cumulative Green  
Financing availed

INR **6.5** Bn<sup>(2)</sup>  
Sustainability linked Bond

**37%**  
Women in senior  
management

**57.1%**  
Independent members on the  
Governing Board



All numbers are as 31 Mar 2024.

(1) Renewable energy mix considered for common area and areas controlled by Mindspace REIT.

(2) Data as of 30 Jun 2024

(3) Based on sanctioned limits

## Key Achievements and Awards



### Mindspace REIT: Real Estate Excellence

- **1<sup>st</sup>** in India to score 100/100 as '**Global Listed Sector Leader**' in Office Development Benchmark
- **Ranked 1<sup>st</sup> in Asia** in 'Listed Companies' category for commercial development
- Received **5 star rating** for 2<sup>nd</sup> consecutive year, in **GRESB 2023**
- **6<sup>th</sup>** in Asia to score **91/100** in Standing Investment Benchmark among real estate peers with a **5 star rating**



- Received **9** British Safety Council **Sword of Honour across 7 parks**
- Accorded **5 star rating** by British Safety Council for 7 parks



## Focus On High Corporate Governance Standards

Strong governance framework complemented by partnership with leading institutional investors

### Board Independence

- 57% independent directors on the Board
- Manager can be removed with 60% approval of unrelated unitholders
- Comprises experts from tax, regulatory, investment banking and other domains
- Marked by age diversity

### Diversity & Inclusiveness

- Fostering a gender agnostic and equitable work culture
- Policies fortifying a non-discriminative and transparent environment at the workplace

### Robust Policy Framework

- Guided by accountability, fairness and transparency with all stakeholders
- Protecting Unitholder interests with stringent safeguards in place

### Mindspace REIT: Top-Notch Standards

Seven Member Board / Independent Chairman



### Supporting Policies & Initiatives

Pride Side  
POSH

Aanchal  
Reach Out

Anti-corruption

Code of Conduct

Insider Trading

Related Party Transactions

08

# Shareholding Pattern

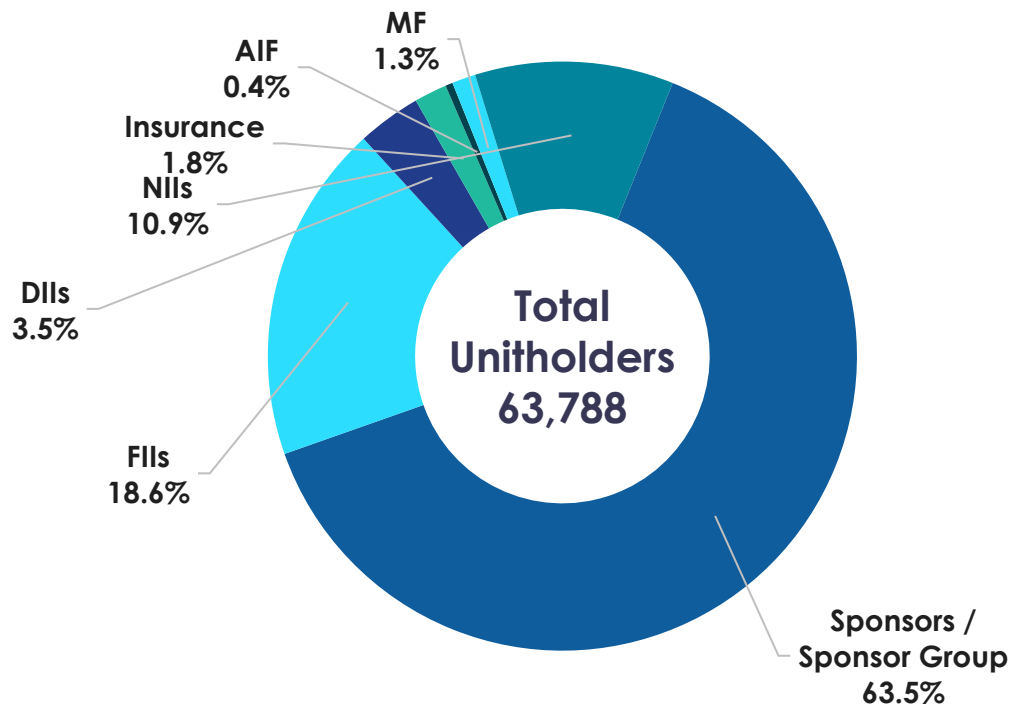


# Unitholding Pattern as on 30 June 2024

INR **19,753** Cr  
Market Cap<sup>(1)</sup>

**36.5%**  
% Free- float

## Unitholding Pattern



**Total Unitholders**

**63,788**  
Vs 55,816 in Jun 2023

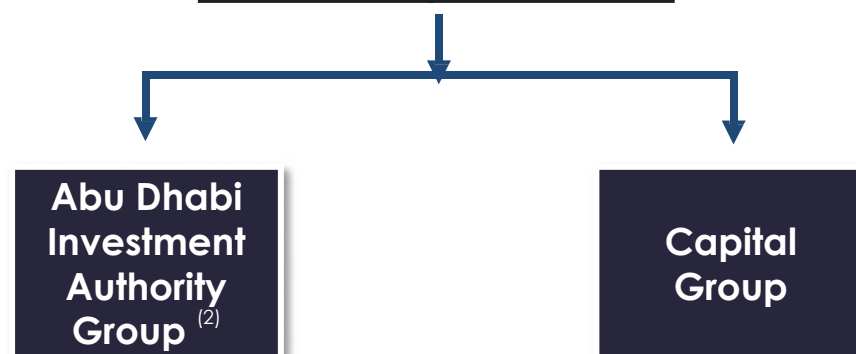
**↑ 14 %**  
YoY

**7,900+** Increase in unitholders since Jun 23

## Unitholding Summary



## Current Marquee Investors



1. Closing price of INR 333 p.u. as on 28 Jun 24  
2. Through Platinum Illumination Trust

09

# Annexure

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

| Assets                       | Revenue from Operations (INR Mn) <sup>(1)</sup> |                        | NOI (INR Mn) <sup>(1)</sup> |                        | % of NOI    |
|------------------------------|---|------------------------|-----------------------------|------------------------|-------------|
|                              | Q1 FY25   | Q1 FY24 <sup>(2)</sup> | Q1 FY25                     | Q1 FY24 <sup>(2)</sup> | Q1 FY25     |
| Mindspace Airoli (E)         | 1,026   | 970                    | 785                         | 721                    | 16%         |
| Mindspace Airoli (W)         | 928   | 842                    | 683                         | 627                    | 14%         |
| Mindspace Malad              | 259   | 233                    | 232                         | 207                    | 5%          |
| The Square BKC               | 109   | 106                    | 100                         | 100                    | 2%          |
| Mumbai Region                | 2,322   | 2,151                  | 1,801                       | 1,655                  | 36%         |
| Gera Commerzone Kharadi      | 602   | 500                    | 404                         | 383                    | 8%          |
| The Square Nagar Road        | 235   | 214                    | 178                         | 171                    | 4%          |
| Commerzone Yerwada           | 518   | 490                    | 401                         | 387                    | 8%          |
| Pune                         | 1,355   | 1,204                  | 983                         | 940                    | 20%         |
| Mindspace Madhapur           | 2,274   | 2,138                  | 1,929                       | 1,821                  | 39%         |
| Mindspace Pocharam           | 1   | 23                     | (6)                         | 11                     | 0%          |
| Hyderabad                    | 2,275   | 2,161                  | 1,922                       | 1,833                  | 39%         |
| Commerzone Porur             | 236   | 81                     | 179                         | 33                     | 4%          |
| Facility Management Business | 312   | 290                    | 79                          | 85                     | 2%          |
| Inter Company Eliminations   | (302)   | (284)                  | -                           | -                      | -           |
| <b>Total</b>                 | <b>6,198</b>                                    | <b>5,604</b>           | <b>4,964</b>                | <b>4,545</b>           | <b>100%</b> |

### NOI (Q1 FY25 vs Q1FY24) - Reasons for variances

- Rent Commencement from new leases in Madhapur and new area in Porur and lease commencement from Airoli E
- Growth in rentals due to 16.4% MTM achieved over 4.4 msf re-leased since Q1 FY24
- Lease Rent Escalations of 8.6% over an area of 3.1 msf<sup>(4)</sup> across the portfolio since Q1 FY24

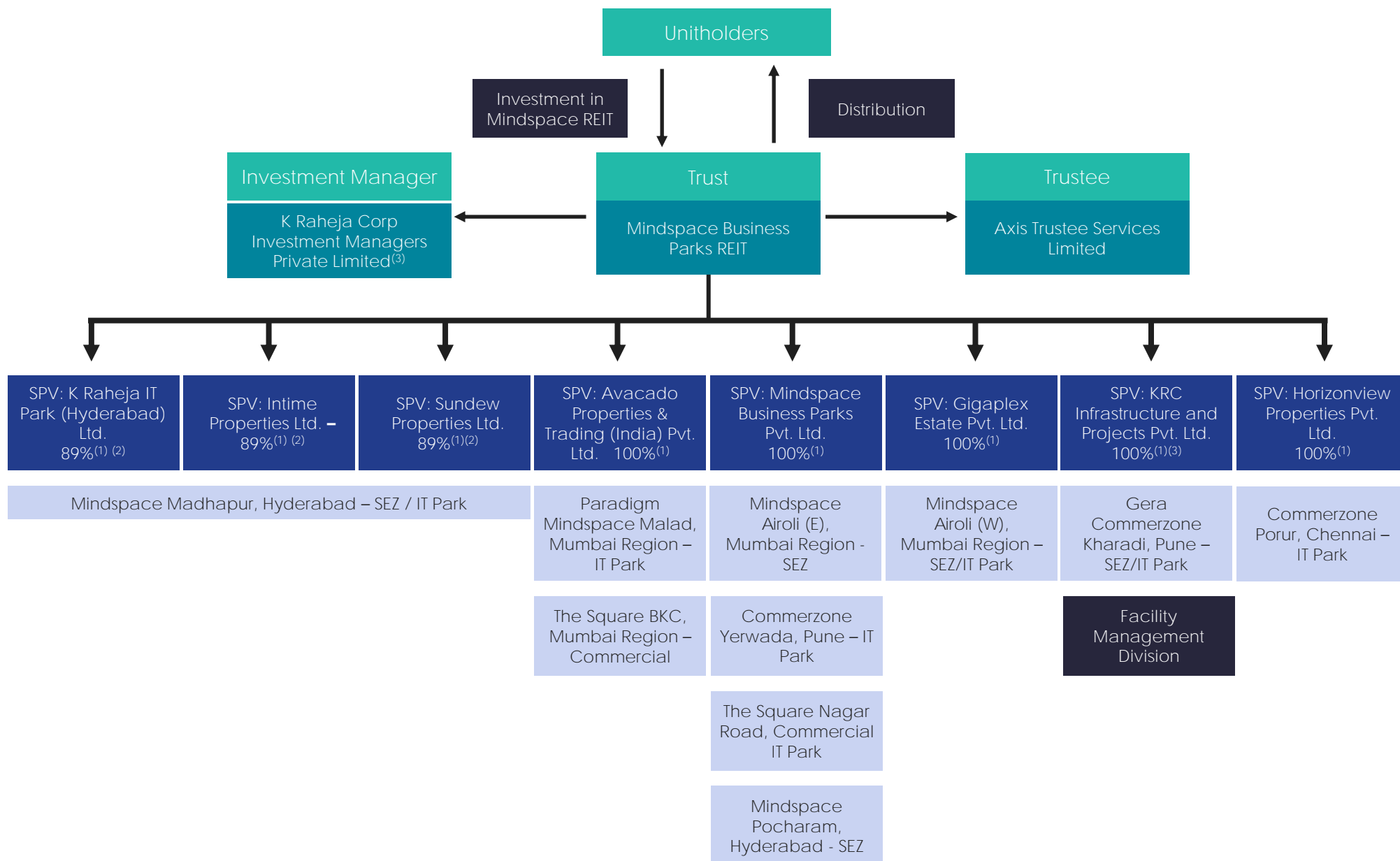
1. Revenue from Operations & NOI numbers above include Regulatory Income/(Expense) of Power Business post re-classification

2. Revenue from Operations excludes Revenue from Works Contract Services amounting to INR 276 mn in Q1 FY24

3. NOI Includes Margin on work contract services amounting to INR 12 Mn in Q1 FY24

4. Considered escalations only on area out of lock in, as escalations within lock in have straight lining impact

# Mindspace REIT Structure



Note:

1. % indicates Mindspace REIT's shareholding in respective Asset SPVs
2. 11% shareholding in these Asset SPVs is held by Telangana State Industrial Infrastructure Corporation Limited (TSIIC)
3. 'K Raheja Corp Investment Managers LLP' has been converted from Limited Liability Partnership to a Private Limited company wef July 07, 2023



## Portfolio Summary

26.3 msf of Completed area with WALE of 6.9 years and MTM potential of 7.5%<sup>(1)</sup>

| Asset                   | Total Leasable Area (msf) | Completed Area (msf) | UC/Future Area (msf) | Occupancy (%) | Committed Occupancy (%) | WALE on area (years) | In-place Rent (INR psf) |
|-------------------------|---------------------------|----------------------|----------------------|---------------|-------------------------|----------------------|-------------------------|
| Mindspace Airoli East   | 7.1                       | 4.8                  | 2.3                  | 69.4%         | 78.4%                   | 4.6                  | 65.0                    |
| Mindspace Airoli West   | 5.3                       | 5.0                  | 0.3                  | 70.0%         | 83.2%                   | 8.4                  | 61.3                    |
| Mindspace Malad         | 0.8                       | 0.8                  | -                    | 99.6%         | 99.6%                   | 2.6                  | 101.3                   |
| The Square BKC          | 0.1                       | 0.1                  | -                    | 100.0%        | 100.0%                  | 2.4                  | 240.0                   |
| Mumbai Region           | 13.3                      | 10.6                 | 2.7                  | 73.8%         | 82.7%                   | 6.0                  | 68.3                    |
| Gera Commerzone Kharadi | 2.9                       | 1.9                  | 1.0                  | 100.0%        | 100.0%                  | 8.3                  | 80.7                    |
| The Square Nagar Road   | 0.8                       | 0.8                  | -                    | 100.0%        | 100.0%                  | 4.1                  | 78.2                    |
| Commerzone Yerwada      | 1.7                       | 1.7                  | -                    | 96.4%         | 96.4%                   | 5.9                  | 74.1                    |
| Pune                    | 5.4                       | 4.4                  | 1.0                  | 97.7%         | 99.1%                   | 6.0                  | 77.6                    |
| Mindspace Madhapur      | 13.1                      | 9.6                  | 3.6                  | 94.3%         | 97.4%                   | 7.5                  | 67.2                    |
| Mindspace Pocharam      | 0.6                       | 0.6                  | -                    | 0.0%          | 0.0%                    | 0.0                  | 0.0                     |
| Hyderabad               | 13.7                      | 10.1                 | 3.6                  | 89.1%         | 90.9%                   | 7.5                  | 66.3                    |
| Commerzone Porur        | 1.1                       | 1.1                  | -                    | 76.0%         | 90.0%                   | 9.8                  | 59.3                    |
| Chennai                 | 1.1                       | 1.1                  | -                    | 76.0%         | 90.0%                   | 9.8                  | 59.3                    |
| Portfolio Total         | 33.6                      | 26.3                 | 7.2                  | 83.3%         | 89.1%                   | 6.9                  | 70.0                    |

Note: As of 30 Jun 24

(1) Market rent of INR 75.3 psf considered for calculating MTM potential (basis valuer estimates)



## Breakup of Lease Expiry Profile

| Asset                   | Q2-Q4 FY25          |                               |                          | FY26                |                               |                          | FY27                |                               |                          |
|-------------------------|---------------------|-------------------------------|--------------------------|---------------------|-------------------------------|--------------------------|---------------------|-------------------------------|--------------------------|
|                         | Area Expiring (msf) | % of Gross Contracted Rentals | Rent at Expiry (INR psf) | Area Expiring (msf) | % of Gross Contracted Rentals | Rent at Expiry (INR psf) | Area Expiring (msf) | % of Gross Contracted Rentals | Rent at Expiry (INR psf) |
| Mindspace Airoli East   | 0.4                 | 11.8%                         | 65.9                     | 0.3                 | 7.8%                          | 69.5                     | 0.1                 | 3.3%                          | 69.5                     |
| Mindspace Airoli West   | 0.1                 | 1.7%                          | 64.7                     | 0.1                 | 2.7%                          | 68.4                     | 0.3                 | 7.3%                          | 68.5                     |
| Mindspace Malad         | 0.0                 | 3.0%                          | 101.5                    | 0.3                 | 44.9%                         | 107.7                    | 0.2                 | 19.4%                         | 103.5                    |
| The Square BKC          | -                   | -                             | -                        | -                   | -                             | -                        | 0.1                 | 100.0%                        | 240.0                    |
| Mumbai Region           | 0.5                 | 5.8%                          | 67.5                     | 0.7                 | 10.4%                         | 87.1                     | 0.7                 | 13.4%                         | 114.0                    |
| Gera Commerzone Kharadi | -                   | -                             | -                        | 0.0                 | 0.2%                          | 90.5                     | 0.0                 | 1.4%                          | 85.4                     |
| The Square Nagar Road   | -                   | -                             | -                        | -                   | -                             | -                        | 0.4                 | 44.1%                         | 77.8                     |
| Commerzone Yerwada      | 0.2                 | 11.6%                         | 76.1                     | 0.2                 | 12.7%                         | 98.7                     | 0.1                 | 3.3%                          | 91.1                     |
| Pune                    | 0.2                 | 4.6%                          | 76.1                     | 0.2                 | 5.2%                          | 98.6                     | 0.5                 | 9.7%                          | 79.8                     |
| Mindspace Madhapur      | 0.6                 | 5.8%                          | 64.9                     | 0.1                 | 0.7%                          | 75.9                     | 0.3                 | 2.9%                          | 74.8                     |
| Mindspace Pocharam      | -                   | -                             | -                        | -                   | -                             | -                        | -                   | -                             | -                        |
| Hyderabad               | 0.6                 | 5.8%                          | 64.9                     | 0.1                 | 0.7%                          | 75.9                     | 0.3                 | 2.9%                          | 74.8                     |
| Commerzone Porur        | -                   | -                             | -                        | -                   | -                             | -                        | 0.0                 | 0.2%                          | 100.0                    |
| Chennai                 | -                   | -                             | -                        | -                   | -                             | -                        | 0.0                 | 0.2%                          | 100.0                    |
| Portfolio Total         | 1.2                 | 5.2%                          | 67.7                     | 0.9                 | 4.9%                          | 88.3                     | 1.4                 | 7.8%                          | 95.1                     |

Note: As of 30 Jun 24

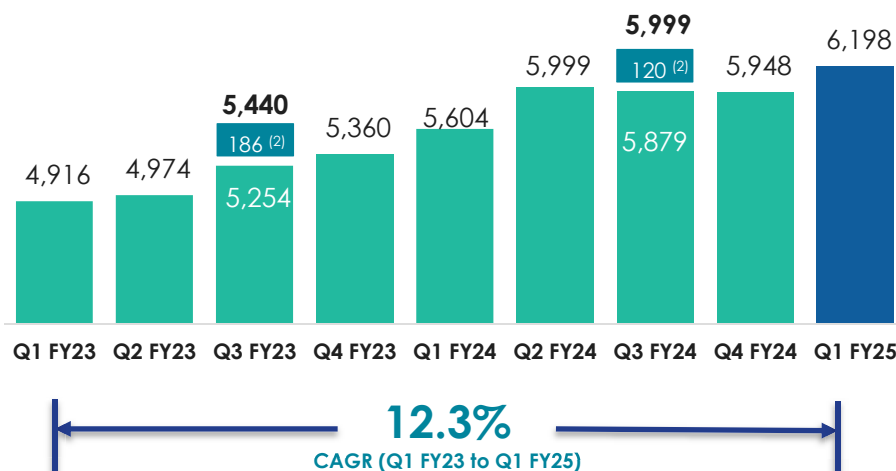




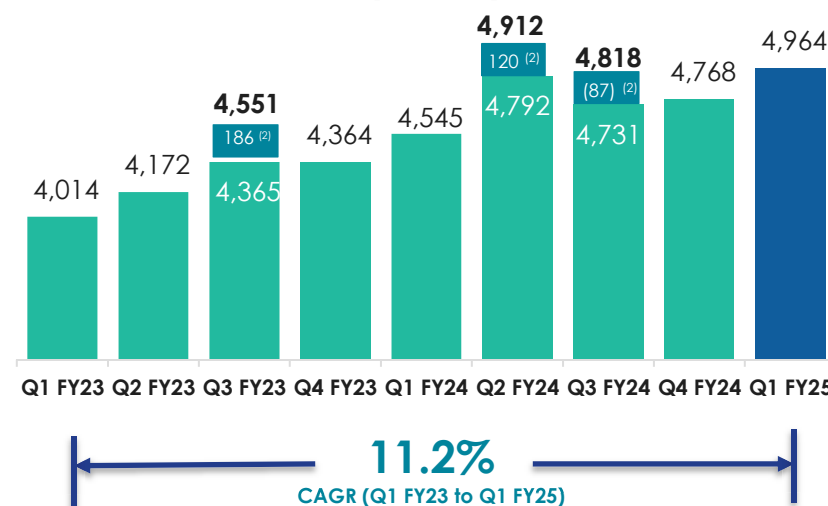
# Key Financial Metrics

Delivered consistent growth on key financial metrics

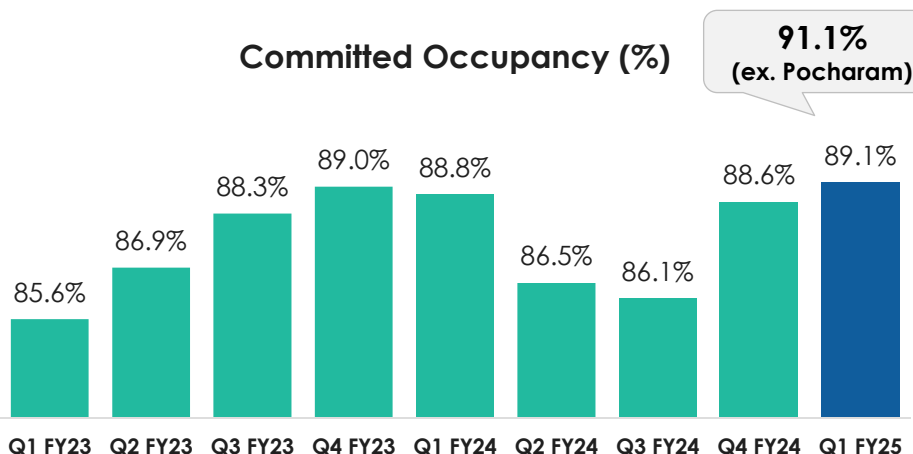
## Revenue (INR mn)



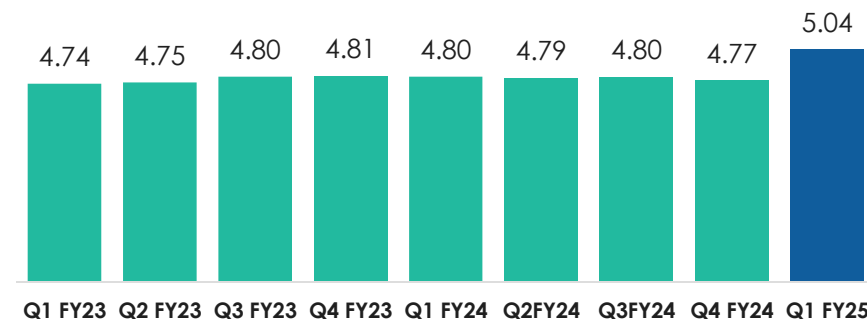
## NOI (INR mn) <sup>(1,3)</sup>



## Committed Occupancy (%)



## Distributions (INR/unit)



Note: NOI: Net operating income

1. Revenue from Operations & NOI numbers above include Regulatory Income/(Expense) of Power Business post re-classification

2. Includes One offs worth INR 186 Mn in Q3 FY23, INR 120 Mn in Q2 FY24 and INR (87) Mn in Q3 FY24

3. Growth % excludes one offs

## Balance Sheet as on 30 Jun 24

| Balance Sheet (INR Mn) <sup>(1)</sup>                             | Jun-24         | Mar-24         |
|---|----------------|----------------|
| Sources of Funds  |                |                |
| Total Equity  | 147,836        | 149,285        |
| Sub-Total   | 147,836        | 149,285        |
| Liabilities   |                |                |
| Debt  | 75,203         | 70,618         |
| Security Deposits   | 10,397         | 9,891          |
| Other Liabilities <sup>(2)</sup>                                  | 8,972          | 8,652          |
| Sub-Total   | 94,572         | 89,161         |
| <b>Total</b>  | <b>242,408</b> | <b>238,446</b> |
| Application of Funds  |                |                |
| Assets  |                |                |
| Investment Property / Property Plant Equipment                    | 205,861        | 205,166        |
| Investment Property Under Construction / Capital Work In Progress | 15,732         | 14,567         |
| Cash and Bank <sup>(3)</sup>                                      | 5,383          | 3,250          |
| Other Assets <sup>(4)</sup>                                       | 15,432         | 15,463         |
| <b>Total</b>  | <b>242,408</b> | <b>238,446</b> |

### Notes

1. All numbers are prior to minority adjustment
2. Other Liabilities primarily include Trade Payables, Capital Creditors, Retention Money, Advances from customers and Statutory Dues
3. Distribution for the quarter is held in cash at SPV / REIT Level as at Jun 24
4. Other Assets primarily include Deferred Tax Assets, Advance Tax, Capital Advances, Security Deposits, Unbilled Revenue, Assets held for sale and Fixed deposits with banks

# Debt Maturity Schedule as on 30 Jun 24

| Description<br>(INR Mn)             | Fixed/<br>Floating | Total<br>Facility | Undrawn<br>Facility | Principal<br>O/S | Interest<br>Rate<br>(p.a.p.m.) | Wt. Avg.<br>Maturity<br>(Years) | Principal Repayment |       |        |       |       |                  |        |
|-------------------------------------|--------------------|-------------------|---------------------|------------------|--------------------------------|---------------------------------|---------------------|-------|--------|-------|-------|------------------|--------|
|                                     |                    |                   |                     |                  |                                |                                 | Q2-Q4<br>FY25       | FY26  | FY27   | FY28  | FY29  | FY30 &<br>Beyond | Total  |
| At REIT Level                       |                    |                   |                     |                  |                                |                                 |                     |       |        |       |       |                  |        |
| NCD (Tranche 3)                     | Fixed              | 5,000             | -                   | 5,000            | 6.3%                           | 0.5                             | 5,000               | -     | -      | -     | -     | -                | 5,000  |
| NCD (Tranche 4)                     | Fixed              | 5,000             | -                   | 5,000            | 7.9%                           | 3.1                             | -                   | -     | -      | 5,000 | -     | -                | 5,000  |
| Green Bond                          | Fixed              | 5,500             | -                   | 5,500            | 8.0%                           | 1.8                             | -                   | -     | 5,500  | -     | -     | -                | 5,500  |
| NCD (Tranche 6)                     | Fixed              | 5,000             | -                   | 5,000            | 7.7%                           | 2.0                             | -                   | -     | 5,000  | -     | -     | -                | 5,000  |
| NCD (Tranche 7)                     | Fixed              | 5,000             | -                   | 5,000            | 7.9%                           | 2.4                             | -                   | -     | 5,000  | -     | -     | -                | 5,000  |
| NCD (Tranche 8)                     | Fixed              | 3,400             | -                   | 3,400            | 7.8%                           | 2.7                             | -                   | -     | 3,400  | -     | -     | -                | 3,400  |
| NCD (Tranche 9)                     | Fixed              | 5,000             | -                   | 5,000            | 7.9%                           | 4.9                             | -                   | -     | -      | -     | -     | 5,000            | 5,000  |
| NCD (Sustainability<br>Linked Bond) | Fixed              | 6,500             | -                   | 6,500            | 7.9%                           | 7.0                             | -                   | -     | -      | -     | -     | 6,500            | 6,500  |
| CP*                                 | Fixed              | 3,500             | -                   | 3,500            | 7.5%                           | 0.7                             | 3,500               | -     | -      | -     | -     | -                | 3,500  |
| At SPV Level                        |                    |                   |                     |                  |                                |                                 |                     |       |        |       |       |                  |        |
| TL/LRD - MBPPL                      | Floating           | 6,030             | -                   | 5,186            | 8.3%                           | 7.7                             | 286                 | 420   | 483    | 538   | 593   | 2,866            | 5,186  |
| TL/LRD - Sundew                     | Floating           | 4,350             | -                   | 2,405            | 8.2%                           | 11.9                            | 115                 | 169   | 184    | 213   | 234   | 1,490            | 2,405  |
| TL/LRD – KRIT                       | Floating           | 2,550             | -                   | 2,497            | 8.3%                           | 11.7                            | 70                  | 112   | 152    | 176   | 208   | 1,779            | 2,497  |
| TL/LRD - KRC Infra                  | Floating           | 9,690             | -                   | 8,417            | 8.2%                           | 9.8                             | 439                 | 697   | 851    | 973   | 1,102 | 4,355            | 8,417  |
| TL/LRD- Horizonview                 | Floating           | 1,500             | -                   | 1,486            | 8.3%                           | 13.4                            | 114                 | 165   | 210    | 254   | 299   | 2,458            | 3,500  |
| TL/LRD - Gigaplex                   | Floating           | 8,950             | 4,150               | 4,464            | 8.3%                           | 6.5                             | 12                  | 22    | 29     | 44    | 78    | 1,300            | 1,486  |
| TL/LRD - Avacado                    | Floating           | 3,750             | 250                 | 3,500            | 8.7%                           | 10.3                            | 92                  | 158   | 265    | 333   | 383   | 3,232            | 4,464  |
| OD / LOC                            | Floating           | 6,945             | 3,371               | 3,569            | 8.5%                           | 8.6                             | 154                 | 98    | 101    | 118   | 142   | 2,957            | 3,569  |
| Total                               |                    | 87,665            | 7,771               | 75,425           | 7.9%                           | 5.7                             | 9,782               | 1,841 | 21,175 | 7,650 | 3,039 | 31,938           | 75,425 |
| Repayment (%)                       |                    |                   |                     |                  |                                |                                 | 13.0%               | 2.4%  | 28.1%  | 10.1% | 4.0%  | 42.3%            | 100.0% |

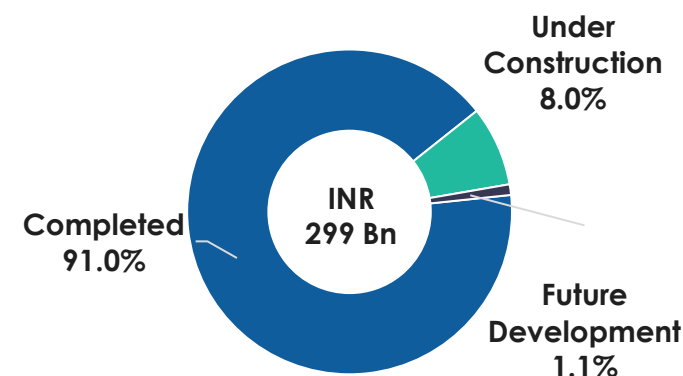
\* Principal outstanding for CP is the value payable on maturity in Feb'25

# De-risked Portfolio with ~91.0% Completed Assets

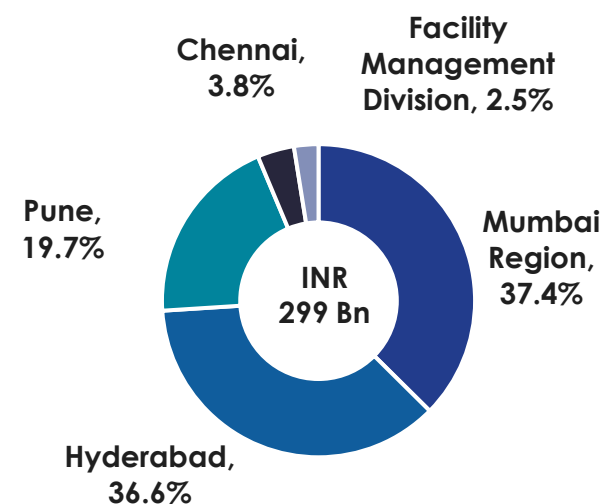
## Project wise Market Value breakup <sup>(1)</sup>

| Asset                                | Completed (INR Mn) | U/C & Future Dev. (INR Mn) | Total Value (INR Mn) | % of Total (%) |
|--------------------------------------|--------------------|----------------------------|----------------------|----------------|
| Mindspace Airoli East <sup>(4)</sup> | 45,424             | 2,100                      | 47,524               | 15.9%          |
| Mindspace Airoli West                | 44,930             | 3,091                      | 48,021               | 16.1%          |
| Mindspace Malad                      | 11,329             | -                          | 11,329               | 3.8%           |
| The Square, BKC                      | 4,917              | -                          | 4,917                | 1.6%           |
| <b>Mumbai Region</b>                 | <b>106,600</b>     | <b>5,191</b>               | <b>111,791</b>       | <b>37.4%</b>   |
| Gera Commerzone Kharadi              | 23,995             | 7,320                      | 31,315               | 10.5%          |
| The Square, Nagar Road               | 9,230              | -                          | 9,230                | 3.1%           |
| Commerzone Yerwada                   | 18,259             | -                          | 18,259               | 6.1%           |
| <b>Pune</b>                          | <b>51,484</b>      | <b>7,320</b>               | <b>58,804</b>        | <b>19.7%</b>   |
| Mindspace Madhapur <sup>(2)</sup>    | 95,024             | 12,717                     | 107,741              | 36.1%          |
| Mindspace Pocharam                   | 900                | 587                        | 1,488                | 0.5%           |
| <b>Hyderabad</b>                     | <b>95,925</b>      | <b>13,305</b>              | <b>109,229</b>       | <b>36.6%</b>   |
| Commerzone Porur                     | 11,363             | -                          | 11,363               | 3.8%           |
| <b>Chennai</b>                       | <b>11,363</b>      | <b>-</b>                   | <b>11,363</b>        | <b>3.8%</b>    |
| Facilities Management Business       | 6,437              | 1,107                      | 7,545                | 2.5%           |
| <b>Portfolio Total</b>               | <b>271,817</b>     | <b>26,926</b>              | <b>298,732</b>       | <b>100.0%</b>  |

## Completed Assets form 91.0% of the Market Value<sup>(3)</sup>



## Breakup of Market Value basis Geography



Note:

1. As of 31 Mar 24

2. The Market Value of Mindspace Madhapur is with respect to 89.0% ownership of the respective Asset SPVs that own Mindspace Madhapur

3. Includes Real Estate & Facility Management Division

4. The market value of Mindspace Airoli East excludes valuation for incremental area added of 0.7 mst

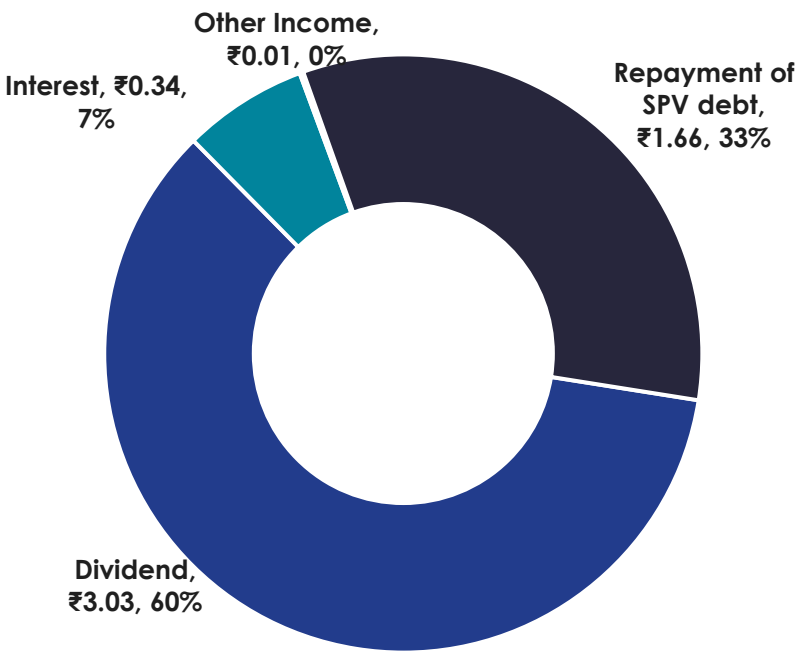




# Stable Distribution with Potential Organic Growth

## Distribution Overview

Q1 FY25



Q1 FY25

Distribution

INR 2,989 Mn

DPU

INR 5.04 p.u.

Yield

6.1%

Key Dates  
for Q1 FY25



Declaration Date

30 Jul 24

Record Date

02 Aug 24

Payment Date

On or before  
08 Aug 24

1. Annualized distribution yield basis FY24 distribution calculated on closing price of INR 333 p.u. as on 30 Jun 24

## 14 Research Houses Covering Mindspace REIT

| Research House   | Analyst                 | Email Id   |
|------------------|-------------------------|--|
| Ambit Capital    | Karan Khanna            | <a href="mailto:karan.khanna@ambit.co">karan.khanna@ambit.co</a>   |
| Avendus Spark    | Girish Choudhary        | <a href="mailto:girish.c@avendusspark.com">girish.c@avendusspark.com</a>                                 |
| Axis Capital     | Samar Sarda             | <a href="mailto:samar.sarda@axiscap.in">samar.sarda@axiscap.in</a>                                       |
| Bank of America  | Kunal Tayal             | <a href="mailto:kunal.tayal@bofa.com">kunal.tayal@bofa.com</a>   |
| CITI Research    | Rajiv Berlia            | <a href="mailto:rajiv.berlia@citi.com">rajiv.berlia@citi.com</a>   |
| CLSA             | Kunal Lakhan            | <a href="mailto:kunal.lakhan@clsa.com">kunal.lakhan@clsa.com</a>   |
| ICICI Securities | Adhidev Chattopadhyay   | <a href="mailto:adhidev.chattopadhyay@icicisecurities.com">adhidev.chattopadhyay@icicisecurities.com</a> |
| IIFL Securities  | Mohit Agrawal           | <a href="mailto:mohit.agrawal@iiflcap.com">mohit.agrawal@iiflcap.com</a>                                 |
| Investec Capital | Sri Karthik Velamakanni | <a href="mailto:sri.karthik@investec.co.in">sri.karthik@investec.co.in</a>                               |
| Jefferies        | Abhinav Sinha           | <a href="mailto:abhinav.sinha@jefferies.com">abhinav.sinha@jefferies.com</a>                             |
| JM Financial     | Sumit Kumar             | <a href="mailto:sumit.kumar@jmfl.com">sumit.kumar@jmfl.com</a>   |
| Kotak Securities | Murtuza Arsiwalla       | <a href="mailto:murtuza.arsiwalla@kotak.com">murtuza.arsiwalla@kotak.com</a>                             |
| Morgan Stanley   | Praveen Choudhary       | <a href="mailto:praveen.choudhary@morganstanley.com">praveen.choudhary@morganstanley.com</a>             |
| Nuvama           | Parvez Qazi             | <a href="mailto:Parvez.Qazi@nuvama.com">Parvez.Qazi@nuvama.com</a>                                       |

# Key Definitions

|   |   |
|---|---|
| <b>Asset SPVs</b>                         | Collectively, Avacado, Gigaplex, Horizonview, Intime, KRIT, KRC Infra, MBPPL and Sundew   |
| <b>Committed Occupancy (%)</b>            | $\frac{\text{Occupied Area} + \text{Committed Area}}{\text{Completed Area}}$  |
| <b>Committed Area</b>                     | Completed Area which is unoccupied but for which letter of intent/ agreement to lease have been signed  |
| <b>Completed Area</b>                     | Leasable Area for which occupancy certificate has been received; Completed Area comprises Occupied Area, Committed Area and Vacant Area   |
| <b>Future Development Area</b>            | Leasable Area of an asset that is planned for future development, as may be permissible under the relevant rules and regulations, subject to requisite approvals as may be required, and for which internal development plans are yet to be finalized and applications for requisite approvals required under law for commencement of construction are yet to be received |
| <b>Gross Contracted Rentals (INR)</b>     | Gross Contracted Rentals is the sum of Base Rentals and fit-out rent invoiced from Occupied Area that is expected to be received from the tenants pursuant to the agreements entered into with them   |
| <b>In-place Rent (psf per month)</b>      | $\frac{\text{Base Rent (Base Rentals for the specified period)}}{\text{Occupied Area} \times \text{monthly factor}}$  |
| <b>Market Rent (psf per month)</b>        | Manager's estimate of Base Rent that can be expected from leasing of the assets to potential tenants  |
| <b>Market Value</b>                       | Market value (adjusted for non-controlling interest) as determined by Valuer as of 31 Mar 24  |
| <b>Msf</b>                                | Million square feet   |
| <b>Net Operating Income (NOI)</b>         | Net Operating Income calculated as Revenue from operations less: direct operating expenses (which includes Maintenance services expense, property tax, insurance expense, cost of material sold and cost of power purchased)  |
| <b>NPA</b>                                | Non - Processing Area in special economic zone  |
| <b>Occupied Area</b>                      | Completed Area for which lease agreements / leave and license agreements have been signed with tenants  |
| <b>Pre-Leased Area</b>                    | Under Construction Area for which letter of intent / agreement to lease/ lease deed/ leave and license agreement has been entered into with prospective tenants   |
| <b>Portfolio</b>                          | Assets which will be directly or indirectly owned by Mindspace REIT in terms of the REIT Regulations  |
| <b>Re-leasing spread</b>                  | Refers to the change in Base Rent between new and expiring leases, expressed as a percentage  |
| <b>Same Store Committed Occupancy (%)</b> | Represents Committed Occupancy for the Portfolio for areas where occupancy certificate was received on or before 30 Jun 24  |
| <b>Total Leasable Area</b>                | Total Leasable Area is the sum of Completed Area, Under Construction Area and Future Development Area   |
| <b>Under Construction Area</b>            | Leasable Area where construction is ongoing and / or the occupancy certificate is yet to be obtained  |
| <b>Vacant Area</b>                        | Completed Area which is unoccupied and for which no letter of intent / lease agreement / leave and license agreement has been signed  |
| <b>WALE</b>                               | Weighted Average Lease Expiry based on area. Calculated assuming tenants exercise all their renewal options post expiry of their initial commitment period  |



# Thank You

Investor Relations Enquiries: Nitin Garewal  
(Finance & Investor Relations)

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







July 18, 2024

To,  
**The National Stock Exchange of India Ltd.**  
 Exchange Plaza,  
 Plot No. C/1, G- Block,  
 Bandra Kurla Complex,  
 Bandra (East), Mumbai- 400051.

**BSE Limited**  
 Phiroze Jeejeebhoy Towers,  
 Dalal Street,  
 Mumbai- 400001

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

**Scrip Code "543217" (Units) and  
 Scrip Code "973754", "974075", "974668",  
 "974882", "975068", "975537" "975654" and  
 "975763" (Debentures) and Scrip Code "726938"  
 (Commercial Paper)**

**Subject: Intimation pursuant to SEBI Master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 dated May 15, 2024 - Statement of Investor Complaints for the quarter ended June 30, 2024, in respect of units issued by Mindspace Business Parks REIT.**

Dear Sir,

Pursuant to SEBI Master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 dated May 15, 2024, for continuous disclosures and compliances by REITs and subsequent amendments thereto, we hereby furnish the following statement of investor complaints for the quarter ended June 30, 2024 in respect of units issued by Mindspace Business Parks REIT:

| <b>For Quarter Ending (QE) June 30, 2024</b>                          |   |                          |
|---|---|--------------------------|
|   | <b>All complaints including SCORES complaints</b> | <b>SCORES complaints</b> |
| Number of investor complaints pending at the beginning of the Quarter | 0   | 0                        |
| Number of investor complaints received during the Quarter             | 0   | 0                        |
| Number of investor complaints disposed of during the Quarter          | 0   | 0                        |
| Number of investor complaints pending at the end of the Quarter.      | 0   | 0                        |
| Average time taken for redressal of complaints                        | NA  | NA                       |

\*All investor complaints received by Mindspace Business Parks REIT or Kfin Technologies Limited (Registrar and Transfer agent of Mindspace Business Parks REIT) besides, the complaints received through SCORES platform have been included in the Investor Grievance Report for the quarter ended June 30, 2024.



| Complaints pending for QE June 30, 2024 |                   |            |            |            |             |                        |       |
|---|-------------------|------------|------------|------------|-------------|------------------------|-------|
|   | Less than 1 month | 1-3 months | 3-6 months | 6-9 months | 9-12 months | Greater than 12 months | Total |
| All complaints                          | 0                 | 0          | 0          | 0          | 0           | 0                      | 0     |
| SCORES complaints                       | 0                 | 0          | 0          | 0          | 0           | 0                      | 0     |

| Complaints resolved for QE June 30, 2024 |                   |            |            |            |             |                        |       |
|--|-------------------|------------|------------|------------|-------------|------------------------|-------|
|  | Less than 1 month | 1-3 months | 3-6 months | 6-9 months | 9-12 months | Greater than 12 months | Total |
| All complaints                           | 0                 | 0          | 0          | 0          | 0           | 0                      | 0     |
| SCORES complaints                        | 0                 | 0          | 0          | 0          | 0           | 0                      | 0     |

This is for your information and record.

Thanking you.

Yours faithfully,

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

BHARAT  
KANAKLAL  
SANGHAVI

Digitally signed by  
BHARAT KANAKLAL  
SANGHAVI  
Date: 2024.07.18 18:07:55  
+05'30'

**Bharat Sanghavi  
Company Secretary and Compliance Officer  
Membership No.: A13157**

## Annexure 6



July 18, 2024

To,  
**The National Stock Exchange of India Ltd.**  
Exchange Plaza,  
Plot No. C/1, G- Block,  
Bandra Kurla Complex,  
Bandra (East), Mumbai- 400051.

**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400001

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

**Scrip Code "543217" (Units) and  
Scrip Code "973754", "974075", "974668",  
"974882", "975068", "975537", "975654" and  
"975763" (Debentures) and Scrip Code "726938"  
(Commercial Paper)**

**Subject: Unitholding Pattern as on quarter ended June 30, 2024**

Dear Sir,

Pursuant to SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 dated May 15, 2024, we are enclosing herewith the Unitholding Pattern of Mindspace Business Parks REIT as on quarter ended June 30, 2024.

Please take the same on your record.

Thanking you.

Yours faithfully,

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

BHARAT  
KANAKLAL  
SANGHAVI

Digitally signed by  
BHARAT KANAKLAL  
SANGHAVI  
Date: 2024.07.18  
18:08:19 +05'30'

**Bharat Sanghavi**  
**Company Secretary and Compliance Officer**  
**Membership no.: A13157**

**Encl: As above**

### Unit Holding Pattern as on June 30, 2024

| Category   | Category of Unit holder  | No. of Units Held   | As a % of Total Outstanding Units | No. of units mandatorily held |                            | Number of units pledged or otherwise encumbered |                            |
|------------|--|---------------------|-----------------------------------|-------------------------------|----------------------------|---|----------------------------|
|            |  |                     |                                   | No. of units                  | As a % of total units held | No. of units                                    | As a % of total units held |
|            |  |                     |                                   |                               |                            |   |                            |
| <b>(A)</b> | <b>Sponsor(s) / Manager and their associate/ related parties and Sponsor Group</b> |                     |                                   |                               |                            |   |                            |
| <b>(1)</b> | <b>Indian</b>  |                     |                                   |                               |                            |   |                            |
| (a)        | Individuals / HUF  | 6,27,94,736         | 10.59                             | 0                             | 0.00                       | 80,06,961                                       | 12.75                      |
| (b)        | Central/State Govt.  | 0.00                | 0.00                              | 0.00                          | 0.00                       | 0.00  | 0.00                       |
| (c)        | Financial Institutions/Banks   | 0.00                | 0.00                              | 0.00                          | 0.00                       | 0.00  | 0.00                       |
| (d)        | Any Other  |                     |                                   |                               |                            |   |                            |
| 1          | Trust  | 38,78,777           | 0.65                              | 0.00                          | 0.00                       | 0.00  | 0.00                       |
| 2          | Bodies Corporates*   | 30,13,43,515        | 50.82                             | 0.00                          | 0.00                       | 17,87,93,767                                    | 58.58                      |
|            | <b>Sub- Total (A) (1)</b>  | <b>36,80,17,028</b> | <b>62.06</b>                      | <b>0</b>                      | <b>0</b>                   | <b>18,68,00,728</b>                             | <b>50.76</b>               |
| <b>(2)</b> | <b>Foreign</b>   |                     |                                   |                               |                            |   |                            |
| (a)        | Individuals (Non-Resident Indians / Foreign Individuals)                           | 84,31,535           | 1.42                              | 0.00                          | 0.00                       | 0.00  | 0.00                       |
| (b)        | Foreign government   | 0.00                | 0.00                              | 0.00                          | 0.00                       | 0.00  | 0.00                       |
| (c)        | Institutions   | 0.00                | 0.00                              | 0.00                          | 0.00                       | 0.00  | 0.00                       |
| (d)        | Foreign Portfolio Investors  | 0.00                | 0.00                              | 0.00                          | 0.00                       | 0.00  | 0.00                       |
| (e)        | Any Other (Specify)  | 0.00                | 0.00                              | 0.00                          | 0.00                       | 0.00  | 0.00                       |
|            | <b>Sub- Total (A) (2)</b>  | <b>84,31,535</b>    | <b>1.42</b>                       | <b>0.00</b>                   | <b>0.00</b>                | <b>0.00</b>                                     | <b>0.00</b>                |
|            | <b>Total unit holding of Sponsor &amp; Sponsor Group (A) = (A)(1)+(A)(2)</b>       | <b>37,64,48,563</b> | <b>63.48</b>                      | <b>0.00</b>                   | <b>0.00</b>                | <b>18,68,00,728</b>                             | <b>49.62</b>               |

\* In XBRL filing of Unitholding Pattern, the % (percentage) of units held by Trust and Bodies Corporates has been consolidated.



| Category   | Category of Unit holder                                    | No. of Units held   | As a % of Total Outstanding Units |
|------------|--|---------------------|-----------------------------------|
| <b>(B)</b> | <b>Public Holding</b>                                      |                     |                                   |
| <b>(1)</b> | <b>Institutions</b>  |                     |                                   |
| (a)        | Mutual Funds   | 75,68,396           | 1.28                              |
| (b)        | Financial Institutions/Banks                               | 0                   | 0.00                              |
| (c)        | Central/State Govt.  | 0                   | 0.00                              |
| (d)        | Venture Capital Funds                                      | 0                   | 0.00                              |
| (e)        | Insurance Companies  | 1,06,50,046         | 1.80                              |
| (f)        | Provident/pension funds                                    | 14,96,943           | 0.25                              |
| (g)        | Foreign Portfolio Investors                                | 11,05,13,731        | 18.64                             |
| (h)        | Foreign Venture Capital investors                          | 0                   | 0.00                              |
| (i)        | Any Other (specify)  |                     |                                   |
| 1          | Bodies Corporates  | 0                   | 0.00                              |
| 2          | Alternative Investment Funds                               | 26,30,819           | 0.44                              |
|            | <b>Sub- Total (B) (1)</b>                                  | <b>13,28,59,935</b> | <b>22.40</b>                      |
| <b>(2)</b> | <b>Non-Institutions</b>                                    |                     |                                   |
| (a)        | Central Government/State Governments(s)/President of India | 0                   | 0.00                              |
| (b)        | Individuals  | 6,01,99,083         | 10.15                             |
| (c)        | NBFCs registered with RBI                                  | 11,45,200           | 0.19                              |
| (d)        | Any Other (specify)  |                     |                                   |
| 1          | Trusts   | 47,068              | 0.01                              |
| 2          | Non-Resident Indians                                       | 29,25,983           | 0.49                              |
| 3          | Clearing Members   | 0                   | 0.00                              |
| 4          | Bodies Corporates  | 1,93,92,340         | 3.27                              |
| 5          | Foreign national   | 10                  | 0.00                              |
|            | <b>Sub- Total (B) (2)</b>                                  | <b>8,37,09,684</b>  | <b>14.12</b>                      |
|            | <b>Total Public Unit holding (B) = (B)(1) + (B)(2)</b>     | <b>21,65,69,619</b> | <b>36.52</b>                      |
|            | <b>Total Units Outstanding (C) = (A) + (B)</b>             | <b>59,30,18,182</b> | <b>100.00</b>                     |

**K Raheja Corp Investment Managers Private Limited**  
**(acting as the Manager to Mindspace Business Parks REIT)**

**Corporate Identification Number (CIN): U68200MH2023PTC406104**

**Regd. Office: Raheja Tower, C-30, Block 'G', Bandra Kurla Complex, Bandra (E), Mumbai – 400 051**

**Phone: +91 – 22- 2656 4000 | [www.mindspacereit.com](http://www.mindspacereit.com)**

#### Sponsors Unitholding

| Category | Name of the Sponsors    | No. of Units Held | As a % of Total Outstanding Units | No. of units mandatorily held |                            | Number of units pledged or otherwise encumbered |                            |
|----------|-------------------------|-------------------|-----------------------------------|-------------------------------|----------------------------|---|----------------------------|
|          |                         |                   |                                   | No. of units                  | As a % of total units held | No. of units                                    | As a % of total units held |
| 1        | Anbee Constructions LLP | 3,54,04,890       | 5.97                              | 0                             | 0                          | 2,52,03,273                                     | 71.19                      |
| 2        | Cape Trading LLP        | 3,54,38,895       | 5.98                              | 0                             | 0                          | 2,52,03,273                                     | 71.12                      |

#### Sponsor Group Unitholding

| Category | Name of the Sponsors#                   | No. of Units Held | As a % of Total Outstanding Units | No. of units mandatorily held |                            | Number of units pledged or otherwise encumbered |                            |
|----------|---|-------------------|-----------------------------------|-------------------------------|----------------------------|---|----------------------------|
|          |   |                   |                                   | No. of units                  | As a % of total units held | No. of units                                    | As a % of total units held |
| 1        | Ravi Chandru Raheja                     | 34,31,534         | 0.58                              | 0.00                          | 0.00                       | 0.00  | 0.00                       |
| 2        | Neel Chandru Raheja                     | 1,18,63,069       | 2.00                              | 0.00                          | 0.00                       | 0.00  | 0.00                       |
| 3        | Chandru Lachmandas Raheja               | 3,26,34,433       | 5.50                              | 0.00                          | 0.00                       | 80,06,961                                       | 24.54                      |
| 4        | Jyoti Chandru Raheja                    | 1,48,65,700       | 2.51                              | 0.00                          | 0.00                       | 0.00  | 0.00                       |
| 5        | Capstan Trading LLP                     | 4,10,95,719       | 6.93                              | 0.00                          | 0.00                       | 0.00  | 0.00                       |
| 6        | Casa Maria Properties LLP               | 4,68,20,719       | 7.90                              | 0.00                          | 0.00                       | 2,45,20,504                                     | 52.37                      |
| 7        | Palm Shelter Estate Development LLP     | 4,10,95,719       | 6.93                              | 0.00                          | 0.00                       | 2,71,90,548                                     | 66.16                      |
| 8        | Raghukool Estate Developement LLP       | 4,20,04,546       | 7.08                              | 0.00                          | 0.00                       | 1,77,31,322                                     | 42.21                      |
| 9        | Genext Hardware & Parks Private Limited | 2,28,86,731       | 3.86                              | 0.00                          | 0.00                       | 2,28,86,731                                     | 100.00                     |
| 10       | K Raheja Corp Private Limited           | 3,65,96,296       | 6.17                              | 0.00                          | 0.00                       | 3,60,58,116                                     | 98.53                      |
| 11       | Chandru Lachmandas Raheja*              | 38,78,777         | 0.65                              | 0.00                          | 0.00                       | 0.00  | 0.00                       |
| 12       | Sumati Ravi Raheja                      | 84,31,535         | 1.42                              | 0.00                          | 0.00                       | 0.00  | 0.00                       |

# Sponsor group holding is mentioned on first name basis

\*held for and on behalf of Ivory Property Trust



| PUBLIC HOLDING MORE THAN 1% OF TOTAL OUTSTANDING UNITS |                                    |                   |                                   |
|--|------------------------------------|-------------------|-----------------------------------|
| Category   | Name of the Unitholder             | No. of Units Held | As a % of Total Outstanding Units |
| 1  | PLATINUM ILLUMINATION A 2018 TRUST | 5,43,75,000       | 9.17                              |
| 2  | CAPITAL INCOME BUILDER             | 1,94,29,410       | 3.28                              |
| 3  | SMALLCAP WORLD FUND, INC           | 90,00,000         | 1.52                              |

---

**K Raheja Corp Investment Managers Private Limited**

**(acting as the Manager to Mindspace Business Parks REIT)**

**Corporate Identification Number (CIN): U68200MH2023PTC406104**

**Regd. Office: Raheja Tower, C-30, Block 'G', Bandra Kurla Complex, Bandra (E), Mumbai – 400 051**

**Phone: +91 – 22- 2656 4000 | [www.mindspacereit.com](http://www.mindspacereit.com)**

## Annexure 7

### Details of related party transactions carried out between K Raheja Corp Investment Managers Private Limited ("Manager") and its Associates for the period from April 1, 2024 to June 30, 2024

| Sr. No. | Particulars           | Party   | Transaction amount (in Rs. million) | Basis  | Justification  |
|---------|-----------------------|---|-------------------------------------|--|--|
| 1.      | Directors Sitting fee | Mr. Ravi C Raheja   | 0.25                                | As per Board Resolution.   | As per Board Resolution  |
| 2.      |                       | Mr. Neel C Raheja   | 0.45                                |  |  |
| 3.      | Accommodation         | Chalet Hotels Limited   | 0.05                                | Boarding and Lodging in connection with the normal day to day operations of the Manager.   | -  |
| 4.      | Cross charge income   | K Raheja Corp Real Estate Private Limited (Formerly known as Feat Properties Private Limited) ("KRCREPL") | 18.28                               | K Raheja Corporate Services Private Limited ("KRCSPPL") (now K Raheja Corp Real Estate Private Limited "KRCREPL" pursuant to the demerger of the services business from KRCSPPL into KRCREPL effective September 1, 2023) had entered into an arrangement with Manager for availing various Support Services in respect of present/future commercial real estate projects, in the normal course of business and in terms of the Policy on Segregation of Activities, at an agreed terms and conditions including fees, detailed in the arrangement letter. The details of the same were also placed before the Audit Committee at its Meeting held on August 13, 2021. | As per the Policy on Segregation of Activities adopted by the Board of Directors of the Manager (earlier Governing Board). |



|    |                           |   |       |  |                          |
|----|---------------------------|---|-------|--|--------------------------|
| 5. | Administration<br>General | K Raheja Corp Real Estate Private Limited (Formerly known as Feat Properties Private Limited)<br><b>(“KRCREPL”)</b> | 47.74 | The fee relates to the support services availed by the Manager in the normal course of business, as per the Support Service Agreement. | As per Board Resolution. |
|----|---------------------------|---|-------|--|--------------------------|

# Summary Valuation Report

## Portfolio of Mindspace Business Parks REIT

Submitted To:

K. Raheja Corp. Investment Managers Private  
Limited (formerly known as K Raheja Corp  
Investment Managers LLP)

(acting as the Manager to Mindspace Business Parks  
REIT)

Date of Valuation:

31-Mar-2024

Date of Report:

24-Apr-2024

Prepared By:

**KZEN VALTECH PRIVATE LIMITED**

**IBBI/RV-E/05/2022/164**

## DISCLAIMER

---

This report is prepared exclusively for the benefit and use of K Raheja Corp Investment Managers Private Limited ( "Recipient" or "Entity" or "Manager") and/ or its associates and, other than publications for the disclosure of valuation of assets forming part of the portfolio of Mindspace Business Parks REIT ("Mindspace REIT"), in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchanges. The Entity is the investment manager to Mindspace Business Parks REIT, a Real Estate Investment Trust under the Securities and Exchanges Board of India (Real Estate Investment Trust), 2014 and amended till date ("SEBI REIT Regulations"). The Manager may share the report with its appointed advisors for any statutory or reporting requirements, in connection with the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT. Neither this report nor any of its contents may be used for any other purpose other than the purpose as agreed upon in the Letter of Engagement ("LOE") dated 27 March 2023 without the prior written consent of the Valuer.

The information in this report reflects prevailing conditions and the view of Valuer as of this date, all of which are, accordingly, subject to change. In preparation of this report, the accuracy and completeness of information shared by the Manager has been relied upon and assumed, without independent verification, while applying reasonable professional judgment by the Valuer.

This report has been prepared upon the express understanding that it will be used only for the purposes set out in the LOE dated 27 March 2023. The Valuer is under no obligation to provide the Recipient with access to any additional information with respect to this report unless required by any prevailing law, rule, statute or regulation.

This report should not be deemed an indication of the state of affairs of the real estate financing industry nor shall it constitute an indication that there has been no change in the business or state of affairs of the industry since the date of preparation of this document.

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## **LIST OF ABBREVIATIONS**

|         |   |
|---------|---|
| CBD     | Central Business District                                       |
| CY      | Current Year  |
| INR     | Indian National Rupees  |
| IT/ITES | Information Technology/IT enabled Services                      |
| IVSC    | International Valuation Standards Committee                     |
| JLL     | Jones Lang LaSalle Property Consultants (India) Private Limited |
| km      | Kilometre   |
| NH      | National Highway  |
| PBD     | Peripheral Business District                                    |
| REIT    | Real Estate Investment Trust                                    |
| RICS    | Royal Institution of Chartered Surveyors                        |
| SBD     | Secondary Business District                                     |
| SEZ     | Special Economic Zone   |
| sq. ft. | square feet   |
| sq. m.  | square metre  |
| WACC    | Weighted Average Cost of Capital                                |

## **CONVERSION OF UNITS**

|          |                  |
|----------|------------------|
| 1 acre   | 43559.66 sq. ft. |
| 1 acre   | 4046.9 sq. m.    |
| 1 sq. m. | 1.196 sq. yards  |
| 1 sq. m. | 10.764 sq. ft.   |
| 1 meter  | 1.0936 yards     |
| 1 meter  | 3.28 ft.         |
| 1 cent   | 435.6 sq. ft.    |

# 1 INTRODUCTION

## 1.1 INSTRUCTIONS

K Raheja Corp. Investment Managers Private Limited (hereinafter referred to as the 'Client'), in its capacity as Manager of the Mindspace Business Parks REIT (Mindspace REIT), has appointed KZEN VALTECH PRIVATE LIMITED, Registered Valuer Entity with Insolvency and Bankruptcy Board of India ("IBBI") bearing registration no. IBBI/RV-E/05/2022/164 (hereinafter referred to as the 'Valuer') to carry out an independent estimation of Market Value of commercial / office properties located in Chennai, Hyderabad, Mumbai and Pune along with incidental or ancillary activities including a facility management business and power distribution facility (together herein referred as "Subject Properties"), vide Engagement Letter dated 27 March 2023. The Client intends to seek independent estimation of Market Value for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchange.

As instructed by the Client and based on information provided, the following table provides the Subject Properties area statement.

**Table 1.1: Details of the Subject Properties in terms of Leasable Area**

| S. No. | Location  | Name of the Project              | Total Leasable Area<br>(Million sq. ft.) |
|--------|-----------|----------------------------------|--|
| 1.     | Hyderabad | Mindspace Madhapur, Hyderabad*   | 12.6                                     |
| 2.     | Hyderabad | Mindspace Pocharam, Hyderabad    | 0.6                                      |
| 3.     | Mumbai    | Mindspace Airoli East            | 6.4                                      |
| 4.     | Mumbai    | Mindspace Airoli West            | 5.3                                      |
| 5.     | Mumbai    | Mindspace Malad, Mumbai          | 0.8                                      |
| 6.     | Mumbai    | The Square, Bandra Kurla Complex | 0.1                                      |
| 7.     | Pune      | Commerzone, Yerwada, Pune        | 1.7                                      |
| 8.     | Pune      | Gera Commerzone, Kharadi, Pune   | 2.9                                      |
| 9.     | Pune      | The Square, Nagar Road, Pune     | 0.8                                      |
| 10.    | Chennai   | Commerzone Porur, Chennai        | 1.1                                      |
|        | Total     |                                  | 32.3                                     |

\* Excludes 0.5 million sq. ft. of leasable area accorded as future development potential at Mindspace Madhapur (KRIT) and 0.43 million sq. ft. of leasable area accorded as future development potential at Mindspace Pocharam, Hyderabad

Source: Client, 31 March 2024

## 1.2 PURPOSE OF VALUATION

The purpose of this valuation is to estimate the value of the Project as part of the portfolio of Mindspace REIT for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended together with clarifications, guidelines and notifications thereunder in the Indian stock exchange and for accounting purpose.

In addition, other documents in relation to the regulatory filings such as publicity material, research reports, presentations and press releases will also be prepared, wherein copies, summary or extracts of the Valuation Report are intended to be included.

### 1.3 RELIANT PARTIES

The reliance on the Valuation Report prepared as part of this engagement is extended to the Manager, REIT and other parties including the trustee of REIT, debenture trustee(s), stock exchanges, unitholders of REIT, Securities and Exchange Board of India ('SEBI'), credit rating agencies, lenders of the REIT and/or its special purpose vehicles or any other person within or outside India as the Manager may deem fit for the purpose as highlighted in this report (valuation). The Valuer, however, would extend no liability to such reliant parties save and except for gross and willful negligence.

The valuation exercise is conducted strictly and only for the use of the parties as stated above who need to rely on such valuation ('Reliant Party') and for the Purpose specifically stated. The Client shall make all reliant parties aware of the terms and conditions of the engagement under which this exercise is being undertaken and take due acknowledgements to the same effect.

### 1.4 VALUER'S CAPABILITY

**KZEN VALTECH PRIVATE LIMITED**, bearing Registered Valuer Entity number IBBI/RV-E/05/2022/164 with IBBI has been appointed as the Valuer for providing opinions on market value of the respective Subject Properties.

Mr. Sachin Gulaty, Director, KZEN VALTECH PRIVATE LIMITED, is registered as a valuer with IBBI for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 13 August 2021. He qualified for the degree of Bachelor of Architecture from School of Planning and Architecture, New Delhi in 1997, and qualified for the degree of Master in Planning with specialization in Urban Planning from School of Planning and Architecture, New Delhi in 2002. He, subsequently, undertook distance learning from SVKM's Narsee Monjee Institute of Management Studies ("NMIMS") Global Access – School for Continuing Education, qualified for the two-years Post Graduate Diploma in Banking & Financial Management and was awarded this Post Graduate Diploma in July 2018.

Mr. Sachin Gulaty has more than 26 years of experience, including one and a half years of post-graduate education, spread over domains of architecture, urban planning, urban infrastructure, real estate advisory, and real estate asset valuation. He was the National Head of Valuations for Jones Lang LaSalle Property Consultants (India) Private Limited ("JLL India"), a leading International Property Consulting firm in India, from 2010 to 2021. Prior to this role, Mr. Gulaty gained practical experience in providing architecture services, town and city planning, and research related to regulatory studies and urban governance covering urban infrastructure such as water supply, sanitation, solid waste management, and urban transport, among other aspects. In the early part of his career, he worked with renowned architectural services firm, Kuldip Singh & Associates, and The Energy and Resources Institute ("TERI"). His last employment was with JLL as Senior Director and National Head for Valuations.

As the National Head of Valuations at JLL India, he led numerous valuation exercises for multiple financial institutions, private equity/real estate funds, corporates, industrial houses, government departments, and developers across multiple real estate asset classes of commercial, retail, residential, industrial, healthcare, and hospitality, among others. Clientele served by him across his entire career till date, under various employments, includes Brookfield, GIC, Qatar Investment Authority, JP Morgan, BlackRock, CapitaLand, Citibank, Standard Chartered Bank, Yes Bank, Kotak Mahindra, Maruti Suzuki, Indiabulls, Dubai Port



World, World Bank, DLF, RMZ, Shriram Properties, DIPAM, NHAI, NBCC, AAI, and RLDA, among others.

Mr. Gulaty, who carries IBBI Registration Number: IBBI/RV/02/2021/14284, is enrolled with the Institute of Valuers Registered Valuers Foundation (“IOVRVF”), is a Fellow of Royal Institution of Chartered Surveyors (“RICS”), Fellow and Lifetime Member of Institute of Valuers, India (“IOV”), admitted as an Arbitrator (India) on the RICS Panel of Dispute Resolvers & Expert Witnesses, and features in the global list of RICS Trained Assessors, has prepared and signed this report on behalf of RV-E.

## 1.5 INDEPENDENCE, CONFLICT OF INTEREST AND VALUER’S INTEREST

The Valuer confirms that there are no conflicts of interest in so far as discharging his duties as a valuer for the Project is concerned. The Valuer has undertaken the valuation exercise without the presence of any bias, coercion, or undue influence of any party, whether directly connected to the valuation assignment. There has not been any professional association with the Client or the Project in past five years from his engagement as the Valuer.

The Valuer certifies that he/she does not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the Project (including the parties with whom the Client is dealing, including the lender or selling agent, if any) and accepts instructions to value the Project only from the Client.

### **The Valuer further declares that:**

- It is eligible to be appointed as a valuer in terms of Regulation 2(1)(zz) of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 along with SEBI (REIT) (Amendment) Regulations, 2016 with the valuation exercise having been conducted and valuation report prepared in accordance with aforementioned regulations.
- It is not an associate of Anbee Constructions LLP and Cape Trading LLP (referred to as the “Sponsors”), the Instructing Party or Axis Trustee Services Limited (the Trustee for the Mindspace REIT).
- It is registered with the Insolvency and Bankruptcy Board of India (IBBI) as registered valuer for asset class Land and Building under the provisions of the Companies (Registered Valuer and Valuation) Rules, 2017.
- Mr. Sachin Gulaty, Director - KZEN VALTECH PRIVATE LIMITED has more than a decade’s experience in leading large real estate valuation exercises comprising investment portfolios of various real estate funds, trusts and corporates comprising diverse assets like residential projects, retail developments, commercial office buildings, townships, industrial facilities, data centres, hotels, healthcare facilities and vacant land and therefore has adequate experience and qualification to perform property valuations at all times.
- It has not been involved in acquisition or disposal within the last twelve months of any of the properties valued under this summary valuation report.
- Mr. Sachin Gulaty, Director - KZEN VALTECH PRIVATE LIMITED has educational qualifications, professional knowledge and skill to provide competent professional services.
- It has sufficient key personnel with adequate experience and qualification to perform property valuation.
- It is not financially insolvent and has access to financial resources to conduct its practice effectively and meet its liabilities.
- It has adequate and robust internal controls to ensure the integrity of the valuation report.

- It is aware of all statutes, laws, regulations and rules relevant to this valuation exercise.
- It has conducted the valuation exercise without any influence, coercion or bias and in doing so rendered high standards of service, ensured due care, and exercised due diligence and professional judgment.
- It has acted independently and with objectivity and impartiality in conducting this valuation exercise.
- The valuation exercise that has been undertaken is impartial, true and fair to its best understanding and knowledge, and in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations, 2016 and subsequent amendments.
- Valuer or any of its employees / directors involved in valuing the assets of the REIT have not invested nor shall invest in the units of Mindspace REIT or in securities of any of the Subject Properties being valued till the time it is designated as Valuer and not less than six months after ceasing to be the Valuer of the REIT.
- It has discharged his duties towards Mindspace REIT in an efficient and competent manner, utilising his professional knowledge, skill and experience in best possible way to conduct the valuation exercise.
- It has conducted the valuation of the Subject Properties with transparency and fairness and rendered, at all times, high standards of service, exercise due diligence, ensure proper care and exercised independent professional judgment.
- It has not and shall not accept any remuneration, in any form, for conducting valuation of any of the Subject Properties of Mindspace REIT from any person or entity other than Mindspace REIT or its authorised representatives.
- It has no existing or planned future interest in the Client, Trustee, Manager, Mindspace REIT, the Sponsors to Mindspace REIT, or their representative Sponsor Groups or the Special Purpose Vehicles ("SPVs") and the fee for this valuation exercise is neither contingent upon the values reported nor on success of any of the transactions envisaged or required as part of the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchanges together with the clarifications, guidelines and notifications thereunder in the Indian stock exchanges.
- The valuation reported is not an investment advice and should not be construed as such, and specifically he does not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Client or the SPVs.
- It shall, before accepting any assignment from any related party to Mindspace REIT, disclose to Mindspace REIT, any direct or indirect consideration which the Valuer may have in respect of such assignment
- It shall disclose to the Trustee of Mindspace REIT, any pending business transaction, contracts under negotiations and other arrangements with the Instructing Party or any other party whom the Mindspace REIT is contracting with or any other factors which may interfere with his ability to give an independent and professional conduct of the valuation exercise; as on date the Valuer has no constraints towards providing an independent professional opinion on the value of any of the Subject Properties.

- It has not and shall not make false, misleading or exaggerated claims in order to secure or retain its appointment.
- It has not and shall not provide misleading opinion on valuation, either by providing incorrect information or by withholding relevant information.
- It has not accepted this instruction to include reporting of the outcome based on a pre-determined opinions and conclusions required by Mindspace REIT.
- The valuation exercise has been conducted in accordance with internationally accepted valuation standards as required by SEBI (REIT) Regulations and The Companies (Registration of Valuers and Valuation) Rules, 2017.
- It notes that there are encumbrances, however, no options or pre-emptions rights in relation to the assets based on the title report prepared by legal counsel or other than as disclosed in detailed valuation reports.

## **1.6 ASSUMPTIONS, DEPARTURES AND RESERVATIONS**

This Valuation Report has been prepared on the basis of the assumptions within the instructions (Key Assumptions, Qualifications, Limitations and Disclosures) detailed after this section of this report. The development mix, built up area, land area and lease details such as lease rent, lease commencement and lease end date, lock-in period, escalation terms, etc. pertaining to the Project is based on the appropriate relevant documents, which has been provided by the Client and the same has been adopted for the purpose of this valuation. The total developable/developed area, leasable area, site/plot area considered for this valuation exercise is based on the Architect's Certificate shared by the Client and the same has been checked against the approvals/layout plans/building plans provided by the Client. However, no additional verification and physical measurement for the purpose of this valuation exercise has been undertaken.

## **1.7 GENERAL COMMENT**

A valuation is an estimation of price, not a guarantee. By necessity, it requires the Valuer to make subjective judgments that, even if logical and appropriate, may differ from those made by a purchaser, or another valuer. Historically it has been considered that valuers may properly conclude within a range of possible values.

The purpose of the valuation does not alter the approach to the valuation.

Property values can change substantially, even over short periods of time, and thus the valuation of the Project herein could differ significantly if the date of valuation was to change.

This report should not be relied upon for any other purpose other than for which this valuation exercise has been undertaken for.

## **1.8 CONFIDENTIALITY**

The contents of this Valuation Report are intended for the specific purpose stated. Consequently, and in accordance with current practice, no responsibility is accepted to any other party in respect of the whole or any part of its contents- except as maybe required in connection with the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, under the applicable law.

## 1.9 AUTHORITY

The Client acknowledges and agrees that the valuation exercise undertaken (including, without limitation, the Reports itself and the contents thereof) is solely for the purpose set out in Section 1.2 herein. If Client desires to use the Report in any offering or other investment material for purpose other than as mentioned in the Section 1.2 herein, then (a) with Valuer will require, and the Client must provide or cause to be provided, an indemnification agreement in his favor, given by parties reasonably satisfactory to him, and (b) the Client will obtain his consent to the references in such materials to the Report.

## 1.10 LIMITATION OF LIABILITY

The Valuer has provided the services exercising due care and skill but does not accept any legal liability arising from negligence or otherwise to any person in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the properties. Further, the Valuer shall not accept liability for any errors, misstatements, omissions in the report caused due to false, misleading or incomplete information or documentation provided to him by the Instructing Party.

The Valuer's maximum aggregate liability for claims arising out of or in connection with the Valuation, under this engagement shall not exceed the professional indemnity insurance obtained by him. As on the date of this report, the professional indemnity insurance maintained by the Valuer is for Indian Rupees Fifty Million.

In the event that the Manager, the sponsors, the trustee, the REIT, or other intermediaries appointed by the Manager and / or REIT or its SPVs be subject to any claim ('Claim Parties') in connection with, arising out of or attributable to the Report, the Claim Parties will be entitled to require the Valuer to be a necessary party/respondent to such claim and he shall not object to his inclusion as a necessary party/ respondent. In all such cases, the Manager, on behalf of the REIT, agrees to reimburse/ refund to the Valuer, the actual cost (which shall include legal fees and external counsel's fee) incurred by them while becoming a necessary party/respondent. If the Valuer does not cooperate to be named as a party/respondent to such claims in providing adequate/successful defense in defending such claims, the Claim Parties jointly or severally will be entitled to initiate a separate claim against the Valuer in this regard.

The Valuer will neither be responsible for any legal due diligence, title search, zoning check, and physical measurements nor undertake any verification/ validation of the zoning regulations/ development controls with any government departments/authorities, among other aspects etc.

## 1.11 DISCLOSURE AND PUBLICATION

The Valuer must not disclose the contents of this Valuation Report to a third party in any way, except as allowed under the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars. As per the terms and regulation 2(1) of the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars, it may be noted that the Valuation report is prepared in accordance with said REIT regulations.



## **1.12 ANTI-BRIBERY AND ANTI-CORRUPTION**

The Valuer represents, warrants and undertakes that:

The Valuer is familiar with applicable Anti-Corruption Laws under this Agreement including but not limited to Prevention of Corruption Act 1988 and will ensure that neither it nor any of its officers, directors, shareholders, employees and agents or any other person acting under its implied or express authority will engage in any activity, practice or conduct which would constitute an offence under, or expose or potentially expose either Party to any direct or indirect liability, under Applicable Anti-Corruption Laws;

It is further agreed that breach of any of the above undertakings shall be deemed to be a material breach of the Agreement and in case the Valuer is insisted upon or asserted by Client to violate any of the above said undertakings including Anti-Corruption regulations in any form or manner, on pretext of business relationship or otherwise, the Valuer shall have a discretionary right to terminate this Agreement without any liability or obligation on his part.

Such termination of this Agreement shall not in any way prejudice the rights and obligations (including payment for the services delivered under this Agreement) already accrued to the Valuer, prior to such termination.

## KEY ASSUMPTIONS, QUALIFICATIONS, LIMITATIONS AND DISCLAIMERS

|    |  |  |
|----|--|--|
| 1. | Type of Estimate   | The scope of the assignment covers only estimating Market Value of a specified property and not a business valuation for either the Client or any of their subsidiaries or associated companies, etc. The estimate is based on extent of data/information provided by the Client and estimate has limited coverage wherever full data/information is not made available by the Client.   |
| 2. | Legal Due-Diligence  | Legal due diligence for establishing clarity of title, ownership, encumbrances if any, notices or disputes if any, among other legal-related issues are not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.   |
| 3. | Information Provided by the Client and Others                              | The Valuer has relied on the information provided by the Client and the same has been assumed to be correct and has been used in the valuation. Where it is stated that another party has supplied information to the Valuer, this information is believed to be reliable. The Valuer cannot accept any responsibility for accuracy and non-reliability of such information.   |
| 4. | Regulatory Due-Diligence   | Regulatory due diligence is not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.   |
| 5. | Project Status, Schedule and Project Costing                               | Assessment of the Project Status and Schedule is based on the information provided by the Client and does not consider any unforeseeable developments which could impact the same in the future. The estimate does account for any capital expenses incurred by the Client on the existing and/or ongoing development works in the Project. Auditing the project figures is not part of the scope of work under this assignment. In all likelihood, an independent auditing agency would be covering this aspect, details of which can be obtained from the Client.  |
| 6. | Market Conditions and Trends   | The Valuer has taken into consideration the general conditions in the market with respect to broad demand and supply while carrying out the valuation. The Valuer has compared other comparable properties on the basis of many factors and as far as possible tried to remove / account for the differences in type, location and quality of the properties.  |
| 7. | Information on Leases, Sales Performance, and movable and immovable assets | The Valuer has relied on the rent roll including lease terms & conditions of the existing and pre-committed leases, and land area, built up area, and plant and machinery as given by the Client. The Valuer has not verified individual lease agreements and the Valuer has relied on all information provided to him by the Client, upon which the Valuer will rely, is complete and correct. The Valuer has relied on pre-leasing details to the extent data/information made available by the Client.  |
| 8. | Site Investigations and Illustrations                                      | The Valuer has carried out the site visits and based on the information made available by the Client and the estimate is carried out considering that the Project Site is a contiguous land parcel and is free from any encroachments and encumbrances as on the date of valuation. The Valuer has not carried out any structural survey nor tested the building services. No geographical or geo-physical survey was carried out. No environmental assessment has been carried out. Any sketch, plan or map in the report is included to assist reader while visualizing the Project and assume no responsibility in connection with such matters. The date of site visit has been mentioned in the respective detailed valuation report. |
| 9. | Project Cost Estimates   | Project Cost Estimates used in the estimate is as given by the Client. Project progress including capital expenditure progress reported is based on the cost incurred data as shared by the Client. The Valuer has reviewed the Project Cost estimates and/or cost incurred data to broadly ascertain their correctness on a normative basis while relying on the same as shared by the Client.  |

|     |  |  |
|-----|--|--|
| 10. | Environmental Compliance                   | The Valuer assumed that the Project Site / Project is not contaminated and is not adversely affected by any existing or proposed environmental law and any processes which are carried out on the Project Site are regulated by environmental legislation and are Project Site licensed by the appropriate authorities.  |
| 11. | Present Ground Conditions                  | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present, which might adversely affect the current or future occupation, development of the Project. The estimate assumes that the Project Site is free from rot, infestation, structural or latent defect and no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the property and comments made in the property details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.  |
| 12. | Town Planning and Statutory Considerations | The Valuer has not made formal search but has generally relied on readily available information to general public. Valuation Report is on current use/ current state basis of the property and the Valuer has not considered any Government proposals for road widening or compulsory purchase/ acquisition, or any other statute in force that might affect the Project.  |
| 13. | Future Market Development and Prospects    | The Valuer has not accounted any future market development and prospects to the extent information known to the Valuer as on the date of valuation. The Valuer does not warrant that such statements are accurate or correct.  |
| 14. | Disclaimer                                 | <p>The estimate of Market Value is based on documents/information shared by the Client. The Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Project.</p> <p>The Valuer has relied on the measurements and information provided at all times, whether from public and private sources, and has ensured to the best of their ability the correctness and the validity of the same, by cross checking from various sources. Whilst every effort has been taken to provide authentic data and analysis, the Valuer, and/or any of their associated companies and/or their employees are not responsible for any loss, major or minor incurred on the basis of the information and analyses provided, nor are liable to any damages in any form or shape.</p> <p>Given the confidential nature of real estate transactions, transaction details for most properties, which are privately actually transacted, are not in the public domain. Consequently, there is reliance on information from market sources, which may not be completely accurate. Thus, information has been crosschecked independently from other market sources to ascertain the broad credibility of information being provided by the market sources. This assignment has been done on best effort and knowledge basis.</p> <p>For ease and simplicity of representation, certain figures may have been rounded.</p> |

## 2 VALUATION APPROACH AND METHODOLOGY

### 2.1 VALUATION STANDARDS ADOPTED

This Report is prepared in accordance and compliance with:

1. Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time ("**SEBI Regulations 2014**"), including Regulation 21 Sub-Regulation (3) and mandatory minimum disclosures as specified in Schedule V of these SEBI Regulation 2014,
2. Companies (Registered Valuers and Valuation) Rules, 2017 as amended from time to time ("**Valuer Rules 2017**"), including reporting requirements as specified in Rule 18 to these rules,
3. International Valuation Standards 2022 ("**IVS 2022**") as set out by International Valuation Standards Committee ("**IVSC**") and adopted by Royal Institution of Chartered Surveyors ("**RICS**") presented in the RICS Valuation Standards and Guidelines 2022 ("**RICS Red Book 2022**"), subject to variation to meet local established law, custom, practice, and market conditions.

### 2.2 BASIS OF VALUATION

Basis of valuation of the Project is **Market Value** as defined by IVSC and adopted by Royal Institution of Chartered Surveyors (RICS) to be: *"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion"*.

### 2.3 APPROACH AND METHODOLOGY

The purpose of this valuation exercise is to estimate the Market Value of the Project, which is a real estate asset. Market Value of the real estate asset can be estimated using different approaches and methodologies.

**Income Approach:** Under this valuation approach, the income generating potential of the real estate asset is estimated while opining on its market value. This approach is typically adopted for assets that are income-generating (completed and operational with multiple tenancies, multiple strata units that can be sold with phased/milestone-based revenue collections, among others). For income-generating assets with single/multiple tenancies, the discounted cash flow entailing term and reversion method is most commonly adopted.

**Market Approach:** Under this valuation approach, the price that an asset could fetch in an open market is estimated. This approach is typically adopted for homogeneous assets in their micro-market and are typically traded on a unit basis. The most commonly adopted valuation method under this valuation approach is the Listed Transaction / Listed Quoted Instances Method, also commonly known as the Direct Comparison or the Comparable Sales/Quoted Instances Method.

**Cost Approach:** Under this valuation approach, the cost required to create an asset of similar or equal utility is estimated. This valuation approach is typically adopted for real estate assets that can be clearly broken down into constituent elements, namely land and built structures. The most commonly adopted valuation method under this valuation approach is the Physical Method, also commonly known as Land and Building Method, which typically entails estimation of the underlying land value (while normally adopting the Market Approach) and the built structures (while adopting the Depreciated Replacement Cost Method) separately.



Table 2.1: Different Valuation Methodologies and Description

| Sl. | Valuation Methodology                      | Description   |
|-----|--|---|
| 1.  | Comparable Sales / Quoted Instances Method | This method is based on comparing the subject property directly with other comparable property transaction (actually been sold in the vicinity or are offered for sale). Efforts would be made to collect transacted instances. In case of non-availability of transacted instances in the micro-market, the opinion will be offered based on the available asking/quoted instances in the market with appropriate adjustments for margin for negotiation. Given the homogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative and quantitative differences that may affect the price likely to be achieved by the property under consideration. These adjustments are typically made in the form of premium and/or discount factors for various property attributes, which affect the value. This method demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This method is a fair estimate of the prevailing prices. |
| 2.  | Depreciated Replacement Cost Method        | Replacement cost method is based on the construction cost of assets. The cost to be estimated is the cost of construction as per the construction status at the valuation date. This is based on the inspection of the facility and inputs provided by the Client; however, no structural survey will be conducted. Appropriate depreciation rates will be applied based on schedules given under the Indian Companies Act. This is generally used for estimating the Market Value of buildings and plant and machinery.  |
| 3.  | Discounted Cash Flow Method                | This method is based on the present value of the future receivable net income from the current operational leases / revenues. The current revenues and the future achievable revenues derived from the operational project components of the Project Site would be adjusted for the outgoing expenses to derive 10-year cash flows. The same is then discounted at an appropriate discounting rate linked with risk adjusted discounting factor to estimate the market value for the operational project components. This method is sometimes referred to as 'Rent Roll method as well.   |

#### Approach and Methodology Adopted for Estimating Market Value of the Projects

Based on a detailed review of the leases for the Projects, with the exception of Project at Pocharam, the Valuer has noted that a large number of leases of the Projects were executed at rent prevalent at the time of signing of such leases or at a discount to prevailing market rental (for a few anchor tenants). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, demand-supply dynamics, quality of spaces, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some properties or submarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to estimate the intrinsic value of the property under review.

Considering the objective of this exercise and the nature of assets involved, completed & operational / under construction or future development office space, (other than certain land portions of future development portion which has been valued using Comparable Sales / Quoted Instances Method under 'Market Approach', power distribution services which has been valued using Discount Cash Flow Method under 'Income Approach', facility management services which has been valued using Discount Cash Flow Method under 'Income Approach', and Pocharam that has been valued considering the Cost Approach, as highlighted later in this section), the value is estimated using the 'Discounted Cash Flow Method' (basis term and rent reversion) under 'Income Approach'.

Specifically for the Project at Pocharam, the Valuer has noted that the existing buildings are vacant, and the earlier leases have expired. No demand has also been observed for this vacant space for quite some time, and in particular over the last six months since the previous valuation of this Project. Further, based on market research, Project micro market was observed to have no demand for office spaces. The Project micro-market also appears to be beginning to emerge as a residential destination with significant upcoming supply of residential strata units. In this scenario, given the guidance provided in various sections of International Valuation Standards 2022, the Valuer has adopted the Cost Approach to valuation of this Project at Pocharam. Under the Cost Approach, the land component has been valued considering the Comparable Sales/Quoted Instances Method under the Market Approach and building and plant & machinery components have been valued considering the Depreciated Replacement Cost Method. Details of this change in valuation approach since the previous valuation are provided in the main report for the Project at Pocharam and at a subsequent section in this report.

## 2.4 ADOPTED PROCEDURE

The market practice in most commercial/ office developments involves contracting tenants / occupiers in the form of pre-commitments at sub-market rent to increase attractiveness of the property to prospective tenants - typically extended to anchor tenants. Additionally, there are instances of tenants paying above-market rent for certain properties as well (primarily owing to market conditions at the time of contracting the lease). In order to arrive at a unit value for these tenancies, the Valuer has considered the impact of such sub/above market rents on the valuation of the Project.

For the purpose of this valuation exercise, the Valuer has analyzed the tenancy details provided by the Client, to identify variances vis-à-vis prevailing market/marginal rent. Each lease is assessed separately for below aspects, for the rent over a 10-year time horizon:

- The rent rolls (and the corresponding lease deeds on a sample basis) were reviewed to identify tenancy characteristics for the asset. As part of the rent roll review, major tenancy agreements belonging to top tenants were reviewed on a sample basis.
- Title certificates, architect certificates and other related documents as mentioned in relevant sections of the report were reviewed for validation of area details, ownership interests of the Project.
- Physical site inspections were undertaken to assess the status of the Project.

### Cash Flow Projections

The cash flows for the Project has been projected separately for each lease, to arrive at their respective value estimates.

Net Operating Income (NOI) has primarily been used to arrive at the value of the Project. The projected future cash flows from the Project are based on existing lease terms for the operational leases till the expiry of the leases or re-negotiation, whichever is earlier, following which, the lease terms have been aligned with market rents achievable by the Project.

For vacant area and under-construction/future development area, the achievable market rent-led cash flows are projected factoring appropriate lease-up timeframe for vacant/under-construction/future development area. These cash flows have been projected for 10-year duration from the date of valuation and for 11th year (for estimate of terminal value based on NOI). These future cash flows are then discounted to present-day value (valuation date) at an appropriate discount rate. Each lease is assessed separately for below aspects, for the rent over a 10-year time horizon.

- Projecting the rental income for identified tenancies up to the period of lease expiry, lock-in expiry, escalation milestones, etc. whichever is applicable. In the event of unleased spaces, market-led rent is adopted with suitable lease-up time.

- Generating a market led rental income stream for identified tenancies for the time period similar to the cash flows drawn in the aforementioned step.
- Computing the monthly income based on rent projected above and translating the same to quarterly income (for the next 10 years and 11th year is considered for calculation of terminal value).

Further, to arrive at the total value of the leased spaces (from base rentals), appropriate revenues and operational expenses are projected on quarterly basis. Some of such adjustments on revenue and operational expenses are presented in the table below:

**Table 2.2: Adjustments on Revenues and Operational Expenses**

| Parameters                           | Description / Basis  |
|--------------------------------------|--|
| Parking Income                       | Based on income inputs provided by Client for the leased spaces and market assumption taken for vacant spaces  |
| Miscellaneous Income                 | Based on income inputs provided by Client for the Project  |
| Insurance                            | Based on insurance outflow (if any) provided by Client   |
| Annual Lease Rental / Property Taxes | Based on annual lease rental / property tax assessed for the Project as provided by Client   |
| Asset Management Fee                 | Considered as a recurring expense (in case of an external management team) as a percentage of the lease rental income as per the agreement between respective assets and its asset manager.  |
| Margin on CAM                        | Based on the operational revenues and expenses of the respective assets to understand the recurring, non-recurring, recoverable and non-recoverable expenses and accordingly modelled the common area maintenance income and operational expenses for the asset. |
| Revenue Escalation                   | Based on market-led annual escalation on the market rent   |
| Rent Free Period                     | Based on the trend prevalent in the submarket, appropriate rent free periods from lease commencement date (for future / new leases) are considered   |
| Brokerage                            | Based on prevalent market dynamics, brokerage for future / new leases are considered   |
| Fit-Out Income                       | Based on fit-out rent (if any) provided by Client till lease expiry of applicable leases (same is not capitalized)   |
| Transaction Cost on Exit             | Considered as a percentage of the terminal value after aforesaid adjustments   |

### 3 VALUATION SUMMARY

The following table highlights the summary of the market value of each of the Subject Properties which is part of the Mindspace REIT as on 31 March 2024.

| S. No.    | Asset Name and Location                       | Leasable area<br>(Million sq ft) <sup>1</sup>                       | Market Value (in INR Million) <sup>2</sup> |   |         | REIT<br>Ownership |
|-----------|---|---|--|---|---------|-------------------|
|           |   |   | Completed                                  | Under-<br>Constructi<br>on &<br>Future<br>developm<br>ent | Total   |                   |
| 1         | Mindspace<br>Madhapur,<br>Hyderabad           | Completed – 9.6<br>Under-Construction/ Future<br>development* – 3.1 | 95,024                                     | 12,717  | 107,741 | 89%               |
| 2         | Mindspace Airoli<br>East, Mumbai<br>Region**  | Completed - 4.7<br>Under-Construction/ Future<br>Development – 1.6  | 45,424                                     | 2,100   | 47,524  | 100%              |
| 3         | Mindspace Airoli<br>West, Mumbai<br>Region**  | Completed – 5.0<br>Under-construction/ Future<br>development – 0.3  | 44,930                                     | 3,091   | 48,021  | 100%              |
| 4         | Paradigm Mindspace<br>Malad, Mumbai<br>Region | Completed - 0.8   | 11,329                                     | -   | 11,329  | 100%              |
| 5         | The Square BKC,<br>Mumbai Region              | Completed – 0.1   | 4,917                                      | -   | 4,917   | 100%              |
| 6         | Commerzone<br>Yerwada, Pune                   | Completed – 1.7   | 18,259                                     | -   | 18,259  | 100%              |
| 7         | Gera Commerzone<br>Kharadi, Pune**            | Completed – 1.9<br>Under-construction/ Future<br>development – 1.0  | 23,995                                     | 7,320   | 31,315  | 100%              |
| 8         | The Square Nagar<br>Road, Pune                | Completed - 0.8   | 9,230                                      | -   | 9,230   | 100%              |
| 9         | Commerzone Porur,<br>Chennai                  | Completed – 1.1   | 11,363                                     | -   | 11,363  | 100%              |
| 10        | Mindspace<br>Pocharam,<br>Hyderabad           | Completed - 0.6   | 900  | 587   | 1,488   | 100%              |
| Sub-Total |   |   | 265,372                                    | 25,816  | 291,187 |                   |
| 11        | Facility Management Business                  |   | 6,437                                      | 1,107   | 7,545   |                   |
| Total     |   |   | 271,809                                    | 26,923  | 298,732 |                   |

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

<sup>2</sup> Value is for 100% ownership interest in the Subject Property except for Mindspace Madhapur, Hyderabad where value is for 89% ownership (excluding 11% ownership by TSIC)

Note: Total leasable area for the property may vary from the architect certificate. The change in area is in accordance with the Lease Deeds/ Leave and License Agreements

\* Excludes 500,000 sq. ft. of leasable area accorded as future development potential at Mindspace Madhapur (KRIT)

\*\* Total Market Value (Completed / Operational, including power distribution business)



### 3.1 ASSUMPTIONS, DISCLAIMER, LIMITATIONS & QUALIFICATIONS

This Summary Valuation Report is provided subject to a summary of assumptions, disclaimers, limitations and qualification detailed throughout this Report which are made in conjunction with those included within the sections covering various assumptions, disclaimers, limitations and qualifications within the detailed Valuation Report. Reliance on this report and extension of the liability of the Valuer is conditional upon the reader's acknowledgement of these statements. This valuation is for the use of the parties mentioned in this report.

**KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)**, the Valuer for the Project, hereby declares that:

- We are fully competent to undertake the valuation;
- We are independent and have prepared the report on a fair and unbiased basis; and
- We have valued the Project based on the valuation standards as specified under sub-regulation 10 of regulation 21 of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended from time to time.



-----  
**Name:** Sachin Gulaty FRICS FIV FIIA,

**Designation:** Director

**Valuer Registration No.:** IBBI/RV/02/2021/14284

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**E-Mail ID:** sachin.gulaty@k-zen.in

## 4 SUBJECT PROPERTIES

### 4.1 MINDSPACE MADHAPUR (SUNDEW PROPERTIES LTD), HYDERABAD

#### 4.1.1 DETAILS OF THE PROJECT SITE AND/ OR PROJECT

The table below presents details of the Project Site and/or Project:

Table 4.1: Details of the Project Site and/or Project

| DETAILS OF PROPERTY  |  |               |
|--|--|---------------|
| Property Name  | Mindspace Madhapur (Sundew), Madhapur, Hyderabad, Telangana, India 50081                         |               |
| Property Address   | Mindspace Madhapur, Titus Towers, TSIIIC software layout, Madhapur, Hyderabad, Telangana, 500081 |               |
| Land Area  | 40.25 Acres  |               |
| Block-Wise Break-Up of Leasable Area and Current Status  | Leasable area details as shared by the Client is given below:                                    |               |
|  | Sr. No.  | Building Name |
|  | 1.   | Building 11   |
|  | 2.   | Building 12A  |
|  | 3.   | Building 12B  |
|  | 4.   | Building 12C  |
|  | 5.   | Building 12D  |
|  | 6.   | Building 14   |
|  | 7.   | Building 20   |
|  | 8.   | Building 22   |
|  | Total Leasable Area  |               |
|  | 5,760,763  |               |
| Based on the site inspection, all blocks are operational. There are no under-construction buildings within the property. |  |               |
| Access   | Accessible through 60 m wide Hitech City Main Road and 36 m wide internal road                   |               |
| Frontage   | Excellent frontage along the abutting road   |               |
| Shape and Visibility   | Regular in shape and has excellent visibility along the abutting road                            |               |
| Approval Status  | Project has requisite approvals in place as confirmed by the Client.                             |               |
| INFRASTRUCTURE   |  |               |
| Water Supply, Sewerage & Drainage  | Available within the Project   |               |
| Power & Telecommunication  | Available within the Project   |               |

#### 4.1.2 DESCRIPTION OF THE PROJECT

As stated earlier, the Project has total leasable area 5.76 million sq. ft. as per the occupancy certificate and/or leases signed and it is spread across eight (8) IT Buildings (11, 12A, 12B, 12C, 12D, 14, 20, 22). The Project has excellent visibility along the access road and has 3 entry and exit points. Buildings 11 and 22 are Non SEZ and Buildings (12A, 12B, 12C, 12D, 14, 20) are under SEZ and has a secured gate.

**Table 4.2: Details of the Project in terms of Buildings and Leasable Area**

| SR.NO. | BUILDING NAME       | LEASABLE AREA (SQ. FT.) | USAGE TYPE | STATUS    |
|--------|---------------------|-------------------------|------------|-----------|
| 1.     | Building 11         | 602,566                 | Non SEZ    | Completed |
| 2.     | Building 12A        | 856,837                 | SEZ        | Completed |
| 3.     | Building 12B        | 676,772                 | SEZ        | Completed |
| 4.     | Building 12C        | 801,436                 | SEZ        | Completed |
| 5.     | Building 12D        | 1,246,519               | SEZ        | Completed |
| 6.     | Building 14         | 531,126                 | SEZ        | Completed |
| 7.     | Building 20         | 918,109                 | SEZ        | Completed |
| 8.     | Building 22         | 127,398                 | Non SEZ    | Completed |
|        | Total Leasable Area | 5,760,763               |            |           |

Source: Client, March 2024

Note: Total leasable area for the property may vary from the architect certificate. The change in area is in accordance with the Lease Deeds/ Leave and License Agreements

In addition to the above, the undivided rights, title and interest in the following assets are also part of the Project.

- Total utility areas and internal roads
- Total open spaces

The table below presents key asset specific information.

**Table 4.3: Key Asset Specific Information of the Project**

|  |   |               |                      |
|--|---|---------------|----------------------|
| Particulars  | Description   |               |                      |
| Name of the Entity   | Sundew Properties Limited   |               |                      |
| Interest owned by Mindspace REIT                           | Project is wholly owned by Sundew Properties Limited, which is 89% owned and controlled by Mindspace REIT |               |                      |
| Land Extent  | 40.25 Acres   |               |                      |
| Asset Type   | IT Park with Non-SEZ and SEZ buildings  |               |                      |
| Sub-Market   | Madhapur  |               |                      |
| Approved and Existing Usage                                | IT Offices and Building 22 is operational as Hotel  |               |                      |
| Age of Building based on the Date of Occupancy Certificate | Sl.   | Building Name | Age of the Building  |
|  | 1.  | Building 11   | ~ 13 years 03 months |
|  | 2.  | Building 12A  | ~ 10 years 04 months |
|  | 3.  | Building 12B  | ~ 9 years 01 months  |
|  | 4.  | Building 12C  | ~ 8 years            |
|  | 5.  | Building 12D  | ~ 3 years            |
|  | 6.  | Building 14   | ~ 13 years 08 months |

| Particulars         | Description                                    |             |                      |
|---------------------|--|-------------|----------------------|
|                     | 7.   | Building 20 | ~ 11 years 10 months |
|                     | 8.   | Building 22 | ~ 2 years 11 months  |
| Current Status      | 100% Complete and Operational                  |             |                      |
| Freehold/Leasehold  | The underlying land is taken on freehold basis |             |                      |
| Leasable Area       | 5.76 million sq. ft.                           |             |                      |
| Occupied Area       | 5.5 million sq. ft.                            |             |                      |
| Committed Area      | 5.6 million sq. ft.                            |             |                      |
| Occupancy           | 95.6%  |             |                      |
| Committed Occupancy | 97.7%  |             |                      |
| Number of Tenants   | 46   |             |                      |

Source: Client, March 2024

#### 4.1.3 LOCATION OF THE PROJECT

The Project is located in Madhapur in the Western part of Hyderabad. It is located adjacent to the Raidurg Metro Station and at a distance of ~ 31 km from Hyderabad International Airport.

The map below presents the location of the Project with respect to the city.

Map 4.1: Location of the Project Site with respect to the Hyderabad City



Source: Real Estate Market Research & Analysis; JLL, March 2024

**Table 4.4: Distances of the Project from Major Landmarks in the City**

| Location / Landmark             | Approximate Distance from Project Site (km) |
|---------------------------------|---|
| Raidurg Metro station           | Adjacent to the Mindspace Park              |
| Cyber Tower                     | ~ 1.3                                       |
| Inorbit Mall                    | ~ 1.4                                       |
| Outer Ring Road (ORR)           | ~ 2.5                                       |
| Secunderabad Railway station    | ~ 19  |
| Hyderabad International Airport | ~ 31  |

Source: Real Estate Market Research &amp; Analysis; JLL, March 2024

**4.1.4 KEY ASSUMPTIONS AND INPUTS**

| Particulars                                  | Unit          | Information             |
|--|---------------|-------------------------|
| Revenue Assumptions (as on 31/03/2024)       |               |                         |
| Current Effective Rent                       | INR/sq ft/mth | 64.2                    |
| Achievable Market Rent                       |               |                         |
| Warm Shell                                   | INR/sq ft/mth | 74.6                    |
| F&B  | INR/sq ft/mth | 241.50                  |
| Parking Charges                              | INR/bay/mth   | 2,100                   |
| Development Assumptions                      |               |                         |
| Remaining Capital Expenditure                | INR Million   | Upgrade CAPEX: 1607.9   |
| Expected Completion <sup>(1)</sup>           | Qtr, Year     | Upgrade CAPEX: Q2 FY 27 |
| Other Financial Assumptions                  |               |                         |
| Cap Rate                                     | %             | 8.00                    |
| WACC (Complete/Operational)                  | %             | 11.75                   |
| WACC (Under-construction/Future Development) | %             | NA                      |

1. The capex represents balance payments primarily towards upgrades

NA: Not Applicable

**4.1.5 MARKET VALUE**

The market value of the full ownership interest of Mindspace REIT in the Subject Property as on 31 March 2024 is estimated to be **INR 56,634.04 million (INR Fifty Six Billion Six Hundred Thirty Four Million and Forty Thousand Only)**

*Note: Based on the inputs provided by the client, the valuation presented is for 89% interest of Mindspace REIT in the project only. The total value of the asset with 100% interest is INR 63,633.75 million (INR Sixty Three Billion Six Hundred Thirty-Three Million Seven Hundred and Fifty Thousand Only).*



## 4.2 MINDSPACE MADHAPUR (K RAHEJA IT PARK LTD), HYDERABAD

### 4.2.1 DETAILS OF THE PROJECT SITE AND / OR PROJECT

The table below presents details of the Project Site and/or Project.

Table 4.5: Details of the Project Site and/or Project

| DETAILS OF PROPERTY                                     |   |                     |
|---|---|---------------------|
| Property Name   | Mindspace Madhapur (KRIT), Madhapur, Hyderabad, Telangana, India 500 081  |                     |
| Property Address  | Mindspace Madhapur, Titus Towers, TSIIIC software layout, Madhapur, Hyderabad, Telangana, 500081  |                     |
| Land Area   | 48.43 acres   |                     |
| Block-Wise Break-Up of Leasable Area and Current Status | Leasable area details as shared by the Client is given below:   |                     |
|   | Sr. No.   | Building Name       |
|   | 1.  | Building 2A         |
|   | 2.  | Building 2B         |
|   | 3.  | Building 3A         |
|   | 4.  | Building 3B         |
|   | 5.  | Building 4 A&B      |
|   | 6.  | Building 5A         |
|   | 7.  | Building 10         |
|   | 8.  | Kiosk Area          |
|   | 9   | Building 1A & 1B    |
|   | 10  | Building 7 & 8      |
|   | 11  | Experience Center   |
|   |   | Total Leasable Area |
|   | Based on the site inspection, the Project has 10 buildings (7 Completed and 3 Under construction, along with a kiosk area and ~ 1.79 acre of land for future development. Under construction (1A and 1B – Completion Q4 FY26, excavation under progress, and Experience Center - basement work in progress completion in Q1 FY26) and (7&8, demolition completed, project completion in Q4 FY27). |                     |
| Access  | Accessible through approx. 60 m. wide Hitech City Main Road and 36 m. wide Internal Road  |                     |
| Frontage  | Approximately 180 m. frontage along Hitech City Main Road   |                     |
| Shape and Visibility                                    | Regular in shape. Relatively flat terrain. Excellent visibility from Hitech city Main Road  |                     |
| Approval Status   | Project has requisite approvals in place as confirmed by the Client.  |                     |
| INFRASTRUCTURE  |   |                     |
| Water Supply, Sewerage & Drainage                       | Available within the Project  |                     |
| Power & Telecommunication                               | Available within the Project  |                     |

#### 4.2.2 DESCRIPTION OF THE PROJECT

As stated earlier, the Project it is spread across ten (10) buildings i.e., Building (2A, 2B, 3A, 3B, 4 A&B, 5A, 10, 1A, 1B, 7, 8 and Experience center). Building 2A, 2B, 3A, 3B, 4 A&B, 5A, 10 are completed & operational and Buildings 1A, 1B, and Experience center are Under construction and Buildings 7 & 8 are under Future development, additionally the project has ~ 1.79 acres of land earmarked for future development. The following table presents the details of the Project in terms of buildings and leasable area.

**Table 4.6: Details of the Project in terms of Buildings and Leasable Area**

| Sr. No. | Building Name       | Leasable Area<br>(Mn sq. ft.) | Usage type | Status             |
|---------|---------------------|-------------------------------|------------|--------------------|
| 1.      | Building 2A         | 0.267                         | Non SEZ    | Completed          |
| 2.      | Building 2B         | 0.43                          | Non SEZ    | Completed          |
| 3.      | Building 3A         | 0.2                           | Non SEZ    | Completed          |
| 4.      | Building 3B         | 0.24                          | Non SEZ    | Completed          |
| 5.      | Building 4 A&B      | 0.465                         | Non SEZ    | Completed          |
| 6.      | Building 5A         | 0.11                          | Non SEZ    | Completed          |
| 7.      | Building 10         | 0.34                          | Non SEZ    | Completed          |
| 8.      | Kiosk Area          | 0.01                          | Non SEZ    | Completed          |
| 9.      | Building 1A & 1B    | 1.33                          | Non SEZ    | Under construction |
| 10.     | Building 7 & 8      | 1.61                          | Non SEZ    | Under construction |
| 11.     | Experience Center   | 0.13                          | Non SEZ    | Under construction |
|         | Total Leasable Area | 5.13                          |            |                    |

Source: Client, March 2024

Note: Total leasable area for the property may vary from the architect certificate. The change in area is in accordance with the Lease Deeds/ Leave and License Agreements

In addition to the above, the undivided rights, title and interest in the following assets are also part of the Project.

- Total utility areas and internal roads
- Total open spaces.

The table below presents key asset specific information.

**Table 4.7: Key Asset Specific Information of the Project - Completed Portion**

|  |   |               |                      |  |
|--|---|---------------|----------------------|--|
| Particulars  | Description   |               |                      |  |
| Name of the Entity   | K Raheja IT park (Hyderabad) Limited  |               |                      |  |
| Interest owned by Mindspace REIT                           | Project is wholly owned by K Raheja IT Park (Hyderabad) Ltd, which is 89% owned and controlled by Mindspace REIT while balance 11% is held by Telangana State Industrial Infrastructure Corporation (TSIIC) |               |                      |  |
| Land Extent  | 48.43 Acres   |               |                      |  |
| Asset Type   | IT Park with Non-SEZ buildings  |               |                      |  |
|  | ~ 1.79 acres of land earmarked for future development   |               |                      |  |
| Sub-Market   | Madhapur  |               |                      |  |
| Approved and Existing Usage                                | IT Offices  |               |                      |  |
| Age of Building based on the Date of Occupancy Certificate | Sr. No.   | Building Name | Age of the Building  |  |
|  | 1.  | Building 2A   | ~ 14 years 10 months |  |

| Particulars         | Description                                    |                |                     |
|---------------------|--|----------------|---------------------|
|                     | 2.   | Building 2B    | ~ 17 years 2 months |
|                     | 3.   | Building 3A    | ~ 18 years          |
|                     | 4.   | Building 3B    | ~ 17 years 2 months |
|                     | 5.   | Building 4 A&B | ~ 14 years 4 months |
|                     | 6.   | Building 5A    | ~ 15 years 9 months |
|                     | 7.   | Building 10    | ~ 17 years 2 months |
| Current Status      | Operational                                    |                |                     |
| Freehold/Leasehold  | The underlying land is taken on freehold basis |                |                     |
| Leasable Area       | 2.06 million sq. ft.                           |                |                     |
| Occupied Area       | 1.92 million sq. ft.                           |                |                     |
| Committed Area      | 1.99 million sq. ft.                           |                |                     |
| Occupancy           | 93.1%  |                |                     |
| Committed Occupancy | 96.3%  |                |                     |
| Number of Tenants   | 30   |                |                     |

Source: Client, March 2024

**Table 4.8: Key Asset Specific Information of the Project - Under Construction Portion**

|  |   |                   |                     |  |
|--|---|-------------------|---------------------|--|
| Particulars  | Description   |                   |                     |  |
| Name of the Entity   | K Raheja IT park (Hyderabad) Limited  |                   |                     |  |
| Interest owned by Mindspace REIT                           | Project is wholly owned by K Raheja IT Park (Hyderabad) Ltd, which is 89% owned and controlled by Mindspace REIT while balance 11% is held by Telangana State Industrial Infrastructure Corporation (TSIIC)                               |                   |                     |  |
| Land Extent  | 48.43 Acres   |                   |                     |  |
| Asset Type   | Commercial / IT Park with Non-SEZ buildings and Ancillary   |                   |                     |  |
| Sub-Market   | Madhapur  |                   |                     |  |
| Approved and Existing Usage                                | Commercial / IT Offices and Ancillary   |                   |                     |  |
| Age of Building based on the Date of Occupancy Certificate | Sr. No.   | Building Name     | Age of the Building |  |
|  | 1.  | Building 1A &1B   | Under Construction  |  |
|  | 2.  | Building 7 & 8    | Under Construction  |  |
|  | 3.  | Experience center | Under Construction  |  |
| Current Status   | Under construction (1A and 1B – Completion Q4 FY26, excavation under progress, and Experience Center - basement work in progress completion in Q1 FY26) and future development (7&8, demolition completed, project completion in Q4 FY27) |                   |                     |  |
| Freehold/Leasehold   | The underlying land is taken on freehold basis  |                   |                     |  |
| Leasable Area  | 3.07 million sq. ft.  |                   |                     |  |
| Occupied Area  | Not Applicable  |                   |                     |  |
| Committed Area   | Not Applicable  |                   |                     |  |

| Particulars         | Description                          |
|---------------------|--------------------------------------|
| Occupancy           | Not Applicable                       |
| Committed Occupancy | Not Applicable                       |
| Number of Tenants   | Not Applicable as Under Construction |

Source: Client, March 2024

### 4.2.3 LOCATION OF THE PROJECT

The Project is located in Madhapur in the Western part of Hyderabad. It is located adjacent to the Raidurg Metro Station and at a distance of ~ 31 km from Hyderabad International Airport.

Map 4.2 presents the location of the Project with respect to the city.

Map 4.2: Location of the Project Site with respect to the Hyderabad City



Source: Real Estate Market Research & Analysis; JLL, March 2024

Table 4.9: Distances of the Project from Major Landmarks in the City

| Location / Landmark             | Approximate Distance from Project Site (km) |
|---------------------------------|---|
| Raidurg Metro station           | Adjacent to the Mindspace Park              |
| Cyber Tower                     | ~ 1.3                                       |
| Inorbit Mall                    | ~ 1.4                                       |
| Outer Ring Road (ORR)           | ~ 2.5                                       |
| Secunderabad Railway station    | ~ 19  |
| Hyderabad International Airport | ~ 31  |

Source: Real Estate Market Research & Analysis; JLL, March 2024

#### 4.2.4 KEY ASSUMPTIONS AND INPUTS

| Particulars                                  | Unit          | Information  |
|--|---------------|--|
| Revenue Assumptions (as on 31/03/2024)       |               |  |
| Current Effective Rent                       | INR/sq ft/mth | 69.6   |
| Achievable Market Rent                       |               |  |
| Warm Shell                                   | INR/sq ft/mth | 74.6   |
| F&B  | INR/sq ft/mth | 241.5  |
| Parking Charges                              | INR/bay/mth   | 2,100  |
| Development Assumptions                      |               |  |
| Remaining Capital Expenditure                | INR Million   | Upgrade Capex: 441<br>Building 1A & 1B: 6,066 <sup>1</sup><br>Building 7 & 8: 8,154 <sup>2</sup><br>Experience Center: 1,021 |
| Expected Completion                          | Qtr, Year     | Upgradation: Q4 FY 25<br>Building 1A & 1B: Q4 FY 26<br>Building 7 & 8: Q4 FY 27<br>Experience Center: Q1 FY 26               |
| Other Financial Assumptions                  |               |  |
| Cap Rate                                     | %             | 8.00   |
| WACC (Complete/Operational)                  | %             | 11.75  |
| WACC (Under-construction/Future Development) | %             | 13.00  |

<sup>1</sup> Building 1A & 1B represents Construction cost to be incurred INR 5452 Million; PSS (Project Support Services) cost INR 492 Million; approval costs INR 122 Million

<sup>2</sup> Building 7 & 8 represents Construction cost to be incurred INR 7,063 Million; PSS (Project Support Services) cost INR 808 Million; approval costs INR 284 Million

NA: Not Applicable

Source: Client, 31 March 2024

#### **Valuation of land for future development – 1.79 acres**

Project has 1.79 acres of land for future development located at the entrance gate. Further it is forming part of the larger IT park and designated for IT/ITES development. We note the update on the litigation on the said plot.

However, as there are no concrete development plans on the said plot at present, and the update on writ petition is only recent, we continue to estimate the value of the land using government benchmarked price. We may potentially re-look at approach during the subsequent valuation exercise depending on the progress.

#### 4.2.5 MARKET VALUE

We are of opinion that the Market Value of the Project Mindspace Madhapur (KRIT) located in Madhapur, Hyderabad Telangana, India 500081 as on 31 March 2024 is estimated to be:

- For Completed Project - INR 20,982.98 million** (INR Twenty Billion Nine Hundred Eighty-Two Million Nine Hundred Eighty Thousand Only)
- For Under construction, Future development, and land Projects INR 12,717.18 million** (INR Twelve Billion Seven Hundred Seventeen Million One Hundred and Eighty Thousand Only)

*Note: Based on the inputs provided by client, Mindspace REIT holds 89% of the ownership interest in the project and the valuation presented is for 89% interest in the project only. The total value of the asset with 100% interest is INR 37,865.34 million (INR Thirty-Seven Billion Eight Hundred Sixty Five Million Three Hundred and Forty Thousand Only).*



### 4.3 MINDSPACE MADHAPUR (INTIME PROPERTIES LTD), HYDERABAD

#### 4.3.1 DETAILS OF THE PROJECT SITE AND / OR PROJECT

The table below presents details of the Project Site and/or Project:

Table 4.10: Details of the Project Site and/or Project

| DETAILS OF PROPERTY                                     |  |                     |
|---|--|---------------------|
| Property Name   | Mindspace Madhapur (Intime), Madhapur, Hyderabad, Telangana, India 500 081   |                     |
| Property Address  | Mindspace Madhapur, Titus Towers, TSIIIC software layout, Madhapur, Hyderabad, Telangana, 500081                           |                     |
| Land Area   | 8.52 Acres   |                     |
| Block-Wise Break-Up of Leasable Area and Current Status | Leasable area details as shared by the Client is given below:  |                     |
|   | Sr. No.  | Building Name       |
|   | 1.   | Building 5B         |
|   | 2.   | Building 6          |
|   | 3.   | Building 9          |
|   |  | Total Leasable Area |
|   |  |                     |
|   | Based on the site inspection, all buildings are operational. There are no under-construction buildings within the project. |                     |
| Access  | Accessible through 60 m wide Hitech City Main Road and 36 m wide internal road   |                     |
| Frontage  | Excellent frontage along the abutting road   |                     |
| Shape and Visibility                                    | Regular in shape and has excellent visibility along the abutting road  |                     |
| Approval Status   | Project has requisite approvals in place as confirmed by the Client.   |                     |
| INFRASTRUCTURE  |  |                     |
| Water Supply, Sewerage & Drainage                       | Available within the Project   |                     |
| Power & Telecommunication                               | Available within the Project   |                     |

#### 4.3.2 DESCRIPTION OF THE PROJECT

As stated earlier, the Project has total leasable area of 1.75 million sq.ft. as per the occupancy certificate and leases signed and it is spread across three (3) buildings i.e., Building 5B, 6 and 9. All the buildings are completed & operational and are non-SEZ buildings.

The following table presents the details of the Project in terms of buildings and leasable area.

Table 4.11: Details of the Project in terms of Buildings and Leasable Area

| Sr. No. | Building Name | Leasable Area (sq. ft.) | Usage type | Status    |
|---------|---------------|-------------------------|------------|-----------|
| 1.      | Building 5B   | 245,977                 | Non SEZ    | Completed |
| 2.      | Building 6    | 388,543                 | Non SEZ    | Completed |

| Sr. No. | Building Name       | Leasable Area<br>(sq. ft.) | Usage type | Status    |
|---------|---------------------|----------------------------|------------|-----------|
| 3.      | Building 9          | 1,095,002                  | Non SEZ    | Completed |
|         | Total Leasable Area | 1,729,522                  |            |           |

Source: Client, March 2024

Note: Total leasable area for the property may vary from the architect certificate. The change in area is in accordance with the Lease Deeds/ Leave and License Agreements

In addition to the above, the undivided rights, title and interest in the following assets are also part of the Project.

- Total utility areas and internal roads
- Total open spaces

The table below presents key asset specific information.

**Table 4.12: Key Asset Specific Information of the Project**

|  |   |               |                           |  |
|--|---|---------------|---------------------------|--|
| Particulars  | Description   |               |                           |  |
| Name of the Entity   | Intime Properties Limited   |               |                           |  |
| Interest owned by Mindspace REIT                           | Project is wholly owned by Intime Properties Limited, which is 89% owned and controlled by Mindspace REIT |               |                           |  |
| Land Extent  | 8.52 Acres  |               |                           |  |
| Asset Type   | IT Park with Non-SEZ buildings  |               |                           |  |
| Sub-Market   | Madhapur  |               |                           |  |
| Approved and Existing Usage                                | IT Offices  |               |                           |  |
| Age of Building based on the Date of Occupancy Certificate | Sr. No.   | Building Name | Age of the Building       |  |
|  | 1.  | Building 5B   | ~ 15 years and 8 months   |  |
|  | 2.  | Building 6    | ~ 14 years and 511 months |  |
|  | 3.  | Building 9    | ~ 13 years and 9 months   |  |
| Current Status   | 100% Complete and Operational   |               |                           |  |
| Freehold/Leasehold   | The underlying land is taken on freehold basis  |               |                           |  |
| Leasable Area  | 1.73 million sq. ft.  |               |                           |  |
| Occupied Area  | 1.59 million sq. ft.  |               |                           |  |
| Committed Area   | 1.59 million sq. ft.  |               |                           |  |
| Occupancy  | 92.1%   |               |                           |  |
| Committed Occupancy  | 92.1%   |               |                           |  |
| Number of Tenants  | 31  |               |                           |  |

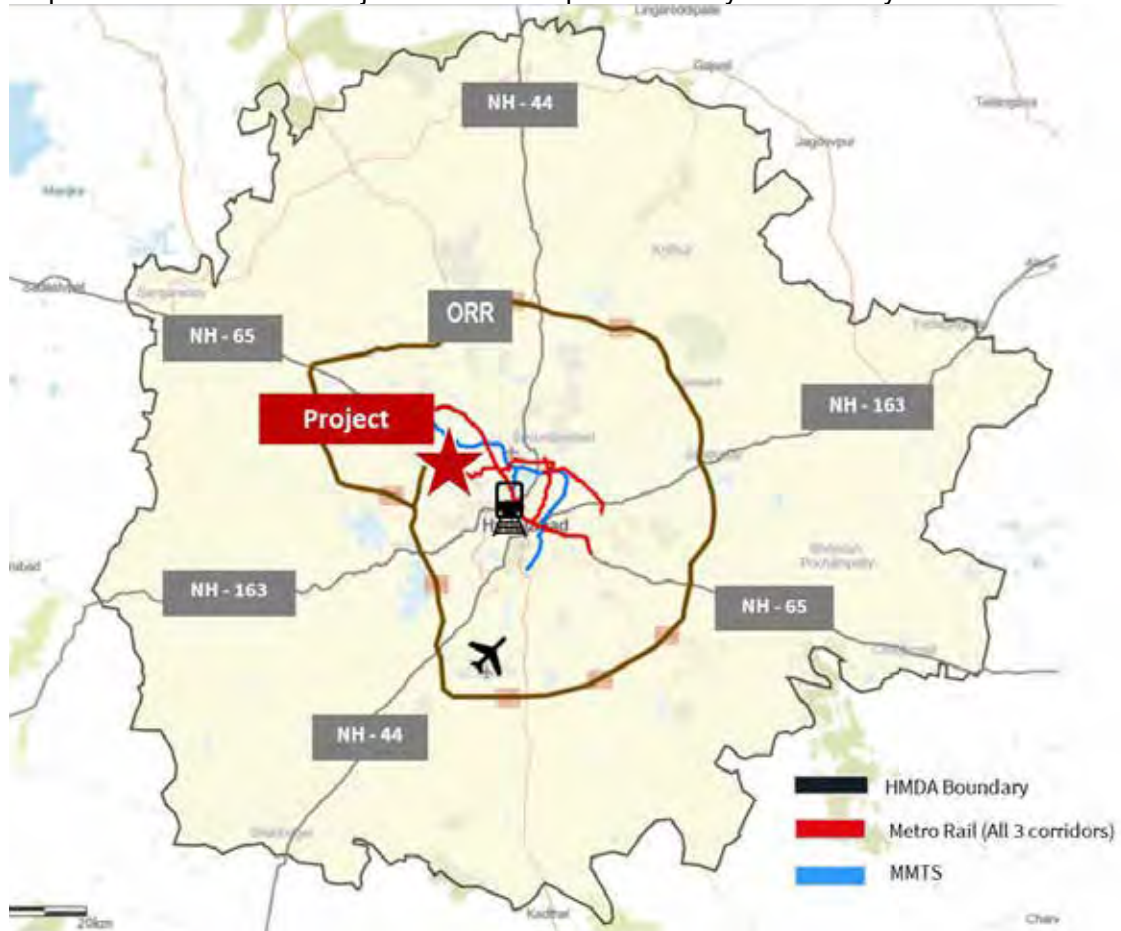
Source: Client, March 2024

#### **4.3.3 LOCATION OF THE PROJECT**

The Project is located in Madhapur in the Western part of Hyderabad. It is located adjacent to the Raidurg Metro Station and at a distance of ~ 31 km from Hyderabad International Airport.

The map on the following page presents the location of the Project with respect to the city.

Map 4.3: Location of the Project Site with respect to the Hyderabad City



Source: Real Estate Market Research & Analysis; JLL, March 2024

The distance of the Project from major landmarks in the city is given in the table below.

Table 4.13: Distances of the Project from Major Landmarks in the City

| Location / Landmark             | Approximate Distance from Project Site (km) |
|---------------------------------|---|
| Raidurg Metro station           | Adjacent to the Mindspace Park              |
| Cyber Tower                     | ~ 1.3                                       |
| Inorbit Mall                    | ~ 1.4                                       |
| Outer Ring Road (ORR)           | ~ 2.5                                       |
| Secunderabad Railway station    | ~ 19  |
| Hyderabad International Airport | ~ 31  |

Source: Real Estate Market Research & Analysis; JLL, March 2024

**4.3.4 KEY ASSUMPTIONS AND INPUTS**

| Particulars                                  | Unit          | Information           |
|--|---------------|-----------------------|
| Revenue Assumptions (as on 31/03/2024)       |               |                       |
| Current Effective Rent                       | INR/sq ft/mth | 69.5                  |
| Achievable Market Rent                       |               |                       |
| Warm Shell                                   | INR/sq ft/mth | 74.6                  |
| Kiosk  | INR/sq ft/mth | 241.5                 |
| Parking Charges                              | INR/bay/mth   | 2,100                 |
| Development Assumptions                      |               |                       |
| Remaining Capital Expenditure                | INR Million   | Upgrade Capex: 191.3  |
| Expected Completion                          | Qtr, Year     | Upgradation: Q4 FY 25 |
| Other Financial Assumptions                  |               |                       |
| Cap Rate                                     | %             | 8.00                  |
| WACC (Complete/Operational)                  | %             | 11.75                 |
| WACC (Under-construction/Future Development) | %             | NA                    |

NA: Not Applicable

**4.3.5 MARKET VALUE**

We are of opinion that the Market Value of the Project Mindspace Madhapur (Intime) located in Madhapur, Hyderabad Telangana, India 500081, comprising total leasable area of **1.7 million sq. ft.** as on 31 March 2024 is estimated to be **INR 17,407.07 million (INR Seventeen Billion Four Hundred Seven Million and Seventy Thousand Only).**

*Note: Based on the inputs provided by client, Mindspace REIT holds 89% of the ownership interest in the project and the valuation presented is for 89% interest in the project only. The total value of the asset with 100% interest is INR 19,558.50 million (INR Nineteen Billion Five Hundred Fifty-Eight Million and Five Hundred Thousand Only)*

## 4.4 MINDSPACE AIROLI EAST, MUMBAI

### 4.4.1 DETAILS OF THE PROJECT SITE AND / OR PROJECT

The table below presents details of the Project Site and/or Project.

Table 4.14: Details of the Project Site and/or Project

| DETAILS OF PROPERTY                                     |   |                         |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
|---|---|-------------------------|-----|---------------|-------------------------|----|------------------------------|---------|----|------------------------------|---------|----|------------------------------|---------|----|------------------------------|---------|----|--------------------------------|---------|----|------------------------------|---------|----|------------------------------|---------|----|------------------------------|---------|----|-------------------------------|---------|-----|-------------------------------|---------|-----|-------------------------------|---------|-----|-------------------------------|---------|-----|------------|-------|-----|----------------------------------|---------|-----|---|--------|-----|-------------------------------------|---------|---------------------|--|-----------|
| Property Name   | Mindspace Airoli East, Navi Mumbai, Maharashtra, India  |                         |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
| Property Address  | Plot No. 3, Kalwa Trans Thane Creek Industrial Area, Mindspace, Opp. Airoli Station, Kalwa, Airoli, Thane, Navi Mumbai 400708   |                         |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
| Land Area   | Total Plot Area: ~50.1 acres  |                         |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
| Block-Wise Break-Up of Leasable Area and Current Status | <p>Leasable area details as shared by the Client is given below:</p> <table> <tr> <th>Sl.</th><th>Building Name</th><th>Leasable Area (sq. ft.)</th></tr> <tr><td>1.</td><td>Building 1 – Office building</td><td>368,007</td></tr> <tr><td>2.</td><td>Building 2 – Office building</td><td>387,073</td></tr> <tr><td>3.</td><td>Building 3 – Office building</td><td>354,404</td></tr> <tr><td>4.</td><td>Building 4 – Office building</td><td>349,433</td></tr> <tr><td>5.</td><td>Building 5&amp;6 – Office building</td><td>872,549</td></tr> <tr><td>6.</td><td>Building 7 – Office building</td><td>345,376</td></tr> <tr><td>7.</td><td>Building 8 – Office building</td><td>295,423</td></tr> <tr><td>8.</td><td>Building 9 – Office building</td><td>359,848</td></tr> <tr><td>9.</td><td>Building 10 – Office building</td><td>366,319</td></tr> <tr><td>10.</td><td>Building 11 – Office building</td><td>353,159</td></tr> <tr><td>11.</td><td>Building 12 – Office building</td><td>371,972</td></tr> <tr><td>12.</td><td>Building 14 – Office building</td><td>344,247</td></tr> <tr><td>13.</td><td>Club House</td><td>6,771</td></tr> <tr><td>14.</td><td>Building 15 – Future Development</td><td>800,000</td></tr> <tr><td>15.</td><td>High Street Retail – Under construction</td><td>45,908</td></tr> <tr><td>16.</td><td>Hotel + Office – Under construction</td><td>799,632</td></tr> <tr> <td colspan="2">Total Leasable Area</td><td>6,420,121</td></tr> </table> <p>During the site inspection it was found that the Project Site has 12 office buildings that are complete and operational along with the Club House. Additionally, the property has an under construction High Street Retail building which is expected to be completed by Q1 FY25, under construction office Building 15 which is expected to be completed by Q1 FY28 and Hotel + Office in which office building by Q4 FY27 &amp; Hotel by Q2 FY28.</p> <p>MBPPL has also invested in power distribution infrastructure for distributing power to SEZ tenants of the property.</p> |                         | Sl. | Building Name | Leasable Area (sq. ft.) | 1. | Building 1 – Office building | 368,007 | 2. | Building 2 – Office building | 387,073 | 3. | Building 3 – Office building | 354,404 | 4. | Building 4 – Office building | 349,433 | 5. | Building 5&6 – Office building | 872,549 | 6. | Building 7 – Office building | 345,376 | 7. | Building 8 – Office building | 295,423 | 8. | Building 9 – Office building | 359,848 | 9. | Building 10 – Office building | 366,319 | 10. | Building 11 – Office building | 353,159 | 11. | Building 12 – Office building | 371,972 | 12. | Building 14 – Office building | 344,247 | 13. | Club House | 6,771 | 14. | Building 15 – Future Development | 800,000 | 15. | High Street Retail – Under construction | 45,908 | 16. | Hotel + Office – Under construction | 799,632 | Total Leasable Area |  | 6,420,121 |
| Sl.   | Building Name   | Leasable Area (sq. ft.) |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
| 1.  | Building 1 – Office building  | 368,007                 |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
| 2.  | Building 2 – Office building  | 387,073                 |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
| 3.  | Building 3 – Office building  | 354,404                 |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
| 4.  | Building 4 – Office building  | 349,433                 |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
| 5.  | Building 5&6 – Office building  | 872,549                 |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
| 6.  | Building 7 – Office building  | 345,376                 |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
| 7.  | Building 8 – Office building  | 295,423                 |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
| 8.  | Building 9 – Office building  | 359,848                 |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
| 9.  | Building 10 – Office building   | 366,319                 |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
| 10.   | Building 11 – Office building   | 353,159                 |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
| 11.   | Building 12 – Office building   | 371,972                 |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
| 12.   | Building 14 – Office building   | 344,247                 |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
| 13.   | Club House  | 6,771                   |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
| 14.   | Building 15 – Future Development  | 800,000                 |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
| 15.   | High Street Retail – Under construction   | 45,908                  |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
| 16.   | Hotel + Office – Under construction   | 799,632                 |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
| Total Leasable Area                                     |   | 6,420,121               |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
| Access  | Accessible through Thane-Belapur Road   |                         |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |
| Frontage  | Approximately 450 m frontage along Thane-Belapur Road   |                         |     |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |    |                               |         |     |                               |         |     |                               |         |     |                               |         |     |            |       |     |                                  |         |     |   |        |     |                                     |         |                     |  |           |



|                                   |  |
|-----------------------------------|--|
| Shape and Visibility              | The topography of the project features terrain that is relatively flat and is regular in shape. It has excellent visibility from Thane-Belapur Road. |
| INFRASTRUCTURE                    |  |
| Water Supply, Sewerage & Drainage | Available within the Project   |
| Power & Telecommunication         | Available within the Project   |

#### 4.4.2 DESCRIPTION OF THE PROJECT

The property is developed as a Grade A, Information Technology (IT), Special Economic Zone (SEZ) Park and has two components i.e., a completed component, and an under construction and future development component. Total leasable area of the property is 6,420,121 sq. ft. The completed component of the property comprises 12 commercial / office SEZ buildings (Buildings 1, 2, 3, 4, 5&6, 7, 8, 9, 10, 11, 12 and 14), and a Club House with total leasable area of 4,774,581 sq. ft.. The under construction / future development component of the property includes High Street Retail, and Mixed use building (Hotel + office) which are under construction and a future development (Building 15). All these buildings are proposed to be Non SEZ developments. The total leasable area of these under construction and future development buildings is 1,645,540 sq. ft and they are expected to be completed by Q1 FY28 (Building 15), Q1 FY25 (High Street Retail), Q2 FY28 (Hotel portion) + Q4 FY27 (Office portion). Topography of the project features terrain that is relatively flat and is regular in shape. The property is surrounded by commercial office spaces followed by residential and industrial developments.

Table 4.15: Details of the Project in terms of Buildings and Leasable Area

| Sl. | Building Name       | Leasable Area (sq. ft.) | Usage Type         | Status             |
|-----|---------------------|-------------------------|--------------------|--------------------|
| 1.  | Building 1          | 368,007                 | IT SEZ             | Completed          |
| 2.  | Building 2          | 387,073                 | IT SEZ             | Completed          |
| 3.  | Building 3          | 354,404                 | IT SEZ             | Completed          |
| 4.  | Building 4          | 349,433                 | IT SEZ             | Completed          |
| 5.  | Building 5 & 6      | 872,549                 | IT SEZ             | Completed          |
| 6.  | Building 7          | 345,376                 | IT SEZ             | Completed          |
| 7.  | Building 8          | 295,423                 | IT SEZ             | Completed          |
| 8.  | Building 9          | 359,848                 | IT SEZ             | Completed          |
| 9.  | Building 10         | 366,319                 | IT SEZ             | Completed          |
| 10. | Building 11         | 353,159                 | IT SEZ             | Completed          |
| 11. | Building 12         | 371,972                 | IT SEZ             | Completed          |
| 12. | Building 14         | 344,247                 | IT SEZ             | Completed          |
| 13. | Club House          | 6,771                   | -                  | Completed          |
| 14. | Building 15         | 800,000                 | Non SEZ IT         | Future Development |
| 15. | High Street Retail  | 45,908                  | Non SEZ Commercial | Under-Construction |
| 16. | Hotel + Office      | 799,632                 |                    | Under-Construction |
|     | Total Leasable Area | 6,420,121               |                    |                    |

Source: Client, 31 March 2024

*Note: Total leasable area for the property may vary from the architect certificate. The change in area is in accordance with the Lease Deeds/ Leave and License Agreements*

In addition to the above, the undivided rights, title and interest in the following assets are also part of the Project.

- Amenities and infrastructure
- Total utility areas and internal roads
- Total open spaces

The table on the following page presents key asset specific information.

**Table 4.16: Key Asset Specific Information of the Project – Completed Buildings**

| PARTICULARS  | DESCRIPTION  |                       |                       |
|--|--|-----------------------|-----------------------|
| Name of the Entity   | Mindspace Business Parks Private Limited   |                       |                       |
| Interest owned by Mindspace REIT                           | The underlying land is on leasehold basis from Maharashtra Industrial Development Corporation (MIDC); the buildings thereupon are wholly owned by Mindspace Business Parks Private Limited which is 100% owned and controlled by the Mindspace REIT  |                       |                       |
| Land Extent  | Total Plot Area: ~50.1 acres   |                       |                       |
| Asset Type   | IT Park with SEZ buildings   |                       |                       |
| Sub-Market   | Navi Mumbai  |                       |                       |
| Approved and Existing Usage                                | IT SEZ   |                       |                       |
| Age of Building based on the Date of Occupancy Certificate | Sl.  | Building Name         | Age of the building   |
|  | 1.   | Building 1 – Office   | 11 years and 8 months |
|  | 2.   | Building 2 – Office   | 12 years and 7 months |
|  | 3.   | Building 3 – Office   | 14 years and 2 months |
|  | 4.   | Building 4 – Office   | 12 years and 2 months |
|  | 5.   | Building 5&6 – Office | 13 years and 3 months |
|  | 6.   | Building 7 – Office   | 14 years              |
|  | 7.   | Building 8 – Office   | 15 years and 6 months |
|  | 8.   | Building 9 – Office   | 11 years and 3 months |
|  | 9.   | Building 10 – Office  | 10 years and 9 months |
|  | 10.  | Building 11 – Office  | 10 years and 8 months |
|  | 11.  | Building 12 – Office  | 9 years and 4 months  |
|  | 12.  | Building 14 – Office  | 14 years              |
|  | 13.  | Club House            | 10 years and 3 months |
| Current Status   | Buildings 1, 2, 3, 4, 5&6, 7, 8, 9, 10, 11, 12, 14 and Club House - Completed and Operational  |                       |                       |
| Freehold / Leasehold                                       | The underlying land of the Project Site is held as leasehold from MIDC, which lease is valid for a term of 99 years from 1st August, 1964. Further, the company has right to renew the lease for a period of 99 years upon the terms and conditions therein. Given that the purpose and obligations associated with lease of the underlying land has essentially been achieved, the likelihood of lease getting cancelled or not renewed at the end of the tenure is negligible. Thus, no specific adjustments are required to be made <b>towards the legal tenure of underlying land's ownership.</b> |                       |                       |
| Leasable Area  | 4.77 million sq. ft  |                       |                       |
| Occupied Area  | 3.47 million sq. ft  |                       |                       |

|                     |                     |
|---------------------|---------------------|
| Committed Area      | 3.93 million sq. ft |
| Occupancy           | 72.7%               |
| Committed Occupancy | 82.2%               |
| Number of Tenants   | 26                  |

**Table 4.17: Key Asset Specific Information of the Project – Under Construction / Future Developments**

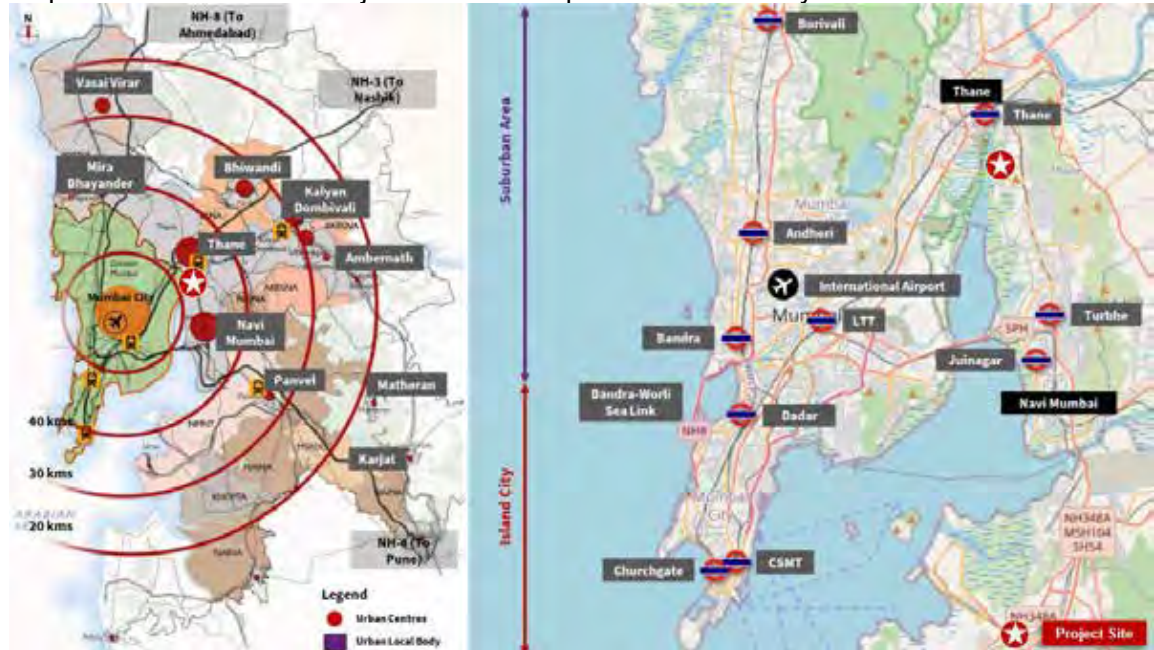
| Particulars  | Description  |                     |               |                     |    |                               |                    |    |                                   |                    |    |                         |                    |
|--|--|---------------------|---------------|---------------------|----|-------------------------------|--------------------|----|-----------------------------------|--------------------|----|-------------------------|--------------------|
| Name of the Entity   | Mindspace Business Parks Private Limited   |                     |               |                     |    |                               |                    |    |                                   |                    |    |                         |                    |
| Interest owned by Mindspace REIT                           | The underlying land is on leasehold basis from MIDC; the buildings thereupon are wholly owned by Mindspace Business Parks Private Limited which is 100% owned and controlled by the Mindspace REIT <sup>1</sup>  |                     |               |                     |    |                               |                    |    |                                   |                    |    |                         |                    |
| Expected completion date of construction                   | Building 15 – Q1 FY28<br>High Street Retail – Q1 FY25<br>Hotel + Office Building – Office Portion by Q4 FY27 & Hotel portion by Q2 FY28  |                     |               |                     |    |                               |                    |    |                                   |                    |    |                         |                    |
| Asset Type   | Proposed Non SEZ buildings   |                     |               |                     |    |                               |                    |    |                                   |                    |    |                         |                    |
| Sub-Market   | Navi Mumbai  |                     |               |                     |    |                               |                    |    |                                   |                    |    |                         |                    |
| Approved Usage   | Non SEZ IT (Building 15) and Non SEZ Commercial (High Street Retail)   |                     |               |                     |    |                               |                    |    |                                   |                    |    |                         |                    |
| Age of Building based on the Date of Occupancy Certificate | <table><tr><th>Sl.</th><th>Building Name</th><th>Age of the Building</th></tr><tr><td>1.</td><td>Building 15 – Office building</td><td>Future Development</td></tr><tr><td>2.</td><td>Retail Space – High Street Retail</td><td>Under Construction</td></tr><tr><td>3.</td><td>Hotel + Office Building</td><td>Under Construction</td></tr></table>  | Sl.                 | Building Name | Age of the Building | 1. | Building 15 – Office building | Future Development | 2. | Retail Space – High Street Retail | Under Construction | 3. | Hotel + Office Building | Under Construction |
| Sl.  | Building Name  | Age of the Building |               |                     |    |                               |                    |    |                                   |                    |    |                         |                    |
| 1.   | Building 15 – Office building  | Future Development  |               |                     |    |                               |                    |    |                                   |                    |    |                         |                    |
| 2.   | Retail Space – High Street Retail  | Under Construction  |               |                     |    |                               |                    |    |                                   |                    |    |                         |                    |
| 3.   | Hotel + Office Building  | Under Construction  |               |                     |    |                               |                    |    |                                   |                    |    |                         |                    |
| Land Area  | Not Applicable   |                     |               |                     |    |                               |                    |    |                                   |                    |    |                         |                    |
| Current Status   | Office Building 15 – Future Development, yet to commence construction.<br>High Street Retail – RCC works completed, Finishing work in progress.<br>Hotel + Office Building – Under Construction (Approvals in Progress)  |                     |               |                     |    |                               |                    |    |                                   |                    |    |                         |                    |
| Approvals Status   | List of approvals are specified in Annexure  |                     |               |                     |    |                               |                    |    |                                   |                    |    |                         |                    |
| Freehold / Leasehold                                       | The underlying land of the Project Site is held as leasehold from MIDC, which lease is valid for a term of 99 years from 1st August, 1964. Further, the company has right to renew the lease for a period of 99 years upon the terms and conditions therein. Given that the purpose and obligations associated with lease of the underlying land has essentially been achieved, the likelihood of lease getting cancelled or not renewed at the end of the tenure is negligible. Thus, no specific adjustments are required to be made <b>towards the legal tenure of underlying land's ownership.</b> |                     |               |                     |    |                               |                    |    |                                   |                    |    |                         |                    |
| Leasable Area  | 1.60 million sq. ft  |                     |               |                     |    |                               |                    |    |                                   |                    |    |                         |                    |
| Occupied Area  | Not Applicable   |                     |               |                     |    |                               |                    |    |                                   |                    |    |                         |                    |
| Occupancy  | Not Applicable   |                     |               |                     |    |                               |                    |    |                                   |                    |    |                         |                    |
| Committed Occupancy  | Not Applicable   |                     |               |                     |    |                               |                    |    |                                   |                    |    |                         |                    |

Note: Only the currently formulated development potential of 1.6 million sq. ft (including the under construction / future developments, Building 15, office / hotel mixed use building and High Street Retail) have been considered for the purpose of valuation.

#### 4.4.3 LOCATION OF THE PROJECT

The Project Site is strategically located along the Thane-Belapur Road in the Thane-Belapur Road micro market of Navi Mumbai in the vicinity of Mumbai city and Thane. It is located at a distance of about 1.5 km from the Airoli Suburban Railway Station and about 15 km from the Eastern Express Highway. It is also situated near the upcoming Navi Mumbai International Airport. The map below presents the location of the Project with respect to the city.

Map 4.4: Location of the Project Site with respect to Mumbai City



Source: Real Estate Market Research & Analysis; JLL, 31 March 2024

The distance of the Project from major landmarks in the city is given in the table below.

Table 4.18: Distances of the Project from Major Landmarks in the City

| Location / Landmark               | Approximate Distance from Project Site (km) |
|-----------------------------------|---|
| Airoli Railway Station            | 1.5   |
| Airoli Circle                     | 3.2   |
| Mindspace Airoli West             | 4.0   |
| Eastern Express Highway           | 15.0  |
| Navi Mumbai International Airport | 28.0  |

Source: Real Estate Market Research & Analysis; JLL, 31 March 2024

#### 4.4.4 KEY ASSUMPTIONS AND INPUTS

| Particulars                                  | Unit          | Information   |
|--|---------------|---|
| Revenue Assumptions (as on 31/03/2024)       |               |   |
| Current Effective Rent                       | INR/sq ft/mth | 62.9  |
| Achievable Market Rent                       |               |   |
| Warm Shell                                   | INR/sq ft/mth | 61.95   |
| Highstreet                                   | INR/sq ft/mth | 66.15   |
| F&B  | INR/sq ft/mth | 141.75  |
| Kiosk  | INR/sq ft/mth | 262.50  |
| Parking Charges                              | INR/bay/mth   | 1,575   |
| Development Assumptions                      |               |   |
| Remaining Capital Expenditure                | INR Million   | For Completed Buildings<br>Upgrade Capex: 160<br>For Under-Construction Buildings / Future Development<br>CAPEX (B15): 5,015 <sup>1</sup><br>CAPEX (Highstreet): 115 <sup>2</sup><br>CAPEX (Hotel + Office): 5,143 <sup>3</sup> |
| Expected Completion                          | Qtr, Year     | For Completed Buildings<br>Upgradation: Q4 FY25<br>For Under-Construction Buildings / Future Development<br>CAPEX (B15): Q1 FY28<br>CAPEX (Highstreet): Q1 FY25<br>CAPEX (Hotel + Office): Q2 FY28                              |
| Other Financial Assumptions                  |               |   |
| Cap Rate                                     | %             | 8.00  |
| WACC (Complete/Operational)                  | %             | 11.75   |
| WACC (Under-construction/Future Development) | %             | 13.00   |

NA: Not Applicable

<sup>1</sup> Building 15 represents Construction cost to be incurred INR 4,000 Million excluding PSS (Project Support Services) cost and approval costs

<sup>2</sup> Building Highstreet represents Construction cost to be incurred INR 115 Million excluding PSS (Project Support Services) cost and approval costs

<sup>3</sup> Hotel + Office represents Construction cost to be incurred INR 4,332 Million excluding PSS (Project Support Services) cost and approval costs

#### 4.4.5 POWER DISTRIBUTION SERVICES

In accordance with Section 14 (b) of the Electricity Act, 2003 read with Section 4(1) of the SEZ Act, 2005, entities that own and operate SEZ Parks are considered Deemed Distribution Licensee for supplying electricity to consumers within the SEZ area. Pursuant to the above regulations, MBPPL also has the license to distribute power within the Subject Property.

The SPV has invested in the infrastructure to facilitate the distribution of the power to the customers (occupiers and operators within the subject properties). It procures power from Power generators supplying to the grid and then distribute it to the end consumers within the Project Site. The SPV is not allowed to expand the power distribution outside the limits of the SEZ, i.e., the Project Site in this case



#### 4.4.6 ADOPTED METHODOLOGY FOR POWER DISTRIBUTION SERVICES

Referring to the commission's latest order for the operational facility, the cash flows from the power distribution services are projected in the following manner:

- Amount of approved Gross Fixed Assets ("GFA") is considered
- Further, Net Fixed Asset (NFA) which is GFA reduced by accumulated depreciation allowed as on date is computed.
- To compute the Net Cashflows, mainly return on equity, interest on notational debt, recovery of depreciation, interest on working capital have been added.
- Licensee is allowed to charge 14% return on equity which is 30% of GFA. In case of no actual loan, the commission allows a return on normative loan equal to 70% of GFA based on MYT regulations 2019. SLM (Straight Line Method) is considered for depreciation, as per the average rate approved by the commission. Depreciation is considered to the extent of 90% of the GFA.
- Approved power procurement, operational and maintenance expenses are allowed completely pass through.

#### 4.4.7 KEY ASSUMPTIONS AND INPUTS FOR POWER DISTRIBUTION SERVICES

Following are the key details as per the Commission order dated 31 March 2024:

Table 4.19 Key Assumptions Used for Power Distribution Services

| Particulars                                 | Unit        | Figure           |
|---|-------------|------------------|
| Gross Fixed Assets                          | INR Mn      | 524              |
| Notional Equity (30% of GFA)                | INR Mn      | 157              |
| Notional Debt as on March 2024 (70% of GFA) | INR Mn      | 367              |
| Return on Equity                            | %           | 14%              |
| Depreciation Rate                           | % Per annum | 5.3%             |
| License End Date                            | Date        | 03 November 2032 |
| WACC  | %           | 10.5%            |

#### 4.4.8 MARKET VALUE

We are of opinion that the Market Value of the Project Mindspace Airoli East located in Navi Mumbai, Maharashtra, India as on 31 March 2024, is estimated to be:

**For Completed Project - INR 44,990.22 million** (INR Forty Four Billion Nine Hundred Ninety Million Two Hundred Twenty Thousand Only)

**For Under construction, and Future development - INR 2,099.86 million** (INR Two Billion Ninety Nine Million Eight Hundred Sixty Thousand Only)

**For Power Distribution Business, Mindspace Airoli, East, Navi Mumbai, Maharashtra, India INR 433.77 million** (INR Four Hundred Thirty Three Million Nine Hundred and Seventy Thousand Only)

*Note: Based on the inputs provided by client, Mindspace REIT holds 100% of the ownership interest in the project. The total value of the asset with 100% interest is INR 47,523.86 million (INR Forty Seven Billion Five Hundred Twenty Three Million Eight Hundred Sixty Thousand Only)*

## 4.5 MINDSPACE AIROLI WEST, MUMBAI

### 4.5.1 DETAILS OF THE PROJECT SITE AND / OR PROJECT

The table below presents details of the Project Site and/or Project.

Table 4.20: Details of the Project Site and/or Project

| DETAILS OF PROPERTY                                     |   |                         |
|---|---|-------------------------|
| Property Name   | Mindspace Airoli West, Navi Mumbai, Maharashtra, India  |                         |
| Property Address  | Special Economic Zone, Plot No. IT-5, Airoli Knowledge Park, TTC Industrial Area, Villages Airoli and Dighe, Thane 400710   |                         |
| Land Area   | ~ 50.0 Acres  |                         |
| Block-Wise Break-Up of Leasable Area and Current Status | Leasable area details as shared by the Client is given below:   |                         |
|   |   |                         |
|   | Building Name   | Leasable Area (sq. ft.) |
|   | 1. Building 1 - Office Building Completed   | 420,175                 |
|   | 2. Building 2 - Office Building Completed   | 721,112                 |
|   | 3. Building 3 - Office Building Completed   | 756,226                 |
|   | 4. Building 4 - Office Building Completed   | 834,747                 |
|   | 5. Building 5 - Office Building Completed   | 416,094                 |
|   | 6. Building 6 - Office Building Completed   | 391,777                 |
|   | 7. Building 8 - Data Centre Under Construction  | 315,110                 |
|   | 8. Building 9 - Office Building Completed   | 1,095,094               |
|   | 9. Building 10 - Data Centre Completed  | 315,110                 |
|   | 10. Centre Court - Completed  | 796                     |
|   | Total Leasable Area   | 5,266,242               |
|   | Based on site inspection, it was found that all the office blocks, center court and one data centre (Building B10) are completed and fully operational. The construction of data centre building B8 is underway and is scheduled to finish by Q4 FY25 |                         |
|   | Details of the Project in terms of Land Earmarked for Future Development:   |                         |
|   |   |                         |
|   | Land Parcels  | Land Area (Acres.)      |
|   | 1. Land Parcel 1 – (For future development)   | 6.42                    |
|   | 2. Land Parcel 2 – (For future development)   | 1.96                    |
|   | Total Land Area   | 8.38                    |
| Access  | Accessible through Airoli Knowledge Park Road   |                         |
| Frontage  | Excellent frontage along Airoli Knowledge Park Road   |                         |
| Shape and Visibility                                    | Regular in shape. Relatively flat terrain. Excellent visibility from Airoli Knowledge Park Road   |                         |
| Approval Status   | List of approvals already in place  |                         |

| INFRASTRUCTURE                    |                              |
|-----------------------------------|------------------------------|
| Water Supply, Sewerage & Drainage | Available within the Project |
| Power & Telecommunication         | Available within the Project |

#### 4.5.2 DESCRIPTION OF THE PROJECT

The property is Grade A, IT, SEZ and Non-SEZ park developed as commercial / office space with data center which comprises of ~ 5.2 Mn. sq. ft of total leasable area as per the occupancy certificate and/or leases signed and is spread across ~50 acres of Land Parcel. The property includes eight(8) buildings (B1, B2, B3, B4, B5, B6, B9 & B10) out of which five(5) of them are IT SEZ buildings whereas Building 1 (B1), Building 9 (B9) & Building 10 (B10) are IT Non-SEZ buildings. It also includes one (1) centre court. Future development includes IT Non-SEZ data centre building (B8), 6.42 acres and 1.96 acres land parcels.

The topography of the project features terrain that is relatively flat and has a regular shape. It has excellent frontage along the access road. The property is surrounded by commercial office spaces followed by residential and industrial developments in the vicinity. The following table presents details of the Project in terms of buildings and leasable area.

Table 4.21: Details of the Project in terms of Buildings and Leasable Area

| Sl. | Building Name       | Leasable Area (sq. ft.) | Usage   | Status             |
|-----|---------------------|-------------------------|---------|--------------------|
| 1.  | Building 1          | 420,175                 | Non-SEZ | Completed          |
| 2.  | Building 2          | 721,112                 | SEZ     | Completed          |
| 3.  | Building 3          | 756,226                 | SEZ     | Completed          |
| 4.  | Building 4          | 834,747                 | SEZ     | Completed          |
| 5.  | Building 5          | 416,094                 | SEZ     | Completed          |
| 6.  | Building 6          | 391,777                 | SEZ     | Completed          |
| 7.  | Building 8          | 315,110                 | Non-SEZ | Under-Construction |
| 8.  | Building 9          | 1,095,094               | Non-SEZ | Completed          |
| 9.  | Building 10         | 315,110                 | Non-SEZ | Completed          |
| 10. | Centre Court        | 796                     | Non-SEZ | Completed          |
|     | Total Leasable Area | 5,266,242               |         |                    |

Source: Client, 31 March 2024

*Note: Total leasable area for the property may vary from the architect certificate. The change in area is in accordance with the Lease Deeds/ Leave and License Agreements*

Table 4.22: Details of the Project in terms of Land Earmarked for Future Development:

| Sl. | Land Parcels                             | Land Area (Acres.) |
|-----|--|--------------------|
| 1.  | Land Parcel 1 – (For future development) | 6.42               |
| 2.  | Land Parcel 2 – (For future development) | 1.96               |
|     | Total Land Area                          | 8.38               |

Source: Client, 31 March 2024

In addition to the above, the undivided rights, title and interest in the following assets are also part of the Project.

- Amenities
- Total utility areas and internal roads.
- Total open spaces.

The table below presents key asset specific information.

**Table 4.23: Key Asset Specific Information of the Completed Project**

|  |   |                              |                      |
|--|---|------------------------------|----------------------|
| Particulars  | Description   |                              |                      |
| Name of the Entity   | Gigaplex Estate Private Limited   |                              |                      |
| Interest owned by Mindspace REIT                           | Project is wholly owned by Gigaplex Estate Private Limited which is 100% owned and controlled by the Mindspace REIT   |                              |                      |
| Total Land Extent  | ~ 50.0 acres  |                              |                      |
| Asset Type   | IT SEZ and Non-SEZ Park   |                              |                      |
| Sub-Market   | Thane-Belapur Road  |                              |                      |
| Approved and Existing Usage                                | IT SEZ and Non-SEZ Park   |                              |                      |
| Age of Building based on the Date of Occupancy Certificate | Sl.   | Building Name                | Age of the Building  |
|  | 1.  | Building 1 – Office Building | 10 years 6 months    |
|  | 2.  | Building 2 – Office Building | 7 years 6 months     |
|  | 3.  | Building 3 – Office Building | 7 years 2 months     |
|  | 4.  | Building 4 – Office Building | 5 years 9 months     |
|  | 5.  | Building 5 – Office Building | 9 years 8 months     |
|  | 6.  | Building 6 – Office Building | 8 years 6 months     |
|  | 7.  | Building 9 – Office Building | 2 years 9 months     |
|  | 8.  | Building 10 – Data Centre    | 1 year 3 months      |
|  | 9.  | Centre Court                 | 5 years and 8 months |
| Note: (1) – From date of receipt of first OC               |   |                              |                      |
| Current Status   | Office Buildings (B1, B2, B3, B4, B5, B6, B9), Data Centre (Building B10) and Centre Court are Completed and Operational. Client has obtained occupation certificate for entire office building (B1,B2,B3,B4,B5,B6 & B9) and data center building (B10) .   |                              |                      |
| Freehold/Leasehold   | The Project Site land is leasehold (admeasuring 202,300 sq. mtrs. in Airoli, Navi Mumbai) leased from Maharashtra Industrial Development Corporation ('MIDC'). The lease is valid for a term of 95 years from 1st June 2007, and shall expire on 31st May, 2102. Further, the company has right to renew the lease for a period of 95 years upon the terms and conditions therein including payment of premium. Since the purpose and obligations associated with the lease have been fulfilled, the likelihood of the lease getting cancelled or not renewed at the end of the tenure is very low. Therefore, no adjustments need to be made to the legal tenure of the underlying land's ownership. |                              |                      |
| Leasable Area  | ~ 5.0 million sq. ft.   |                              |                      |
| Occupied Area  | ~ 3.5 million sq. ft.   |                              |                      |
| Committed Area   | ~ 4.0 million sq. ft.   |                              |                      |

| Particulars         | Description |
|---------------------|-------------|
| Occupancy           | 70.1%       |
| Committed Occupancy | 80.0%       |
| Number of Tenants   | 55          |

Source: Client, 31 March 2024

**Table 4.24: Key Asset Specific Information for Under-construction**

|  |  |                          |                     |
|--|--|--------------------------|---------------------|
| Particulars  | Description  |                          |                     |
| Name of the Entity   | Gigaplex Estate Private Limited  |                          |                     |
| Interest owned by Mindspace REIT                           | Project is wholly owned by Gigaplex Estate Private Limited which is 100% owned and controlled by the Mindspace REIT  |                          |                     |
| Total Land Extent  | ~ 50.0 acres   |                          |                     |
| Asset Type   | Non-SEZ Building   |                          |                     |
| Sub-Market   | Thane-Belapur  |                          |                     |
| Approved and Existing Usage                                | IT Non-SEZ   |                          |                     |
| Age of Building based on the Date of Occupancy Certificate | Sl.  | Building Name            | Age of the Building |
|  | 1.   | Building 8 – Data Centre | Under Construction  |
| Current Status   | The under construction building B8 is expected to be completed by Q4 FY25  |                          |                     |
| Freehold/Leasehold   | The Project Site land is leasehold (admeasuring 202,300 sq. mtrs. in Airoli, Navi Mumbai) leased from Maharashtra Industrial Development Corporation ('MIDC'). The lease is valid for a term of 95 years from 1st June, 2007, and shall expire on 31st May, 2102. Further, the company has right to renew the lease for a period of 95 years upon the terms and conditions therein including payment of premium. Since the purpose and obligations associated with the lease have been fulfilled, the likelihood of the lease getting cancelled or not renewed at the end of the tenure is very low. Therefore, no adjustments need to be made to the legal tenure of the underlying land's ownership. |                          |                     |
| Leasable Area  | 0.3 Mn sq.ft   |                          |                     |
| Occupied Area  | Not applicable as the building in under-construction   |                          |                     |
| Committed Area   | 0.3 Mn sq.ft   |                          |                     |
| Occupancy  | Not applicable as the building in under-construction   |                          |                     |
| Committed Occupancy  | 100%   |                          |                     |
| Number of Tenants  | 1  |                          |                     |

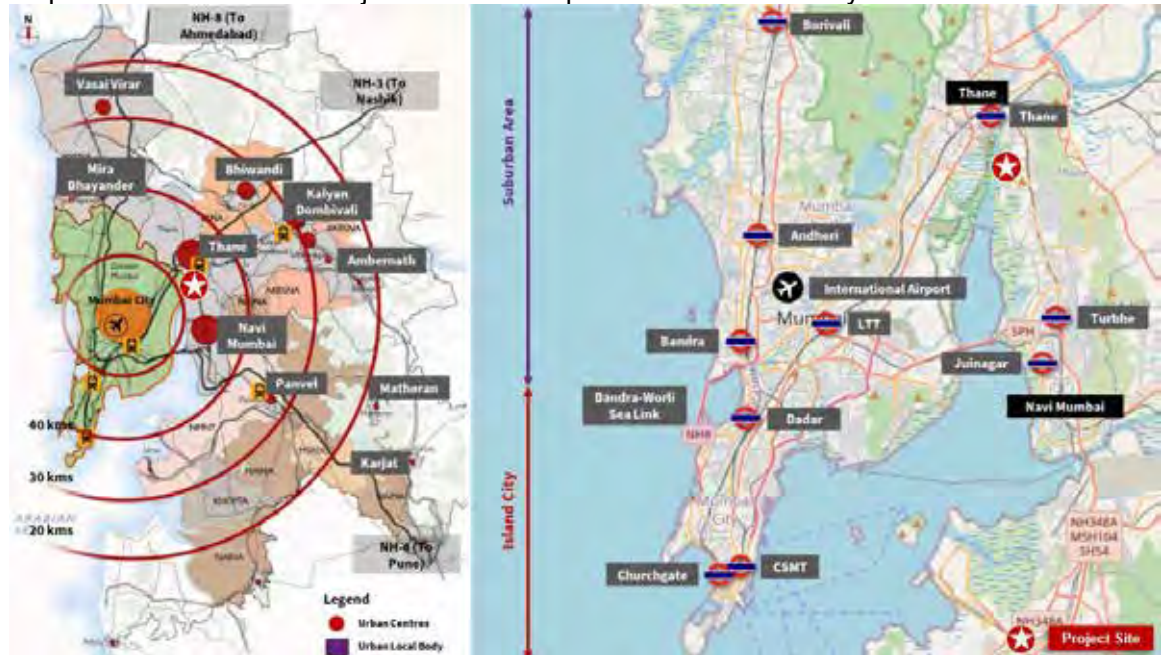
Source: Client, 31 March 2024

**4.5.3 LOCATION OF THE PROJECT**

The property is strategically located in the Thane-Belpaur Road micro market of MMR region along the Airoli Knowledge Park Road which connects to Thane Belapur Road. It is located at a distance of about 2.0 km from Dighe Railway Station and 3.8 km from the Airoli Railway Station. It is also situated near to the upcoming Navi Mumbai International Airport. The map on the following page presents the location of the Project with respect to the city.



Map 4.5: Location of the Project Site with respect to the Mumbai City



Source: Real Estate Market Research & Analysis; JLL, 31 March 2024

The distance of the Project from major landmarks in the city is given in the table below.

Table 4.25: Distances of the Project from Major Landmarks in the City

| Location / Landmark               | Approximate Distance from Project Site (km) |
|-----------------------------------|---|
| Navi Mumbai International Airport | 24.0  |
| Airoli Railway Station            | 3.8   |
| Dighe Railway Station             | 2.0   |
| Mindspace Airoli East             | 4.0   |
| Airoli Circle                     | 3.4   |

Source: Real Estate Market Research & Analysis; JLL, 31 March 2024

#### 4.5.4 KEY ASSUMPTIONS AND INPUTS

| Particulars                            | Unit          | Information   |
|--|---------------|---|
| Revenue Assumptions (as on 31/03/2024) |               |   |
| Current Effective Rent                 | INR/sq ft/mth | ~60   |
| Achievable Market Rent for FY 25       |               |   |
| Warm Shell                             | INR/sq ft/mth | 59  |
| Food Court                             | INR/sq ft/mth | 70  |
| Kiosk                                  | INR/sq ft/mth | 337   |
| Parking Charges                        | INR/bay/mth   | 2,100   |
| Development Assumptions                |               |   |
| Remaining Capital Expenditure          | INR Million   | Upgrade Capex: 178<br>Under-construction/ Future Development (Bldg 8): 1,025 <sup>1</sup> |
| Expected Completion                    | Qtr, Year     | Upgrade Capex: Q4 FY25<br>Under-construction/ Future Development (Bldg 8): Q4 FY25        |

| Particulars                                  | Unit | Information |
|--|------|-------------|
| Other Financial Assumptions                  |      |             |
| Cap Rate                                     | %    | 8.00        |
| WACC (Complete/Operational)                  | %    | 11.75       |
| WACC (Under-construction/Future Development) | %    | 13.00       |

NA: Not Applicable

Source: Client, 31 March 2024

1 Includes construction costs of INR 889 Mn and INR 136 Mn PSS / Approval costs.

#### 4.5.5 POWER DISTRIBUTION SERVICES

In accordance with Section 14 (b) of the Electricity Act, 2003 read with Section 4(1) of the SEZ Act, 2005, entities that own and operate SEZ Parks are considered Deemed Distribution Licensee for supplying electricity to consumers within the SEZ area. Pursuant to the above regulations, Gigaplex Estate Private Limited also has the license to distribute power within the Project Site.

The SPV has invested in the infrastructure to facilitate the distribution of the power to the customers (occupiers and operators within the subject properties). It procures power from Power generators supplying to the grid and then distribute it to the end consumers within the Project Site . The SPV is not allowed to expand the power distribution outside the limits of the SEZ, i.e., the Project Site in this case.

#### 4.5.6 ADOPTED METHODOLOGY FOR POWER DISTRIBUTION SERVICES

Referring to the commission's latest order for the operational facility, the cash flows from the power distribution services are projected in the following manner:

- Amount of approved Gross Fixed Assets ("GFA") is considered
- Further, Net Fixed Asset (NFA) which is GFA reduced by accumulated depreciation allowed as on date is computed.
- To compute the Net Cashflows, mainly return on equity, interest on notational debt, recovery of depreciation, interest on working capital have been added.
- Licensee is allowed to charge 14% return on equity which is 30% of GFA. In case of no actual loan, the commission allows a return on normative loan equal to 70% of GFA based on MYT regulations 2019. SLM (Straight Line Method) is considered for depreciation, as per the average rate approved by the commission. Depreciation is considered to the extent of 90% of the GFA.
- Approved power procurement, operational and maintenance expenses are allowed completely pass through.

#### 4.5.7 KEY ASSUMPTIONS AND INPUTS FOR POWER DISTRIBUTION SERVICES

Following are the key details as per the Commission order dated 31 March 2024:

Table 4.26 Key Assumptions Used for Power Distribution Services

| Particulars                                 | Unit        | Figure       |
|---|-------------|--------------|
| Gross Fixed Assets                          | INR Mn      | 313          |
| Notional Equity (30% of GFA)                | INR Mn      | 94           |
| Notional Debt as on March 2024 (70% of GFA) | INR Mn      | 219          |
| Return on Equity                            | %           | 14%          |
| Depreciation Rate                           | % Per annum | 5.3%         |
| License End Date                            | Date        | 12 June 2038 |
| WACC  | %           | 10.5%        |

#### **4.5.8 MARKET VALUE**

We are of opinion that the Market Value of the Project Mindspace Airoli West located in Navi Mumbai, Maharashtra, India as on 31 March 2024, is estimated to be:

**For Completed Project - INR 44,488.02 million** (INR Forty-Four Billion Four Hundred Eighty-Eight Million Twenty Thousand Only)

**For Under construction, Future development, and land projects INR 3,091.19 million** (INR Three Billion Ninety-One Million One Hundred Ninety Thousand Only)

**For Power Distribution Business, Airoli West, Navi Mumbai, Maharashtra, India INR 441.57 million** (INR Four Hundred Forty-One Million Five Hundred Seventy Thousand Only)

*Note: Based on the inputs provided by client, Mindspace REIT holds 100% of the ownership interest in the project. The total value of the asset with 100% interest is INR 48,020.78 million (INR Forty-Eight Billion Twenty Million Seven Hundred Eighty Thousand Only)*

## 4.6 PARADIGM MINDSPACE MALAD, MUMBAI

### 4.6.1 DETAILS OF THE PROJECT SITE AND / OR PROJECT

The table below presents details of the Project Site and/or Project.

Table 4.27: Details of the Project Site and/or Project

| DETAILS OF PROPERTY  |  |                          |
|--|--|--------------------------|
| Property Name  | Paradigm Mindspace Malad, Mumbai, Maharashtra, India   |                          |
| Property Address   | Paradigm S. No. 1406A\18, Mindspace, Link Road, Malad, (West), Mumbai 400064   |                          |
| Land Area  | ~4.2 acres   |                          |
| Block-Wise Break-Up of Leasable Area and Current Status  | Leasable area details as shared by the Client is given below:  |                          |
|  | Sl.  | Building Name            |
|  | 1.   | Paradigm A – IT Building |
|  | 2.   | Paradigm B – IT Building |
|  |  | Total Leasable Area      |
|  | Leasable Area (sq. ft.)  |                          |
|  | 385,111  |                          |
| 368,171  |  |                          |
| 753,282  |  |                          |
| Based on the site inspection, all blocks are operational. There are no under-construction buildings within the property. |  |                          |
| Access   | Accessible through approx. 15m wide Zakeria Road   |                          |
| Frontage   | Approximately 160 m. frontage along Zakeria Road   |                          |
| Shape and Visibility   | The topography of the project features terrain that is relatively flat and is regular in shape. It has excellent visibility from Zakeria Road. |                          |
| Approval Status  | Project has requisite approvals in place as confirmed by the Client.   |                          |
| INFRASTRUCTURE   |  |                          |
| Water Supply, Sewerage & Drainage  | Available within the Project   |                          |
| Power & Telecommunication  | Available within the Project   |                          |

### 4.6.2 DESCRIPTION OF THE PROJECT

As stated earlier, the Project has total leasable area of 753,282 sq. ft as per the occupancy certificate and/or leases signed and is spread across two (2) buildings (Paradigm A and B). All building blocks are completed and operational and are Non SEZ buildings. The topography of the project features terrain that is relatively flat and is regular in shape. The Project is predominantly surrounded by commercial, residential and hospitality developments in the vicinity. Grade A commercial / office developments and premium residential developments are also present in the micro market.

The table on the following page presents details of the Project in terms of buildings and leasable area.

Table 4.28: Details of the Project in terms of Buildings and Leasable Area

| Sl. | Building Name       | Leasable Area (sq. ft.) | Usage Type | Status    |
|-----|---------------------|-------------------------|------------|-----------|
| 1.  | Paradigm A          | 385,111                 | Non SEZ    | Completed |
| 2.  | Paradigm B          | 368,171                 | Non SEZ    | Completed |
|     | Total Leasable Area | 753,282                 |            |           |

Source: Client, 31 March 2024

Note: Total leasable area for the property may vary from the architect certificate. The change in area is in accordance with the Lease Deeds/ Leave and License Agreements

In addition to the above, the undivided rights, title and interest in the following assets are also part of the Project.

- Amenities
- Total utility areas and internal roads
- Total open spaces

The table below presents key asset specific information.

Table 4.29: Key Asset Specific Information of the Project

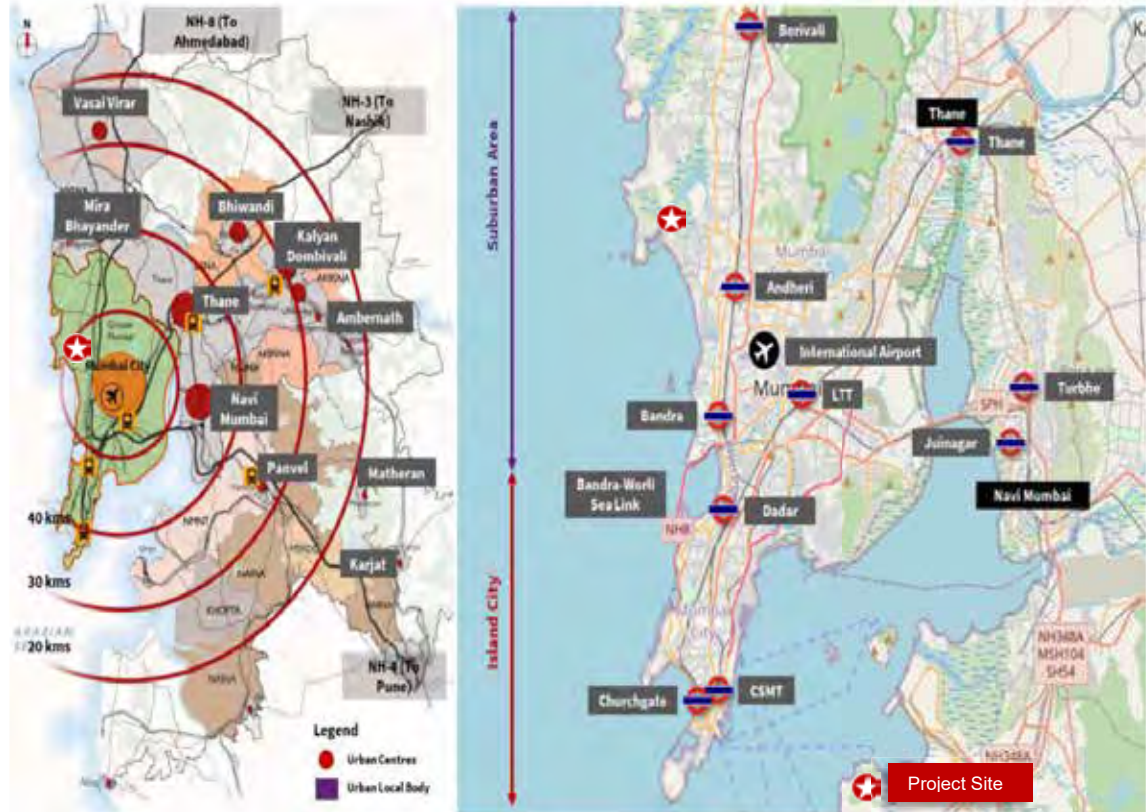
|  |   |               |                     |  |
|--|---|---------------|---------------------|--|
| Particulars  | Description   |               |                     |  |
| Name of the Entity   | Avocado Properties and Trading (India) Private Limited  |               |                     |  |
| Interest owned by Mindspace REIT                           | Project Site is wholly owned by Avocado Properties and Trading (India) Private Limited which is 100% owned and controlled by the Mindspace REIT |               |                     |  |
| Land Extent  | ~4.2 acres  |               |                     |  |
| Asset Type   | IT Park with Non SEZ buildings  |               |                     |  |
| Sub-Market   | Western Suburbs   |               |                     |  |
| Approved and Existing Usage                                | IT Non SEZ  |               |                     |  |
| Age of Building based on the Date of Occupancy Certificate | Sl.   | Building Name | Age of the Building |  |
|  | 1.  | Paradigm A    | 19 years 7 month    |  |
|  | 2.  | Paradigm B    | 19 years 7 month    |  |
| Current Status   | IT Building – Completed and Operational   |               |                     |  |
| Freehold / Leasehold                                       | The underlying land is taken on freehold basis  |               |                     |  |
| Leasable Area  | 0.75 million sq. ft   |               |                     |  |
| Occupied Area  | 0.75 million sq. ft   |               |                     |  |
| Committed Area   | 0.75 million sq. ft   |               |                     |  |
| Occupancy  | 99.6%   |               |                     |  |
| Committed Occupancy  | 99.6%   |               |                     |  |
| Number of Tenants  | 11  |               |                     |  |



### 4.6.3 LOCATION OF THE PROJECT

The property is located in the north-western part, in the Western Suburbs micro market of Mumbai City off the New Link Road. It is located at a distance of about 2.0 km from the Malad Suburban Railway Station, about 4.0 km from the Western Express Highway and about 2 km from Inorbit Mall Malad. Map 4.6 presents the location of the Project with respect to the city.

Map 4.6: Location of the Project Site with respect to Mumbai City



Source: Real Estate Market Research & Analysis; JLL, 31 March 2024

The distance of the Project from major landmarks in the city is given in the table below.

Table 4.30: Distances of the Project from Major Landmarks in the City

| Location / Landmark            | Approximate Distance from Project Site (km) |
|--------------------------------|---|
| Malad Suburban Railway Station | 2.0   |
| Mumbai International Airport   | 15.5  |
| Western Express Highway        | 4.0   |
| Inorbit Mall Malad             | 2.0   |

Source: Real Estate Market Research & Analysis; JLL, 31 March 2024

### 4.6.4 KEY ASSUMPTIONS AND INPUTS

| Particulars                            | Unit          | Information |
|--|---------------|-------------|
| Revenue Assumptions (as on 31/03/2024) |               |             |
| Current Effective Rent                 | INR/sq ft/mth | 96.6        |
| Achievable Market Rent                 |               |             |
| Warm Shell                             | INR/sq ft/mth | 96.6        |
| Food Court                             | INR/sq ft/mth | 115.5       |
| Parking Charges                        | INR/bay/mth   | 5,250       |

| Particulars                                  | Unit        | Information             |
|--|-------------|-------------------------|
| Development Assumptions                      |             |                         |
| Remaining Capital Expenditure                | INR Million | Upgrade Capex: 81       |
| Expected Completion                          | Qtr, Year   | Upgrade Capex: Q4 FY 25 |
| Other Financial Assumptions                  |             |                         |
| Cap Rate                                     | %           | 8.00                    |
| WACC (Complete/Operational)                  | %           | 11.75                   |
| WACC (Under-construction/Future Development) | %           | NA                      |

NA: Not Applicable

#### 4.6.5 MARKET VALUE

We are of opinion that the Market Value of the Project Paradigm Mindspace Malad located in Mumbai, Maharashtra, India, as on 31 March 2024 is estimated to be **INR 11,328.74 million (INR Eleven Billion Three Hundred Twenty-Eight Million Seven Hundred and Forty Thousand Only)**

*Note: Based on the inputs provided by the client, Mindspace REIT holds 100% of the ownership interest in the project and the valuation presented is for 100% interest in the project only.*

## 4.7 THE SQUARE, BKC, MUMBAI

### 4.7.1 DETAILS OF THE PROJECT SITE AND / OR PROJECT

The table below presents details of the Project Site and/or Project.

Table 4.31: Details of the Project Site and/or Project

| DETAILS OF PROPERTY                                     |   |                |
|---|---|----------------|
| Property Name   | The Square, BKC, Mumbai, Maharashtra, India   |                |
| Property Address  | Plot C-61, G Block, Bandra Kurla Complex, Bandra (E), Mumbai 400051   |                |
| Land Area   | ~ 0.9 Acres   |                |
| Block-Wise Break-Up of Leasable Area and Current Status | Leasable area details as shared by the Client is given below:   |                |
|   | Sl.   | Building Name  |
|   | 1.  | The Square BKC |
|   | Leasable Area (sq. ft.)   |                |
|   | 146,350   |                |
|   | Total Leasable Area   |                |
|   | 146,350   |                |
|   | Based on the site inspection, all blocks are operational. There are no under-construction buildings within the property.                            |                |
| Access  | Accessible through Bandra Kurla Complex Road and Trident Road   |                |
| Frontage  | Approximately 50 m. frontage along Bandra Kurla Complex Road  |                |
| Shape and Visibility                                    | The topography of the project features terrain that is relatively flat and has a regular shape. Excellent visibility from Bandra Kurla Complex Road |                |
| Approval Status   | Project has requisite approvals in place as confirmed by the Client.  |                |
| INFRASTRUCTURE  |   |                |
| Water Supply, Sewerage & Drainage                       | Available within the Project  |                |
| Power & Telecommunication                               | Available within the Project  |                |

### 4.7.2 DESCRIPTION OF THE PROJECT

As stated earlier, the Project has total leasable area of 146,350 sq. ft. spread across ~0.9 Acres of Land Parcel as per occupancy certificate and / or leases signed. The topography of the project features terrain that is relatively flat and has a regular shape. The Project comprises of G+8 floors with 2 levels of basement parking. The entire building is completed & operational. Table 4.33 presents details of the Project in terms of buildings and leasable area.

Table 4.32: Details of the Project in terms of Buildings and Leasable Area

| Sl. | Building Name       | Leasable Area (sq. ft.) | Usage Type | Status    |
|-----|---------------------|-------------------------|------------|-----------|
| 1.  | The Square BKC      | 146,350                 | Non-IT     | Completed |
|     | Total Leasable Area | 146,350                 |            |           |

Source: Client, 31 March 2024

*Note: Total leasable area for the property may vary from the architect certificate. The change in area is in accordance with the Lease Deeds/ Leave and License Agreements*

**Table 4.33: Key Asset Specific Information of the Project**

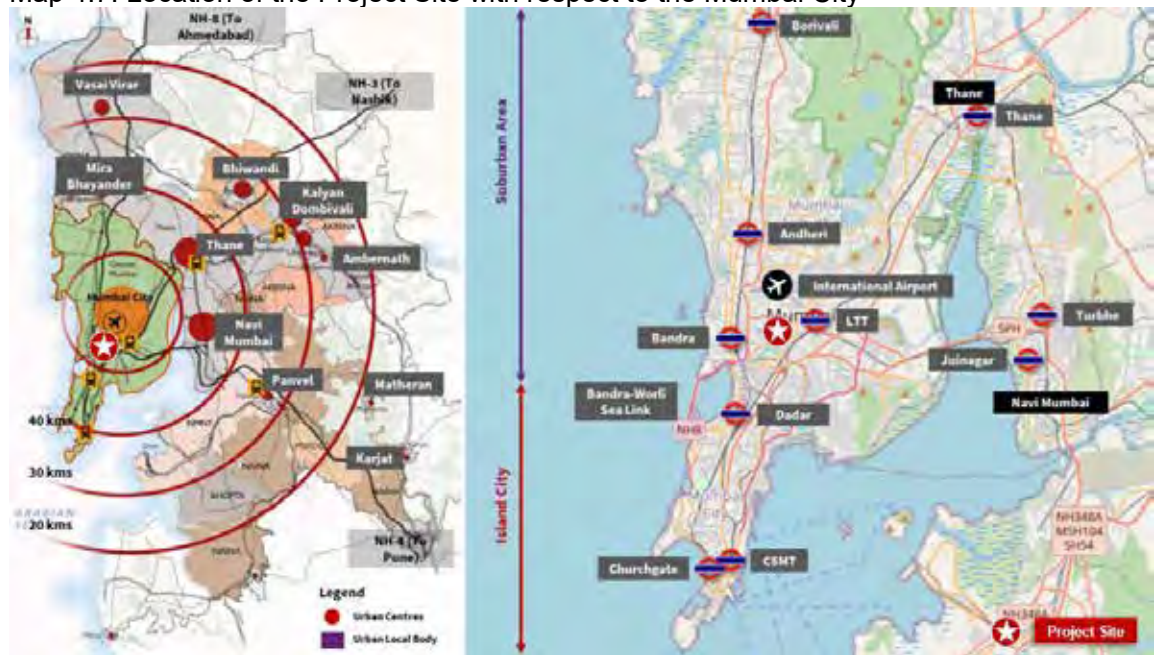
|  |   |                |                        |
|--|---|----------------|------------------------|
| Particulars  | Description   |                |                        |
| Name of the Entity   | Avacado Properties and Trading (India) Private Limited  |                |                        |
| Interest owned by Mindspace REIT                           | Project Site is wholly owned by Avocado Properties and Trading (India) Private Limited which is 100% owned and controlled by the Mindspace REIT |                |                        |
| Land Extent  | ~ 0.9 acres   |                |                        |
| Asset Type   | Commercial Non-SEZ building   |                |                        |
| Sub-Market   | SBD BKC   |                |                        |
| Approved and Existing Usage                                | Commercial Office, Non-IT   |                |                        |
| Age of Building based on the Date of Occupancy Certificate | Sl.   | Building Name  | Age of the Building    |
|  | 1.  | The Square BKC | ~24 years and 8 months |
| Current Status   | 100% Complete and Operational   |                |                        |
| Approvals Status   | Project has requisite approvals in place as confirmed by the Client.  |                |                        |
| Freehold/Leasehold   | The underlying land is taken on leasehold basis from MMRDA  |                |                        |
| Leasable Area  | ~ 0.15 Mn sq. ft.   |                |                        |
| Occupied Area  | ~ 0.15 Mn sq. ft.   |                |                        |
| Committed Area   | ~ 0.15 Mn sq. ft.   |                |                        |
| Occupancy  | 100.0%  |                |                        |
| Committed Occupancy  | 100.0%  |                |                        |
| Number of Tenants  | 1 (office space)  |                |                        |

Source: Client, 31 March 2024

**4.7.3 LOCATION OF THE PROJECT**

The property is located in the central part, in the Secondary Business District – BKC micro market of Mumbai City along the Bandra Kurla Complex Road which further connects to Lal Bahadur Shastri Marg towards east and Western Express highway towards West. It is located at a distance of about 3.6 km from the Bandra East Railway Station and about 6.8 km from Chhatrapati Shivaji Maharaj International Airport. The map on the following page presents the location of the Project with respect to the city.

Map 4.7: Location of the Project Site with respect to the Mumbai City



Source: Real Estate Market Research & Analysis; JLL, 31 March 2024

The distance of the Project from major landmarks in the city is given in the table below.

Table 4.34: Distances of the Project from Major Landmarks in the City

| Location / Landmark          | Approximate Distance from Project Site (km) |
|------------------------------|---|
| Mumbai International Airport | 6.8   |
| Bandra Railway Station       | 3.6   |
| Kurla Railway Station        | 2.2   |
| Maker Maxity                 | 2.5   |
| Jio World Convention Centre  | 0.9   |

Source: Real Estate Market Research & Analysis; JLL, 31 March 2024

#### 4.7.4 KEY ASSUMPTIONS AND INPUTS

| Particulars                                  | Unit          | Information |
|--|---------------|-------------|
| Revenue Assumptions (as on 31/03/2024)       |               |             |
| Current Effective Rent                       | INR/sq ft/mth | 240         |
| Achievable Market Rent                       |               |             |
| Warm Shell                                   | INR/sq ft/mth | 289         |
| Parking Charges                              | INR/bay/mth   | NA          |
| Development Assumptions                      |               |             |
| Remaining Capital Expenditure                | INR Million   | 17          |
| Expected Completion                          | Qtr, Year     | NA          |
| Other Financial Assumptions                  |               |             |
| Cap Rate                                     | %             | 7.75        |
| WACC (Complete/Operational)                  | %             | 11.75       |
| WACC (Under-construction/Future Development) | %             | NA          |

NA: Not Applicable



#### **4.7.5 MARKET VALUE**

We are of opinion that the Market Value of the Project, The Square, BKC located in Mumbai, Maharashtra, India, as on 31 March 2024 is estimated to be **INR 4,917.40 million (INR Four Billion Nine Hundred Seventeen Million Four Hundred Thousand Only).**

*Note: Based on the inputs provided by the client, Mindspace REIT holds 100% of the ownership interest in the project and the valuation presented is for 100% interest in the project only.*

## 4.8 COMMERZONE, YERAWADA, PUNE

### 4.8.1 DETAILS OF THE PROJECT SITE AND / OR PROJECT

The table below presents details of the Project Site and/or Project.

Table 4.35: Details of the Project Site and/or Project

| DETAILS OF PROPERTY  |   |                     |                         |
|--|---|---------------------|-------------------------|
| Property Name  | Commerzone IT Park, Yerawada, Pune, Maharashtra, India  |                     |                         |
| Property Address   | Commerzone Yerawada, Samrat Ashok Path, Commerzone IT Park, Yerawada, Pune, Maharashtra 411006. |                     |                         |
| Land Area  | ~25.7 Acres   |                     |                         |
| Block-Wise Break-Up of Leasable Area and Current Status  | Leasable area details as shared by the Client is given below:                                   |                     |                         |
|  | Sl.   | Building Name       | Leasable Area (sq. ft.) |
|  | 1.  | Building 1          | 43,200                  |
|  | 2.  | Building 4          | 210,199                 |
|  | 3.  | Building 5          | 371,399                 |
|  | 4.  | Building 6          | 179,269                 |
|  | 5.  | Building 7          | 373,358                 |
|  | 6.  | Building 8          | 424,181                 |
|  | 7.  | Amenity             | 79,521                  |
|  |   | Total Leasable Area | 1,681,127               |
| Based on the site inspection, all blocks are operational. There are no under-construction buildings within the property. |   |                     |                         |
| Access   | Accessible through approx. 18 m. wide Jail Road and 20 m. wide Internal Road                    |                     |                         |
| Frontage   | Approximately 150 m. frontage along Jail Road Yerawada  |                     |                         |
| Shape and Visibility   | Regular in shape. Relatively flat terrain. Excellent visibility from Jail Road Yerawada         |                     |                         |
| Approval Status  | Project has requisite approvals in place as confirmed by the Client.                            |                     |                         |
| INFRASTRUCTURE   |   |                     |                         |
| Water Supply, Sewerage & Drainage  | Available within the Project  |                     |                         |
| Power & Telecommunication  | Available within the Project  |                     |                         |

### 4.8.2 DESCRIPTION OF THE PROJECT

As stated earlier, the Project has total leasable area of 1,681,127 sq. ft. sq. ft. as per the occupancy certificate and / or leases signed and is spread across six (6) IT Buildings (B1, B4, B5, B6, B7, & B8) and an Amenity Building. All building blocks are completed & operational and are non-SEZ buildings. The table on the following page presents details of the Project in terms of buildings and leasable area.

Table 4.36: Details of the Project in terms of Buildings and Leasable Area

| Sl. | Building Name       | Leasable Area (sq. ft.) | Usage   | Status    |
|-----|---------------------|-------------------------|---------|-----------|
| 1.  | Building 1          | 43,200                  | Non SEZ | Completed |
| 2.  | Building 4          | 210,199                 | Non SEZ | Completed |
| 3.  | Building 5          | 371,399                 | Non SEZ | Completed |
| 4.  | Building 6          | 179,269                 | Non SEZ | Completed |
| 5.  | Building 7          | 373,358                 | Non SEZ | Completed |
| 6.  | Building 8          | 424,181                 | Non SEZ | Completed |
| 7.  | Amenity             | 79,521                  | Non SEZ | Completed |
|     | Total Leasable Area | 1,681,127               |         |           |

Source: Client, 31 March 2024

Note: Total leasable area for the property may vary from the architect certificate. The change in area is in accordance with the Lease Deeds/ Leave and License Agreements

In addition to the above, the undivided rights, title and interest in the following assets are also part of the Project.

- Total Amenity Plot and the premises on which the Amenity Building is situated.
- Total utility areas and internal roads
- Total open spaces

The table below presents key asset specific information.

Table 4.37: Key Asset Specific Information of the Project

|                                  |  |               |                      |
|----------------------------------|--|---------------|----------------------|
| Particulars                      | Description  |               |                      |
| Name of the Entity               | Mindspace Business Parks Private Limited   |               |                      |
| Interest owned by Mindspace REIT | Project is wholly owned by Mindspace Business Parks Private Limited which is 100% owned and controlled by the Mindspace REIT |               |                      |
| Land Extent                      | ~25.7 acres  |               |                      |
| Asset Type                       | IT Park with Non-SEZ buildings   |               |                      |
| Sub-Market                       | SBD East   |               |                      |
| Approved and Existing Usage      | IT Offices   |               |                      |
| Age of Building                  | Sl.  | Building Name | Age of the Building  |
|                                  | 1.   | Building 1    | ~ 15 years           |
|                                  | 2.   | Building 4    | ~ 14 years 8 months  |
|                                  | 3.   | Building 5    | ~ 10 years 2 months  |
|                                  | 4.   | Building 6    | ~ 14 years 10 months |
|                                  | 5.   | Building 7    | ~ 14 years 2 months  |
|                                  | 6.   | Building 8    | ~ 8 years 11 months  |
|                                  | 7.   | Amenity       | ~ 10 years 6 months  |
| Current Status                   | 100% Complete and Operational  |               |                      |
| Approvals Status                 | Project has requisite approvals in place as confirmed by the Client.   |               |                      |
| Freehold/Leasehold               | The underlying land is taken on freehold basis   |               |                      |

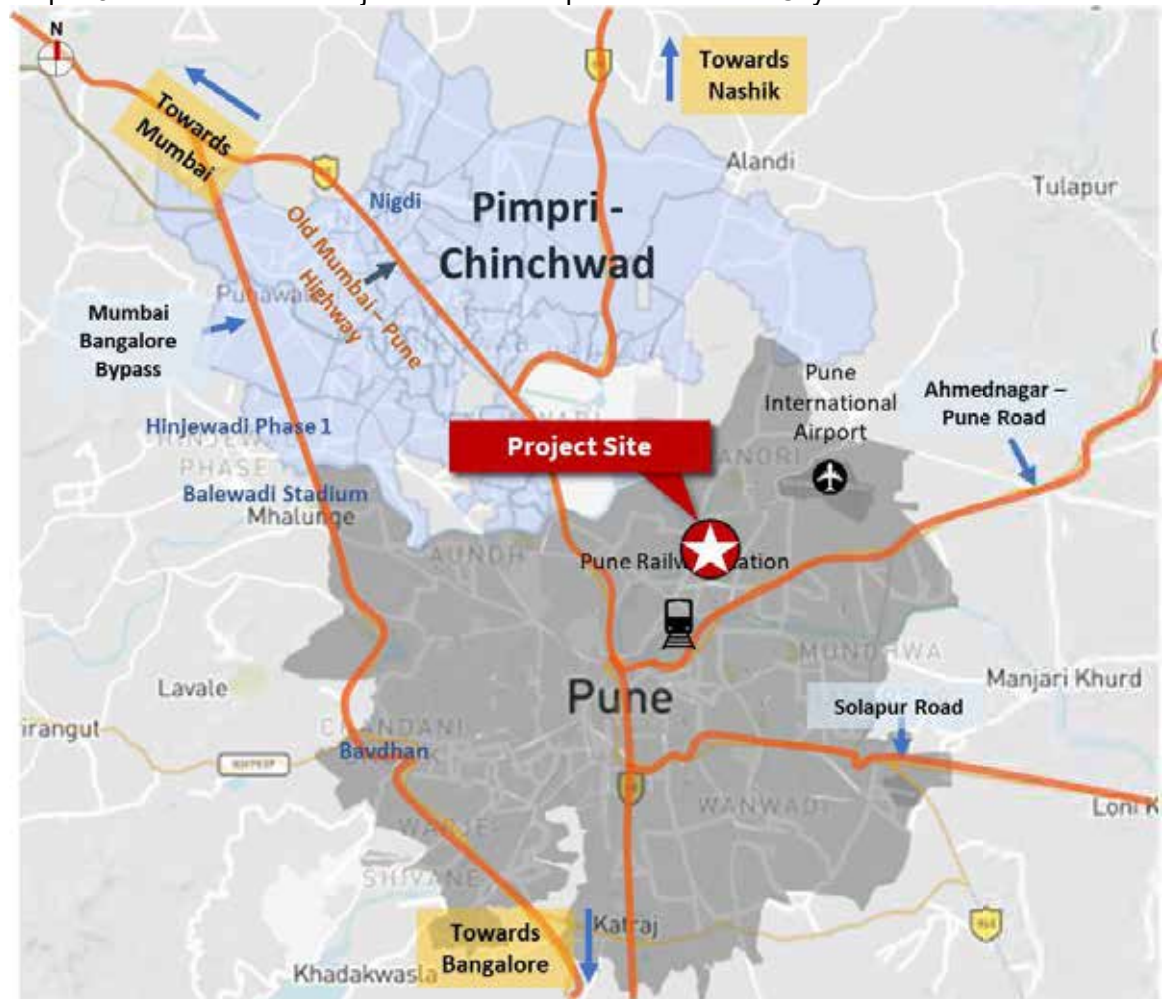
| Particulars         | Description          |
|---------------------|----------------------|
| Leasable Area       | 1.68 million sq. ft. |
| Occupied Area       | 1.58 million sq. ft. |
| Committed Area      | 1.64 million sq. ft. |
| Occupancy           | 94.0%                |
| Committed Occupancy | 97.6%                |
| Number of Tenants   | 24                   |

Source: Client, 31 March 2024

### 4.8.3 LOCATION OF THE PROJECT

The Project is located in the northeastern part, Secondary Business District (SBD) East micro market of the city along the Jail Road. It is located at a distance of about 6.5 km from the Phoenix Market City and about 700 m from Alandi Road, which further connects to Pune Ahmednagar Highway. Map 4.8 presents the location of the Project with respect to the city.

Map 4.8: Location of the Project Site with respect to the Pune City



Source: Real Estate Market Research & Analysis; JLL, 31 March 2024

The distance of the Project from major landmarks in the city is given in the table below.

**Table 4.38: Distances of the Project from Major Landmarks in the City**

| Location / Landmark        | Approximate Distance from Project Site (km) |
|----------------------------|---|
| Pune Railway Station       | 6.0   |
| Pune International Airport | 5.0   |
| Viman Nagar Chowk          | 5.0   |
| Phoenix Market city        | 6.5   |
| Shivaji Nagar              | 10.0  |
| Pune University            | 10.0  |

Source: Real Estate Market Research & Analysis; JLL, 31 March 2024

#### 4.8.4 KEY ASSUMPTIONS AND INPUTS

| Particulars                                  | Unit          | Information            |
|--|---------------|------------------------|
| Revenue Assumptions (as on 31/03/2024)       |               |                        |
| Current Effective Rent                       | INR/sq ft/mth | 74.7                   |
| Achievable Market Rent                       |               |                        |
| Warm Shell                                   | INR/sq ft/mth | 77.5                   |
| Parking Charges                              | INR/bay/mth   | 2,363                  |
| Development Assumptions                      |               |                        |
| Remaining Capital Expenditure                | INR Million   | Upgrade Capex: 1,415   |
| Expected Completion                          | Qtr, Year     | Upgrade Capex: Q3 FY27 |
| Other Financial Assumptions                  |               |                        |
| Cap Rate                                     | %             | 8.00                   |
| WACC (Complete/Operational)                  | %             | 11.75                  |
| WACC (Under-construction/Future Development) | %             | NA                     |

NA: Not Applicable

#### 4.8.5 MARKET VALUE

We are of opinion that the Market Value of the Project Commerzone IT Park, Yerawada, located in Pune, Maharashtra, India, as on 31 March 2024 is estimated to be **INR 18,258.57 Million (INR Eighteen Billion Two Hundred Fifty Eight Million Five Hundred and Seventy Thousand Only)**.

*Note: Based on the inputs provided by the client, Mindspace REIT holds 100% of the ownership interest in the project and the valuation presented is for 100% interest in the project only.*



## 4.9 GERA COMMERZONE, KHARADI, PUNE

### 4.9.1 DETAILS OF THE PROJECT SITE AND / OR PROJECT

The table below presents details of the Project Site and/or Project.

Table 4.39: Details of the Project Site and/or Project

| DETAILS OF PROPERTY   |  |                     |
|---|--|---------------------|
| Property Name   | Gera Commerzone SEZ and IT Park, Kharadi, Pune, Maharashtra, India   |                     |
| Property Address  | S.No. 65/1, 65/2 & 65/3. Village Kharadi, Taluka Haveli, Dist-Pune-411014  |                     |
| Land Area   | ~26.0 acres  |                     |
| Block-Wise Break-Up of Leasable Area and Current Status   | Leasable area details as shared by the Client is given below:  |                     |
|   | Sl.  | Building Name       |
|   | 1.   | Building R1         |
|   | 2.   | Building R2         |
|   | 3.   | Building R3         |
|   | 4.   | Building R4         |
|   | 5.   | Glass Box           |
|   |  | Total Leasable Area |
| Leasable Area (sq. ft.)   |  |                     |
| 531,373   |  |                     |
| 1,007,933   |  |                     |
| 669,477   |  |                     |
| 726,963   |  |                     |
| 1,500   |  |                     |
| 2,937,246   |  |                     |
| Based on the site inspection and information provided client, out of 4 Buildings under consideration,3 Buildings (R1, R3 & R4) are completed and operational, and Building (R2) is under construction, is expected to be fully completed by Q3 FY25. It also includes power distribution services for KRC Infrastructure and Projects Pvt. Ltd. and <b>facility management services ("Camplus")</b> . |  |                     |
| Access  | Accessible through approx. 18 m. wide EON IT Park and 24 m. wide Grant Road  |                     |
| Frontage  | Approximately 300 m. frontage along EON IT Park Road, Kharadi  |                     |
| Shape and Visibility  | The topography of the project features terrain that is relatively contoured and is irregular in shape. It has excellent visibility from EON IT Park Road and Grant Road Kharadi. |                     |
| Approval Status   | Project has requisite approvals in place as confirmed by the Client.   |                     |
| INFRASTRUCTURE  |  |                     |
| Water Supply, Sewerage & Drainage   | Available within the Project   |                     |
| Power & Telecommunication   | Available within the Project   |                     |

### 4.9.2 DESCRIPTION OF THE PROJECT

As stated earlier, the Project has total leasable area of 2,937,246 sq. ft. as per the occupancy certificate and/or leases signed and it is spread across four (4) SEZ and IT non-SEZ Buildings (R1, R2, R3 & R4) and Glass Box. Buildings R1 & R4 are completed & operational and are SEZ buildings, Buildings R2 and R3 are non SEZ Buildings. The table in the following page presents details of the Project in terms of buildings and leasable area.

**Table 4.40: Details of the Project in terms of Buildings and Leasable Area**

| Sl. | Building Name       | Leasable Area (sq. ft.) | Usage type | Status             |
|-----|---------------------|-------------------------|------------|--------------------|
| 1.  | Building R1         | 531,373                 | SEZ        | Completed          |
| 2.  | Building R2         | 1,007,933               | Non SEZ    | Under-Construction |
| 3.  | Building R3         | 669,477                 | Non SEZ    | Completed          |
| 4.  | Building R4         | 726,963                 | SEZ        | Completed          |
| 5.  | Glass Box           | 1,500                   | Non SEZ    | Completed          |
|     | Total Leasable Area | 2,937,246               |            |                    |

Source: Client, 31 March 2024

Note: Total leasable area for the property may vary from the architect certificate. The change in area is in accordance with the Lease Deeds/ Leave and License Agreements

In addition to the above, the undivided rights, title and interest in the following assets are also part of the Project.

- Total Amenity Plot and the premises on which the Amenity Building is situated
- Total utility areas and internal roads.
- Total open spaces.

The table below presents key asset specific information.

**Table 4.41: Key Asset Specific Information of the Project - Completed Project**

|  |  |               |                     |
|--|--|---------------|---------------------|
| Particulars  | Description  |               |                     |
| Name of the Entity   | KRC Infrastructure and Projects Private Limited  |               |                     |
| Interest owned by Mindspace REIT                           | Project is wholly owned by Mindspace Business Parks Private Limited which is 100% owned and controlled by the Mindspace REIT |               |                     |
| Land Extent  | Total Plot Area: ~26.0 acres   |               |                     |
| Asset Type   | IT SEZ and Non-SEZ buildings   |               |                     |
| Sub-Market   | SBD East   |               |                     |
| Approved and Existing Usage                                | IT Offices   |               |                     |
| Age of Building based on the Date of Occupancy Certificate | Sl.  | Building Name | Age of the Building |
|  | 1.   | Building R1   | 4 Years 1 Month     |
|  | 2.   | Building R3   | 1 Year              |
|  | 3.   | Building R4   | 4 Years 1 Month     |
|  | 4.   | Glass Box     | 1 Year              |
| Current Status   | Building R1, R3 & R4 – Fully completed and operational   |               |                     |
| Approvals Status   | List of approvals are specified in Annexure 4.   |               |                     |
| Freehold/Leasehold   | The underlying land is taken on freehold basis   |               |                     |
| Leasable Area  | 1.93 million sq. ft  |               |                     |
| Occupied Area  | 1.93 million sq. ft  |               |                     |
| Committed Area   | 1.93 million sq. ft.   |               |                     |
| Occupancy  | 100.0%   |               |                     |
| Committed Occupancy  | 100.0%   |               |                     |
| Number of Tenants  | 25   |               |                     |

Source: Client, 31 March 2024

**Table 4.42: Key Asset Specific Information of the Project – Under Construction Project**

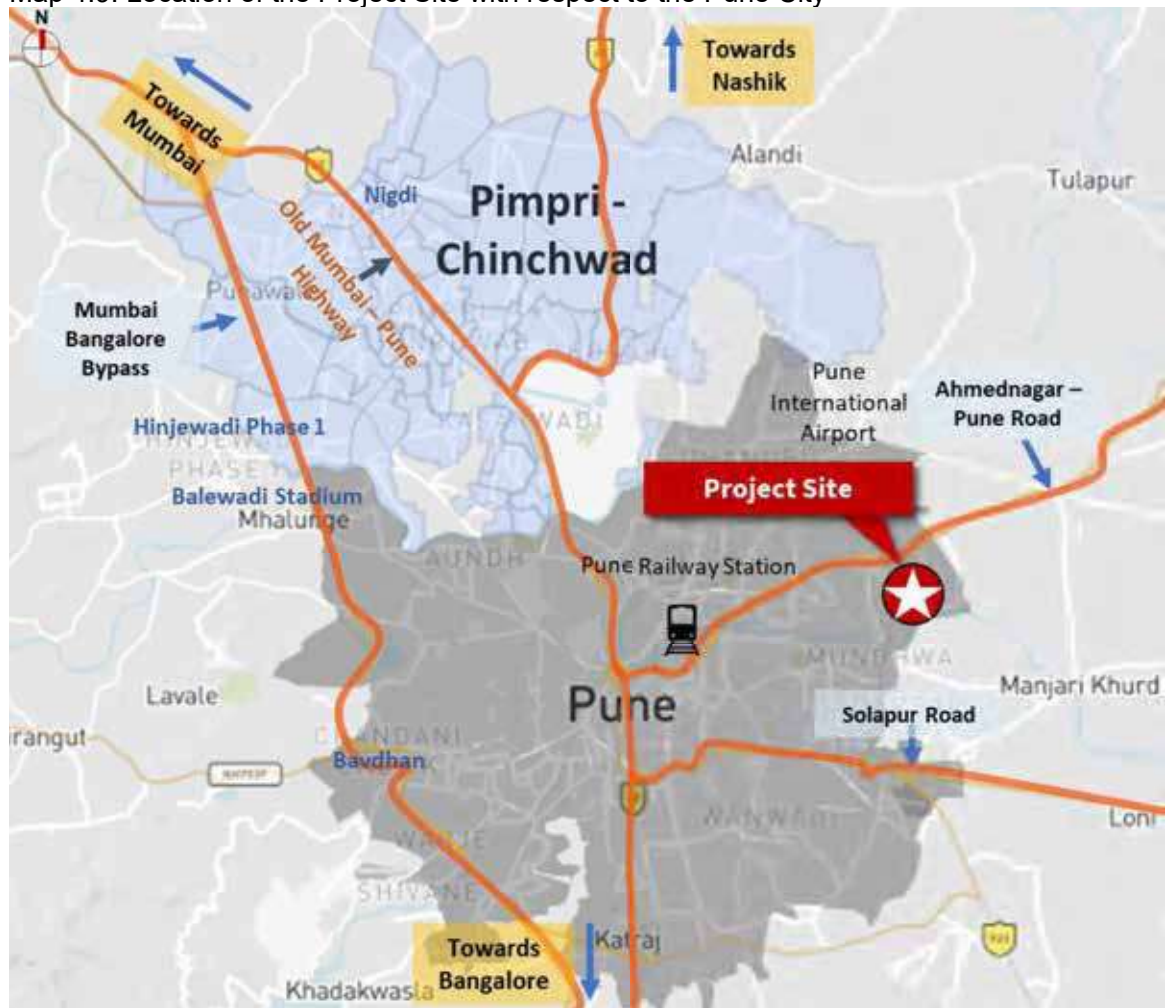
| Particulars  | Description   |                     |               |                     |    |             |                    |
|--|---|---------------------|---------------|---------------------|----|-------------|--------------------|
| Name of the Entity   | KRC Infrastructure and Projects Private Limited   |                     |               |                     |    |             |                    |
| Interest owned by Mindspace REIT   | Project is wholly owned by Mindspace Business Parks Private Limited which is 100% owned and controlled by the Mindspace REIT <sup>1/</sup>                |                     |               |                     |    |             |                    |
| Land Extent  | ~26.0 acres   |                     |               |                     |    |             |                    |
| Asset Type   | IT Non- SEZ building  |                     |               |                     |    |             |                    |
| Sub-Market   | SBD East  |                     |               |                     |    |             |                    |
| Approved and Existing Usage  | IT Offices  |                     |               |                     |    |             |                    |
| Age of Building based on the Date of Occupancy Certificate <sup>2/</sup> | <table><tr><th>Sl.</th><th>Building Name</th><th>Age of the Building</th></tr><tr><td>1.</td><td>Building R2</td><td>Under Construction</td></tr></table> | Sl.                 | Building Name | Age of the Building | 1. | Building R2 | Under Construction |
| Sl.  | Building Name   | Age of the Building |               |                     |    |             |                    |
| 1.   | Building R2   | Under Construction  |               |                     |    |             |                    |
| Current Status   | Building R2 – Under construction building, RCC work is in progress.   |                     |               |                     |    |             |                    |
| Approvals Status   | List of approvals are specified in annexure 04  |                     |               |                     |    |             |                    |
| Freehold/Leasehold   | The underlying land is taken on freehold basis  |                     |               |                     |    |             |                    |
| Leasable Area  | 1.01 Mn sq.ft   |                     |               |                     |    |             |                    |
| Occupied Area  | Not applicable  |                     |               |                     |    |             |                    |
| Committed Area   | Not applicable  |                     |               |                     |    |             |                    |
| Occupancy  | Not applicable  |                     |               |                     |    |             |                    |
| Committed Occupancy  | Not applicable  |                     |               |                     |    |             |                    |

Source: Client, 31 March 2024

**4.9.3 LOCATION OF THE PROJECT**

The Project is located in the north-eastern part, Secondary Business District (SBD) East micro market of the city along the Eon IT Park Road. It is located at a distance of about 6.0 km from the Phoenix Market City and about 1.5 km from Nagar Road. The map on the following page presents the location of the Project with respect to the city.

Map 4.9: Location of the Project Site with respect to the Pune City



Source: Real Estate Market Research & Analysis; JLL, 31 March 2024

The distance of the Project from major landmarks in the city is given in the table below.

Table 4.43: Distances of the Project from Major Landmarks in the City

| Location / Landmark        | Approximate Distance from Project Site (km) |
|----------------------------|---|
| Pune Railway Station       | 13.0  |
| Pune International Airport | 9.0   |
| Phoenix Market city        | 2.0   |
| Shivaji Nagar              | 6.0   |
| Pune University            | 16.0  |

Source: Real Estate Market Research & Analysis; JLL, 31 March 2024

#### 4.9.4 KEY ASSUMPTIONS AND INPUTS

| Particulars                                  | Unit          | Information  |
|--|---------------|--|
| Revenue Assumptions (as on 31/03/2024)       |               |  |
| Current Effective Rent                       | INR/sq ft/mth | 80   |
| Achievable Market Rent for FY 25             |               |  |
| Warm Shell                                   | INR/sq ft/mth | 85   |
| Kiosk  | INR/sq ft/mth | 141.75   |
| Parking Charges                              | INR/bay/mth   | 2,100  |
| Development Assumptions                      |               |  |
| Remaining Capital Expenditure                | INR Million   | CAPEX (R3): 418 <sup>1</sup><br>Under-construction (R2): 2,346 <sup>2</sup>                  |
| Expected Capex Payment Completion            | Qtr, Year     | CAPEX (R3): Q2 FY 25<br>Under-construction (R2): Q2 FY 26<br>(Project completion by Q3 FY25) |
| Other Financial Assumptions                  |               |  |
| Cap Rate                                     | %             | 8.00   |
| WACC (Complete/Operational)                  | %             | 11.75  |
| WACC (Under-construction/Future Development) | %             | 13.00  |

NA: Not Applicable

<sup>1</sup> Capex includes pending payments of Construction and GD cost

<sup>2</sup> Building R2 represents Construction cost to be incurred INR 1,892 MN excluding PSS (Project Support Services) cost INR and approval costs and INR 454 Mn as G1 Building construction cost

#### 4.9.5 POWER DISTRIBUTION SERVICES

In accordance with Section 14 (b) of the Electricity Act, 2003 read with Section 4(1) of the SEZ Act, 2005, entities that own and operate SEZ Parks are considered Deemed Distribution Licensee for supplying electricity to consumers within the SEZ area. Pursuant to the above regulations, KRC Infrastructure and Projects Private Limited also has the license to distribute power within the Project Site.

The SPV has invested in the infrastructure to facilitate the distribution of the power to the customers (occupiers and operators within the subject properties). It procures power from Power generators supplying to the grid and then distribute it to the end consumers within the Project Site . The SPV is not allowed to expand the power distribution outside the limits of the SEZ, i.e., the Project Site in this case

#### 4.9.6 ADOPTED METHODOLOGY FOR POWER DISTRIBUTION SERVICES

Referring to the commission's latest order for the operational facility, the cash flows from the power distribution services are projected in the following manner:

Amount of approved Gross Fixed Assets ("GFA") is considered

Further, Net Fixed Asset (NFA) which is GFA reduced by accumulated depreciation allowed as on date is computed.

To compute the Net Cashflows, mainly return on equity, interest on notational debt, recovery of depreciation, interest on working capital have been added.

- Licensee is allowed to charge 14% return on equity which is 30% of GFA. In case of no actual loan, the commission allows a return on normative loan equal to 70% of GFA based



on MYT regulations 2019. SLM (Straight Line Method) is considered for depreciation, as per the average rate approved by the commission. Depreciation is considered to the extent of 90% of the GFA.

- Approved power procurement, operational and maintenance expenses are allowed completely pass through.

#### 4.9.7 KEY ASSUMPTIONS AND INPUTS FOR POWER DISTRIBUTION SERVICES

Following are the key details as per the Commission order dated 31 March 2024:

**Table 4.44 Key Assumptions Used for Power Distribution Services**

| Particulars                                 | Unit        | Figure       |
|---|-------------|--------------|
| Gross Fixed Assets                          | INR Mn      | 323          |
| Notional Equity (30% of GFA)                | INR Mn      | 97           |
| Notional Debt as on March 2024 (70% of GFA) | INR Mn      | 226          |
| Return on Equity                            | %           | 14%          |
| Depreciation Rate                           | % Per annum | 5.3%         |
| License End Date                            | Date        | 18 June 2042 |
| WACC  | %           | 10.5%        |

#### 4.9.8 FACILITIES MANAGEMENT SERVICES

KRC Infrastructure and Projects Private Limited has commenced facility management business effective October 1, 2020 to provide such services to the Subject Properties within the portfolio as well as properties with ownership interests of/owned by third parties within the same parks as the Subject Properties of the Portfolio (as mentioned in the following table). Facility management services include housekeeping services, management of MEP equipment, façade cleaning, security expenses, repair and maintenance, maintenance of common areas etc. Service charges are levied on a cost-plus mark-up basis to the SPVs owned by REIT, which has ownership interest in the Subject Properties.

The facilities management services business shall operate under the brand name CAMPLUS and shall manage the existing operational buildings / area in the Portfolio. In addition, area under-construction/ future development shall also be managed by KRC Infrastructure and Projects Private Limited on completion.

#### 4.9.9 KEY ASSUMPTIONS

|  |   |  |   |
|--|---|--|---|
| Existing Operational Building which will be under facility management (including sold units and landowner areas) | Existing Operational Building which will be under facility management | Total area of ~27.8 million sq ft. as at (March 31, 2024) Mix of SEZ and non SEZ building. | The revenue of facility management is linked to the expense for such facility plus mark up, the growth in the revenues from existing tenants are in line with the inflation expectation of 5%.                        |
| Expansion in Existing business and Buildings under construction (including landowner areas)                      | Expansion in Existing business and Buildings under construction       | Total area of ~5.2 million sq ft.  | For future development/proposed buildings, revenue and margins of existing properties is considered as a base to compute the projected cash flows of new buildings. Growth in revenue is linked to the improvement in |

|  |  |  |   |
|--|--|--|---|
|  |  |  | occupancy plus 5% revenue growth from existing tenants. Initially those buildings are likely to have lower margins due to lesser occupancy. |
|--|--|--|---|

For the purpose of arriving at terminal year income multiple, Indian and International comparable companies listed on various stock exchanges were studied. It was observed that International companies with primary business of facility/property management trade at 10 - 13 times EV/EBITDA multiple. However, there are very limited comparable facility management listed companies. There is only listed comparable company, which offers facility management services in India including security services, cash logistic etc. Given the fact that facility/property management business is limited to Subject Properties within the portfolio as well as properties with ownership interests of/owned by third parties within the same parks as the Subject Properties of the portfolio, we have considered the EV/EBITDA multiple of 13x to compute the exit value post 10 years of cashflows. For the purpose of discounting the future cash flows, a Weighted Average Cost of Capital (WACC) of 11.75% has been used.

#### 4.9.10 MARKET VALUE

We are of opinion that the Market Value of the Project Gera Commerzone SEZ and IT Park located in Kharadi, Pune, Maharashtra, India, as on 31 March 2024, is estimated to be:

**For Completed Project - INR 23,714.08 million** (INR Twenty-Three Billion Seven Hundred Fourteen Million Eighty Thousand Only)

**For Under construction, Future development, INR 7,320.02 million** (INR Seven Billion Three Hundred and Twenty Million, and Twenty Thousand Only)

**For Power Distribution under KRC Infrastructure and Projects Private Limited, Maharashtra, India INR 281.00 million** (INR Two Hundred Eighty-One Million Only)

**CAMPLUS – Completed, INR 6,437.28 million** (INR Six Billion Four Hundred Thirty-Seven Million Two Hundred Eighty Thousand Only)

**CAMPLUS – Under construction, INR 1,107.29 million** (INR One Billion One Hundred and Seven- Million, Two Hundred Ninety Thousand Only)

*Note: Based on the inputs provided by client, Mindspace REIT holds 100% of the ownership interest in the project. The total value of the asset with 100% interest is INR 38,859.67 million (INR Thirty Eight Billion Eight Hundred Fifty Nine Million Six Hundred Seventy Thousand Only)*

## 4.10 THE SQUARE, NAGAR ROAD, PUNE

### 4.10.1 DETAILS OF THE PROJECT SITE AND / OR PROJECT

The table below presents details of the Project Site and/or Project.

Table 4.45: Details of the Project Site and/or Project

| DETAILS OF PROPERTY                                     |  |                                  |
|---|--|----------------------------------|
| Property Name   | The Square, Nagar Road, Pune, Maharashtra, India   |                                  |
| Property Address  | The Square Signature Business Chambers (Nagar Road), Kargil Vijay Nagar, Wadgaon Sheri, Pune, Maharashtra 411014 |                                  |
| Land Area   | 10.1 acres   |                                  |
| Block-Wise Break-Up of Leasable Area and Current Status | Leasable area details as shared by the Client is given below:  |                                  |
|   | Sl.  | Building Name                    |
|   | 1.   | The Square – IT Building         |
|   | 2.   | The Square – Commercial Building |
|   |  | Total Leasable Area              |
|   |  |                                  |
|   | Based on the site inspection, all blocks are operational.  |                                  |
| Access  | Accessible through approx. 60 m. wide Nagar Road   |                                  |
| Frontage  | Approximately 100 m. frontage along Nagar Road   |                                  |
| Shape and Visibility                                    | Regular in shape. Relatively flat terrain. Excellent visibility from Nagar Road                                  |                                  |
| Approval Status   | Project has requisite approvals in place as confirmed by the Client.   |                                  |
| INFRASTRUCTURE  |  |                                  |
| Water Supply, Sewerage & Drainage                       | Available within the Project   |                                  |
| Power & Telecommunication                               | Available within the Project   |                                  |

### 4.10.2 DESCRIPTION OF THE PROJECT

As stated earlier, the Project has total leasable area of 778,634 sq. ft. as per the occupancy certificate and/or leases signed and it is spread across 1 IT Building and 1 Commercial Building. Both IT Building and Commercial Building are completed. The entire project is non-SEZ.

The table on the following page presents details of the Project in terms of buildings and leasable area.

**Table 4.46: Details of the Project in terms of Buildings and Leasable Area**

| Sl. | Building Name                    | Leasable Area (sq. ft.) | Usage type | Status    |
|-----|----------------------------------|-------------------------|------------|-----------|
| 1.  | The Square – IT Building         | 193,211                 | Non SEZ    | Completed |
| 2.  | The Square – Commercial Building | 585,423                 | Non SEZ    | Completed |
|     | Total Leasable Area              | 778,634                 |            |           |

Source: Client, 31 March 2024

*Note: Total leasable area for the property may vary from the architect certificate. The change in area is in accordance with the Lease Deeds/ Leave and License Agreements*

In addition to the above, the undivided rights, title and interest in the following assets are also part of the Project.

- Total Amenity Plot and the premises on which the Amenity Building is situated.
- Total utility areas and internal roads.
- Total open spaces.

The table below presents key asset specific information.

**Table 4.47: Key Asset Specific Information of the Project**

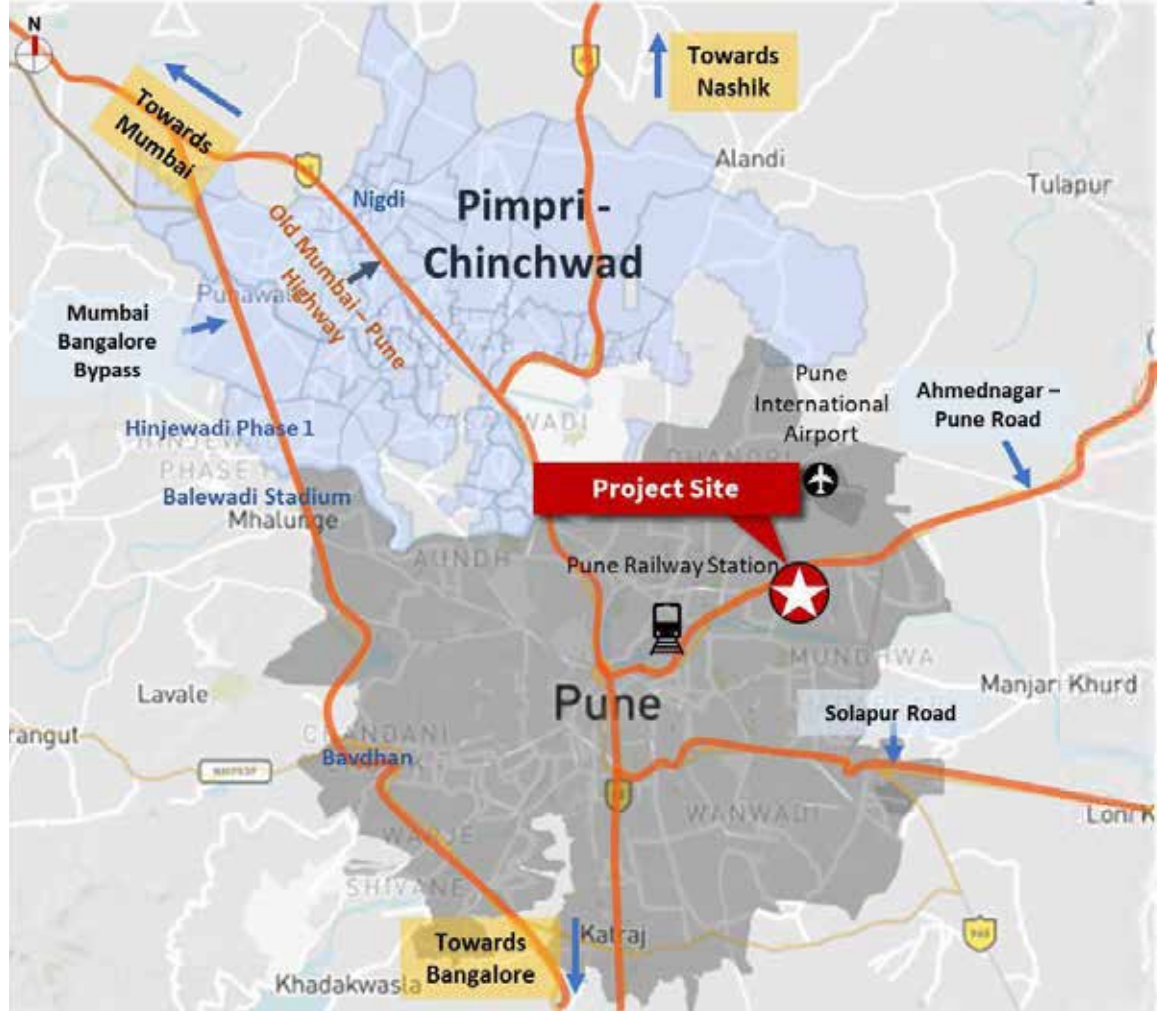
|  |  |                                  |                     |
|--|--|----------------------------------|---------------------|
| Particulars  | Description  |                                  |                     |
| Name of the Entity   | Mindspace Business Parks Private Limited   |                                  |                     |
| Interest owned by Mindspace REIT                           | 778,634 sq.ft of leasable area is owned by Mindspace Business Parks Private Limited which is 100% owned and controlled by the Mindspace REIT |                                  |                     |
| Land Extent  | ~10.1 acres  |                                  |                     |
| Asset Type   | IT Park (Non-SEZ buildings)  |                                  |                     |
| Sub-Market   | SBD East   |                                  |                     |
| Approved and Existing Usage                                | Commercial Building - Office<br>IT Building - IT   |                                  |                     |
| Age of Building based on the Date of Occupancy Certificate | Sl.  | Building Name                    | Age of the Building |
|  | 1.   | The Square – IT Building         | ~13 Years           |
|  | 2.   | The Square – Commercial Building | ~13 Years           |
| Current Status   | IT Building – Completed and Operational<br>Commercial Building – Completed and Operational   |                                  |                     |
| Approvals Status   | List of approvals are specified in annexure 4  |                                  |                     |
| Freehold/Leasehold   | The underlying land is taken on freehold basis   |                                  |                     |
| Leasable Area  | 0.78 mn sq. ft.  |                                  |                     |
| Occupied Area  | 0.78 mn sq. ft.  |                                  |                     |
| Committed Area   | 0.78 mn sq.ft  |                                  |                     |
| Occupancy  | 100.0%   |                                  |                     |
| Committed Occupancy  | 100.0%   |                                  |                     |
| Number of Tenants  | 4  |                                  |                     |

Source: Client, 31 March 2024

#### 4.10.3 LOCATION OF THE PROJECT

The Project is located in the north-eastern part, Secondary Business District (SBD) East micro market of the city along the Nagar Road. It is located at a distance of about 300 m from the Phoenix Market City. The map on the following page presents the location of the Project with respect to the city.

Map 4.10: Location of the Project Site with respect to the Pune City



Source: Real Estate Market Research & Analysis; JLL, 31 March 2024

The distance of the Project from major landmarks in the city is given in the table below.

Table 4.48: Distances of the Project from Major Landmarks in the City

| Location / Landmark        | Approximate Distance from Project Site (km) |
|----------------------------|---|
| Pune Railway Station       | 7.3   |
| Pune International Airport | 4.4   |
| Phoenix Market city        | 0.3   |
| Shivaji Nagar              | 11.0  |
| Pune University            | 12.0  |

Source: Real Estate Market Research & Analysis; JLL, 31 March 2024



**4.10.4 KEY ASSUMPTIONS AND INPUTS**

| Particulars                                  | Unit          | Information           |
|--|---------------|-----------------------|
| Revenue Assumptions (as on 31/03/2024)       |               |                       |
| Current Effective Rent                       | INR/sq ft/mth | 78.3                  |
| Achievable Market Rent for FY25              |               |                       |
| Warm Shell                                   | INR/sq ft/mth | 78                    |
| Parking Charges                              | INR/bay/mth   | 2,363                 |
| Development Assumptions                      |               |                       |
| Remaining Capital Expenditure                | INR Million   | Fitout Capex: 09      |
| Expected Completion                          | Qtr, Year     | Fitout Capex: Q1 FY25 |
| Other Financial Assumptions                  |               |                       |
| Cap Rate                                     | %             | 8.00                  |
| WACC (Complete/Operational)                  | %             | 11.75                 |
| WACC (Under-construction/Future Development) | %             | 13.00                 |

NA: Not Applicable

**4.10.5 MARKET VALUE**

We are of opinion that the Market Value of the Project, The Square, Nagar Road located in Pune, Maharashtra, India as on 31 March 2024, is estimated to be:

**For Completed Project - INR 9,230.47 million** (INR Nine Billion Two Hundred Thirty Million Four Hundred and Seventy Thousand Only)

*Note: Based on the inputs provided by client, Mindspace REIT holds 100% of the ownership interest in the project. The total value of the asset with 100% interest is INR 9,230.47 million (INR Nine Billion Two Hundred Thirty Million Four Hundred Seventy Thousand Only)*

## 4.11 COMMERZONE, PORUR, CHENNAI

### 4.11.1 DETAILS OF THE PROJECT SITE AND / OR PROJECT

The table below presents details of the Project Site and/or Project.

Table 4.49: Details of the Project Site and/or Project

| DETAILS OF PROJECT  |  |                      |
|---|--|----------------------|
| Property Name   | Commerzone, Porur, Chennai, Tamil Nadu, India  |                      |
| Property Address  | Commerzone Porur, Bus Stop, Mount Poonamallee High Road, Adithi Colony, Sriram Nagar, Mugalivakkam, Chennai, Tamil Nadu 600116 |                      |
| Land Area   | ~6.13 acres  |                      |
| Block-Wise Break-Up of Leasable Area and Current Status   | Leasable area details of Project as shared by the Client is given below:   |                      |
|   | Sl. No.  | Building Name        |
|   | 1.   | Commerzone - Block A |
|   | 2.   | Commerzone - Block B |
|   | Total Leasable Area  |                      |
|   | Leasable Area (sq. ft.) *  |                      |
| *Includes 241,694 sq.ft of leasable area acquired by Horizonview Properties Private Limited from RPIL Signaling Systems Limited in September 2023 in Tower A and Tower B (Floor 1 and Floor 2). Post the acquisition, the entire area of the project is now held by Horizonview Properties Private Limited. The acquisition price for the said area including transaction costs was INR 1,816 Mn which was arrived based on the negotiations between the parties. |  |                      |
| Access  | Accessible through 30m wide Mount Poonamallee Road   |                      |
| Frontage  | Approximately ~98m frontage along Mount Poonamallee Road   |                      |
| Shape and Visibility  | Regular in shape. Relatively flat terrain. Excellent visibility from access road   |                      |
| Approval Status   | Project has requisite approvals in place as confirmed by the Client.   |                      |
| INFRASTRUCTURE  |  |                      |
| Water Supply, Sewerage & Drainage   | Available within the Project   |                      |
| Power & Telecommunication   | Available within the Project   |                      |

### 4.11.2 DESCRIPTION OF THE PROJECT

As stated earlier, the Project has total leasable area of 1,132,622 sq. ft. as per the occupancy certificate and / or leases signed and it is spread across two (2) blocks (Block A & B). All building blocks are completed & operational and are non-SEZ buildings. The table below presents details of the Project in terms of buildings and leasable area.

Table 4.50: Details of the Project in terms of Buildings and Leasable Area

| Sl. | Building Name        | Leasable Area (sq. ft.) | Usage type |
|-----|----------------------|-------------------------|------------|
| 1.  | Commerzone - Block A | 498,033                 | Non SEZ    |
| 2.  | Commerzone - Block B | 634,589                 | Non SEZ    |
|     | Total Leasable Area  | 1,132,622               |            |

Source: Client, 31<sup>st</sup> March 2024

Note: Total leasable area for the property may vary from the architect certificate. The change in area is in accordance with the Lease Deeds/ Leave and License Agreements

In addition to the above, the undivided rights, title and interest in the following assets are also part of the Project.

- Total amenities
- Total utility areas and internal roads.
- Total open spaces.

The table below presents key asset specific information.

**Table 4.51: Key Asset Specific Information of the Project**

| Particulars  | Description  |                      |                     |
|--|--|----------------------|---------------------|
| Name of the Entity   | Horizonview Properties Private Limited   |                      |                     |
| Interest owned by Mindspace REIT                           | 1,132,622 sq. ft. of leasable area is owned by Horizonview Properties Private Limited which is 100% owned and controlled by the Mindspace REIT |                      |                     |
| Land Extent  | ~6.13 acres  |                      |                     |
| Asset Type   | IT Park with Non-SEZ buildings   |                      |                     |
| Sub-Market   | SBD Southwest  |                      |                     |
| Approved and Existing Usage                                | IT – Non SEZ Office development  |                      |                     |
| Age of Building based on the Date of Occupancy Certificate | Sl.  | Building Name        | Age of the Building |
|  | 1.   | Commerzone - Block A | 3 years 10 months   |
|  | 2.   | Commerzone - Block B | 3 years 10 months   |
| Current Status   | 100% Complete and Operational  |                      |                     |
| Approvals Status   | List of approvals are specified in annexure 4  |                      |                     |
| Freehold/Leasehold   | The underlying land is taken on freehold basis   |                      |                     |
| Leasable Area  | 1.13 mn sq. ft.  |                      |                     |
| Occupied Area  | 0.86 mn sq. ft.  |                      |                     |
| Committed Area   | 0.95 mn sq. ft.  |                      |                     |
| Occupancy  | 76.0%  |                      |                     |
| Committed Occupancy  | 84.0%  |                      |                     |
| Number of Tenants  | 11   |                      |                     |

Source: Client, 31st March 2024

#### **4.11.3 LOCATION OF THE PROJECT**

The Project is located at Porur which is classified as SBD Southwest office market of Chennai. It is well accessed by 30m wide Mount Poonamallee Road on the Southern Side. Porur Junction and Kathipara Junction are located approx. 2kms and 5kms from the Project respectively which are the major interchange junctions to various parts of the city. Chennai International Airport is just 9kms from Project. The upcoming metro corridor 4, which would connect lighthouse to Poonamallee Bus Depot, would have a station at Porur Junction. This would strengthen the connectivity and accessibility along MPR as well as to the Project. The Phase 2 Metro is estimated to be completed by 2026. There are many IT/ITes developments located along Mount Poonamallee Road and the larger development being DLF Cybercity located at a distance of ~1km from Project.

Map 4.11: Location of the Project Site with respect to the Chennai City



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

Distance and accessibility to the Project from major landmarks in the city is given below:

Table 4.52: Distance of the Project from Major Landmarks of Chennai City

| Location / Landmark             | Approximate Distance from Project |
|---------------------------------|-----------------------------------|
| DLF Cybercity                   | 1.0                               |
| Chennai Trade Centre            | 2.0                               |
| Kathipara Junction              | 5.0                               |
| Chennai Airport                 | 11.0                              |
| MGR Central Railway Station     | 18.0                              |
| Kalaigai Centenary Bus Terminus | 28.0                              |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

#### 4.11.4 KEY ASSUMPTIONS AND INPUTS

| Particulars                                  | Unit          | Information |
|--|---------------|-------------|
| Revenue Assumptions (as on 31/03/2024)       |               |             |
| Current Effective Rent                       | INR/sq ft/mth | 59.1        |
| Achievable Market Rent for FY2024-25         |               |             |
| Warm Shell                                   | INR/sq ft/mth | INR 66.15   |
| Kiosk  | INR/sq ft/mth | INR 105.00  |
| F&B  | INR/sq ft/mth | INR 89.25   |
| Parking Charges for FY2024-25                | INR/bay/mth   | INR 2,625   |
| Development Assumptions                      |               |             |
| Remaining Capital Expenditure                | INR Million   | 625.1       |
| Expected Completion of Capex                 | Qtr, Year     | Q2 FY25     |
| Other Financial Assumptions                  |               |             |
| Cap Rate                                     | %             | 8.00        |
| WACC (Complete/Operational)                  | %             | 11.75       |
| WACC (Under-construction/Future Development) | %             | NA          |

NA: Not Applicable

<sup>1</sup> Total Remaining Capital Expenditure primarily includes the fit-out CAPEX of INR 406 Mn relating to the space occupied by Hitachi Energy Technology Services Pvt Ltd.

#### 4.11.5 MARKET VALUE

We are of the opinion that the Market Value of the Mindspace REIT in the Subject Property as on 31 March 2024 is estimated to be **INR 11,363.39 million (INR Eleven Billion Three Hundred Sixty Three Million Three Hundred Ninety Thousand Only)**.

*Note: Based on the inputs provided by the client, Mindspace REIT holds 100% of the ownership interest in the project and the valuation presented is for 100% interest in the project only.*



## 4.12 MINDSPACE POCHARAM, HYDERABAD

### 4.12.1 DETAILS OF THE PROJECT SITE AND / OR PROJECT

The table below presents details of the Project Site and/or Project.

Table 4.53: Details of the Project Site and/or Project

| DETAILS OF PROPERTY  |   |                             |
|--|---|-----------------------------|
| Property Name  | Mindspace Pocharam, Hyderabad – SEZ                                 |                             |
| Property Address   | Mindspace, TSIC software layout, Hyderabad, Telangana, 500088       |                             |
| Land Area  | 26.464 Acres  |                             |
| Block-Wise Break-Up of Leasable Area and Current Status  | Leasable area details as shared by the Client is given below:       |                             |
|  | Sr. No.   | Building Name               |
|  |   | Leasable Area (mn. sq. ft.) |
|  | 1.  | Building 8                  |
|  | 2.  | Building 9                  |
|  | Total Leasable Area   |                             |
|  | 0.57  |                             |
| Based on the site inspection, the Project has two buildings and ~ 19 acre of land for future development.  |   |                             |
| Subject Property has undergone significant changes over the last six months with the existing tenant(s) having moved out of the property. Both leasable buildings in the Subject Property are currently vacant and considerable challenges have been observed over these last six months in leasing this Subject Property. Further, recent market feedback indicates that Subject Property micro-market is no longer being considered as an active destination for IT/ITeS spaces. The IT/ITeS activity in the city has been largely concentrated in the western quadrant and there is no immediate visibility of demand in the eastern quadrant. Given these constraints, the approach to valuation of Subject Property has been changed, in line with guidance provided under International Valuation Standards 2022, to Cost Approach from Income Approach considered previously, as there is currently no direct evidence of rent and no other identifiable income streams and does not appear likely in the near foreseeable future from the Subject Property. The land component has been valued while considering the Comparable Sales Method (under the Market Approach), and built component and plant and machinery components have been valued considering the Depreciated Replacement Cost Method. |   |                             |
| Access   | Accessible through approx. 24 m. wide internal road                 |                             |
| Frontage   | Excellent frontage along the access road                            |                             |
| Shape and Visibility   | Regular in shape and has excellent visibility from access road      |                             |
| Approval Status  | Project has requisite approvals in place as confirmed by the Client |                             |
| INFRASTRUCTURE   |   |                             |
| Water Supply, Sewerage & Drainage  | Available within the Project  |                             |
| Power & Telecommunication  | Available within the Project  |                             |

#### 4.12.2 DESCRIPTION OF THE PROJECT

As stated earlier, the Project has total leasable area of 0.57 million sq. ft. as per the occupancy certificate and / or leases previously signed and it is spread across two (2) buildings i.e., Building 8 and Building 9. The following table presents the details of the Project in terms of buildings and leasable area.

**Table 4-54: Details of the Project in terms of Buildings and Leasable Area**

| Sr. No. | Building Name                   | Leasable Area<br>(mn. sq. ft.) | Usage type | Status    |
|---------|---------------------------------|--------------------------------|------------|-----------|
| 1.      | Mindspace Pocharam – Building 8 | 0.38                           | SEZ        | Completed |
| 2.      | Mindspace Pocharam – Building 9 | 0.19                           | SEZ        | Completed |
|         | Total Leasable Area             | 0.57                           |            |           |

Source: Client, 31 March 2024

*Note: Total leasable area for the property may vary from the architect certificate. The change in area is in accordance with the Lease Deeds/ Leave and License Agreements*

In addition to the above, the following assets are also part of the Project.

- Total utility areas and internal roads
- Total open spaces

The table below presents key asset specific information.

**Table 4-55: Key Asset Specific Information of the Project**

|                                  |  |               |                        |  |
|----------------------------------|--|---------------|------------------------|--|
| Particulars                      | Description  |               |                        |  |
| Name of the Entity               | Mindspace Business Parks Private Limited   |               |                        |  |
| Interest owned by Mindspace REIT | Project is wholly owned by Mindspace Business Parks Private Limited which is 100% owned and controlled by the Mindspace REIT |               |                        |  |
| Land Extent                      | 26.464 acres   |               |                        |  |
| Asset Type                       | IT Park with SEZ buildings   |               |                        |  |
|                                  | ~19 acres of land earmarked for future development   |               |                        |  |
| Sub-Market                       | Suburbs Other / PBD East   |               |                        |  |
| Approved and Existing Usage      | IT Offices   |               |                        |  |
| Age of Building                  | Sl.  | Building Name | Age of the Building    |  |
|                                  | 1.   | Building 8    | 13 years and 10 months |  |
|                                  | 2.   | Building 9    | 11 months              |  |
| Current Status                   | Operational  |               |                        |  |
| Approvals Status                 | Project has requisite approvals in place as confirmed by the Client.   |               |                        |  |
| Freehold/Leasehold               | The underlying land is taken on freehold basis   |               |                        |  |
| Leasable Area                    | 0.57 million sq. ft.   |               |                        |  |
| Occupied Area                    | 0 million sq. ft.  |               |                        |  |
| Committed Area                   | 0 million sq. ft.  |               |                        |  |
| Occupancy                        | 0%   |               |                        |  |
| Committed Occupancy              | 0 %  |               |                        |  |
| Number of Tenants                | 0  |               |                        |  |

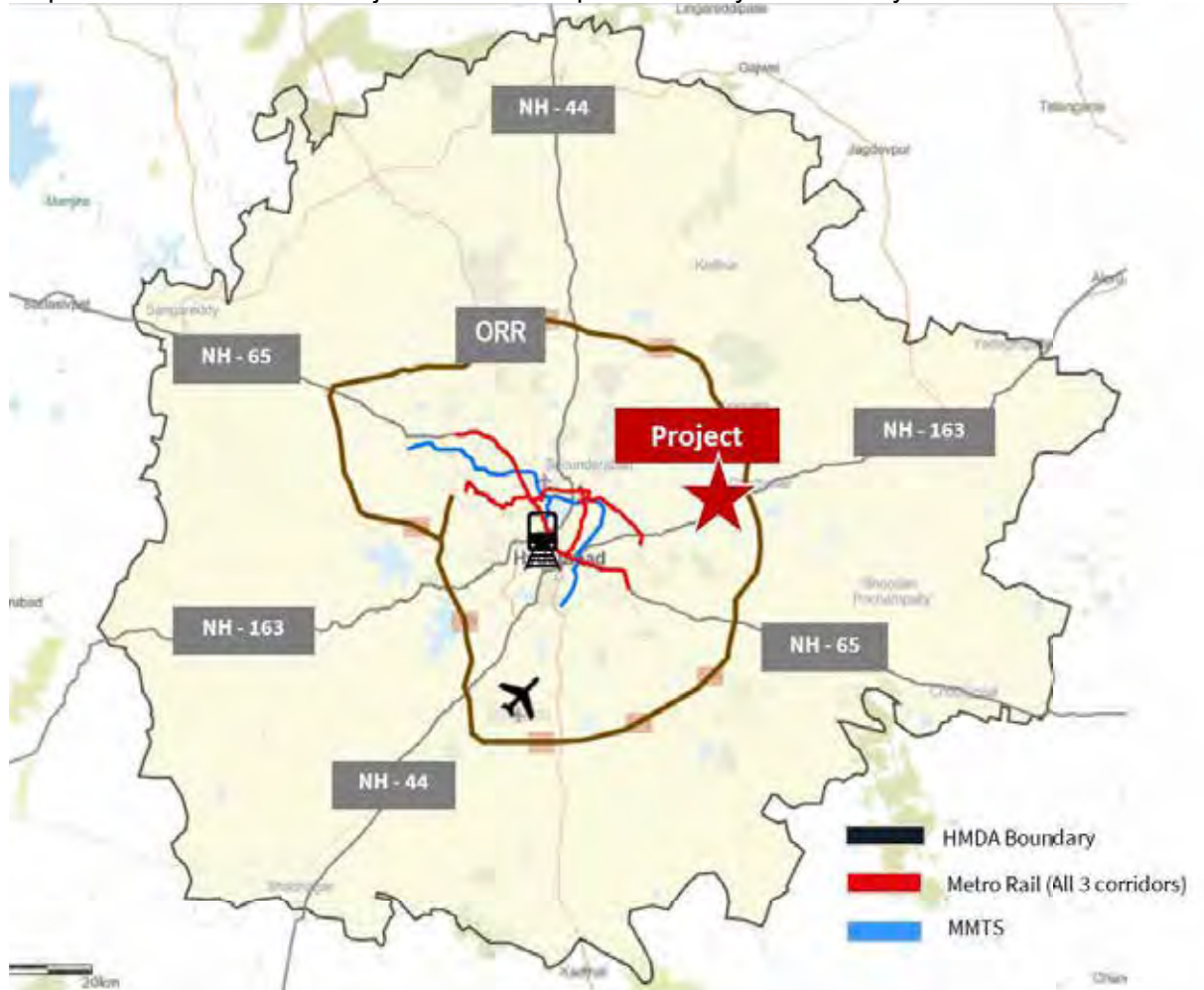
Source: Client, 31 March 2024

#### 4.12.3 LOCATION OF THE PROJECT

The Project is located in the eastern part of Hyderabad at Pocharam in Suburb-Others micro market. It is located ~1.3 km off Hyderabad -Warangal Highway and is accessible through 24m wide road. It is at a distance of about ~15 km and ~ 41 km from Uppal and Hyderabad International Airport respectively.

The following map presents the location of the Project Site with respect to the city.

Map 4.12: Location of the Project Site with respect to the Hyderabad City



Source: Real Estate Market Research & Analysis; JLL, 31 March 2024

The distance of the Project from major landmarks in the city is given in the table below.

Table 4-56: Distances of the Project from Major Landmarks in the City

| Location / Landmark          | Approximate Distance from Project Site (km) |
|------------------------------|---|
| Outer Ring Road (ORR)        | ~ 3   |
| Secunderabad Railway Station | ~ 20  |
| Hyderabad RGIA Airport       | ~ 41  |
| Singapore Township           | ~ 1   |
| Infosys Campus               | ~ 2   |

Source: Real Estate Market Research & Analysis; JLL, 31 March 2024

#### 4.12.4 KEY ASSUMPTIONS AND INPUTS

| PARTICULARS   | DESCRIPTION  |
|---|--|
| Asset Specific Information  |  |
| Nature of Asset   | Commercial / Office with Amenities                               |
| Current Status  | Operational and vacant   |
| Total Land Area (land under existing buildings and land earmarked for future development)                                 | ~ 26.464 acres   |
| Total Leasable Area (Building 8 & 9)  | 0.57 sq. ft.   |
| Age of the Building   | Building 8: 14 years and 6 months<br>Building 9: 1 year 5 months |
| Cost Assumption   |  |
| Replacement Construction Cost of Building (Core & Shell <i>incl. finishes, structural glazing, external development</i> ) | INR 2,200 per sq. ft. (on leasable area)                         |
| Depreciation Rate   | As per Part "C" of Schedule II of The Companies Act 2013)        |
| Building / Structure – RCC (Cold Shell / Bare-shell)  | 4.87%  |
| Financial Assumptions   |  |
| Additional Transaction Costs anticipated given likely higher marketing and agency costs                                   | 1.00%  |

#### 4.12.5 MARKET VALUE

We are of the opinion that the Market Value of the Project Mindspace Pocharam located in Pocharam, Hyderabad Telangana, India 500088 as on 31 March 2024 comprising,

- **Land Component**
  - Market value of the ~ 26.464 acre land currently accommodating existing built structures – **INR 818.18 million (INR Eight Hundred Eighteen Million One Hundred Eighty Thousand Only)**
  - Market value of the ~ 7.464 acre land currently accommodating existing built structures – **INR 230.76 million (INR Two Hundred Thirty Million Seven Hundred Sixty Thousand Only)**
  - Market value of the ~ 19 acre land earmarked for future development - **INR 587.42 million (INR Five Hundred Eighty Seven Million Four Hundred Twenty Thousand Only)**
- **Building Component**
  - Market value of the Completed buildings developed over ~ 7.464 acre of land with ~ 0.57 million sq. ft. of leasable area (excluding land value) – **INR 590.68 million (INR Five Hundred Ninety Million Six Hundred Eighty Thousand Only)**
- **Plant & Machinery Component**
  - Market value of plant and machinery for the completed buildings – **INR 79.00 million (INR Seventy Nine Million Only)**

*Note: Based on the inputs provided by client, Mindspace REIT holds 100% of the ownership interest in the project. The total value of the asset with 100% interest is INR 1,487.86 million (INR One Billion Four Hundred Eighty Seven Million Eight Hundred Sixty Thousand Only)*

# Valuation Report

Mindspace (Sundew  
Properties Limited),  
Madhapur, Hyderabad

Telangana, India

Submitted To:

K. Raheja Corp. Investment Managers Private  
Limited (formerly known as K Raheja Corp  
Investment Managers LLP)

(acting as Manager to Mindspace Business Parks REIT)

Date of Valuation:

31-Mar -2024

Date of Report:

24-Apr -2024



Prepared By:

**KZEN VALTECH PRIVATE LIMITED**

**IBBI/RV-E/05/2022/164**



## EXECUTIVE SUMMARY

| Property Name     | Mindspace Madhapur (Sundew), Madhapur, Hyderabad, Telangana, India 500 081  |                         |               |                         |    |             |         |    |              |         |    |              |         |    |              |         |    |              |           |    |             |         |    |             |         |    |             |         |  |                     |           |
|-------------------|---|-------------------------|---------------|-------------------------|----|-------------|---------|----|--------------|---------|----|--------------|---------|----|--------------|---------|----|--------------|-----------|----|-------------|---------|----|-------------|---------|----|-------------|---------|--|---------------------|-----------|
| Property Address  | Mindspace Madhapur, Titus Towers, TSIIIC software layout, Madhapur, Hyderabad, Telangana, 500081  |                         |               |                         |    |             |         |    |              |         |    |              |         |    |              |         |    |              |           |    |             |         |    |             |         |    |             |         |  |                     |           |
| Land Area         | 40.25 Acres   |                         |               |                         |    |             |         |    |              |         |    |              |         |    |              |         |    |              |           |    |             |         |    |             |         |    |             |         |  |                     |           |
| Brief Description | <p>The Project is located in Madhapur micro market in the western part of Hyderabad; adjacent to Raidurg Metro Station and at a distance of ~ 31 km from Hyderabad International Airport. The proposed Metro Phase 2 would connect Raidurg to Hyderabad International Airport, which would further improve the connectivity of the Project.</p> <p>The Project is developed as Grade A IT Park spread across eight IT Buildings (11, 12A, 12B, 12C, 12D, 14, 20, 22). The Project has excellent visibility along the access road and has 3 entry and exit points. Buildings 11 and 22 are Non SEZ and Buildings (12A, 12B, 12C, 12D, 14, 20) are under SEZ and has a secured gate.</p> <p>The Project is surrounded by mixed use development comprising residential, retail, and commercial developments.</p>                             |                         |               |                         |    |             |         |    |              |         |    |              |         |    |              |         |    |              |           |    |             |         |    |             |         |    |             |         |  |                     |           |
| Asset Details     | <p>Leasable area details as shared by the Client is given below:</p> <table><tr><th>Sl. No.</th><th>Building Name</th><th>Leasable Area (sq. ft.)</th></tr><tr><td>1.</td><td>Building 11</td><td>602,566</td></tr><tr><td>2.</td><td>Building 12A</td><td>856,837</td></tr><tr><td>3.</td><td>Building 12B</td><td>676,772</td></tr><tr><td>4.</td><td>Building 12C</td><td>801,436</td></tr><tr><td>5.</td><td>Building 12D</td><td>1,246,519</td></tr><tr><td>6.</td><td>Building 14</td><td>531,126</td></tr><tr><td>7.</td><td>Building 20</td><td>918,109</td></tr><tr><td>8.</td><td>Building 22</td><td>127,398</td></tr><tr><td></td><td>Total Leasable Area</td><td>5,760,763</td></tr></table> <p>Based on the site inspection, all blocks are operational. There are no under-construction buildings within the property.</p> | Sl. No.                 | Building Name | Leasable Area (sq. ft.) | 1. | Building 11 | 602,566 | 2. | Building 12A | 856,837 | 3. | Building 12B | 676,772 | 4. | Building 12C | 801,436 | 5. | Building 12D | 1,246,519 | 6. | Building 14 | 531,126 | 7. | Building 20 | 918,109 | 8. | Building 22 | 127,398 |  | Total Leasable Area | 5,760,763 |
| Sl. No.           | Building Name   | Leasable Area (sq. ft.) |               |                         |    |             |         |    |              |         |    |              |         |    |              |         |    |              |           |    |             |         |    |             |         |    |             |         |  |                     |           |
| 1.                | Building 11   | 602,566                 |               |                         |    |             |         |    |              |         |    |              |         |    |              |         |    |              |           |    |             |         |    |             |         |    |             |         |  |                     |           |
| 2.                | Building 12A  | 856,837                 |               |                         |    |             |         |    |              |         |    |              |         |    |              |         |    |              |           |    |             |         |    |             |         |    |             |         |  |                     |           |
| 3.                | Building 12B  | 676,772                 |               |                         |    |             |         |    |              |         |    |              |         |    |              |         |    |              |           |    |             |         |    |             |         |    |             |         |  |                     |           |
| 4.                | Building 12C  | 801,436                 |               |                         |    |             |         |    |              |         |    |              |         |    |              |         |    |              |           |    |             |         |    |             |         |    |             |         |  |                     |           |
| 5.                | Building 12D  | 1,246,519               |               |                         |    |             |         |    |              |         |    |              |         |    |              |         |    |              |           |    |             |         |    |             |         |    |             |         |  |                     |           |
| 6.                | Building 14   | 531,126                 |               |                         |    |             |         |    |              |         |    |              |         |    |              |         |    |              |           |    |             |         |    |             |         |    |             |         |  |                     |           |
| 7.                | Building 20   | 918,109                 |               |                         |    |             |         |    |              |         |    |              |         |    |              |         |    |              |           |    |             |         |    |             |         |    |             |         |  |                     |           |
| 8.                | Building 22   | 127,398                 |               |                         |    |             |         |    |              |         |    |              |         |    |              |         |    |              |           |    |             |         |    |             |         |    |             |         |  |                     |           |
|                   | Total Leasable Area   | 5,760,763               |               |                         |    |             |         |    |              |         |    |              |         |    |              |         |    |              |           |    |             |         |    |             |         |    |             |         |  |                     |           |

Location Map



## Key Assumptions

The table below summarizes key Valuation assumptions used in the estimate

| Particulars   | Description                        |               |                      |            |             |
|---|------------------------------------|---------------|----------------------|------------|-------------|
| Asset Specific Information  |                                    |               |                      |            |             |
| Nature of Asset   | Commercial / Office with Amenities |               |                      |            |             |
| Current Status  | Completed and Operational          |               |                      |            |             |
| Total Leasable Area   | 5,760,763 sq. ft.                  |               |                      |            |             |
| Asset Details   | Sl. No.                            | Building Name | Age of the Building  | Usage Type | Status Area |
|   | 1.                                 | Building 11   | ~ 13 years 03 months | Non-SEZ    | Completed   |
|   | 2.                                 | Building 12A  | ~ 10 years 04 months | SEZ        | Completed   |
|   | 3.                                 | Building 12B  | ~ 9 years 01 months  | SEZ        | Completed   |
|   | 4.                                 | Building 12C  | ~ 8 years            | SEZ        | Completed   |
|   | 5.                                 | Building 12D  | ~ 3 years            | SEZ        | Completed   |
|   | 6.                                 | Building 14   | ~ 13 years 08 months | SEZ        | Completed   |
|   | 7.                                 | Building 20   | ~ 11 years 10 months | SEZ        | Completed   |
|   | 8.                                 | Building 22   | ~ 2 years 11 months  | Non-SEZ    | Completed   |
| <p>In addition to the above, the undivided rights, title and interest in the following assets are also part of the Project.</p> <ul style="list-style-type: none"> <li>Total utility areas and internal roads.</li> <li>Total open spaces.</li> </ul> |                                    |               |                      |            |             |

|                             |  |                                |
|-----------------------------|--|--------------------------------|
|                             | Revenue Assumptions  |                                |
|                             | In-Place Rent  | INR 64.2 per sq. ft. per Month |
|                             | Market / Marginal Rent   | INR 74.6 per sq. ft. per Month |
|                             | Parking Rent   | INR 2,100 per CPS per Month    |
|                             | Financial Assumptions  |                                |
|                             | Exit Cap Rate  | 8.00%                          |
|                             | Discount Rate / WACC   | 11.75%                         |
| Market Value on 31-Mar-2024 | For Completed Project - INR 56,634.04 million (INR Fifty-Six Billion Six Hundred Thirty Four Million and Forty Thousand Only)  |                                |
|                             | <i>Note: Based on the inputs provided by the Client, Mindspace REIT holds 89% of the ownership interest in the project and the valuation presented is for 89% interest in the project only. The total value of the asset with 100% interest is <b>INR 63,633.75 million</b> (INR Sixty-Three Billion Six Hundred Thirty-Three Million Seven Hundred and Fifty Thousand Only)</i> |                                |

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## **LIST OF ABBREVIATIONS**

|         |   |
|---------|---|
| BPO     | Business Process Outsourcing                                    |
| CBD     | Central Business District                                       |
| DCR     | Development Controls & Regulations                              |
| GHMC    | Greater Hyderabad Municipal Corporation                         |
| HMDA    | Hyderabad Metropolitan Development Authority                    |
| INR     | Indian National Rupees  |
| IT/ITES | Information Technology/IT enabled Services                      |
| IVSC    | International Valuation Standards Committee                     |
| JLL     | Jones Lang LaSalle Property Consultants (India) Private Limited |
| km      | Kilometre   |
| NH      | National Highway  |
| ORR     | Outer Ring Road   |
| PBD     | Peripheral Business District                                    |
| RICS    | Royal Institution of Chartered Surveyors                        |
| SEBI    | Securities and Exchange Board of India                          |
| SBD     | Secondary Business District                                     |
| SEZ     | Special Economic Zone   |
| sq. ft. | square feet   |
| sq. m.  | square metre  |
| REIT    | Real Estate Investment Trust                                    |
| Y-o-Y   | Year-on-Year  |

## **CONVERSION OF UNITS**

|          |                  |
|----------|------------------|
| 1 acre   | 43559.66 sq. ft. |
| 1 acre   | 4046.9 sq. m.    |
| 1 sq. m. | 1.196 sq. yards  |
| 1 sq. m. | 10.764 sq. ft.   |
| 1 meter  | 1.0936 yards     |
| 1 meter  | 3.28 ft.         |
| 1 cent   | 435.6 sq. ft.    |

# 1 INTRODUCTION

---

## 1.1 INSTRUCTIONS

K Raheja Corp. Investment Managers Private Limited(hereinafter referred to as the 'Client'), in its capacity as Manager of the Mindspace Business Parks REIT (Mindspace REIT), has appointed KZEN VALTECH PRIVATE LIMITED, Registered Valuer Entity with Insolvency and Bankruptcy Board of India ("IBBI") bearing registration no. IBBI/RV-E/05/2022/164 (hereinafter referred to as the 'Valuer') to carry out an independent estimate of Market Value of commercial / office properties located in Chennai, Hyderabad, Mumbai and Pune along with incidental or ancillary activities including a facility management business and power distribution facility, vide Engagement Letter dated 27 March 2023. The Client intends to seek independent estimate of Market Value for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchange.

This Valuation Report has Market Value of a commercial / IT office project I named '**Mindspace Madhapur (Sundew)**' located in **Madhapur, Hyderabad**, Telangana, India (hereinafter referred to as the 'Project').

## 1.2 PURPOSE OF VALUATION

The purpose of this valuation is to estimate the value of the Project as part of the portfolio of Mindspace REIT for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended together with clarifications, guidelines and notifications thereunder in the Indian stock exchange and for accounting purpose.

In addition, other documents in relation to the regulatory filings such as publicity material, research reports, presentations and press releases will also be prepared, wherein copies, summary or extracts of the Valuation Report are intended to be included.

## 1.3 RELIANT PARTIES

The reliance on the Valuation Report prepared as part of this engagement is extended to the Manager, REIT and other parties including the trustee of REIT, debenture trustee(s), stock exchanges, unitholders of REIT, Securities and Exchange Board of India ('SEBI'), credit rating agencies, lenders of the REIT and/or its special purpose vehicles or any other person within or outside India as the Manager may deem fit for the purpose as highlighted in this report (valuation). The Valuer, however, would extend no liability to such reliant parties save and except for gross and willful negligence.

The valuation exercise is conducted strictly and only for the use of the parties as stated above who need to rely on such valuation ('Reliant Party') and for the Purpose specifically stated. The Client shall make all reliant parties aware of the terms and conditions of the engagement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 1.4 VALUER'S CAPABILITY

**KZEN VALTECH PRIVATE LIMITED**, bearing Registered Valuer Entity number IBBI/RV-E/05/2022/164 with IBBI has been appointed as the Valuer for providing opinions on market value of the respective Subject Properties.

Mr. Sachin Gulaty, Director, KZEN VALTECH PRIVATE LIMITED, is registered as a valuer with IBBI for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 13 August 2021. He qualified for the degree of Bachelor of Architecture from School of Planning and Architecture, New Delhi in 1997, and qualified for the degree of Master in Planning with specialization in Urban Planning from School of Planning and Architecture, New Delhi in 2002. He, subsequently, undertook distance learning from SVKM's Narsee Monjee Institute of Management Studies ("NMIMS") Global Access – School for Continuing Education, qualified for the two-years Post Graduate Diploma in Banking & Financial Management and was awarded this Post Graduate Diploma in July 2018.

Mr. Gulaty has more than 26 years of experience, including one and a half years of post-graduate education, spread over domains of architecture, urban planning, urban infrastructure, real estate advisory, and real estate asset valuation. He was the National Head of Valuations for Jones Lang LaSalle Property Consultants (India) Private Limited ("JLL India"), a leading International Property Consulting firm in India, from 2010 to 2021. Prior to this role, Mr. Gulaty gained practical experience in providing architecture services, town and city planning, and research related to regulatory studies and urban governance covering urban infrastructure such as water supply, sanitation, solid waste management, and urban transport, among other aspects. In the early part of his career, he worked with renowned architectural services firm, Kuldip Singh & Associates, and The Energy and Resources Institute ("TERI"). His last employment was with JLL as Senior Director and National Head for Valuations.

As the National Head of Valuations at JLL India, he led numerous valuation exercises for multiple financial institutions, private equity/real estate funds, corporates, industrial houses, government departments, and developers across multiple real estate asset classes of commercial, retail, residential, industrial, healthcare, and hospitality, among others. Clientele served by him across his entire career till date, under various employments, includes Brookfield, GIC, Qatar Investment Authority, JP Morgan, BlackRock, CapitaLand, Citibank, Standard Chartered Bank, Yes Bank, Kotak Mahindra, Maruti Suzuki, Indiabulls, Dubai Port World, World Bank, DLF, RMZ, Shriram Properties, DIPAM, NHAI, NBCC, AAI, and RLDA, among others.

Mr. Gulaty, who carries IBBI Registration Number: IBBI/RV/02/2021/14284, is enrolled with the Institute of Valuers Registered Valuers Foundation ("IOVRVF"), is a Fellow of Royal Institution of Chartered Surveyors ("RICS"), Fellow and Lifetime Member of Institute of Valuers, India ("IOV"), admitted as an Arbitrator (India) on the RICS Panel of Dispute

Resolvers & Expert Witnesses, and features in the global list of RICS Trained Assessors, has prepared and signed this report on behalf of RV-E.

## **1.5 INDEPENDENCE, CONFLICT OF INTEREST AND VALUER'S INTEREST**

The Valuer confirms that there are no conflicts of interest in so far as discharging his duties as a valuer for the Project is concerned. The Valuer has undertaken the valuation exercise without the presence of any bias, coercion, or undue influence of any party, whether directly connected to the valuation assignment. There has not been any professional association with the Client or the Project in past five years from his engagement as the Valuer, except as valuer under the SEBI (REIT) Regulations, 2014.

The Valuer certifies that he/she does not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the Project (including the parties with whom the Client is dealing, including the lender or selling agent, if any) and accepts instructions to value the Project only from the Client.

## **1.6 ASSUMPTIONS, DEPARTURES AND RESERVATIONS**

This Valuation Report has been prepared on the basis of the assumptions within the instructions (Key Assumptions, Qualifications, limitations and Disclosures) detailed after this section of this report. The development mix, built up area, land area and lease details such as lease rent, lease commencement and lease end date, lock-in period, escalation terms, etc. pertaining to the Project is based on the appropriate relevant documents, which has been provided by the Client and the same has been adopted for the purpose of this valuation.

## **1.7 INSPECTION OF THE PROJECT**

Building 11 of the project was inspected on 22 March 2024 and the remaining buildings of this project were inspected on 23 March 2024 by the Valuer in the presence of client-nominated representative, and subsequently no site visits have been conducted. No measurement or building survey has been carried out as part of the valuation exercise. The Valuer has relied entirely on the site areas provided by the Client, which has been assumed to be correct. Based on the discussions with the Client, it has been assumed that no material change in the condition of the property has taken place except for the progress of construction work in accordance with the information shared.

## **1.8 GENERAL COMMENT**

A valuation is a prediction of price, not a guarantee. By necessity, it requires the Valuer to make subjective judgments that, even if logical and appropriate, may differ from those made by a purchaser, or another valuer. Historically it has been considered that valuers may properly conclude within a range of possible values.

The purpose of the valuation does not alter the approach to the valuation.

Property values can change substantially, even over short periods of time, and thus the valuation of the Project herein could differ significantly if the date of valuation was to change.

This report should not be relied upon for any other purpose other than for which this valuation exercise has been undertaken.

## 1.9 CONFIDENTIALITY

The contents of this Valuation Report are intended for the specific purpose stated. Consequently, and in accordance with current practice, no responsibility is accepted to any other party in respect of the whole or any part of its contents- except as maybe required in connection with the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, under the applicable law.

## 1.10 AUTHORITY

The Client acknowledges and agrees that the valuation exercise undertaken (including, without limitation, the Reports itself and the contents thereof) is solely for the purpose set out in Section 1.2 herein. If Client desires to use the Report in any offering or other investment material for purpose other than as mentioned in the Section 1.2 herein, then (a) with Valuer will require, and the Client must provide or cause to be provided, an indemnification agreement in his favor, given by parties reasonably satisfactory to him, and (b) the Client will obtain his consent to the references in such materials to the Report.

## 1.11 LIMITATION OF LIABILITY

The Valuer has provided the services exercising due care and skill but does not accept any legal liability arising from negligence or otherwise to any person in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the properties. Further, the Valuer shall not accept liability for any errors, misstatements, omissions in the report caused due to false, misleading or incomplete information or documentation provided to him by the Instructing Party.

The Valuer's maximum aggregate liability for claims arising out of or in connection with the Valuation, under this engagement shall not exceed the professional indemnity insurance obtained by him. As on the date of this report, the professional indemnity insurance maintained by the Valuer is for Indian Rupees Fifty Million.

In the event that the Manager, the sponsors, the trustee, the REIT, or other intermediaries appointed by the Manager and / or REIT or its SPVs be subject to any claim ('Claim Parties') in connection with, arising out of or attributable to the Report, the Claim Parties will be entitled to require the Valuer to be a necessary party/respondent to such claim and he shall not object to his inclusion as a necessary party/ respondent. In all such cases, the Manager, on behalf of the REIT, agrees to reimburse/ refund to the Valuer, the actual cost (which shall include legal fees and external counsel's fee) incurred by them while becoming a necessary party/respondent. If the Valuer does not cooperate to be named as a party/respondent to such claims in providing adequate/successful defense in defending such claims, the Claim Parties jointly or severally will be entitled to initiate a separate claim against the Valuer in this regard.

The Valuer will neither be responsible for any legal due diligence, title search, and physical measurements nor undertake any verification/ validation of the zoning regulations/ development controls with any government departments/authorities, among other aspects., etc.

## 1.12 DISCLOSURE AND PUBLICATION

The Valuer must not disclose the contents of this Valuation Report to a third party in any way, except as allowed under the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars. As per the terms and regulation 2(1) of the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars, it may be noted that the Valuation report is prepared in accordance with said REIT regulations.



### **1.13 ANTI-BRIBERY AND ANTI-CORRUPTION**

The Valuer represents, warrants and undertakes that:

The Valuer is familiar with applicable Anti-Corruption Laws under this Agreement including but not limited to Prevention of Corruption Act 1988 and will ensure that neither it nor any of its officers, directors, shareholders, employees and agents or any other person acting under its implied or express authority will engage in any activity, practice or conduct which would constitute an offence under, or expose or potentially expose either Party to any direct or indirect liability, under Applicable Anti-Corruption Laws;

It is further agreed that breach of any of the above undertakings shall be deemed to be a material breach of the Agreement and in case the Valuer is insisted upon or asserted by Client to violate any of the above said undertakings including Anti-Corruption regulations in any form or manner, on pretext of business relationship or otherwise, the Valuer shall have a discretionary right to terminate this Agreement without any liability or obligation on his part.

Such termination of this Agreement shall not in any way prejudice the rights and obligations (including payment for the services delivered under this Agreement) already accrued to the Valuer, prior to such termination.

## KEY ASSUMPTIONS, QUALIFICATIONS, LIMITATIONS AND DISCLAIMERS

|     |   |   |
|-----|---|---|
| 1.  | Type of Estimate                              | The scope of the assignment covers only estimating Market Value of a specified property and not a business valuation for either the Client or any of their subsidiaries or associated companies, etc. The estimate is based on extent of data/information provided by the Client and estimate has limited coverage wherever full data/information is not made available by the Client.  |
| 2.  | Legal Due-Diligence                           | Legal due diligence for establishing clarity of title, ownership, encumbrances if any, notices or disputes if any, among other legal-related issues are not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.  |
| 3.  | Information Provided by the Client and Others | The Valuer has relied on the information provided by the Client and the same has been assumed to be correct and has been used in the valuation. Where it is stated that another party has supplied information to the Valuer, this information is believed to be reliable. The Valuer cannot accept any responsibility for accuracy and non-reliability of such information.  |
| 4.  | Regulatory Due-Diligence                      | Regulatory due diligence is not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.  |
| 5.  | Project Status, Schedule and Project Costing  | Assessment of the Project Status and Schedule is based on the information provided by the Client and does not consider any unforeseeable developments which could impact the same in the future. The estimate <u>does account</u> for any capital expenses incurred by the Client on the existing and/or ongoing development works in the Project. Auditing the project figures is not part of the scope of work under this assignment. In all likelihood, an independent auditing agency would be covering this aspect, details of which can be obtained from the Client.  |
| 6.  | Market Conditions and Trends                  | The Valuer has taken into consideration the general conditions in the market with respect to broad demand and supply while carrying out the valuation. The Valuer has compared other comparable properties on the basis of many factors and as far as possible tried to remove / account for the differences in type, location and quality of the properties.   |
| 7.  | Information on Leases and Sales Performance   | The Valuer has relied on the rent roll including lease terms & conditions of the existing and pre-committed leases, as given by the Client. The Valuer has not verified individual lease agreements and the Valuer has relied on all information provided to him by the Client, upon which the Valuer will rely, is complete and correct. The Valuer has relied on pre-leasing details to the extent data/information made available by the Client.   |
| 8.  | Site Investigations and Illustrations         | The Valuer has carried out the site visits and based on the information made available by the Client and the estimate is carried out considering that the Project Site is a contiguous land parcel and is free from any encroachments and encumbrances as on the date of valuation. The Valuer has not carried out any structural survey nor tested the building services. No geographical or geo-physical survey was carried out. No environmental assessment has been carried out. Any sketch, plan or map in the report is included to assist reader while visualizing the Project and assume no responsibility in connection with such matters. |
| 9.  | Project Cost Estimates                        | Project Cost Estimates used in the estimate is as given by the Client. Project progress including capital expenditure progress reported is based on the cost incurred data as shared by the Client. The Valuer has reviewed the Project Cost estimates and/or cost incurred data to broadly ascertain their correctness on a normative basis while relying on the same as shared by the Client.   |
| 10. | Environmental Compliance                      | The Valuer assumed that the Project Site / Project is not contaminated and is not adversely affected by any existing or proposed environmental law and any processes which are carried out on the Project Site are regulated by environmental legislation and are Project Site licensed by the appropriate authorities.   |

|     |  |  |
|-----|--|--|
| 11. | Present Ground Conditions                  | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present, which might adversely affect the current or future occupation, development of the Project. The estimate assumes that the Project Site is free from rot, infestation, structural or latent defect and no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the property and comments made in the property details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.  |
| 12. | Town Planning and Statutory Considerations | The Valuer has not made formal search but has generally relied on readily available information to general public. Valuation Report is on current use/ current state basis of the property and the Valuer has not considered any Government proposals for road widening or compulsory purchase/ acquisition, or any other statute in force that might affect the Project.  |
| 13. | Future Market Development and Prospects    | The Valuer has not accounted any future market development and prospects to the extent information known to the Valuer as on the date of valuation. The Valuer does not warrant that such statements are accurate or correct.  |
| 14. | Disclaimer                                 | <p>The estimate of Market Value is based on documents/information shared by the Client. The Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Project.</p> <p>The Valuer has relied on the measurements and information provided at all times, whether from public and private sources, and has ensured to the best of their ability the correctness and the validity of the same, by cross checking from various sources. Whilst every effort has been taken to provide authentic data and analysis, the Valuer, and/or any of their associated companies and/or their employees are not responsible for any loss, major or minor incurred on the basis of the information and analyses provided, nor are liable to any damages in any form or shape.</p> <p>Given the confidential nature of real estate transactions, transaction details for most properties, which are privately actually transacted, are not in the public domain. Consequently, there is reliance on information from market sources, which may not be completely accurate. Thus, information has been crosschecked independently from other market sources to ascertain the broad credibility of information being provided by the market sources. This assignment has been done on best effort and knowledge basis.</p> <p>For ease and simplicity of representation, certain figures may have been rounded.</p> |

## 2 VALUATION APPROACH AND METHODOLOGY

### 2.1 VALUATION STANDARDS ADOPTED

This Report is prepared in accordance and compliance with:

1. Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time ("**SEBI Regulations 2014**"), including Regulation 21 Sub-Regulation (3) and mandatory minimum disclosures as specified in Schedule V of these SEBI Regulation 2014,
2. Companies (Registered Valuers and Valuation) Rules, 2017 as amended from time to time ("**Valuer Rules 2017**"), including reporting requirements as specified in Rule 18 to these rules,
3. International Valuation Standards 2022 ("**IVS 2022**") as set out by International Valuation Standards Committee ("**IVSC**") and adopted by Royal Institution of Chartered Surveyors ("**RICS**") presented in the RICS Valuation Standards and Guidelines 2022 ("**RICS Red Book 2022**"), subject to variation to meet local established law, custom, practice, and market conditions.

### 2.2 BASIS OF VALUATION

Basis of valuation of the Project is **Market Value** as defined by IVSC and adopted by Royal Institution of Chartered Surveyors (RICS) to be: *"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion"*.

### 2.3 APPROACH AND METHODOLOGY

The purpose of this valuation exercise is to estimate the Market Value of the Project, which is a real estate asset. Market Value of the real estate asset can be estimated using different approaches and methodologies.

**Income Approach:** Under this valuation approach, the income generating potential of the real estate asset is estimated while opining on its market value. This approach is typically adopted for assets that are income-generating (completed and operational with multiple tenancies, multiple strata units that can be sold with phased/milestone-based revenue collections, among others). For income-generating assets with single/multiple tenancies, the discounted cash flow entailing term and reversion method is most commonly adopted.

**Market Approach:** Under this valuation approach, the price that an asset could fetch in an open market is estimated. This approach is typically adopted for homogeneous assets in their micro-market and are typically traded on a unit basis. The most commonly adopted valuation method under this valuation approach is the Listed Transaction / Listed Quoted Instances Method, also commonly known as the Direct Comparison or the Comparable Sales/Quoted Instances Method.

**Cost Approach:** Under this valuation approach, the cost required to create an asset of similar or equal utility is estimated. This valuation approach is typically adopted for real estate assets that can be clearly broken down into constituent elements, namely land and built structures. The most commonly adopted valuation method under this valuation approach is the Physical Method, also commonly known as Land and Building Method, which typically entails estimation of the underlying land value (while normally adopting the Market Approach) and the built structures (while adopting the Depreciated Replacement Cost Method) separately.

The table below presents different valuation methodologies and their brief description.

Table 2.1: Different Valuation Methodologies and Description

| Sl. | Valuation Methodology                      | Description   |
|-----|--|---|
| 1.  | Comparable Sales / Quoted Instances Method | This method is based on comparing the subject property directly with other comparable property transaction (actually been sold in the vicinity or are offered for sale). Efforts would be made to collect transacted instances. In case of non-availability of transacted instances in the micro-market, the opinion will be offered based on the available asking/quoted instances in the market with appropriate adjustments for margin for negotiation. Given the homogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative and quantitative differences that may affect the price likely to be achieved by the property under consideration. These adjustments are typically made in the form of premium and/or discount factors for various property attributes, which affect the value. This method demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This method is a fair estimate of the prevailing prices. |
| 2.  | Depreciated Replacement Cost Method        | Replacement cost method is based on the construction cost of assets. The cost to be estimated is the cost of construction as per the construction status at the valuation date. This is based on the inspection of the facility and inputs provided by the Client; however, no structural survey will be conducted. Appropriate depreciation rates will be applied based on schedules given under the Indian Companies Act. This is generally used for estimating the Market Value of only the buildings  |
| 3.  | Discounted Cash Flow Method                | This method is based on the present value of the future receivable net income from the current operational leases / revenues. The current revenues and the future achievable revenues derived from the operational project components of the Project Site would be adjusted for the outgoing expenses to derive 10-year cash flows. The same is then discounted at an appropriate discounting rate linked with risk adjusted discounting factor to estimate the market value for the operational project components. This method is sometimes referred to as 'Rent Roll method as well.   |

#### Approach and Methodology Adopted for Estimating Market Value of the Project

Based on a detailed review of the leases for the Project, the Valuer has noted that a large number of leases of the Project were executed at rent prevalent at the time of signing of such leases or at a discount to prevailing market rental (for a few anchor tenants). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, demand-supply dynamics, quality of spaces, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some properties or submarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to estimate the intrinsic value of the property under review.

Considering the objective of this exercise and the nature of asset involved (completed & operational commercial / office space, the value is estimated using the 'Discounted Cash Flow Method' (basis term and rent reversion) under 'Income Approach'



## 3 VALUATION ASSUMPTIONS AND INPUTS

### 3.1 INVESTIGATION, NATURE AND SOURCE OF INFORMATION

The Valuer undertook physical visits of the Project wherein the buildings and related assets were visually inspected to assess the condition of the buildings and the apparent state of its maintenance/upkeep.

Information related to state and structure of the relevant real estate market for the Project was sourced from the industry and market report prepared by Jones Lang LaSalle Property Consultants (India) Private Limited ('JLL'), who were appointed by the Client to undertake market research and portfolio analysis of the properties part of the Mindspace REIT.

Project related information referred to for the valuation exercise have been provided by the Client unless otherwise mentioned. The Valuer has assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, the Valuer has independently revalidated the information by reviewing the originals as provided by the Client.

In addition, the Valuer relied on the following information and documents shared by the Client with respect to the Project:

- Title certificates prepared by the Legal Counsel of the Client covering the type of ownership interest enjoyed and information on ongoing litigation.
- Architect's certificates dated mentioning site areas and property areas
- Relevant approval documents from competent authorities regarding occupancy, operations and fire safety.
- Lease agreements and commercial clauses thereof for top five tenants on a sample basis
- Masterplan/ Development plan applicable in the jurisdiction of the Project
- Management representation regarding the following:
  - Major repairs undertaken and proposed in the Project
  - Statement of assets
  - Revenue pendency if any
  - Options or Rights of Pre-emption and any other encumbrances concerning or affecting the property.
  - List of material litigations

### 3.2 CAPITALIZATION RATE

The capitalization rate adopted for valuing the assets has been based on various factors such as:

- Historical entry yields (going in cap rates) for commercial / office asset transactions across various key markets in India, which have steadily shown a downward trend over last 7 - 8 years from 10.5%-11.5% to about 7.5%-8.5% in 2023.
- The increased appetite for income generating assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- The demand supply situation in the respective city and expected dynamics of demand leading supply - given entry challenges such as land availability, higher initial cost outlays etc. developers are expected to focus on fully built to suit or semi-speculative projects (with key tenants tied in prior to launch of construction).
- Inflation (and interest rates) expected to be maintained in check with interventions from the Reserve Bank of India, in case of significant change.
- Liquidity associated with REIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer).

***Based on the above factors, the Valuer has adopted a exit cap rate of 8% for the Project, for the purposes of estimating the Market Value, considering the 1 year forward net***

***operating income after 10 years, is utilized for the purpose of calculation of exit value / terminal cash flow.***

### 3.3 DISCOUNT RATE

This discount rate used for discounting the available cash flows represents Cost of equity (the opportunity cost for shareholders) and Cost of Debt (the opportunity cost for creditors), weighted by their respective contribution to the total capital of the company (WACC).

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived using the below formula:

$$\text{Cost of equity} = \text{Risk Free Rate (Rf)} + \text{Beta } (\beta) * (\text{Market Return (Rm)} - \text{Risk Free Rate (Rf)})$$

The cost of debt for completed commercial / office blocks has been considered based on prevalent financing rates for Grade A commercial / office parks in the city. The weightages accorded to equity and debt are derived through benchmarking the subject property against similar portfolios/properties in the market. For discounting the cash flows, an appropriate discount rate considering the location of Project and market dynamics of the micro market, has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC) which is derived to be 11.75% for the completed portion of the project.

This derived discount rate was found to be aligned with the expectations of investors investing in similar assets.

## 4 VALUATION CERTIFICATE

| Property Name   | Mindspace Madhapur (Sundew), Madhapur, Hyderabad, Telangana, India 500 081   |   |                   |                            |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |   |    |             |   |    |             |   |
|---|--|---|-------------------|----------------------------|----|-------------|--------|----|-------------|--------|----|-------------|--------|----|-------------|--------|----|-------------|--------|----|-------------|---|----|-------------|---|----|-------------|---|
| Property Address  | Mindspace Madhapur, Titus Towers, TSIIIC software layout, Madhapur, Hyderabad, Telangana, 500081   |   |                   |                            |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |   |    |             |   |    |             |   |
| Land Area   | 40.25 acres  |   |                   |                            |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |   |    |             |   |    |             |   |
| Brief Description                                       | <p>The Project is located in Madhapur micro market in the Western part of Hyderabad; adjacent to Raidurg Metro Station and at a distance of ~ 31 km from Hyderabad International Airport. The proposed Metro Phase 2 would connect Raidurg to Hyderabad International Airport, which would further improve the connectivity of the Project.</p> <p>The Project is developed as Grade A IT Park and comprises of 5.76 million sq. ft. of leasable area spread across eight IT Buildings (11, 12A, 12B, 12C, 12D, 14, 20, 22). The Project has excellent visibility along the access road and has 3 entry and exit points. Buildings 11 and 22 are Non SEZ and Buildings (12A, 12B, 12C, 12D, 14, 20) are under SEZ and has a secured gate.</p> <p>The Project is surrounded by mixed use development comprising residential, retail, and commercial developments.</p>                               |   |                   |                            |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |   |    |             |   |    |             |   |
| Asset Details   | As described in Executive Summary Section  |   |                   |                            |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |   |    |             |   |    |             |   |
| Valuation Methods                                       | For completed and operational Buildings, the estimate of Market Value is prepared using 'Discounted Cash Flow Method' using Rent Reversion   |   |                   |                            |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |   |    |             |   |    |             |   |
| Nature of the Interest by the Client                    | 89% freehold interest in the Project as informed by the Client   |   |                   |                            |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |   |    |             |   |    |             |   |
| Purchase Price of the Project                           | <p>INR 41,956.83 million, as given by the Client</p> <p><i>Note: Based on the inputs provided by client, Mindspace REIT holds 89% of the ownership interest in the project and the valuation presented is for 89% interest in the project only. The total value of the asset with 100% interest is INR 47,142.51 million</i></p>   |   |                   |                            |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |   |    |             |   |    |             |   |
| Historical Valuation of the Project in 3 Previous Years | <p>Below table summarizes historical valuation of the Project as given by the Client:</p> <table><tr><th>Sl.</th><th>Date of Valuation</th><th>Market Value (INR Million)</th></tr><tr><td>1.</td><td>30-Sep-2023</td><td>56,432</td></tr><tr><td>2.</td><td>31-Mar-2023</td><td>55,348</td></tr><tr><td>3.</td><td>30-Sep-2022</td><td>55,024</td></tr><tr><td>4.</td><td>31-Mar-2022</td><td>53,737</td></tr><tr><td>5.</td><td>30-Sep-2021</td><td>52,016</td></tr><tr><td>6.</td><td>31-Mar-2021</td><td>50,665 (Completed: 49,973, Under Construction: 692)</td></tr><tr><td>7.</td><td>30-Sep-2020</td><td>50,121 (Completed: 49,489, Under Construction: 632)</td></tr><tr><td>8.</td><td>31-Mar-2020</td><td>48,114 (Completed: 47,582, Under Construction: 532)</td></tr></table> <p><i>Note: The above figures are for 89% interest of Sundew Properties Limited in the Project.</i></p> | Sl.   | Date of Valuation | Market Value (INR Million) | 1. | 30-Sep-2023 | 56,432 | 2. | 31-Mar-2023 | 55,348 | 3. | 30-Sep-2022 | 55,024 | 4. | 31-Mar-2022 | 53,737 | 5. | 30-Sep-2021 | 52,016 | 6. | 31-Mar-2021 | 50,665 (Completed: 49,973, Under Construction: 692) | 7. | 30-Sep-2020 | 50,121 (Completed: 49,489, Under Construction: 632) | 8. | 31-Mar-2020 | 48,114 (Completed: 47,582, Under Construction: 532) |
| Sl.   | Date of Valuation  | Market Value (INR Million)                          |                   |                            |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |   |    |             |   |    |             |   |
| 1.  | 30-Sep-2023  | 56,432  |                   |                            |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |   |    |             |   |    |             |   |
| 2.  | 31-Mar-2023  | 55,348  |                   |                            |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |   |    |             |   |    |             |   |
| 3.  | 30-Sep-2022  | 55,024  |                   |                            |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |   |    |             |   |    |             |   |
| 4.  | 31-Mar-2022  | 53,737  |                   |                            |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |   |    |             |   |    |             |   |
| 5.  | 30-Sep-2021  | 52,016  |                   |                            |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |   |    |             |   |    |             |   |
| 6.  | 31-Mar-2021  | 50,665 (Completed: 49,973, Under Construction: 692) |                   |                            |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |   |    |             |   |    |             |   |
| 7.  | 30-Sep-2020  | 50,121 (Completed: 49,489, Under Construction: 632) |                   |                            |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |   |    |             |   |    |             |   |
| 8.  | 31-Mar-2020  | 48,114 (Completed: 47,582, Under Construction: 532) |                   |                            |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |   |    |             |   |    |             |   |

|  |  |
|--|--|
| Ready Reckoner Rate                                      | For Built-up Area<br>Ground floor – INR 7,300 per sq. ft. and first & other floors - INR 6,600 per sq. ft.<br>Land Rate – INR 44,900 per sq. yd.   |
| Date of Valuation  | 31-Mar-2024  |
| Date of Inspection                                       | 22 and 23-Mar-2024   |
| Market Value as on 31-Mar-2024                           | For Completed Project - INR 56,634.04 (INR Fifty-Six Billion Six Hundred Thirty Four Million and forty Thousand Only)<br><br><i>Note: Based on the inputs provided by the Client, Mindspace REIT holds 89% of the ownership interest in the project and the valuation presented is for 89% interest in the project only. The total value of the asset with 100% interest is INR 63,633.75 (INR Sixty-Three Billion Six Hundred Thirty-Three Million Seven Hundred and Fifty Thousand Only)</i>   |
| Matters Affecting the Property and its Value             | Please refer to Chapter 7 of this Valuation Report   |
| Assumptions, Disclaimers, Limitations and Qualifications | This Valuation Report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report, which are made in conjunction with those included within the Assumptions, Limitations & Qualifications section located within this report. Reliance on this report and extension of Valuer's liability is conditional upon the reader's acknowledgement and understanding of these statements. This Valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party, who may use or rely on the whole or any part of the content of this Valuation Report. The Valuer has no pecuniary interest that would conflict with the proper valuation of the Project |
| Prepared by  | KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)<br>Represented through its Director<br>Mr. Sachin Gulaty FRICS FIV FIIA<br>IBBI/RV/02/2021/14284  |



**Name:** Sachin Gulaty FRICS FIV FIIA

**Designation:** Director

**Valuer Registration No.:** IBBI/RV/02/2021/14284

## 5 PROJECT SITE AND PROJECT ANALYSIS

### 5.1 DETAILS OF THE PROJECT SITE AND/OR PROJECT

The table below presents details of the Project Site and/or Project.

Table 5.1: Details of the Project Site and/or Project

| DETAILS OF PROPERTY                                     |  |
|---|--|
| Property Name   | Mindspace Madhapur (Sundew), Madhapur, Hyderabad, Telangana, India 50081                         |
| Property Address  | Mindspace Madhapur, Titus Towers, TSIIIC software layout, Madhapur, Hyderabad, Telangana, 500081 |
| Land Area   | 40.25 Acres  |
| Block-Wise Break-Up of Leasable Area and Current Status | <u>As described in Executive Summary section</u>   |
| Access  | Accessible through 60 m wide Hitech City Main Road and 36 m wide internal road                   |
| Frontage  | Excellent frontage along the abutting road   |
| Shape and Visibility                                    | Regular in shape and has excellent visibility along the abutting road                            |
| Approval Status   | Project has requisite approvals in place as confirmed by the Client.                             |
| INFRASTRUCTURE  |  |
| Water Supply, Sewerage & Drainage                       | Available within the Project   |
| Power & Telecommunication                               | Available within the Project   |

### 5.2 LOCATION OF THE PROJECT

The Project is located in Madhapur in the Western part of Hyderabad. It is located adjacent to the Raidurg Metro Station and at a distance of ~ 31 km from Hyderabad International Airport.

The following map presents the location of the Project with respect to the city.

Map 5.1: Location of the Project Site with respect to the Hyderabad City





Source: Real Estate Market Research & Analysis; JLL, March 2024

**Table 5.2: Distances of the Project from Major Landmarks in the City**

| Location / Landmark             | Approximate Distance from Project (km) |
|---------------------------------|--|
| Raidurg Metro station           | Adjacent to the Mindspace Park         |
| Cyber Tower                     | ~ 1.3                                  |
| Inorbit Mall                    | ~ 1.4                                  |
| Outer Ring Road (ORR)           | ~ 2.5                                  |
| Secunderabad Railway station    | ~ 19                                   |
| Hyderabad International Airport | ~ 31                                   |

Source: Real Estate Market Research & Analysis; JLL, March 2024

### 5.3 DESCRIPTION OF THE PROJECT AND ITS SURROUNDINGS

The Project is developed as Grade A IT Park and is located in Madhapur micro market of Hyderabad. It is located accessible through 60 m wide road from HITEC City main road and 36 m internal road. In terms of Project Site attributes, the Project Site is regular in shape and has relatively flat terrain. The Project has excellent frontage and visibility along the abutting road and the overall IT Park has 3 entry / exit points. The Project is regular in shape with fairly even topography.

The Project is spread across ~40.25 acres of land and spread across eight buildings.

The Project micro market has excellent social and physical infrastructure and is the most sought-after micro market for commercial office in Hyderabad.

The following map presents the location of the Project and its surroundings.

Map 5.2: Location of Project and its Surrounding Developments



Source: Real Estate Market Research & Analysis; JLL, March 2024

The table below presents the boundary/edge conditions of the Project (overall Mindspace Park).

Table 5.3: Project (overall Mindspace Park) and its Site Boundaries

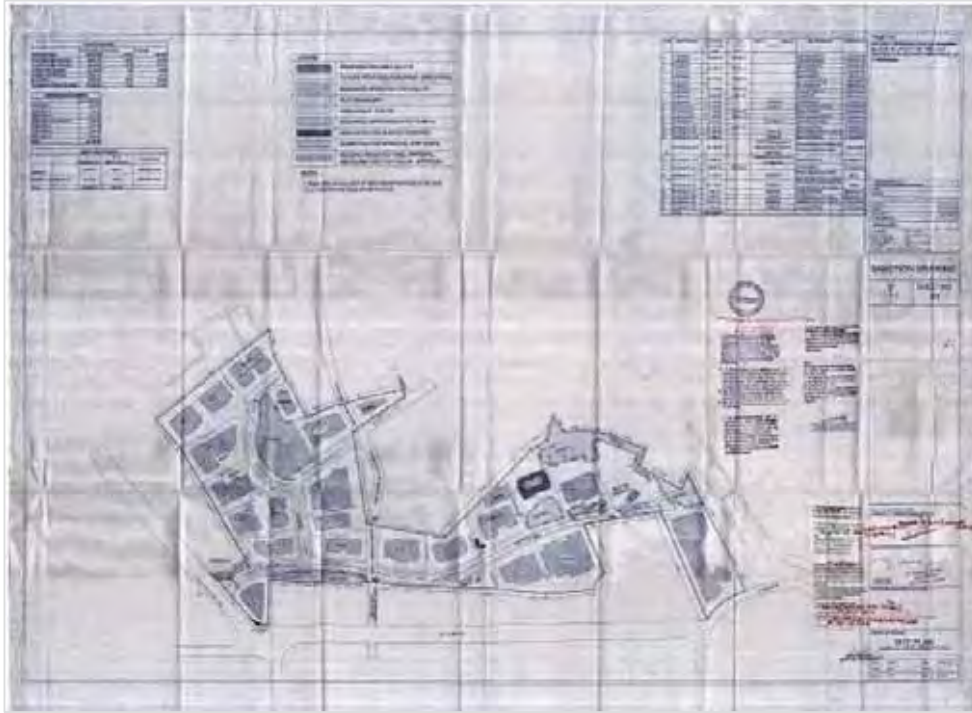
|       |                                       |
|-------|---------------------------------------|
| North | Private Property                      |
| South | Private Property and 36 m wide road   |
| West  | 60 m wide road (HITEC City main road) |
| East  | Private Property and 24 m wide road   |

Source: Real Estate Market Research & Analysis; JLL, March 2024

The Project is predominantly surrounded by Grade A commercial / office, residential, retail and hospitality developments.

The map on the following page presents the conceptual Layout Plan of the Project as shared by the Client.

Map 5.3: Conceptual Layout Plan for the Project



Source: Client, March 2024

## 5.4 DESCRIPTION OF THE PROJECT

the Project has occupancy certificate and/or leases signed and it is spread across eight (8) IT Buildings (11, 12A, 12B, 12C, 12D, 14, 20, 22). The Project has excellent visibility along the access road and has 3 entry and exit points. Buildings 11 and 22 are Non SEZ and Buildings (12A, 12B, 12C, 12D, 14, 20) are under SEZ and has a secured gate.

The table below presents key asset specific information.

Table 5.4: Key Asset Specific Information of the Project

| Particulars                      | Description   |
|----------------------------------|---|
| Name of the Entity               | Sundew Properties Limited   |
| Interest owned by Mindspace REIT | Project is wholly owned by Sundew Properties Limited, which is 89% owned and controlled by Mindspace REIT |
| Land Extent                      | 40.25 Acres   |
| Asset Type                       | IT Park with Non-SEZ and SEZ buildings  |
| Sub-Market                       | Madhapur  |
| Approved and Existing Usage      | IT Offices and Building 22 is operational as Hotel  |
| Current Status                   | 100% Complete and Operational   |
| Approvals Status                 | List of approvals are specified in annexure 4   |
| Freehold/Leasehold               | The underlying land is taken on freehold basis  |
| Leasable Area                    | 5.76 million sq. ft.  |
| Occupied Area                    | 5.5 million sq. ft.   |
| Committed Area                   | 5.6 million sq. ft.   |
| Occupancy <sup>3/</sup>          | 95.6%   |

| Particulars                       | Description |
|-----------------------------------|-------------|
| Committed Occupancy <sup>4/</sup> | 97.7%       |
| Number of Tenants                 | 46          |

<sup>1/</sup> Refer company structure set out in Annexure 1

<sup>2/</sup> Client has obtained occupation certificate for entire leasable area measuring 5.76 million sq. ft.

<sup>3/</sup> Occupancy refers to proportion of area leased, which is actively occupied by the tenants/occupiers

<sup>4/</sup> Committed occupancy also includes area, which has been pre-leased to tenants/occupiers

## 5.5 PROJECT INSPECTION

The Project is part of a larger campus spread across Eight (8) IT Buildings (11, 12A, 12B, 12C, 12D, 14, 20, 22). Buildings 11 and 22 are Non SEZ and Buildings 12A, 12B, 12C, 12D, 14, 20 are under SEZ and have a secured gate, The Property was inspected on 22 and 23 March 2024 by the Valuer.

The inspection comprised visual inspection of operational buildings comprising the property and visits to key utility areas like LT Electric Room, Pump Room, HVAC installations, Power Back up, STP. The common areas within the buildings were visited on a sample basis as the areas under tenant occupation had access restriction.

The visual inspection of the buildings did not reveal any cause of concern with no visible signs of any disrepair or ill maintenance within the operational buildings. The utility areas also appeared well maintained, visually. No instances of any major logging or water accumulation were observed during the inspections. The inspections did not comprise any structural survey, technical/engineering review or safety audit and the assessment of the condition of the building, its utilities and campus infrastructure are based completely on visual survey.

Some of the photographs of the Project and surroundings are given below.





## 5.6 OTHER RELEVANT INFORMATION RELATED TO THE PROJECT

### **Site Services and Finishes**

The visual inspection was done for all the buildings including common areas and key utility areas such as LT Electric Room, Pump Room, STP, Chillers, HVAC Installations etc. As per the visual survey there was no concern related to finishes and site services. The campus is well maintained with proper landscaping in common areas.

### **Condition and Repairs**

The visual inspection was done for all the buildings including common areas and key utility areas such as LT Electric Room, Pump Room, STP, Chillers, HVAC Installations etc. The inspection of key utility areas was done on a sample basis, and it did not reveal any cause of concern or ill maintenance in any of the operational buildings. However, there is upgrade CAPEX to the tune of approx. INR 1607.9 million which shall be completed by Q3 FY27.

### **Environmental Considerations**

The Valuer has not carried out any investigations or tests or been supplied with any information from the Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the subject or any other land (including any ground water).

For the purpose of assessing the vulnerability of the Project to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Hyderabad where the Project is located falls in Seismic Zone II with low risk. The city faces low risk in terms of high winds or cyclones too. The Project is not likely to face any higher risk than the overall risk profile of the city. Project is regular in shape with fairly even topography. No hazardous activity was noted in the vicinity of the Project, which may expose it for any induced disaster.

### **Option or Pre-Emption Rights and Encumbrances**

Unless disclosed and recorded by the Client, the Project is considered to possess a good and marketable title and is free from any unusually onerous encumbrances with no option or pre-emption rights in relation to the assets except for those created in favor of the lenders, based on the information given in the Title Reports prepared by Hariani & Co. (hereinafter collectively referred to as 'Legal Counsel'). The Valuer has not checked and verified the title of the Project.

### **Revenue Pendencies**

On the basis of the Title Reports prepared by the Legal Counsel and discussion with the Client, there are no revenue pendencies including local authority taxes associated with the Project or any compounding charges. No independent verification of this has been made from revenue authorities and reliance has been made on the Client information for the same.

### **Material Litigation**

Based on discussions with the Client and Title Reports shared, there are no material litigation including tax disputes other than the litigation disclosed to the valuer, relating to the Project or any compounding charges.

## 5.7 TENANCY ANALYSIS

### **Tenant Profile of Top 10 Tenants**

As on 31 March 2024, The Project has 45 tenants which include companies like Cognizant, AMD, HighRadius, IBM, Pega Systems etc. The Project's Top 10 tenants account 57.30% of the Gross Rental Income



The top 10 Tenants as per Leasable areas is listed below: -

**Table 5.6: Top 10 Tenants as per Leasable Area\***

| Sl. No. | Tenant                                       | Leasable Area (Sq Ft) |
|---------|--|-----------------------|
| 1       | Cognizant Technology Solutions (I) Pvt. Ltd. | 793,071               |
| 2       | Optum Global Solution India Limited          | 407,401               |
| 3       | AMD India Private Limited                    | 363,262               |
| 4       | HighRadius Technologies Pvt Ltd              | 351,874               |
| 5       | LTIMindtree Limited                          | 348,419               |
| 6       | CARRIER TECHNOLOGIES INDIA LIMITED           | 248,822               |
| 7       | Pegasystems Worldwide India Pvt. Ltd.        | 237,711               |
| 8       | IBM India Private Limited                    | 231,535               |
| 9       | Terafina Software Solutions Pvt. Ltd.        | 193,578               |
| 10      | Open Text Technologies India Pvt. Ltd.       | 167,772               |
|         | TOTAL  | 3,343,445             |

\*Includes contracted areas for which rent may start at a future date

The top 10 Tenants as per Gross Rents are listed below: -

**Table 5.7: Top 10 Tenants as per Gross Rentals\***

| Sl. No. | Tenant                                       | Share of Gross Rentals (%) |
|---------|--|----------------------------|
| 1       | Cognizant Technology Solutions (I) Pvt. Ltd. | 9.60%                      |
| 2       | LTIMindtree Limited                          | 7.50%                      |
| 3       | AMD India Private Limited                    | 7.00%                      |
| 4       | HighRadius Technologies Pvt Ltd              | 6.50%                      |
| 5       | Optum Global Solution India Limited          | 5.50%                      |
| 6       | Terafina Software Solutions Pvt. Ltd.        | 5.30%                      |
| 7       | IBM India Private Limited.                   | 4.40%                      |
| 8       | CARRIER TECHNOLOGIES INDIA LIMITED           | 4.40%                      |
| 9       | Pegasystems Worldwide India Pvt. Ltd.        | 4.0%                       |
| 10      | Open Text Technologies India Pvt. Ltd.       | 3.60%                      |
|         | TOTAL  | 57.3%                      |

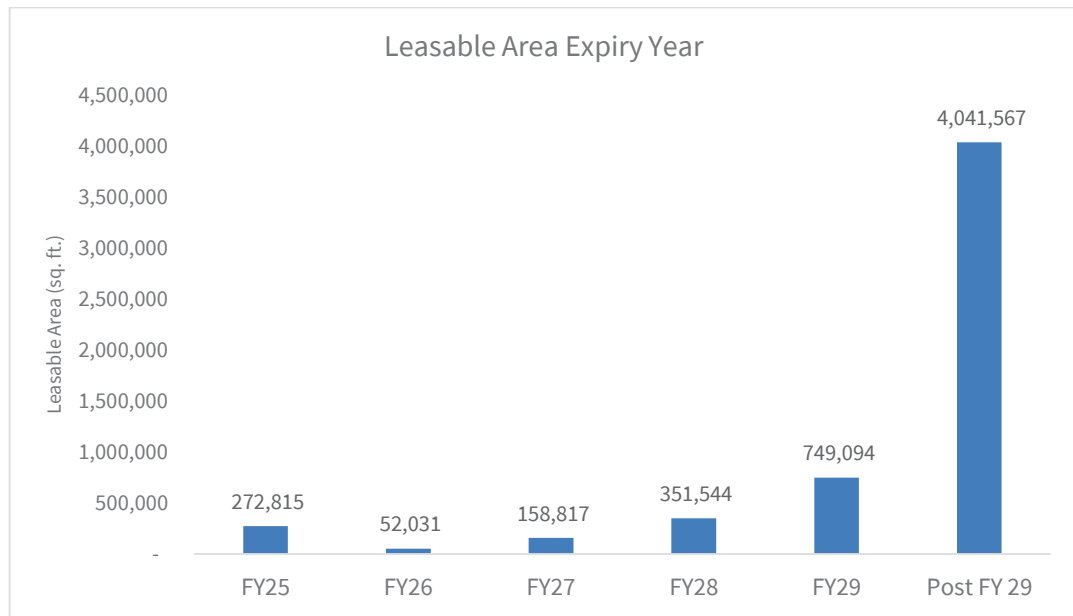
Source: Analysis, March 2024

\* Includes contracted areas for which rent may start at a future date

### **Lease Expiry Analysis**

The WALE of the project is 7.7 years, the occupied area expiring between FY 25 and FY 29 as shown in the chart on the following page: expiry as shown in the chart below:

**Figure 5-1: Leasable Area Expiry Year Analysis**



### **Escalation Analysis**

The leases of the Project Site have typically seen rental escalation of 5% every year or 15% every 3 years.

## 6 MARKET SCAN OF THE CITY AND THE MICRO-MARKET

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### 6.1 INTRODUCTION

The valuation exercise takes into account the market performance and various other indicators that are relied upon the industry report which has been prepared by Jones Lang LaSalle India Property Consultants, who are appointed as an independent consultant by the Client.

### 6.2 CITY OVERVIEW

Hyderabad is one of the fastest-growing cities in India. The city has succeeded in building on its IT/ITeS and pharmaceutical capabilities and managed to attract several global technology and pharmaceutical giants to invest in and operate from the city. In 2020, Hyderabad topped the JLL City Momentum Index (CMI) for the second time after 2018. An active real estate market with healthy rental growth along with a thriving start-up culture have been the catalysts for Hyderabad to surpass all other major metro cities around the world and top the index. Proactive initiatives and investor friendly policies such as the new industrial policy of TS-iPass has helped support the fast and strong economic growth of the city in the last 5 years. The city is also home to 4,000 start-ups, primarily in the field of AI, Life sciences and Big Data analytics. The 2020 Global Start-up Ecosystem Report (GSER) by start-up Genome and the Global Entrepreneurship Network has put the state of Telangana among the top 30 global ecosystems for affordable talent in 2020 and Hyderabad is amongst the Top 100 emerging ecosystems.

### 6.3 ECONOMY & DEMOGRAPHICS

IT/ITeS and pharmaceutical industries are the two major sectors that contribute the maximum to the city's GDP. Riding on the strong expansion by all marquee tenants, IT exports by Telangana in FY 2022–23 grew by 31.4% to INR 2,41,275 crore, compared to the national average of 9.4%. During the same financial year, the state added approximately 127,594 new jobs at an annual growth rate of 16.3%. This accounts for a staggering 44% of the total IT jobs added in the country during the same period. Along with IT/ITeS, the pharmaceutical industry adds significantly to the exports from the city by commanding a 30% share in India's bulk drug production. The city now boasts of over 1 million professionals employed by the IT sector.

Owing to its robust and fast-developing infrastructure along with ease of living that offers a cosmopolitan environment, Hyderabad is amongst the most preferred destinations by the young workforce of the country. As per India Workforce Report by LinkedIn, Hyderabad is the 3rd largest city to attract people from every corner of India. Hyderabad accounts for about 8.5% of total migrants across cities in India.

### 6.4 INFRASTRUCTURE INITIATIVES

The Telangana State Road Transport Corporation's (TSRTC) city buses, and Indian Railways' Multi-Modal Transport System along with Hyderabad Metro Rail (HMR) form the key public transport system for Hyderabad city. The current Hyderabad Metro Rail network consists of 57 stations covering 67 km. This connects the eastern and western parts of the city through the dense CBD of Hyderabad. This service is further being extended to connect the Rajiv Gandhi International airport at Shamshabad with the IT hubs- Madhapur, Gachibowli, and surrounding areas in the western part. Over the last 3 years, the city has experienced massive road development projects in all major areas.

The major infrastructure push to Hyderabad is being carried out through the most comprehensive road development plan. The flagship program by the state government and Greater Hyderabad Municipal Corporation (GHMC) is aimed to improve 54 junctions in the city by building new elevated flyways and underpasses along with the construction of new

roads. The INR 24,000 crore project involves reducing the traffic congestion in the city and use it as a catalyst to improve the ease of living.

### **Existing infrastructure**

| Existing Project                            | Completion timeline       | Details  | Key Impact Zones                               |
|---|---------------------------|--|--|
| Nehru Outer Ring Road (ORR)                 | 2008 – 2018 (in phases)   | 158 km elevated 8-lane expressway built to encircle city periphery   | Madhapur, Gachibowli                           |
| Rajiv Gandhi International Airport (RIGA)   | 2008 (On-going expansion) | Improved air connectivity of Hyderabad with key cities across the world.<br><br>Direct air connectivity with the key cities in the USA, UK, Europe, Middle East, Singapore, and Hong Kong. | Suburbs Others, Gachibowli                     |
| PVNR Expressway                             | 2009                      | 11.6 km signal-free elevated highway from Mehidipatnam to Attapur  | SBD, Suburbs Others                            |
| Durgam Cheruvu Bridge                       | 2020                      | 0.5 km cable bridge over Durgam Cheruvu connecting Jubilee Hills to Madhapur<br>Reduces travel time  | SBD  |
| Strategic Road Development Programme (SRDP) | Started in 2018           | -  | CBD, SBD, Madhapur, Gachibowli, Suburbs Others |

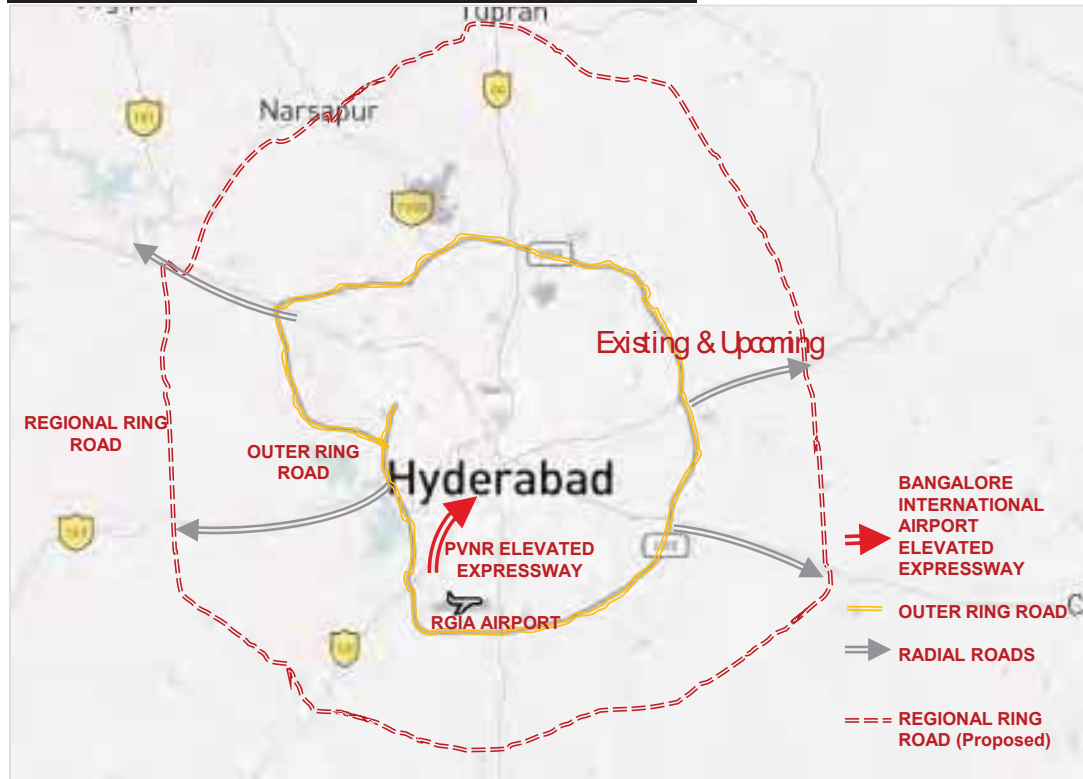
Source: Real Estate Market Research & Analysis; JLL, March 2024

### **Upcoming Infrastructure**

Some of the key upcoming projects for the city are mentioned below:

| Upcoming Project                            | Completion timeline | Details   | Key Impact Zones         |
|---|---------------------|---|--------------------------|
| Regional Ring Road                          | NA                  | 6 lane, 330 km Circular Road network to be developed around extended suburbs of Hyderabad city to ensure excellent connectivity with supporting smaller towns around Hyderabad.<br>Intercity connectivity with other districts of Telangana is likely to improve  | NA                       |
| Elevated Corridors                          | 2022 - 2024         | Elevated Road network in key junctions of the city<br>Helps in easing traffic congestion  | Suburbs Others, CBD, SBD |
| Elevated Bus Rapid Transport System (EBRTS) | NA                  | To complement Hyderabad's transport infrastructure, an elevated BRTS is planned between KPHB and the Financial District with further extension up to Kokapet. Being implemented by the Hyderabad Airport Metro Limited EBRTS will have 23 stops for electric buses and aims to resolve the traffic congestion along the Metro corridor. | Madhapur, Gachibowli     |

Source: Real Estate Market Research & Analysis; JLL, March 2024

**Hyderabad – Key existing & upcoming roads in the city**

Source: Real Estate Market Research &amp; Analysis; JLL, March 2024

**Existing Metro Rail Lines**

| Existing Project               | Completion timeline | Details   | Key Impact Zones   |
|--------------------------------|---------------------|---|--------------------|
| Hyderabad Metro Rail – Phase I | 2017 - 2020         | 69 km elevated network connecting eastern and western parts of city via CBD | SBD, CBD, Madhapur |

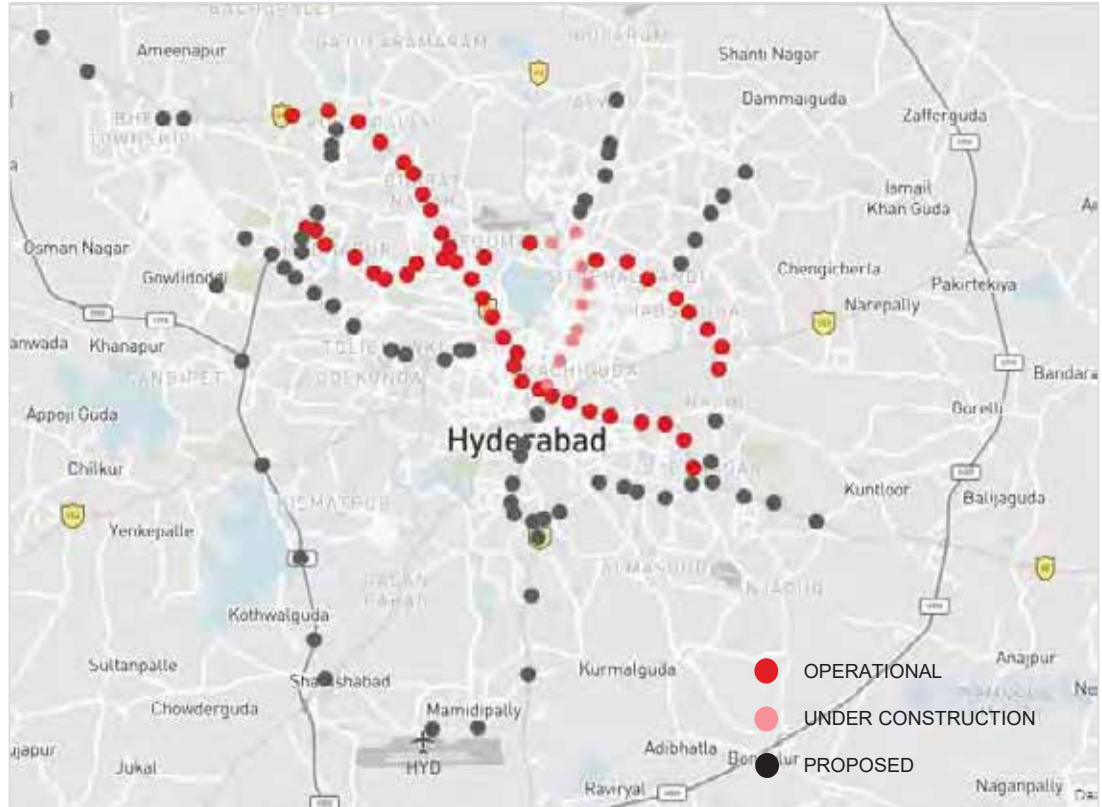
**Upcoming Metro Rail Lines**

| Upcoming Project                | Completion timeline                 | Details   | Key Impact Zones                |
|---------------------------------|-------------------------------------|---|---------------------------------|
| Hyderabad Metro Rail – Phase II | NA<br>(3-4 years from commencement) | <ul style="list-style-type: none"> <li>58 km network connecting airport and other residential suburbs</li> <li>Raidurg to Shamshabad Airport – 31 km</li> <li>Nagole to LB Nagar – 5 km</li> <li>Lakdi ka pul to BHEL – 22 km</li> </ul>  | Gachibowli, SBD, Suburbs Others |
| Hyderabad Airport Metro         | NA                                  | Hyderabad Metro's Airport Express Line is an upcoming rail line that'll connect Mindspace REIT Junction and Rajiv Gandhi International Airport in Shamshabad via 10 stations. This 32 km line of the Hyderabad Metro Phase 2 project will be funded by Telangana Government and executed by HAML (Hyderabad Airport Metro Ltd). |                                 |

Source: Real Estate Market Research &amp; Analysis; JLL, March 2024



### Hyderabad – Map of existing and upcoming metro lines



Source: Real Estate Market Research & Analysis; JLL, March 2024

## 6.5 HYDERABAD - OFFICE SUB MARKETS

The office sub-markets of Hyderabad City are classified into six micro markets based on the market trend as mentioned below.

| Sub-market      | Locations   | Map of Hyderabad office market |
|-----------------|---|--------------------------------|
| CBD             | Begumpet, SP Road, Secunderabad, Punjagutta, Nagarjuna Circle, Raj Bhavan Road. |                                |
| SBD             | Banjara Hills, Jubilee Hills, Shaikpet, Kavuri Hills, Ameerpet, Nagarjuna Hills |                                |
| Madhapur        | Hafeezpet, Madhapur, Kondapur, Madhapur, Raidurg, Kukatpally                    |                                |
| Gachibowli      | Kokapet, Manikonda, Financial District, Nanakramguda, Puppalguda, Khajaguda     |                                |
| Peripheral East | Uppal, Pocharam   |                                |
| Suburbs-Others  | Shamshabad  |                                |

Source: Real Estate Market Research &amp; Analysis; JLL, March 2024

**Key Submarkets-Development and Occupier Profile**

|                 |   |
|-----------------|---|
| Madhapur        | <p>Development Profile: it is the most established office market in the western part of the city, well connected by the public transport in the city</p> <p>Key Occupiers: Qualcomm, Wells Fargo, Deloitte, AMD, Intel, Facebook, Microsoft, JPMC, Synchrony, Dell</p> <p>Key Developers: Mindspace REIT, Phoenix Group, RMZ, Salarpuria, Capitaland, Meenakshi Constructions, Divyasree</p>  |
| Gachibowli      | <p>Development profile: Developed as an extension to existing office market in Madhapur, along the ORR in the western part of the city. Primarily emerged as home to owned campuses of large companies but office market expanded in the last decade</p> <p>Key Occupiers: Largely home to campuses of Wipro, Infosys, Amazon, Microsoft along with notable presence from Apple, Google, CTS, Micron, ZF</p> <p>Key Developers: Phoenix Group, GAR Corp, Salarpuria, DLF, Vamsiram Builders</p> |
| Peripheral East | <p>Development profile: Office market is in nascent stage of development with key projects being operational in Pocharam &amp; Uppal in the eastern periphery</p> <p>Key Occupiers: Infosys, Genpact, Cyient</p> <p>Key Developers: Mindspace REIT, NSL Constructions</p>   |
| Suburbs Others  | <p>Development profile: Very early-stage market around Shamshabad in the southern periphery driven mostly by its proximity to the International Airport Office</p> <p>Key Occupiers: Cube Infrastructure, HBL, OSI Systems</p> <p>Key Developers: GMR</p>   |
| CBD             | <p>Development profile: Oldest office market originated in the center of the city. Projects are largely owned by individual landlords with standalone properties</p> <p>Key Occupiers: SONATA Software, Dr.Reddy's</p> <p>Key Developers: Gowra Ventures, Ashoka Builders</p>   |
| SBD             | <p>Development profile: Developed around affluent localities in the city adjoining Madhapur. Most properties developed by key developers were as standalone developments</p> <p>Key Occupiers: DE Shaw, First American Financial</p> <p>Key Developers: Phoenix Group, Vamsiram Builders</p>  |

Source: Real Estate Market Research &amp; Analysis; JLL, March 2024

**Hyderabad Office Real Estate Market Highlights Q1 2024**

Gross leasing in the Hyderabad office market in Q1 2024 stood at 1.37 mn sq ft, up by 40.4% y-o-y. On a q-o-q basis, this was lower by 50%. Leasing activity in existing properties was strong especially in marquee assets. The quarterly gross leasing activity was led by Madhapur which accounted for a ~78% share. IT/ITeS led with the biggest share of 23.7%, followed by BFSI and Flex with 22.0% and 17.3% shares, respectively. The healthcare segment also held a 17% share in the quarterly leasing, underpinning the strong demand from this sector, especially in the form of GCCs and R&D centres.

The net absorption in Q1 2024 stood at 1.55 mn sq ft, nearly 3X up from the same period last year, albeit lower by 44.1% q-o-q. This also included end-user property purchases of 0.32 mn sq ft during the quarter. Net absorption was also impacted by lower completions in Q1, with new supply at a four-quarter low.

The city recorded completions of 2.08 million sq ft during the quarter, largely concentrated in SBD and Gachibowli, with only a solitary mid-sized completion in Madhapur during the quarter. With this, total Grade A office stock in the city rose to 124.0 million sq ft.

At the overall city level, vacancy rose by 10 bps q-o-q to 24.6%. In the same period, Madhapur's vacancy stood at 14.5%, down by 100 bps q-o-q and at its lowest in four quarters.

Overall office rents rose marginally by 0.4% q-o-q to INR 64.5 per sq ft per month.

### **City Market Trends**

| Sub-Markets     | Total Stock (sq. ft) | Net Absorption (sq. ft) |                        |                        | Vacancy % |                        |                        |
|-----------------|----------------------|-------------------------|------------------------|------------------------|-----------|------------------------|------------------------|
|                 |                      | Q1 2024                 | Q4 2023 (Q-O-Q Change) | Q1 2023 (Y-O-Y Change) | Q1 2024   | Q4 2023 (Q-O-Q Change) | Q1 2023 (Y-O-Y Change) |
| Overall         | 124,021,083          | 1,551,978               | -44.1%                 | 195.8%                 | 24.6%     | 10 bps                 | 360 bps                |
| CBD             | 3,104,883            | 0                       | -100.0%                | -100.0%                | 10.6%     | 10 bps                 | 110 bps                |
| SBD             | 4,386,241            | 90,000                  | 34.3%                  | 16.2%                  | 37.3%     | 1,560 bps              | 1,170 bps              |
| Madhapur        | 71,507,977           | 962,764                 | -42.3%                 | 181.1%                 | 14.5%     | -100 bps               | 90 bps                 |
| Gachibowli      | 40,735,894           | 476,215                 | -55.9%                 | NA                     | 40.6%     | 0 bps                  | 600 bps                |
| Peripheral East | 2,989,000            | 0                       | NA                     | NA                     | 46.3%     | 0 bps                  | 1,110 bps              |
| Suburbs Others  | 1,297,083            | 23,000                  | NA                     | -54.0%                 | 17.3%     | -170 bps               | -410 bps               |

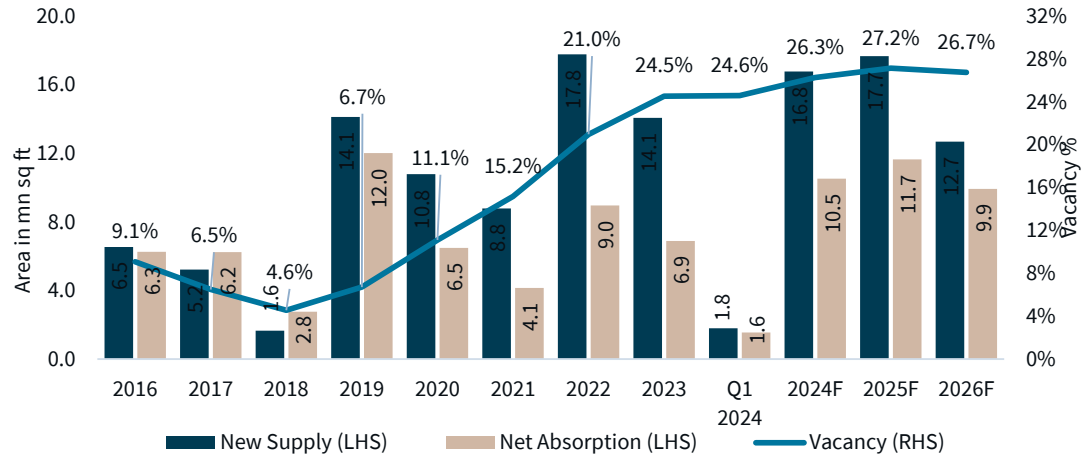
Source: Real Estate Market Research & Analysis; JLL, March 2024

### **Leasing Activity**

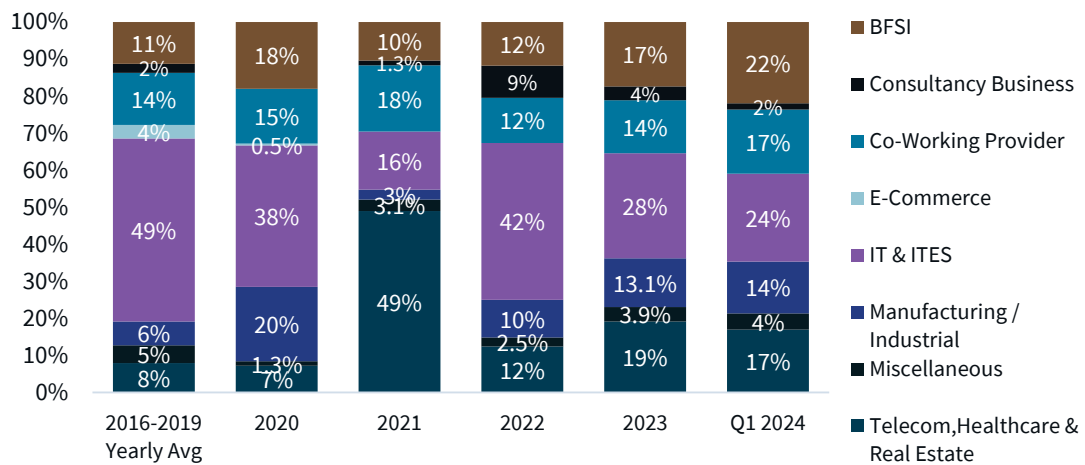
Leasing activity in Hyderabad stood at a healthy 1.37 mn sq ft in Q1 2024, with space demand holding steady on same period comparison. In fact, on a y-o-y basis leasing volumes were up by 40.4%, though q-o-q activity was down by 50%. Deals were largely driven by expansion activity from existing tenants

Madhapur was the runaway leader accounting for a 78% share of the gross leasing activity in the quarter, with Gachibowli's share at 21%. The demand for flex spaces continued to remain healthy with flex operators managing to lease out ~3,100 seats in the city as occupiers embraced plug and play workspaces as part of their optimized workplace strategies. There are some large-scale transactions that are currently in active stages of closure in the city, predominantly in the Madhapur submarket.

Hyderabad's net absorption was clocked at 1.55 mn sq ft, driven by the fresh leases in both existing and newly completed buildings and some end-user office space purchases which themselves totalled to 0.32 mn sq ft, reported during the quarter. The net absorption though lower on account of less completions in Q1, was also up by nearly 3x y-o-y.

**Total Completions, Net Absorption and Vacancy Rate – Overall**

Source: Real Estate Market Research &amp; Analysis; JLL, March 2024

**Occupier share in gross leasing activity**

Source: Real Estate Market Research &amp; Analysis; JLL, March 2024

**Vacancy**

While demand has remained quite healthy, the supply infusion in the city has remained strong. As a result of which vacancy in the city rose by 10 bps q-o-q to 24.6%. Since covid, the vacancy levels in the city have moved northwards amidst a strong supply even as demand has shown a recent resurgence since 2022.

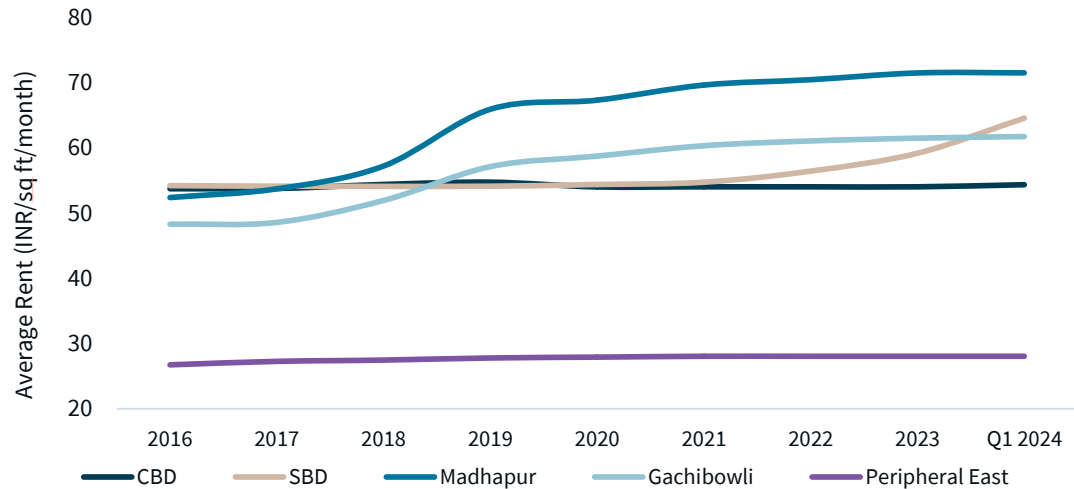
**Market Rents**

With limited supply till 2018 in the city, rents remained stable across the city. However, as a new wave of quality supply hit the market in 2019, rents witnessed significant growth in key micro markets like Madhapur and Gachibowli. However, post covid the rental growth has been limited but continues to be on the growth curve in the city amidst completions from top developers largely in Madhapur and Gachibowli entering the market at higher rentals.

With the completion of projects by RMZ, Salarpuria & Capitaland in 2023, rental values moved up by 1.5% y-o-y by end of the year. In Q1 2024, rents were further seen to grow by 0.4% q-o-q to now be at INR 64.5 per sq ft per month. Rent change q-o-q was seen to be higher in the SBD sub-market due to stock realignment and the removal of average assets from the Grade A building basket. Also, the new completion in the SBD entered the market at a healthy premium to this submarket's average.

| GROSS RENT (INR/SQ FT/PM) GFA |       |              |              |
|-------------------------------|-------|--------------|--------------|
|                               | Q3 23 | Q-o-Q Change | Y-o-Y Change |
| Overall                       | 64.1  | 0.6%         | 1.7%         |
| CBD                           | 54.0  | 0.0%         | 0.0%         |
| SBD                           | 56.6  | 0.4%         | 3.5%         |
| Madhapur                      | 71.5  | 0.7%         | 2.1%         |
| Gachibowli                    | 61.1  | 0.0%         | 0.0%         |
| Peripheral East               | 28.1  | 0.0%         | 0.0%         |

### Submarket wise Gross Rents



Source: Real Estate Market Research & Analysis; JLL, March 2024

*Note: Mindspace REIT micro markets, the rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 10% depending upon negotiations, final structuring of the lease agreement and other parameters.*

### New supply

In the last few, years Hyderabad has witnessed a massive growth in new supply across the key submarkets. While the average annual supply from up to 2018 has been 4.8 million sq ft, it jumped to 13.2 million sq ft in the last four years in the city. With delayed projects coming on board in the next few quarters, new supply is expected to witness robust growth in the latter part of 2023 and in 2024, largely driven by Madhapur and Gachibowli submarkets. After recording its lowest ever supply in Q1 2023 at 0.7 million sq ft, Hyderabad recorded a gross supply of 8.5 million sq ft in the next two quarters of 2023. In Q3 2023, city witnessed 3.2 million sq ft of new supply largely led by Madhapur submarket, taking the overall office stock in the city to 116.3 million sq ft.

In the last few, years Hyderabad has witnessed a massive growth in new supply across the key submarkets. While the average annual supply up to 2018 has been 4.8 million sq ft, it jumped to 13.2 million sq ft in the last four years in the city. Even in 2023, new supply jumped to 15 mn sq ft, with another 2.1 mn sq ft completed in Q1 2024. Most of the new supply additions over the past 3-4 years have been led by Madhapur and Gachibowli submarkets. The city's total Grade A office stock now stands at 124.0 mn sq ft.



## Outlook

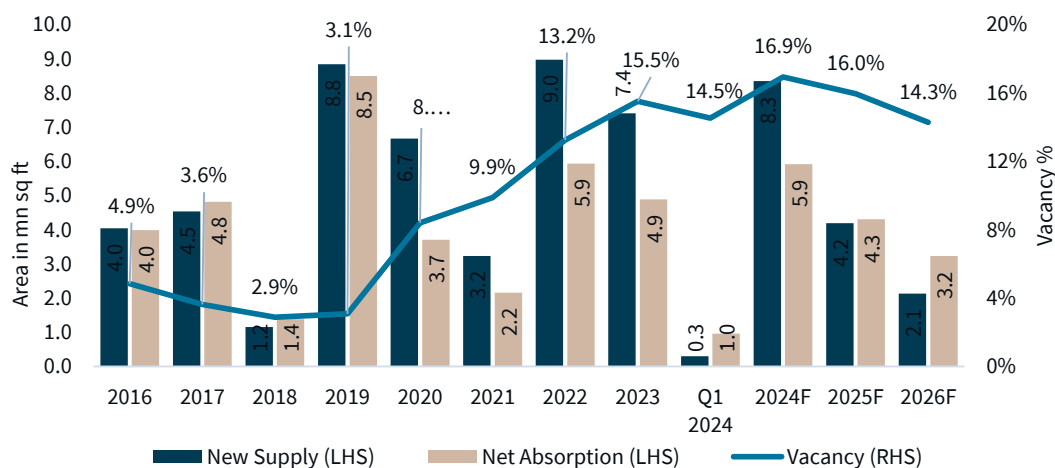
New supply over the next one year is likely to be driven by leading developers like RMZ, Phoenix Group & Vamsiram Builders as many large projects are in advanced stages of construction, mostly located in the submarket of Madhapur followed by Gachibowli. Amidst robust supply in the pipeline, vacancy in the city is expected to come under pressure in the medium term in the range of 25-27%, but expected to be largely tight in the Madhapur corridor. While a significant proportion of the upcoming supply in the medium to long term is still due for absorption, the rising demand and healthy leasing activity as well as ongoing deals are expected to support the net absorption levels to surpass 2023 levels in the short term and sustain in the medium term as well. Large part of leasing activity is expected to be witnessed in Madhapur market owing to quality supply from leading developers in key localities of the submarket and then gradually moving towards Gachibowli in the longer term

## 6.6 MICRO MARKET: MADHAPUR

The project lies in the Madhapur micro market.

### Supply, Demand Trend

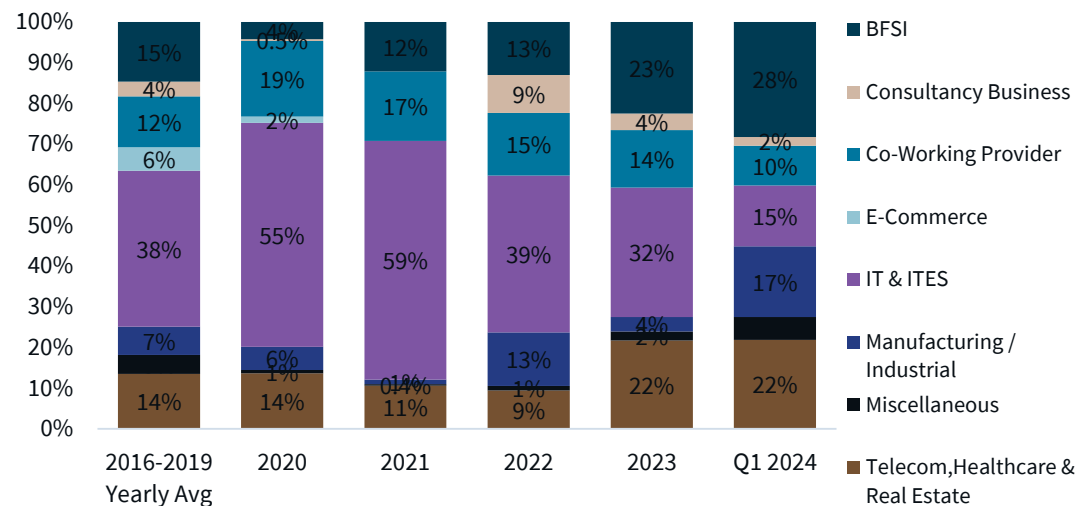
#### Total Completions, Net Absorption and Vacancy Rate



Source: Real Estate Market Research & Analysis; JLL, March 2024

## Leasing activity

### Occupier's share in gross leasing activity



Source: Real Estate Market Research & Analysis: JLL, March 2024

As Madhapur enjoys superior connectivity and well-established infrastructure in the city, it has been the most sought-after office market in the city from tenants across all segments. It commands a market share of 60-70% of total leasing activity in the city as large companies prefer expanding into this market along with robust demand from mid-sized tenants. Demand has always matched or outpaced the supply in the submarket amidst large inflow of pre-commitments in the properties of Salarpuria, Mindspace REIT, RMZ, Phoenix & Divyasree. Albeit a mismatch in 2020 owing to covid, it recorded a healthy recovery 2021 & 2022.

Robust leasing activity was observed in more recent completions by RMZ, Salarpuria & Capitaland in 2023, which supported the strong net absorption numbers of 4.9 mn sq ft for the full year. This amounted to a share of 71% of the overall net absorption over the same period. For Q1 2024 as well, Madhapur net absorption stood at 0.96 mn sq ft, a 62% contribution to the quarterly net absorption number for the city. With a healthy volume of deal closures in the quarter, Madhapur recorded gross leasing of 1.06 mn sq ft, accounting for 77.4% of total gross leasing in Q1 2024.

## Supply

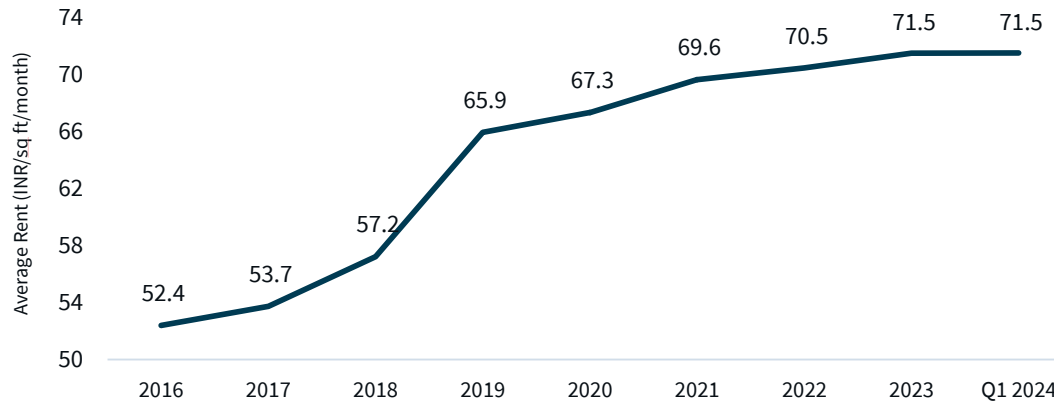
In the last 5 years, total Grade A office stock in Madhapur recorded a growth of 97% to reach 71.2 million sq ft, nearly doubling during this period. With marquee office projects getting operational by key developers like RMZ, Capitaland, Salarpuria & Divyasree, supply remained very robust in this submarket with an average annual supply of 7 million sq ft from 2019 till 2023. In Q1 2024, completions were sluggish at 0.3 mn sq ft, with the office stock reaching 71.5 mn sq ft at the end of the quarter.

## Vacancy

As the submarket has been largely driven by large scale pre-commitments along with being the most sought-after market by small to medium sized tenants as well, vacancy always remained below 5% until 2019. However, due to huge supply alongside sluggish demand due to covid, vacancy rose from 3% to 8% in 2020. After reporting a sustained growth since that time, vacancy has started to moderate in recent times. In Q1 2024, vacancy dropped by 100 bps q-o-q to reach 14.5%, the lowest in a year.

## Rents

As Madhapur being the most active market attracting large scale expansions along with entry of new tenants, rents in the submarket remained superior to the average city rents. With the completion of projects by RMZ & Salarpuria in 2019 which commanded higher rentals than the submarket average, the rents in the submarket recorded a growth of ~15% during that year to INR 65.9 per sq ft per month. This rise in rental values continued into the next couple of years till 2021. However, owing to sluggish demand along with limited quality supply in 2022, rents registered a moderate growth. But with the completion of marquee projects, rents in 2023 recorded a healthy growth of 1.3% to stand at INR 71.5 per sq ft per month by end of the year. The lease transactions in the Madhapur micro market are recorded in the range of INR 65 – 80 per sq. ft per month. The lease transactions in Madhapur where the Project is located are in the range of INR 72 to 76 per sq. ft per month. In Q1 2024, rents were largely unchanged q-o-q. However, on a y-o-y basis, rents are up by 1.33%.



*Note: Mindspace REIT micro markets, the rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 10% depending upon negotiations, final structuring of the lease agreement and other parameters.*

## Outlook

A strong supply in 2023 with marquee assets entering the submarket saw healthy occupier traction from major GCCs across the tech, Healthcare and BFSI segments. As a result, net absorption stood at 4.9 mn sq ft in 2023. Going forward, this submarket is likely to register a healthy supply of 8.3 million sq ft for the full year of 2024 with vacancy falling into the range of 14-15% on the back of strong demand. Rents are expected to see a marginal upside as well as most of the ongoing transactions are expected to close higher than market-average rentals.

## Prominent Lease Transactions within the Micro-Market

Below are some of the lease transactions witnessed in the micro-market:

**Table 6-1: Major Lease Transactions in the Micro-Market of the Project**

| Sl. No. | Occupier Name                     | Name of the Building                       | Sub-Market | Area Leased (sq. ft) | Lease Rentals (INR per sq ft per month) | Transacted Period |
|---------|-----------------------------------|--|------------|----------------------|---|-------------------|
| 1       | Ryan International                | ITPH - Block 1 (East Wing)                 | Madhapur   | 60,000               | 74                                      | Q1 2024           |
| 2       | Technip                           | Phoenix Avance H10 A1                      | Madhapur   | 180,000              | 68                                      | Q1 2024           |
| 3       | Foundever/Site I                  | Cyber Pearl Phase 2                        | Madhapur   | 20,873               | 65                                      | Q1 2024           |
| 4       | Feuji                             | Raheja Commerzone (KRC Wing)               | Madhapur   | 46,625               | 70-75                                   | Q1 2024           |
| 5       | Sanofi Healthcare India Pvt. Ltd. | RMZ TheSpire - Tower 100                   | Madhapur   | 231,845              | 72                                      | Q1 2024           |
| 6       | Awfis                             | Aurobindo Orbit                            | Madhapur   | 35,000               | 73                                      | Q1 2024           |
| 7       | Blujay Solutions                  | Salarpuria knowledge City Argus (Parcel 2) | Madhapur   | 21,000               | 115                                     | Q1 2024           |

| Sl. No. | Occupier Name                    | Name of the Building              | Sub-Market | Area Leased (sq. ft) | Lease Rentals (INR per sq ft per month) | Transacted Period |
|---------|----------------------------------|-----------------------------------|------------|----------------------|---|-------------------|
| 8       | Petrocon Engineers & Consultants | Laxmi Cyber City 2                | Madhapur   | 23,000               | 75                                      | Q1 2024           |
| 9       | Cigna Healthcare                 | Salarpuria knowledge Park Block 2 | Madhapur   | 300,000              | 76                                      | Q1 2024           |
| 10      | Redbricks                        | RMZ Nexity Tower 30               | Madhapur   | 52,000               | 75                                      | Q1 2024           |

Source: Real Estate Market Research & Analysis; JLL, March 2024

### **Investment Activities within the Micro-Market**

The city has witnessed few institutional office transactions of varying size. It is observed that the transaction value is based on the nature of the development, the micro-market location, Project, and leases prevailing etc.

### **Investment Activities within the Country**

The table below present details of few large sale transactions in major cities in India. Net yield for these transactions is arrived based on the Capital Value at which the property was transacted and rentals applicable for the same property during transaction. The net yield for such large transactions is witnessed in the range of 7.75% to 9.50%.

**Table 6-2: List of transactions / deals in recent past:**

| Sl. No | City             | Property Name              | Location           | Micro Market      | Leasable Area (sq. ft.) | Capital Value (INR per sq. ft.) | Net Yield     | Transacted Period |
|--------|------------------|----------------------------|--------------------|-------------------|-------------------------|---------------------------------|---------------|-------------------|
| 1      | Mumbai           | One BKC                    | BKC, Mumbai        | BKC               | ~700,000                | 35,000-36,000                   | 8.00% - 8.25% | 2019              |
| 2      | Mumbai           | Equinox Business Park      | Kurla, Mumbai      | BKC Fringe        | ~1,250,000              | 19,000 - 20,000                 | 8.25% - 8.50% | 2018              |
| 3      | Mumbai           | Express Towers             | Nariman Point      | CBD               | ~472,377                | 40000 - 43,000                  | 7.25% - 7.75% | 2021              |
| 4      | Chennai          | Sandhya Infocity           | Navalur            | PBD OMR           | ~1,418,174              | 5,500 – 6,000                   | 8.00% - 8.50% | 2021              |
| 5      | Chennai          | Global Infocity            | Perungudi          | SBD OMR           | ~2,700,000              | 8,500 – 9,000                   | 7.75% - 8.00% | 2018              |
| 6      | Chennai          | One India bulls Park       | Ambattur           | PBD West          | ~1,900,000              | 4,500 – 5,000                   | 8.00% - 8.50% | 2018              |
| 7      | Hyderabad        | Phoenix aVance Building 6  | HITEC City         | PBD West          | ~640,000                | 7,500 - 8,000                   | 9.00% – 9.50% | 2021              |
| 8      | Hyderabad        | Phoenix Aquila Tower A     | Gachibowli         | PBD West          | ~1,180,000              | 8,200 - .8700                   | 8.00% - 8.25% | 2021              |
| 9      | Hyderabad        | Waverock                   | Gachibowli         | PBD West          | ~2,350,000              | 7,200 - 7,700                   | 8.00% - 8.25% | 2017              |
| 10     | Pune             | E Park 2                   | Kharadi            | SBD East          | ~180,000                | 7,000-9,000                     | 7.75% - 8.00% | 2022              |
| 11     | Pune             | WTC Tower A                | Kharadi            | SBD East          | ~28,342                 | 10,000-11,500                   | 7.50% - 8.00% | 2019              |
| 12     | Bengaluru        | Prestige RMZ Star Tech     | Bangalore          | SBD East          | ~1,370,000              | -                               | 7.60% - 7.80% | 2022              |
| 13     | Bengaluru        | Embassy Tech Village       | Bangalore          | SBD East          | ~9,100,000              | 9,500 – 11,000                  | 8.00% - 8.25% | 2020              |
| 14     | Gurgaon          | One Horizon Centre         | Gurgaon            | SBD East          | ~421,134                | 22,000 – 24,000                 | 8.00% - 8.25% | 2020              |
| 15     | Mumbai           | Godrej BKC                 | BKC                | BKC & Annex       | ~200,000                | 40,000 – 45,000                 | 8.00 – 8.50%  | 2023              |
| 16     | Mumbai & Gurgaon | Downtown Powai & Candor G1 | Powai & Sohna Road | Eastern Suburbs & | ~2,700,000 + ~3,700,000 | Enterprise value INR 11,225     | 7.90-8.20%    | 2023              |

| Sl. No | City    | Property Name             | Location                    | Micro Market | Leasable Area (sq. ft.)  | Capital Value (INR per sq. ft.)                        | Net Yield   | Transacted Period |
|--------|---------|---------------------------|-----------------------------|--------------|--|--|---|-------------------|
|        |         |                           |                             | Sohna Road   |  |  |   |                   |
| 17     | Chennai | Embassy Splendid TechZone | Pallavara-Thoraipakkam Road | PBD OMR      | ~1,400,000 (Completed)<br>+1,600,000 (UC)+2,000,000 (Proposed) | Enterprise value INR 1,269 Cr. (61% economic interest) | 8.50% on the completed portion 10% on the u/c portion | 2024              |

Source: Real Estate Market Research & Analysis; JLL, March 2024



## 7 MARKET VALUE ESTIMATE

### 7.1 ADOPTED PROCEDURE

The market practice in most commercial/ office developments involves contracting tenants / occupiers in the form of pre-commitments at sub-market rent to increase attractiveness of the property to prospective tenants - typically extended to anchor tenants. Additionally, there are instances of tenants paying above-market rent for certain properties as well (primarily owing to market conditions at the time of contracting the lease). In order to arrive at a unit value for these tenancies, the Valuer has considered the impact of such sub/above market rents on the valuation of the Project.

For the purpose of this valuation exercise, the Valuer has analyzed the tenancy details provided by the Client, to identify variances vis-à-vis prevailing market/marginal rent. Each lease is assessed separately for below aspects, for the rent over a 10-year time horizon:

- The rent rolls (and the corresponding lease deeds on a sample basis) were reviewed to identify tenancy characteristics for the asset. As part of the rent roll review, major tenancy agreements belonging to top 5 tenants were reviewed on a sample basis.
- Title certificates, architect certificates and other related documents as mentioned in relevant sections of the report were reviewed for validation of area details, ownership interests of the Project.
- Physical site inspections were undertaken to assess the status of the Project.

### 7.2 CASH FLOW PROJECTIONS

The cash flows for the Project have been projected separately for each lease, to arrive at their respective value estimates.

Net Operating Income (NOI) has primarily been used to arrive at the value of the Project. The projected future cash flows from the Project are based on existing lease terms for the operational leases till the expiry of the leases or re-negotiation, whichever is earlier, following which, the lease terms have been aligned with market rents achievable by the Project.

For vacant area and under-construction/future development area, the achievable market rent-led cash flows are projected factoring appropriate lease-up timeframe for vacant/under-construction/future development area. These cash flows have been projected for 10-year duration from the date of valuation and for 11<sup>th</sup> year (for estimate of terminal value based on NOI). These future cash flows are then discounted to present-day value (valuation date) at an appropriate discount rate. Each lease is assessed separately for below aspects, for the rent over a 10-year time horizon:

- Projecting the rental income for identified tenancies up to the period of lease expiry, lock-in expiry, escalation milestones, etc. whichever is applicable. In the event of unleased spaces, market-led rent is adopted with suitable lease-up time.
- Generating a market led rental income stream for identified tenancies for the time similar to the cash flows drawn in the aforementioned step.
- Computing the monthly income based on rent projected above and translating the same to quarterly income (for the next 10 years and 11<sup>th</sup> year is considered for calculation of terminal value).

Further, to arrive at the total value of the leased spaces (from base rentals), appropriate revenues and operational expenses are projected on quarterly basis. Some of such adjustments on revenue and operational expenses are presented in the table on the following page:

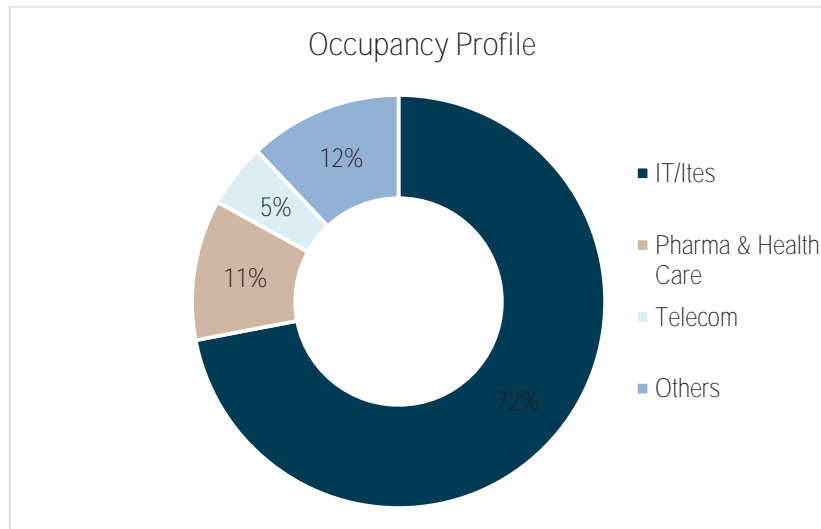
**Table 7.1: Adjustments on Revenues and Operational Expenses**

| Parameters                           | Description / Basis  |
|--------------------------------------|--|
| Parking Income                       | Based on income inputs provided by Client for the leased spaces and market assumption taken for vacant spaces  |
| Miscellaneous Income                 | Based on income inputs provided by Client for the Project  |
| Insurance                            | Based on insurance outflow (if any) provided by Client   |
| Annual Lease Rental / Property Taxes | Based on annual lease rental / property tax assessed for the Project as provided by Client   |
| Asset Management Fee                 | Considered as a recurring expense (in case of an external management team) as a percentage of the lease rental income as per the agreement between respective assets and its asset manager.  |
| Margin on CAM                        | Based on the operational revenues and expenses of the respective assets to understand the recurring, non-recurring, recoverable and non-recoverable expenses and accordingly modelled the common area maintenance income and operational expenses for the asset. |
| Revenue Escalation                   | Based on market-led annual escalation on the market rent   |
| Rent Free Period                     | Based on the trend prevalent in the submarket, appropriate rent-free periods from lease commencement date (for future / new leases) are considered   |
| Brokerage                            | Based on prevalent market dynamics, brokerage for future / new leases are considered   |
| Fit-Out Income                       | Based on fit-out rent (if any) provided by Client till lease expiry of applicable leases (same is not capitalized)   |
| Transaction Cost on Exit             | Considered as a percentage of the terminal value after aforesaid adjustments   |

### 7.3 ABSORPTION/ LEASING VELOCITY AND OCCUPANCY PROFILE

Occupancy profile of the project is as follows: -

- ~72% space is taken by IT/ITeS
- ~11% of the space is taken by Pharma.
- ~8% of the space is taken by Engineering & Manufacturing and
- ~10% of the space is taken by others.



## 7.4 KEY ASSUMPTIONS AND INPUTS

The table below presents key assumptions and/or inputs used in the cash flow configuration used for providing Valuation of the Project.

**Table 7.2: Key Assumptions Used in the Estimate of Operational / Completed Blocks**

| Parameters   | Assumptions / Inputs   | Remarks / Basis   |
|--|--|---|
| Cash Flow Period   |  |   |
| Valuation Date   | 31-March-24  | As per workings   |
| Cash Flow Period   | 10 years   | As per workings   |
| Cash Flow Exit Period  | 31-March-34  | As per workings   |
| Asset Details  |  |   |
| Total Leasable Area  | As described in Executive Summary section  | As per the information provided by the Client   |
| Leased Area  | As described in Executive Summary section  | As per the information provided by the Client   |
| Vacant Area / Vacancy  | 134,670<br>/ 2.3%  | As per the information provided by the Client   |
| Vacancy Allowance  | 2%   | As per market benchmarks for large scale Grade A office projects.   |
| Area to be Leased  | 134,670<br>sq. ft  | As per the information provided by the Client   |
| Rent Free Period for Existing Lease Rollovers                | 2 months   | As prevalent in the micro-market  |
| Rent Free Period for New Leases                              | 3 months   | As prevalent in the micro-market  |
| Construction Related Assumptions                             |  |   |
| Construction Cost to be incurred (including upgrade costs)   | INR 1,839 Mn   | As per the information provided by the Client   |
| Estimated Completion Date for Payments of Construction Costs | Q2 FY27  | As per the information provided by the Client   |
| Estimates of already carried out major repairs               | INR 258 Mn   | As per the information provided by the Client.  |
| Revenue Assumptions  |  |   |
| Lease Rentals  | Actual rentals as per the Rent Roll including additional charges (if any)  | As per the information provided by the Client   |
| Rent Escalation  | Escalation in rentals as per the Rent Roll for the validity period of the leases, i.e., 15% every 3 years Or 4.5% every year | As prevalent in the market, it is observed that lease agreements are primarily at 4.5% rent escalations every year. Or at 15% every 3 years       |
| Market / Marginal Rent Office for FY 25                      | INR 74.6 per sq. ft. per month   | The lease transactions in Grade A office space in the said micro market are recorded in the range of INR 55 – 80 per sq. ft. per month for last 5 |

| Parameters                                | Assumptions / Inputs             | Remarks / Basis   |
|---|----------------------------------|---|
|   |                                  | years. The asking instances are observed in the range of INR 70 - 80 per sq. ft. per month.<br>Based on the market benchmarking of recent leases on aspects such as location, size of transaction, type of development etc. the achievable rent for the Project is derived. |
| Market / Marginal Rent - Amenities        | Not Applicable                   |   |
| Other Income                              | 1% of base rentals               | Analysis of the historical trend of other income suggest a normalized level of other income can be achieved in the future. Accordingly, we have considered other income at 1% of base rental income. Other income includes components from Events, Telecom Towers, Pop-ups  |
| Market Rent - Car Parking Space for FY 25 | INR 2,100 per sq. ft. per month  | The Grade A offices offers car parking rates in the range of INR 2,000 – 3,500 per slot per month. Based on the market benchmarking of recent leased rates within the micro-market, the achievable car park rate for the subject property is derived.                       |
| Market / Marginal Rent Food Court         | Not Applicable                   |   |
| Market / Marginal Rent Kiosk for FY 25    | INR 241.50 per sq. ft. per month | Based on the market benchmarking of recent leases within the micro-market   |
| Market / Marginal Rent Terrace fro FY 25  | INR 37.28 per sq. ft. per month  | Based on the market benchmarking of recent leases within the micro-market   |
| Other Operating Income                    |                                  |   |
| Market Rent Growth from FY 26 onwards     | 5% per annum                     | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5% per annum for the Project   |
| Parking Rent Growth from FY 26 onwards    | 5% per annum                     | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5% per annum for the Project   |
| Lease Tenure                              | 9 years                          | As prevalent in the market  |
| Target Efficiency                         | 76%                              | Recent re-leasing suggest that the Client has leased the same premises at relatively lower efficiency and received higher rentals for the same carpet area.   |

| Parameters  | Assumptions / Inputs  | Remarks / Basis   |
|---|---|---|
|   |   | Going forward, for leases which will expire during the next 10 years, we have considered an efficiency at 76% or actual, whichever is lower |
| Maintenance Services Income / CAM Income for FY25 | INR 12.78 per sq. ft per month  | As given by the Client and as prevalent in the market   |
| Operating Cost Assumptions                        |   |   |
| Brokerage - New Leases                            | 2 months receivable on base rent  | As prevalent in the market  |
| Brokerage - Renewals / Release                    | 2 month receivable on base rent   | As prevalent in the market  |
| Maintenance Services Cost for FY 25 for FY25      | INR 10.23 per sq. ft per month  | As given by the Client and as prevalent in the market   |
| Property Tax for FY 25                            | INR 1.70 per sq. ft per month   | As given by the Client  |
| Insurance for FY25                                | INR 0.23 per sq. ft per month   | As given by the Client  |
| Cost Escalation                                   | 3% per annum  | As prevalent in the market.   |
| CAM Escalation (Income + Expenses)                | 5% per annum  | As prevalent in the market.   |
| Other Assumptions                                 |   |   |
| Transaction Cost on Sale                          | 1% of Terminal Value  | As prevalent in the market  |
| Other Operating Expenses                          | 2% of Base Rent + Car Parking Charges   | As prevalent in the market.   |
| Property Management Fees                          | 3.5% (Base Rent + Car Parking Charges + Fit out Rent + Other Operating Income)  | As prevalent in the market  |
| Discounting Rate / WACC                           | Suggestive Discount Factor: 11.75%  | Refer Section 3.3 of this report  |
| Cap Rate for Terminal Value                       | Capitalized using long-term net yield rate of 8.00% (post yield shrinkage). Capitalized based on the Net Cash Flows of the 11 <sup>th</sup> year  | Refer Section 3.2 of this report  |
| Cash Flow Configuration                           | Cash flows have been drawn on quarterly basis for a period of 10 years, considering both cash inflows and outflows. Cash flows of terminal year is then capitalized and adjusted with transaction costs, to arrive at terminal value. | Value assumptions as practiced in the market  |



## 7.5 MARKET VALUE

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which the Valuer has no knowledge, the Market Value of the complete ownership interest in the Project comprising land and improvements thereon, as explained above, on the below mentioned dates, is as follows:

Table 7.3: Market Value of the Project

| Component                    | Leasable Area (sq. ft.) | Market Value (INR Million) | Percentage Share |
|------------------------------|-------------------------|----------------------------|------------------|
| Commercial / IT Office Space | 5,760,763               | 56,634.04                  | 89%              |

Note: The above-mentioned value includes proportionate undivided ownership in the Amenity Plot, Utility Areas and Internal Roads and total open spaces of the entire Campus

With all assumptions as mentioned in this report, we are of the opinion that the Market Value of the Project Mindspace Madhapur (Sundew) located in Madhapur, Hyderabad Telangana, India 500081, comprising total leasable area of 5,760,763 sq. ft as on 31 March 2024 is estimated to be **INR 56,634.04 million (INR Fifty Six Billion Six Hundred Thirty Four Million and Forty Thousand Only.)**

*Note: Based on the inputs provided by the client, the valuation presented is for 89% interest of Mindspace REIT in the project only. The total value of the asset with 100% interest is INR 63,633.75 million (INR Sixty Three Billion Six Hundred Thirty-Three Million Seven Hundred and Fifty Thousand Only).*

Table 7.4: Ready Reckoner rates for the Project

| Component                  | Ready Reckoner Rate  |
|----------------------------|--|
| Commercial (Built-Up Area) | Ground floor – INR 7,300 per sq. ft.<br>first & other floors – INR 6,600 per sq. ft. |
| Land                       | INR 44,900 per sq. yard.   |

**KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)**, the Valuer for the Project, hereby declares that:

- We are fully competent to undertake the valuation;
- We are independent and have prepared the report on a fair and unbiased basis; and
- We have valued the Project based on the valuation standards as specified under sub-regulation 10 of regulation 21 of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended from time to time.



**Name:** Sachin Gulaty FRICS FIV FIIA,

**Designation:** Director

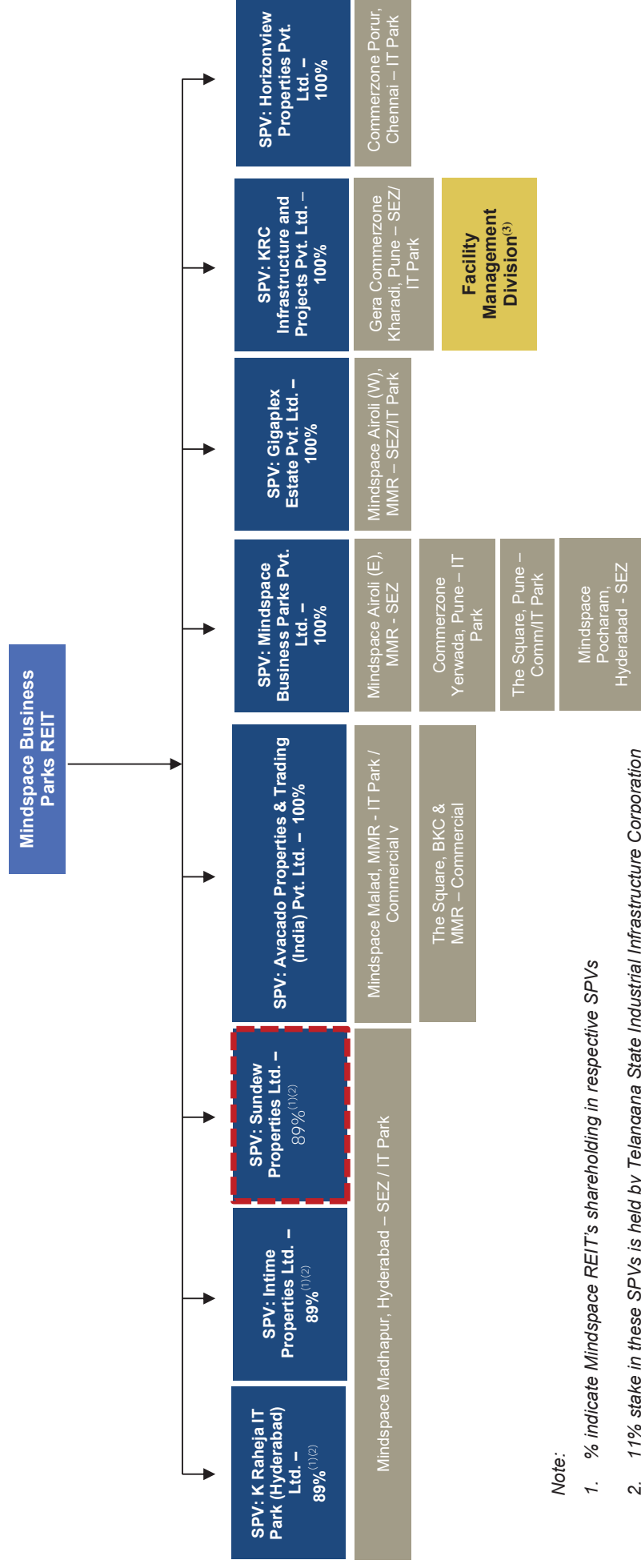
**Valuer Registration No.:** IBBI/RV/02/2021/14284

**Address:** 5<sup>th</sup> Floor, India Accelerator, The Iconic Corenthum, Sector 62, NOIDA – 201309. Uttar Pradesh. INDIA.

**E-Mail ID:** sachin.gulaty@k-zen.in

## Annexure - 1

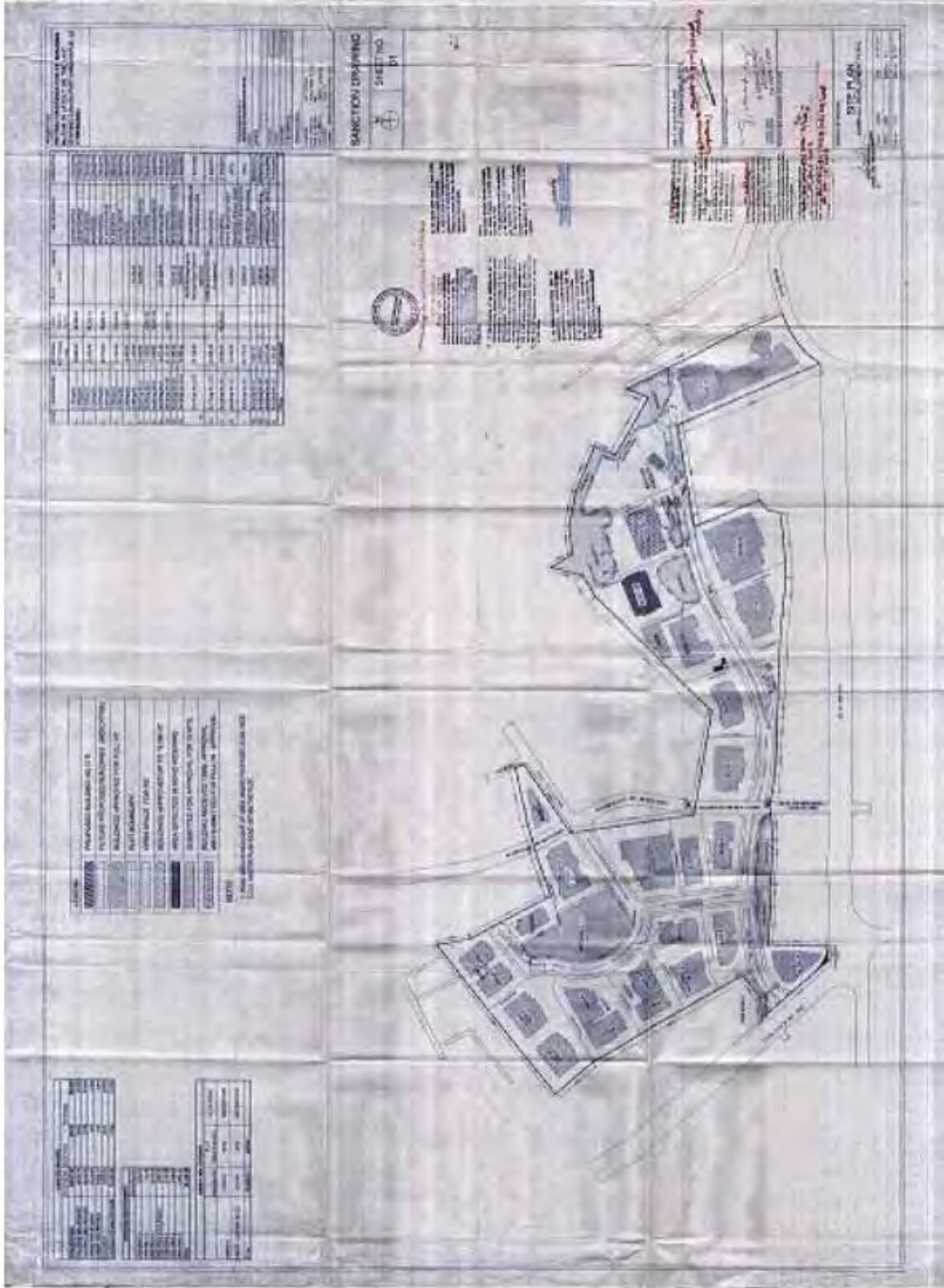
### Ownership Structure of the Project



#### Note:

1. % indicate Mindspace REIT's shareholding in respective SPVs
2. 11% stake in these SPVs is held by *Telangana State Industrial Infrastructure Corporation Limited*
3. *Facility Management Division is housed in KRC Infrastructure and Projects Pvt. Ltd.*

Annexure - 2  
Layout Plan of the Project



### Annexure - 3

## Statement of Key Assets within the Project

Table 7.5 Statement of Key Assets within the Project

| Building                      | No. / Name | B11                               | B12A                              | B12B                             | B12C                             | B12D                             | B14                             | B20                              | B22            |
|-------------------------------|------------|-----------------------------------|-----------------------------------|----------------------------------|----------------------------------|----------------------------------|---------------------------------|----------------------------------|----------------|
| Floor                         | Nos        | 3B+G+14F                          | 3B+G+14F,<br>G+4FMLCP             | B1+B2+G+14F                      | 3B+GF+13F<br>+Terracecafateria   | 3B+GF+1P+13<br>F+1TerraceOff     | G+2P+8F                         | G+4.5P+7F                        |                |
| Warm Shell / Bare shell       |            | Warm Shell                        | Warm Shell                        | Warm Shell                       | Warm Shell                       | Warm Shell                       | Warm Shell                      | Warm Shell                       |                |
| Air Cooled Chiller            | TR         | 700                               | 350                               | 285                              | 300                              | NA                               | 350                             | 1 x 300,<br>1 x 350              |                |
| Water Cooled Chiller          | TR         | 2 x 320                           | 2 x 750                           | 2 x 610                          | 2 x 600                          | NA                               | 2x 600                          | 3 x 600                          |                |
| No of Elevators /Make         | No/ Make   | 8- Mitsubishi,<br>6- Thyssenkrupp | 19- Hitachi                       | 14- Hitachi                      | 18- Toshiba                      | 27- Toshiba                      | 13-<br>Thussenkrupp             | 14- Mitsubishi                   |                |
| No of DG / Capacity           | No. / KVA  | 5 x 1500                          | 6 x 1650                          | 5 x 1500                         | 6 x 1550                         | 4 x 2000                         | 1 x 775,<br>4 x 1010            | 5 x 1650                         |                |
| No of Transformers / Capacity | No./ KVA   | 3 x 2500                          | 3 x 2500                          | 3 x 2000                         | 3 x 2500                         | 4 x 2000                         | 2 x 3000                        | 3 x 2500                         | Not Applicable |
| Booster Pump                  | KW / Make  | 11 - Kirloskar<br>Brothers        | 2 x 11 -<br>Kirloskar<br>Brothers | 9.3 - Kirloskar<br>Brothers      | 9.3 - Kirloskar<br>Brothers      | 9.3 - Kirloskar<br>Brothers      | 9.3 - Kirloskar<br>Brothers     | 9.3 - Kirloskar<br>Brothers      |                |
| Jockey Pump                   | KW / Make  | 5.5 - Kirloskar<br>Brothers       | 7.5 - Kirloskar<br>Brothers       | 7.5 - Kirloskar<br>Brothers      | 5.5 - Grounfos                   | 11 - Kirloskar<br>Brothers       | 14 - Kirloskar<br>Brothers      | 5.5 - Kirloskar<br>Brothers      |                |
| Fire Diesel Pump              | KW / Make  | 110 - Kirloskar<br>Brothers       | 109.6 -<br>Kirloskar<br>Brothers  | 109.6 -<br>Kirloskar<br>Brothers | 109.6 -<br>Kirloskar<br>Brothers | 109.6 -<br>Kirloskar<br>Brothers | 97.8 -<br>Kirloskar<br>Brothers | 109.6 -<br>Kirloskar<br>Brothers |                |
| Hydrant Pump                  | KW / Make  | 110 - Kirloskar<br>Brothers       | 110 - Kirloskar<br>Brothers       | 90 - Kirloskar<br>Brothers       | 93 - Kirloskar<br>Brothers       | 93 - Kirloskar<br>Brothers       | 75 - Kirloskar<br>Brothers      | 90 - Kirloskar<br>Brothers       |                |
| Sprinkle Pump                 | KW / Make  | 110 - Kirloskar<br>Brothers       | 110 - Kirloskar<br>Brothers       | 90 - Kirloskar<br>Brothers       | 93 - Kirloskar<br>Brothers       | 93 - Kirloskar<br>Brothers       | 75 - Kirloskar<br>Brothers      | 90 - Kirloskar<br>Brothers       |                |
| STP Rating                    | KLD        | 210                               | 350                               | 260                              | 295.00                           | 644                              | 150                             | 350                              |                |

## **Approvals and NOCs Received for the Project**

---

List of one-time sanctions/approvals which are obtained or pending:

### **Approvals Received**

- a) Approved masterplans for all buildings
- b) All buildings have received OC
- c) Consent to Operate (CFO) valid for all operational buildings, except Building 22
- e) Height Clearance NOC from AAI for all buildings
- f) Fire NOC for all Buildings
- g) Environmental Clearances for all buildings
- h) SEZ Notification
- i) Consent for Establishment (CFE) for all buildings

### **Approvals Pending**


- a) a) B22- CTO applied on 29/3/23 and yet to receive – Obtained
- b) B12A CFO renewal application submitted 5th Oct 2023 – Obtained



## Annexure – 5

### Ready Reckoner Rate Applicable for the Project

Ready Reckoner Rate for the Built-up Area



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Unit Rates - Locality Wise

District Name : RANGAREDDY

Mandal Name : SRILINGAMPALLE

City/Town/Village : MADHAPUR

| S.No. | Ward-Block | Locality                                       | Payment value (Rs. per Sq.Ft) |             |              | Classification  | Effective Date (dd/mm/yyyy) | Door No. Wise Details - Rates |
|-------|------------|--|-------------------------------|-------------|--------------|-----------------|-----------------------------|-------------------------------|
|       |            |  | Ground Floor                  | First Floor | Other Floors |                 |                             |                               |
| 1.    | 0 - 1      | RESD IN COMM-1                                 | 4,500                         | 4,500       | 4,500        | 02(Commercial)  | 01/02/2022                  | <a href="#">Get</a>           |
| 2.    | 0 - 1      | RESIDENTIAL LOCALITY                           | 3,000                         | 3,000       | 3,000        | 01(Residential) | 01/02/2022                  | <a href="#">Get</a>           |
| 3.    | 0 - 2      | COMMERCIAL-1                                   | 4,500                         | 4,500       | 4,500        | 01(Residential) | 01/02/2022                  | <a href="#">Get</a>           |
| 4.    | 0 - 2      | MADHAPUR MAIN ROAD                             | 7,300                         | 8,600       | 8,600        | 02(Commercial)  | 01/02/2022                  | <a href="#">Get</a>           |
| 5.    | 0 - 3      | COMMERCIAL PROPERTIES IN MADHAPUR RESIDENTIAL  | 4,500                         | 4,500       | 4,500        | 02(Commercial)  | 01/02/2022                  | <a href="#">Get</a>           |
| 6.    | 0 - 3      | RES PROP ABUTTING TO KOTHAGUDA IN TO MADHAPUR  | 4,500                         | 4,500       | 4,500        | 01(Residential) | 01/02/2022                  | <a href="#">Get</a>           |
| 7.    | 0 - 2      | MADHAPUR MAIN RD TO JUBILEE HILLS VIA YSR STAT | 4,500                         | 4,500       | 4,500        | 01(Residential) | 01/02/2022                  | <a href="#">Get</a>           |
| 8.    | 0 - 3      | MADHAPUR                                       | 3,000                         | 3,000       | 3,000        | 01(Residential) | 01/02/2022                  | <a href="#">Get</a>           |
| 9.    | 0 - 3      | MADHAPUR MAINROAD                              | 7,300                         | 8,600       | 8,600        | 02(Commercial)  | 01/02/2022                  | <a href="#">Get</a>           |
| 10.   | 0 - 3      | MADHAPUR TO JUBILEEHILLS ROAD VIA YSR STATUE   | 7,300                         | 8,600       | 8,600        | 02(Commercial)  | 01/02/2022                  | <a href="#">Get</a>           |
| 11.   | 0 - 3      | MINDSPACE JUNCTION TO INORBIT MALL             | 7,300                         | 8,600       | 8,600        | 02(Commercial)  | 01/02/2022                  | <a href="#">Get</a>           |

Ready Reckoner Rate for the Land



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Unit Rates - Locality Wise

District Name

RANGAREDDY

Mandal Name

SRILINGAMPALLE

City/Town/Village

MADHAPUR

| S.No. | Ward-Block | Locality                                       | Land Value<br>(Rs. per Sq.Yard) | Classification  | Effective Date<br>(dd/mm/yyyy) | Door No. Wise<br>Details - Rates |
|-------|------------|--|---------------------------------|-----------------|--------------------------------|----------------------------------|
| 1.    | 0 - 1      | RESD IN COMM-1                                 | 32,200                          | 02(Commercial)  | 01/02/2022                     | <a href="#">Get</a>              |
| 2.    | 0 - 1      | RESIDENTIAL LOCALITY                           | 32,200                          | 01(Residential) | 01/02/2022                     | <a href="#">Get</a>              |
| 3.    | 0 - 2      | COMMERCIAL-1                                   | 44,900                          | 01(Residential) | 01/02/2022                     | <a href="#">Get</a>              |
| 4.    | 0 - 2      | MADHAPUR MAIN ROAD                             | 44,900                          | 02(Commercial)  | 01/02/2022                     | <a href="#">Get</a>              |
| 5.    | 0 - 3      | COMMERCIAL PROPERTIES IN MADHAPUR RESIDENTIAL  | 32,200                          | 02(Commercial)  | 01/02/2022                     | <a href="#">Get</a>              |
| 6.    | 0 - 3      | RES PROP ABUTTING TO KOTHAGUDA IN TO MADHAPUR  | 44,900                          | 01(Residential) | 01/02/2022                     | <a href="#">Get</a>              |
| 7.    | 0 - 2      | MADHAPUR MAIN RD TO JUBILEE HILLS VIA YSR STAT | 44,900                          | 01(Residential) | 01/02/2022                     | <a href="#">Get</a>              |
| 8.    | 0 - 3      | MADHAPUR                                       | 32,200                          | 01(Residential) | 01/02/2022                     | <a href="#">Get</a>              |
| 9.    | 0 - 3      | MADHAPUR MAINROAD                              | 44,900                          | 02(Commercial)  | 01/02/2022                     | <a href="#">Get</a>              |
| 10.   | 0 - 3      | MADHAPUR TO JUBILEEHILLS ROAD VIA YSR STATUE   | 44,900                          | 02(Commercial)  | 01/02/2022                     | <a href="#">Get</a>              |
| 11.   | 0 - 3      | MINDSPACE JUNCTION TO INORBIT MALL             | 44,900                          | 02(Commercial)  | 01/02/2022                     | <a href="#">Get</a>              |

Source: IGRS Telangana 2024

## Annexure - 6

### Cashflow of the Project

**Table 7.6 Discounted Cash Flow (INR Mn) for Completed Building (11, 12A, 12B, 12C, 12D 14 and 20)**

| Sl. No. | Particulars   | 1-Apr-23  | 1-Apr-24  | 1-Apr-25  | 1-Apr-26  | 1-Apr-27  | 1-Apr-28  | 1-Apr-29  | 1-Apr-30  | 1-Apr-31  | 1-Apr-32  | 1-Apr-33   | 1-Apr-34  |
|---------|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|-----------|
|         |   | 31-Mar-24 | 31-Mar-25 | 31-Mar-26 | 31-Mar-27 | 31-Mar-28 | 31-Mar-29 | 31-Mar-30 | 31-Mar-31 | 31-Mar-32 | 31-Mar-33 | 31-Mar-34  | 31-Mar-35 |
|         |   | Y0        | Y1        | Y2        | Y3        | Y4        | Y5        | Y6        | Y7        | Y8        | Y9        | Y10        | Y11       |
|         | Development / Construction Phasing                            |           | -         | -         | -         | -         | -         | -         | -         | -         | -         | -          | -         |
|         | Total Development Cost to be Incurred.<br>(Including Upgrade) | -         | 678.00    | 800.00    | 291.00    | -         | -         | -         | -         | -         | -         | -          | -         |
| A       | Base Rental   |           | 4,241.24  | 4,575.31  | 4,828.56  | 5,070.17  | 5,317.73  | 5,911.89  | 6,126.25  | 6,431.40  | 6,973.04  | 7,272.96   | 7,792.60  |
| B       | Car Parking Income  |           | 61.98     | 62.21     | 60.81     | 60.86     | 60.91     | 62.46     | 60.87     | 72.59     | 91.60     | 97.70      | 106.27    |
| C       | Fit-out rentals/ tenant improvements                          |           | 306.93    | 284.92    | 151.89    | 140.92    | 85.36     | -         | -         | -         | -         | -          | -         |
| D       | Facility Rentals  |           | 4,610.15  | 4,922.43  | 5,041.27  | 5,271.95  | 5,464.00  | 5,974.35  | 6,187.12  | 6,503.99  | 7,064.64  | 7,370.66   | 7,898.87  |
| E       | Maintenance services Income                                   |           | 835.97    | 888.76    | 933.20    | 979.86    | 1,028.86  | 1,080.30  | 1,134.31  | 1,191.03  | 1,250.58  | 1,313.11   | 1,378.76  |
| F       | Other Operating Income  |           | 42.41     | 45.75     | 48.29     | 50.70     | 53.18     | 59.12     | 61.26     | 64.31     | 69.73     | 72.73      | 77.93     |
| G       | Revenue from Operations                                       |           | 5,488.53  | 5,856.95  | 6,022.75  | 6,302.52  | 6,546.04  | 7,113.76  | 7,382.69  | 7,759.34  | 8,384.95  | 8,756.50   | 9,355.56  |
|         | Direct Operating Expenses                                     |           | -         | -         | -         | -         | -         | -         | -         | -         | -         | -          | -         |
| H       | Maintenance services Expenses                                 |           | 691.34    | 725.90    | 762.20    | 800.31    | 840.32    | 882.34    | 926.46    | 972.78    | 1,021.42  | 1,072.49   | 1,126.11  |
| I       | Property Tax  |           | 114.92    | 118.37    | 121.92    | 125.58    | 129.34    | 133.22    | 137.22    | 141.34    | 145.58    | 149.95     | 154.44    |
| J       | Insurance Premium   |           | 15.35     | 15.81     | 16.28     | 16.77     | 17.27     | 17.79     | 18.32     | 18.87     | 19.44     | 20.02      | 20.62     |
| K       | Net Operating Income (NOI)                                    |           | 4,666.93  | 4,996.88  | 5,122.36  | 5,359.87  | 5,559.10  | 6,080.41  | 6,300.69  | 6,626.35  | 7,198.52  | 7,514.04   | 8,054.39  |
|         | Add: Terminal Cash Flow                                       |           | -         | -         | -         | -         | -         | -         | -         | -         | -         | 99,673.01  | -         |
|         | Indirect Operating Expenses                                   |           | -         | -         | -         | -         | -         | -         | -         | -         | -         | -          | -         |
| L       | Brokerage Fees  |           | 57.14     | 13.26     | 26.85     | 62.27     | 137.04    | 31.19     | 209.13    | 208.64    | 75.46     | 242.72     | -         |
| M       | Property Management Fee                                       |           | 162.84    | 173.89    | 178.13    | 186.29    | 193.10    | 211.17    | 218.69    | 229.89    | 249.70    | 260.52     | 279.19    |
| N       | Other operational expenses                                    |           | 86.06     | 92.75     | 97.79     | 102.62    | 107.57    | 119.49    | 123.74    | 130.08    | 141.29    | 147.41     | 157.98    |
| O       | Net Cashflows   | -         | 3,682.89  | 3,916.98  | 4,528.58  | 5,008.68  | 5,121.39  | 5,718.56  | 5,749.13  | 6,057.74  | 6,732.06  | 106,536.41 | -         |

**Note:** We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes

**Table 7.7 Discounted Cash Flow (INR Mn) for Building 22**

| Sl. No. | Particulars                           | 1-Apr-23<br>31-Mar-24 | 1-Apr-24<br>31-Mar-25 | 1-Apr-25<br>31-Mar-26 | 1-Apr-26<br>31-Mar-27 | 1-Apr-27<br>31-Mar-28 | 1-Apr-28<br>31-Mar-29 | 1-Apr-29<br>31-Mar-30 | 1-Apr-30<br>31-Mar-31 | 1-Apr-31<br>31-Mar-32 | 1-Apr-32<br>31-Mar-33 | 1-Apr-33<br>31-Mar-34 | 1-Apr-34<br>31-Mar-35 |
|---------|---------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|         |                                       | Y0                    | Y1                    | Y2                    | Y3                    | Y4                    | Y5                    | Y6                    | Y7                    | Y8                    | Y9                    | Y10                   | Y11                   |
|         | Development / Construction Phasing    |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
|         | Total Development Cost to be Incurred | -                     | 70.00                 | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
|         |                                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| A       | Base Rental                           |                       | 92.24                 | 97.54                 | 97.54                 | 101.46                | 107.29                | 107.29                | 111.61                | 118.02                | 118.02                | 122.77                | 127.22                |
| B       | Car Parking Income                    |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| C       | Fit-out rentals/ tenant improvements  |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| D       | Facility Rentals                      |                       | 92.24                 | 97.54                 | 97.54                 | 101.46                | 107.29                | 107.29                | 111.61                | 118.02                | 118.02                | 122.77                | 127.22                |
| E       | Maintenance services income           |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| F       | Other Operating Income                |                       | 0.92                  | 0.98                  | 0.98                  | 1.01                  | 1.07                  | 1.07                  | 1.12                  | 1.18                  | 1.18                  | 1.23                  | 1.27                  |
| G       | Revenue from Operations               |                       | 93.16                 | 98.51                 | 98.51                 | 102.48                | 108.36                | 108.36                | 112.73                | 119.20                | 119.20                | 124.00                | 128.50                |
|         | Direct Operating Expenses             |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| H       | Maintenance services Expenses         |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| I       | Property Tax                          |                       | 2.60                  | 2.68                  | 2.76                  | 2.84                  | 2.93                  | 3.01                  | 3.10                  | 3.20                  | 3.29                  | 3.39                  | 3.49                  |
| J       | Insurance Premium                     |                       | 0.35                  | 0.36                  | 0.37                  | 0.38                  | 0.39                  | 0.40                  | 0.41                  | 0.43                  | 0.44                  | 0.45                  | 0.47                  |
| K       | Net Operating Income (NOI)            |                       | 90.22                 | 95.48                 | 95.39                 | 99.26                 | 105.05                | 104.95                | 109.21                | 115.58                | 115.47                | 120.16                | 124.54                |
|         | Add: Terminal Cash Flow               |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | 1,541.15              | -                     |
|         | Indirect Operating Expenses           |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| L       | Brokerage Fees                        |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| M       | Property Management Fee               |                       | 3.26                  | 3.45                  | 3.45                  | 3.59                  | 3.79                  | 3.79                  | 3.95                  | 4.17                  | 4.17                  | 4.34                  | 4.50                  |
| N       | Other operational expenses            |                       | 1.84                  | 1.95                  | 1.95                  | 2.03                  | 2.15                  | 2.15                  | 2.23                  | 2.36                  | 2.36                  | 2.46                  | 2.54                  |
| O       | Net Cashflows                         | -                     | 15.11                 | 90.08                 | 89.99                 | 93.64                 | 99.11                 | 99.01                 | 103.03                | 109.04                | 108.93                | 1,654.51              | -                     |

**Note:** We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes

## Annexure - 7

### Material Litigations

#### 1. Title litigation and Irregularities

The Office of the Land Reforms Tribunal Cum Deputy Collector & Special Grade Revenue Divisional Officer, Attapur ("Tribunal") had, by letter dated August 27, 2009, sought information from Sundew under Section 8(2) of the Andhra Pradesh Land Reforms (Ceiling on Agriculture Holdings) Act, 1973 ("APLRAC") in respect of the entire land parcel at Mindspace Madhapur (Sundew).

The Revenue Department of the Government of Andhra Pradesh forwarded a Memo dated September 5, 2009 for furnishing of certain information to the Government of Andhra Pradesh, including information requested by the aforesaid letter dated August 27, 2009. Sundew has filed a detailed response on September 30, 2009 stating that (a) the land was originally granted by the Government of Andhra Pradesh to KRIT which was a joint venture company with APIIC, (b) the land was vested in Sundew by way of demerger order of the Andhra Pradesh High Court, (c) the land has been declared as an SEZ and is therefore exempt from the local laws; (d) the land was shown as a non-agricultural land in the master plan of Hyderabad and is therefore not "land" covered under the APLRAC. The Tribunal issued a final notice to Sundew in January 2012 requesting Sundew to submit a declaration for full and correct particulars of the lands held by Sundew. In September 2009, Sundew also submitted a copy of the order dated August 9, 2012, which was passed by the Hon'ble High Court of Andhra Pradesh ("High Court") in a similar matter (being Writ Petition No. 19300/2012 filed by Neogen Properties Pvt. Ltd.) wherein a stay was granted by the High Court until further orders. The matter is currently pending before the Tribunal.

#### 2. Criminal Matters

There are no pending criminal matters against Sundew.

#### 3. Regulatory Actions

KRIT had proposed a rights issue of shares in which Andhra Pradesh Industrial Infrastructure Corporation ("APIIC") (now, TSIIIC) abstained from subscribing to the rights shares. Consequently, upon closure of the rights issue subscription by the other shareholders of KRC group, the stake of APIIC in KRIT reduced from 11%. Thereafter, upon demerger of certain undertakings of KRIT into Intime and Sundew, the APIIC's stake reduced in each of these entities instead of what it was initially at 11%. Such rights issue of shares was undertaken in compliance with applicable law and agreement between the parties, and after KRIT had waited over one year for APIIC to decide.

Subsequently, APIIC / GoAP disputed such dilution of their stake in KRIT, Intime and Sundew, which led to an inquiry by Vigilance and Enforcement Department of GoAP against the Government Officials and correspondingly, KRIT. APIIC issued a letter dated July 10, 2012 to KRIT, referring to a report of vigilance and enforcement department ("VED Report") in relation to the Mindspace Madhapur project. Subsequently, the equity stake of APIIC was restored to 11% in KRIT, Intime and Sundew together with compensating APIIC for any loss of corporate benefits in the intervening period. The VED Report alleged certain irregularities, which include alleging a financial loss to APIIC and GoAP pursuant to sale of the land to its sister concerns and sale of constructed area, at a nominal price, dilution of 11% equity stake of APIIC and loss of immovable asset base to APIIC due to the dilution of equity.

KRIT denied such irregularities, violations or financial loss caused to APIIC /GoAP. While denying the loss alleged by APIIC, KRIT, Intime and Sundew provided a joint undertaking dated February 14, 2014 to APIIC inter alia undertaking (i) to pay the amounts to APIIC in respect of APIIC's claim of losses, due to any differences in values pertaining to the sale transactions in Mindspace Madhapur project; (ii) that payments shall be made by KRIT within

30 days of receipt of such written demand from APIIC; and (iii) that KRIT shall be bound by the decision of APIIC and comply with the same within the stipulated timelines.

KRIT has further provided an undertaking dated October 24, 2016 to APIIC, inter alia undertaking to pay losses incurred by Government of Telangana /APIIC as per the VED Report and to maintain the agreed shareholding of the Government of Telangana or APIIC in KRIT, Intime and Sundew post conversion of KRIT to public limited company and the Government of Telangana/ APIIC will not be required to infuse additional funds to maintain its equity stake in KRIT, Intime and Sundew.

While KRIT has attempted to make payments to the extent of the loss incurred by APIIC along with interest, by letter dated April 23, 2019, APIIC has confirmed to KRIT that it will be informed about the quantum of the amount to be paid, once the quantum of loss is determined by an independent third party appointed for such purpose. KRCPL, by way of its letter dated December 9, 2019, has undertaken that it shall assume any financial liability that KRIT, Intime or Sundew may incur in this behalf.

#### **4. Material Civil/ Commercial Litigation**

1. Sundew filed an application before the then Andhra Pradesh Electricity Regulatory Commission (now Telangana State Electricity Regulatory Commission ("TSERC") on March 10, 2014 requesting TSERC to take on record the 'deemed distribution licensee' status of Sundew for the development, operation and maintenance of SEZ at Madhapur, Hyderabad. TSERC passed an order dated February 15, 2016 ("TSERC Order") identifying Sundew as a deemed distribution licensee for a period of 25 years with effect from April 1, 2016 subject to inter alia Sundew obtaining capital infusion from its promoters before March 31, 2016. Sundew filed an application dated March 16, 2016 ("Interlocutory Application") before TSERC seeking modification of condition in respect of equity infusion and extension of time to comply with the same. TSERC passed an order dated August 4, 2016 directing compliance with TSERC Order and denying extension of time and also directed the existing licensee to continue the power supply till September 30, 2016. TSERC, by its letter dated September 22, 2016, has granted extension of time to continue power supply till the state transmission utility grants network connectivity and open access. Aggrieved, Sundew filed a petition ("Review Petition") before TSERC on August 26, 2016, seeking inter alia review of the order dated August 4, 2016. Additionally, Sundew also filed an appeal to the Appellate Tribunal for Electricity ("APTEL") challenging the TSERC Order and in relation to the conditions imposed by TSERC which was dismissed on September 27, 2019. The matter is currently pending before the TSERC with respect to the review petition filed by Sundew. Aggrieved by the order dated September 27, 2019, Sundew has also filed a civil appeal on November 15, 2019 before the Supreme Court of India. By an order dated February 22, 2021 passed in the civil appeal, the Supreme Court of India directed TSERC to hear the pending applications/ petitions filed by Sundew before TSERC, to list the matter for final hearing and granted liberty to the parties to file their written note of arguments. The matter before TSERC is listed for hearing on January 9, 2023. The matter before TSERC was heard on April 24, 2023 and is reserved for order. The matter before the Supreme Court of India is tentatively listed on April 2, 2024



Table 7.8: Indirect Tax Litigation

| SR.NO | ENTITY                | PARK               | TAX TYPE    | AUTHORITY PENDING | TAX DEMAND (IN 'MN) | INTEREST (QUANTIFIED) | PENALTY (QUANTIFIED) | ISSUE IN BRIEF  | PERIOD                      | INTEREST      | PENALTY |
|-------|-----------------------|--------------------|-------------|-------------------|---------------------|-----------------------|----------------------|---|-----------------------------|---------------|---------|
| 1     | Sundew Properties Ltd | Mindspace Madhapur | Service Tax | CESTAT            | 1.97                | -                     | 1.97                 | Service tax on pure fit out charges collected from customers and irregular availment of central credit on construction services | December 2010 to March 2012 | as applicable | 1.97    |
| 2     | Sundew Properties Ltd | Mindspace Madhapur | Service Tax | CESTAT            | 0.38                | -                     | 0.04                 | Service tax on pure fitout charges collected from the customers   | April 2012 to June 2012     | as applicable | 0.04    |

## Annexure - 8

### Caveats and Limitations

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1. The Valuation Report (hereafter referred to as the 'Report') covers specific markets and situations that are highlighted in the Report based on independent market report prepared by JLL and does not entail any comprehensive analysis of the market and the industry given the nature of the scope of the assignment.
2. The opinions expressed in the Report are subject to the limitations expressed below.
  - a) The valuation method adopted is based on the Valuer's expertise and knowledge considering the forecasts on demand, supply and pricing as undertaken by JLL as part of an independent market/ industry research and considered to be relevant and reasonable at that point of time. The Report and the opinions therein do not constitute any recommendation to K Raheja Corp Investment Managers Private Limited (or the 'Client') or its affiliates and subsidiaries or its customers or any other party to adopt a particular course of action. The use of the Report at a later date may invalidate the assumptions and bases on which these opinions have been expressed and is not recommended as an input to any financial decision.
  - b) It should be noted that the valuation is based upon the facts and evidence available at the time of conduct of the valuation and applicable on the date of valuation. It is therefore recommended that these valuations be periodically reviewed.
  - c) Changes in socio-economic and political conditions could result in a substantially different situation than those presented herein. The Valuer assumes no responsibility for changes in such external conditions.
  - d) The Valuer has considered the independent market report prepared by JLL and macro understanding of the market through readily available information in public domain. Hence, no direct link is sought to be established between the macro-level understandings on the market with the assumptions estimated for the analysis herein.
  - e) The services provided is limited to valuation of the Project primarily comprising Land and Building and any part thereof and does not constitute any audit, survey, due diligence, tax related services etc. Accordingly, no opinion has been expressed on the financial information of the business of any party, including the Client and its affiliates and subsidiaries. The Report is prepared solely for the purpose stated and should not be used for any other purpose.
  - f) While the information included in the Report is accurate and reliable to the best of the knowledge of the Valuer, no representations or warranties, expressed or implied, as to the completeness of such information is being made. The Valuer shall not undertake any obligation to update or supplement any information contained in the Report save as provided for in the Agreement.
  - g) Apart from the sources already mentioned in the report, the Valuer has relied on readily available public information for the purpose of preparing this report.
3. The Report reflects matters as they currently exist. Any changes thereon may materially affect the information contained in the Report.
4. All assumptions made in order to determine the valuation of the Project is based on information or opinions as current. In the course of the analysis, the Valuer has relied on information or opinions, both written and verbal, as obtained from the Client as well as from third parties provided with, including limited information on the market, financial and operating data, which has been accepted as accurate in bona-fide belief. No responsibility is assumed for technical or specialized information furnished by the third-party organizations, and this is believed bona-fide to be reliable.

5. No investigation of the title of the assets has been made and owners' claims to the assets is assumed to be valid unless anything contrary is mentioned in the main report. No consideration is given to liens or encumbrances, which may be against the Project or assets. Therefore, no responsibility is assumed for matters of a legal nature.
6. Review of tenants' ability and willingness to continually pay lease rents as per their respective contractual terms is not within the scope of work of Valuer. Valuer has assumed that all tenants' will be able to pay their rents on time as and when demanded as per their contractual terms and that no arrears exist with respect to any tenancy.
7. The Valuer's total aggregate liability to the Client including that of any third-party claims, in contract, tort including negligence or breach of statutory duty, misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the services is limited to an aggregate sum as agreed in the LOE. The Valuer shall not be liable for any pure economic loss, loss of profit, loss of business, depletion of goodwill, in each case whether direct or indirect or consequential or any claims for consequential loss compensation whatsoever which, arise out of or in connection with services provided under this engagement.
8. The Client including its agents, affiliates and employees, must not use, reproduce or divulge to any third party any information it receives from the Valuer for any purpose except set out herein.
9. This engagement shall be governed by and construed in accordance with Indian laws and any dispute arising out of or in connection with the engagement, including the interpretation thereof, shall be submitted to the exclusive jurisdiction of courts in New Delhi.

# Valuation Report

Mindspace Madhapur  
(K Raheja IT Park Limited)  
Madhapur, Hyderabad

Telangana, India

Submitted To:

K. Raheja Corp. Investment Managers Private  
Limited (formerly known as K Raheja Corp  
Investment Managers LLP)

(acting as Manager to Mindspace Business Parks REIT)

Date of Valuation:

31-Mar-2024

Date of Report:

24-Apr-2024



Prepared By:

**KZEN VALTECH PRIVATE LIMITED**

**IBBI/RV-E/05/2022/164**

## EXECUTIVE SUMMARY

| Property Name     | Mindspace Madhapur (KRIT), Madhapur, Hyderabad, Telangana, India 500 081   |                         |               |                         |    |             |         |    |             |         |    |             |         |    |             |         |    |               |         |    |             |         |    |             |         |    |            |        |   |   |           |    |   |           |    |   |         |  |                     |           |
|-------------------|--|-------------------------|---------------|-------------------------|----|-------------|---------|----|-------------|---------|----|-------------|---------|----|-------------|---------|----|---------------|---------|----|-------------|---------|----|-------------|---------|----|------------|--------|---|---|-----------|----|---|-----------|----|---|---------|--|---------------------|-----------|
| Property Address  | Mindspace Madhapur, Titus Towers, TSIC software layout, Madhapur, Hyderabad, Telangana, 500081   |                         |               |                         |    |             |         |    |             |         |    |             |         |    |             |         |    |               |         |    |             |         |    |             |         |    |            |        |   |   |           |    |   |           |    |   |         |  |                     |           |
| Land Area         | 48.43 Acres  |                         |               |                         |    |             |         |    |             |         |    |             |         |    |             |         |    |               |         |    |             |         |    |             |         |    |            |        |   |   |           |    |   |           |    |   |         |  |                     |           |
| Brief Description | <p>The Project is located in Madhapur micro market in the Western part of Hyderabad; it is located adjacent to Raidurg Metro Station and at a distance of ~ 31 km from Hyderabad International Airport. The proposed Metro Phase 2 would connect Raidurg to Hyderabad International Airport, which would further improve the connectivity of the Project.</p> <p>The Project is developed as Grade A IT park comprises of ten (10) IT Buildings and ~ 1.79 acres of land earmarked for future development.</p> <ul style="list-style-type: none"><li>Completed and operational buildings - 2A, 2B, 3A, 3B, 4 A&amp;B, 5A, 10,</li><li>Under Construction buildings - 1A/1B, 7/8, and Experience Centre with collective leasable area of ~ 3.06 Mn accessible via 36 m wide internal road.</li><li>Future development – land parcel of ~1.79 acres</li></ul> <p>The Project has excellent visibility along the access road and has 3 entry and exit points,</p> <p>The property is surrounded by mixed use development comprising residential, retail, and commercial developments.</p> |                         |               |                         |    |             |         |    |             |         |    |             |         |    |             |         |    |               |         |    |             |         |    |             |         |    |            |        |   |   |           |    |   |           |    |   |         |  |                     |           |
| Asset Details     | <p>Leasable area details as shared by the Client is given below:</p> <table><tr><th>Sl. No.</th><th>Building Name</th><th>Leasable Area (sq. ft.)</th></tr><tr><td>1.</td><td>Building 2A</td><td>259,105</td></tr><tr><td>2.</td><td>Building 2B</td><td>431,898</td></tr><tr><td>3.</td><td>Building 3A</td><td>200,720</td></tr><tr><td>4.</td><td>Building 3B</td><td>243,228</td></tr><tr><td>5.</td><td>Building 4A&amp;B</td><td>461,995</td></tr><tr><td>6.</td><td>Building 5A</td><td>113,665</td></tr><tr><td>7.</td><td>Building 10</td><td>343,684</td></tr><tr><td>8.</td><td>Kiosk Area</td><td>10,866</td></tr><tr><td>9</td><td>Building 1A &amp; 1B (Re-Development, under-construction)</td><td>1,328,708</td></tr><tr><td>10</td><td>Building 7 &amp; 8 (Re-development, Future Redevelopment)</td><td>1,610,601</td></tr><tr><td>11</td><td>Experience Center (Under-construction))</td><td>129,439</td></tr><tr><td></td><td>Total Leasable Area</td><td>5,133,909</td></tr></table>   | Sl. No.                 | Building Name | Leasable Area (sq. ft.) | 1. | Building 2A | 259,105 | 2. | Building 2B | 431,898 | 3. | Building 3A | 200,720 | 4. | Building 3B | 243,228 | 5. | Building 4A&B | 461,995 | 6. | Building 5A | 113,665 | 7. | Building 10 | 343,684 | 8. | Kiosk Area | 10,866 | 9 | Building 1A & 1B (Re-Development, under-construction) | 1,328,708 | 10 | Building 7 & 8 (Re-development, Future Redevelopment) | 1,610,601 | 11 | Experience Center (Under-construction)) | 129,439 |  | Total Leasable Area | 5,133,909 |
| Sl. No.           | Building Name  | Leasable Area (sq. ft.) |               |                         |    |             |         |    |             |         |    |             |         |    |             |         |    |               |         |    |             |         |    |             |         |    |            |        |   |   |           |    |   |           |    |   |         |  |                     |           |
| 1.                | Building 2A  | 259,105                 |               |                         |    |             |         |    |             |         |    |             |         |    |             |         |    |               |         |    |             |         |    |             |         |    |            |        |   |   |           |    |   |           |    |   |         |  |                     |           |
| 2.                | Building 2B  | 431,898                 |               |                         |    |             |         |    |             |         |    |             |         |    |             |         |    |               |         |    |             |         |    |             |         |    |            |        |   |   |           |    |   |           |    |   |         |  |                     |           |
| 3.                | Building 3A  | 200,720                 |               |                         |    |             |         |    |             |         |    |             |         |    |             |         |    |               |         |    |             |         |    |             |         |    |            |        |   |   |           |    |   |           |    |   |         |  |                     |           |
| 4.                | Building 3B  | 243,228                 |               |                         |    |             |         |    |             |         |    |             |         |    |             |         |    |               |         |    |             |         |    |             |         |    |            |        |   |   |           |    |   |           |    |   |         |  |                     |           |
| 5.                | Building 4A&B  | 461,995                 |               |                         |    |             |         |    |             |         |    |             |         |    |             |         |    |               |         |    |             |         |    |             |         |    |            |        |   |   |           |    |   |           |    |   |         |  |                     |           |
| 6.                | Building 5A  | 113,665                 |               |                         |    |             |         |    |             |         |    |             |         |    |             |         |    |               |         |    |             |         |    |             |         |    |            |        |   |   |           |    |   |           |    |   |         |  |                     |           |
| 7.                | Building 10  | 343,684                 |               |                         |    |             |         |    |             |         |    |             |         |    |             |         |    |               |         |    |             |         |    |             |         |    |            |        |   |   |           |    |   |           |    |   |         |  |                     |           |
| 8.                | Kiosk Area   | 10,866                  |               |                         |    |             |         |    |             |         |    |             |         |    |             |         |    |               |         |    |             |         |    |             |         |    |            |        |   |   |           |    |   |           |    |   |         |  |                     |           |
| 9                 | Building 1A & 1B (Re-Development, under-construction)  | 1,328,708               |               |                         |    |             |         |    |             |         |    |             |         |    |             |         |    |               |         |    |             |         |    |             |         |    |            |        |   |   |           |    |   |           |    |   |         |  |                     |           |
| 10                | Building 7 & 8 (Re-development, Future Redevelopment)  | 1,610,601               |               |                         |    |             |         |    |             |         |    |             |         |    |             |         |    |               |         |    |             |         |    |             |         |    |            |        |   |   |           |    |   |           |    |   |         |  |                     |           |
| 11                | Experience Center (Under-construction))  | 129,439                 |               |                         |    |             |         |    |             |         |    |             |         |    |             |         |    |               |         |    |             |         |    |             |         |    |            |        |   |   |           |    |   |           |    |   |         |  |                     |           |
|                   | Total Leasable Area  | 5,133,909               |               |                         |    |             |         |    |             |         |    |             |         |    |             |         |    |               |         |    |             |         |    |             |         |    |            |        |   |   |           |    |   |           |    |   |         |  |                     |           |



Location Map



**Key Assumptions** The table below summarizes key Valuation assumptions used in the estimate.

| Particulars                | Description  |                  |                      |            |                    |
|----------------------------|--|------------------|----------------------|------------|--------------------|
| Asset Specific Information |  |                  |                      |            |                    |
| Nature of Asset            | Commercial Office/IT Park                              |                  |                      |            |                    |
| Current Status             | Operational, Under Construction and Future Development |                  |                      |            |                    |
| Total Leasable Area        | 5.13 mn. Sq. ft,                                       |                  |                      |            |                    |
| Asset Details              | Sl. No.  | Building Name    | Age of the Building  | Usage Type | Status Area        |
|                            | 1.   | Building 2A      | ~ 14 years 10 months | Non-SEZ    | Completed          |
|                            | 2.   | Building 2B      | ~ 17 years 2 months  | Non-SEZ    | Completed          |
|                            | 3.   | Building 3A      | ~ 18 years           | Non-SEZ    | Completed          |
|                            | 4.   | Building 3B      | ~ 17 years 2 months  | Non-SEZ    | Completed          |
|                            | 5.   | Building 4 A&B   | ~ 14 years 4 months  | Non-SEZ    | Completed          |
|                            | 6.   | Building 5A      | ~ 15 years 9 months  | Non-SEZ    | Completed          |
|                            | 7.   | Building 10      | ~ 17 years 2 months  | Non-SEZ    | Completed          |
|                            | 9.   | Building 1A & 1B | under-construction   | Non-SEZ    | under-construction |

|  |                        |   |                   |                    |         |                    |
|--|------------------------|---|-------------------|--------------------|---------|--------------------|
|  |                        | 10.   | Building 7 & 8)   | under-construction | Non-SEZ | under-construction |
|  |                        | 11.   | Experience Center | under-construction | Non-SEZ | under-construction |
|  |                        | In addition to the above, the undivided rights, title and interest in the following assets are also part of the Project. <ul style="list-style-type: none"><li>Total utility areas and internal roads.</li><li>Total open spaces.</li></ul> |                   |                    |         |                    |
|  | Revenue Assumptions    |   |                   |                    |         |                    |
|  | In-Place Rent          | INR 69.6 per sq. ft. per Month  |                   |                    |         |                    |
|  | Market / Marginal Rent | INR 74.6 per sq. ft. per Month for FY2024-25  |                   |                    |         |                    |
|  | Parking Rent           | INR 2,100 per CPS per Month for FY2024-25   |                   |                    |         |                    |
|  | Financial Assumptions  |   |                   |                    |         |                    |
|  | Exit Cap Rate          | 8.00%   |                   |                    |         |                    |
|  | Discount Rate / WACC   | 11.75%  |                   |                    |         |                    |

|              |  |
|--------------|--|
| Market Value | For Completed Project - INR 20,982.98 million (INR Twenty Billion Nine Hundred Eighty Two Million Nine Hundred Eighty Thousand Only)   |
|              | For Under construction, Future Redevelopment, and land Projects INR 12,717.18 million (INR Twelve Billion Seven Hundred Seventeen Million One Hundred and Eighty Thousand Only)  |
|              | <i>Note: Based on the inputs provided by Client, Mindspace REIT holds 89% of the ownership interest in the project and the valuation presented is for 89% interest in the project only. The total value of the asset with 100% interest is <b>INR 37,865.34 million</b> (INR Thirty-Seven Billion Eight Hundred Sixty Five Million Three Hundred and Forty Thousand Only).</i> |

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## **LIST OF ABBREVIATIONS**

|         |   |
|---------|---|
| BPO     | Business Process Outsourcing                                    |
| CBD     | Central Business District                                       |
| DCR     | Development Controls & Regulations                              |
| GHMC    | Greater Hyderabad Municipal Corporation                         |
| FAR     | Floor Area Ratio  |
| HMDA    | Hyderabad Metropolitan Development Authority                    |
| INR     | Indian National Rupees  |
| IT/ITES | Information Technology/IT enabled Services                      |
| IVSC    | International Valuation Standards Committee                     |
| JLL     | Jones Lang LaSalle Property Consultants (India) Private Limited |
| NH      | National Highway  |
| ORR     | Outer Ring Road   |
| PBD     | Peripheral Business District                                    |
| RICS    | Royal Institution of Chartered Surveyors                        |
| SEBI    | Securities and Exchange Board of India                          |
| SBD     | Secondary Business District                                     |
| SEZ     | Special Economic Zone   |
| sq. ft. | square feet   |
| sq. m.  | square metre  |
| REIT    | Real Estate Investment Trust                                    |
| TSIIC   | Telangana State Industrial Infrastructure Corporation           |
| Y-o-Y   | Year-on-Year  |

## **CONVERSION OF UNITS**

|          |                  |
|----------|------------------|
| 1 acre   | 43559.66 sq. ft. |
| 1 acre   | 4046.9 sq. m.    |
| 1 sq. m. | 1.196 sq. yards  |
| 1 sq. m. | 10.764 sq. ft.   |
| 1 meter  | 1.0936 yards     |
| 1 meter  | 3.28 ft.         |
| 1 cent   | 435.6 sq. ft.    |



# 1 INTRODUCTION

---

## 1.1 INSTRUCTIONS

K Raheja Corp. Investment Managers Private Limited (hereinafter referred to as the 'Client'), in its capacity as Manager of the Mindspace Business Parks REIT (Mindspace REIT), has appointed KZEN VALTECH PRIVATE LIMITED, Registered Valuer Entity with Insolvency and Bankruptcy Board of India ("IBBI") bearing registration no. IBBI/RV-E/05/2022/164 (hereinafter referred to as the 'Valuer') to carry out an independent estimate of Market Value of commercial / office properties located in Chennai, Hyderabad, Mumbai and Pune along with incidental or ancillary activities including a facility management business and power distribution facility, vide Engagement Letter dated 27 March 2023. The Client intends to seek independent estimate of Market Value for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchange.

This Valuation Report has Market Value of a Commercial Office/IT Park project named '**Mindspace Madhapur (KRIT)**' located in **Madhapur, Hyderabad**, Telangana, India (hereinafter referred to as the 'Project').

## 1.2 PURPOSE OF VALUATION

The purpose of this valuation is to estimate the value of the Project as part of the portfolio of Mindspace REIT for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended together with clarifications, guidelines and notifications thereunder in the Indian stock exchange and for accounting purpose.

In addition, other documents in relation to the regulatory filings such as publicity material, research reports, presentations and press releases will also be prepared, wherein copies, summary or extracts of the Valuation Report are intended to be included.

## 1.3 RELIANT PARTIES

The reliance on the Valuation Report prepared as part of this engagement is extended to the Manager, REIT and other parties including the trustee of REIT, debenture trustee(s), stock exchanges, unitholders of REIT, Securities and Exchange Board of India ('SEBI'), credit rating agencies, lenders of the REIT and/or its special purpose vehicles or any other person within or outside India as the Manager may deem fit for the purpose as highlighted in this report (valuation). The Valuer, however, would extend no liability to such reliant parties save and except for gross and willful negligence.

The valuation exercise is conducted strictly and only for the use of the parties as stated above who need to rely on such valuation ('Reliant Party') and for the Purpose specifically stated. The Client shall make all reliant parties aware of the terms and conditions of the engagement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 1.4 VALUER'S CAPABILITY

**KZEN VALTECH PRIVATE LIMITED**, bearing Registered Valuer Entity number IBBI/RV-E/05/2022/164 with IBBI has been appointed as the Valuer for providing opinions on market value of the respective Subject Properties.

Mr. Sachin Gulaty, Director, KZEN VALTECH PRIVATE LIMITED, is registered as a valuer with IBBI for the asset class Land and Building under the provisions of The Companies

(Registered Valuers and Valuation) Rules, 2017 since 13 August 2021. He qualified for the degree of Bachelor of Architecture from School of Planning and Architecture, New Delhi in 1997, and qualified for the degree of Master in Planning with specialization in Urban Planning from School of Planning and Architecture, New Delhi in 2002. He, subsequently, undertook distance learning from SVKM's Narsee Monjee Institute of Management Studies ("NMIMS") Global Access – School for Continuing Education, qualified for the two-years Post Graduate Diploma in Banking & Financial Management and was awarded this Post Graduate Diploma in July 2018.

Mr. Gulaty has more than 26 years of experience, including one and a half years of post-graduate education, spread over domains of architecture, urban planning, urban infrastructure, real estate advisory, and real estate asset valuation. He was the National Head of Valuations for Jones Lang LaSalle Property Consultants (India) Private Limited ("JLL India"), a leading International Property Consulting firm in India, from 2010 to 2021. Prior to this role, Mr. Gulaty gained practical experience in providing architecture services, town and city planning, and research related to regulatory studies and urban governance covering urban infrastructure such as water supply, sanitation, solid waste management, and urban transport, among other aspects. In the early part of his career, he worked with renowned architectural services firm, Kuldip Singh & Associates, and The Energy and Resources Institute ("TERI"). His last employment was with JLL as Senior Director and National Head for Valuations.

As the National Head of Valuations at JLL India, he led numerous valuation exercises for multiple financial institutions, private equity/real estate funds, corporates, industrial houses, government departments, and developers across multiple real estate asset classes of commercial, retail, residential, industrial, healthcare, and hospitality, among others. Clientele served by him across his entire career till date, under various employments, includes Brookfield, GIC, Qatar Investment Authority, JP Morgan, BlackRock, CapitaLand, Citibank, Standard Chartered Bank, Yes Bank, Kotak Mahindra, Maruti Suzuki, Indiabulls, Dubai Port World, World Bank, DLF, RMZ, Shriram Properties, DIPAM, NHAI, NBCC, AAI, and RLDA, among others.

Mr. Gulaty, who carries IBBI Registration Number: IBBI/RV/02/2021/14284, is enrolled with the Institute of Valuers Registered Valuers Foundation ("IOVRVF"), is a Fellow of Royal Institution of Chartered Surveyors ("RICS"), Fellow and Lifetime Member of Institute of Valuers, India ("IOV"), admitted as an Arbitrator (India) on the RICS Panel of Dispute Resolvers & Expert Witnesses, and features in the global list of RICS Trained Assessors, has prepared and signed this report on behalf of RV-E.

## 1.5 INDEPENDENCE, CONFLICT OF INTEREST AND VALUER'S INTEREST

The Valuer confirms that there are no conflicts of interest in so far as discharging his duties as a valuer for the Project is concerned. The Valuer has undertaken the valuation exercise without the presence of any bias, coercion, or undue influence of any party, whether directly connected to the valuation assignment. There has not been any professional association with the Client or the Project in past five years from his engagement as the Valuer, except as valuer under the SEBI (REIT) Regulations, 2014.

The Valuer certifies that he/she does not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the Project (including the parties with whom the Client is dealing, including the lender or selling agent, if any) and accepts instructions to value the Project only from the Client.

## 1.6 ASSUMPTIONS, DEPARTURES AND RESERVATIONS

This Valuation Report has been prepared on the basis of the assumptions within the instructions (Key Assumptions, Qualifications, limitations and Disclosures) detailed after this section of this report. The development mix, built up area, land area and lease details such as lease rent, lease commencement and lease end date, lock-in period, escalation terms, etc. pertaining to the Project is based on the appropriate relevant documents, which has been provided by the Client and the same has been adopted for the purpose of this valuation.

## 1.7 INSPECTION OF THE PROJECT

Building 10 of the project was inspected on 22 March 2024 and the remaining buildings of this project were inspected on 23 March 2024 by the Valuer in the presence of client-nominated representative, and subsequently no site visits have been conducted. No measurement or building survey has been carried out as part of the valuation exercise. The Valuer has relied entirely on the site areas provided by the Client, which has been assumed to be correct. Based on the discussions with the Client, it has been assumed that no material change in the condition of the property has taken place except for the progress of construction work in accordance with the information shared.

## 1.8 GENERAL COMMENT

A valuation is a prediction of price, not a guarantee. By necessity, it requires the Valuer to make subjective judgments that, even if logical and appropriate, may differ from those made by a purchaser, or another valuer. Historically it has been considered that valuers may properly conclude within a range of possible values.

The purpose of the valuation does not alter the approach to the valuation.

Property values can change substantially, even over short periods of time, and thus the valuation of the Project herein could differ significantly if the date of valuation was to change.

This report should not be relied upon for any other purpose other than for which this valuation exercise has been undertaken.

## 1.9 CONFIDENTIALITY

The contents of this Valuation Report are intended for the specific purpose stated. Consequently, and in accordance with current practice, no responsibility is accepted to any other party in respect of the whole or any part of its contents- except as maybe required in connection with the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, under the applicable law.

## 1.10 AUTHORITY

The Client acknowledges and agrees that the valuation exercise undertaken (including, without limitation, the Reports itself and the contents thereof) is solely for the purpose set out in Section 1.2 herein. If Client desires to use the Report in any offering or other investment material for purpose other than as mentioned in the Section 1.2 herein, then (a) with Valuer will require, and the Client must provide or cause to be provided, an indemnification agreement in his favor, given by parties reasonably satisfactory to him, and (b) the Client will obtain his consent to the references in such materials to the Report.

## 1.11 LIMITATION OF LIABILITY

The Valuer has provided the services exercising due care and skill but does not accept any legal liability arising from negligence or otherwise to any person in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the properties. Further, the Valuer shall not accept liability for any errors, misstatements, omissions in the report caused due to false, misleading or incomplete information or documentation provided to him by the Instructing Party.

The Valuer's maximum aggregate liability for claims arising out of or in connection with the Valuation, under this engagement shall not exceed the professional indemnity insurance obtained by him. As on the date of this report, the professional indemnity insurance maintained by the Valuer is for Indian Rupees Fifty Million.

In the event that the Manager, the sponsors, the trustee, the REIT, or other intermediaries appointed by the Manager and / or REIT or its SPVs be subject to any claim ('Claim Parties') in connection with, arising out of or attributable to the Report, the Claim Parties will be entitled to require the Valuer to be a necessary party/respondent to such claim and he shall not object to his inclusion as a necessary party/ respondent. In all such cases, the Manager, on behalf of the REIT, agrees to reimburse/ refund to the Valuer, the actual cost (which shall include legal fees and external counsel's fee) incurred by them while becoming a necessary party/respondent. If the Valuer does not cooperate to be named as a party/respondent to such claims in providing adequate/successful defense in defending such claims, the Claim Parties jointly or severally will be entitled to initiate a separate claim against the Valuer in this regard.

The Valuer will neither be responsible for any legal due diligence, title search, and physical measurements nor undertake any verification/ validation of the zoning regulations/ development controls with any government departments/authorities, among other aspects., etc.

## 1.12 DISCLOSURE AND PUBLICATION

The Valuer must not disclose the contents of this Valuation Report to a third party in any way, except as allowed under the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars. As per the terms and regulation 2(1) of the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars, it may be noted that the Valuation report is prepared in accordance with said REIT regulations.

## 1.13 ANTI-BRIBERY AND ANTI-CORRUPTION

The Valuer represents, warrants and undertakes that:

The Valuer is familiar with applicable Anti-Corruption Laws under this Agreement including but not limited to Prevention of Corruption Act 1988 and will ensure that neither it nor any of its officers, directors, shareholders, employees and agents or any other person acting under its implied or express authority will engage in any activity, practice or conduct which would constitute an offence under, or expose or potentially expose either Party to any direct or indirect liability, under Applicable Anti-Corruption Laws;

It is further agreed that breach of any of the above undertakings shall be deemed to be a material breach of the Agreement and in case the Valuer is insisted upon or asserted by Client to violate any of the above said undertakings including Anti-Corruption regulations in any form or manner, on pretext of business relationship or otherwise, the Valuer shall have a discretionary right to terminate this Agreement without any liability or obligation on his part.

Such termination of this Agreement shall not in any way prejudice the rights and obligations (including payment for the services delivered under this Agreement) already accrued to the Valuer, prior to such termination.

## KEY ASSUMPTIONS, QUALIFICATIONS, LIMITATIONS AND DISCLAIMERS

|    |   |   |
|----|---|---|
| 1. | Type of Estimate                              | The scope of the assignment covers only estimating Market Value of a specified property and not a business valuation for either the Client or any of their subsidiaries or associated companies, etc. The estimate is based on extent of data/information provided by the Client and estimate has limited coverage wherever full data/information is not made available by the Client.  |
| 2. | Legal Due-Diligence                           | Legal due diligence for establishing clarity of title, ownership, encumbrances if any, notices or disputes if any, among other legal-related issues are not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.  |
| 3. | Information Provided by the Client and Others | The Valuer has relied on the information provided by the Client and the same has been assumed to be correct and has been used in the valuation. Where it is stated that another party has supplied information to the Valuer, this information is believed to be reliable. The Valuer cannot accept any responsibility for accuracy and non-reliability of such information.  |
| 4. | Regulatory Due-Diligence                      | Regulatory due diligence is not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.  |
| 5. | Project Status, Schedule and Project Costing  | Assessment of the Project Status and Schedule is based on the information provided by the Client and does not consider any unforeseeable developments which could impact the same in the future. The estimate <u>does account</u> for any capital expenses incurred by the Client on the existing and/or ongoing development works in the Project. Auditing the project figures is not part of the scope of work under this assignment. In all likelihood, an independent auditing agency would be covering this aspect, details of which can be obtained from the Client.  |
| 6. | Market Conditions and Trends                  | The Valuer has taken into consideration the general conditions in the market with respect to broad demand and supply while carrying out the valuation. The Valuer has compared other comparable properties on the basis of many factors and as far as possible tried to remove / account for the differences in type, location and quality of the properties.   |
| 7. | Information on Leases and Sales Performance   | The Valuer has relied on the rent roll including lease terms & conditions of the existing and pre-committed leases, as given by the Client. The Valuer has not verified individual lease agreements and the Valuer has relied on all information provided to him by the Client, upon which the Valuer will rely, is complete and correct. The Valuer has relied on pre-leasing details to the extent data/information made available by the Client.   |
| 8. | Site Investigations and Illustrations         | The Valuer has carried out the site visits and based on the information made available by the Client and the estimate is carried out considering that the Project Site is a contiguous land parcel and is free from any encroachments and encumbrances as on the date of valuation. The Valuer has not carried out any structural survey nor tested the building services. No geographical or geo-physical survey was carried out. No environmental assessment has been carried out. Any sketch, plan or map in the report is included to assist reader while visualizing the Project and assume no responsibility in connection with such matters. |
| 9. | Project Cost Estimates                        | Project Cost Estimates used in the estimate is as given by the Client. Project progress including capital expenditure progress reported is based on the cost incurred data as shared by the Client. The Valuer has reviewed the Project Cost estimates and/or cost incurred data to broadly ascertain their correctness on a normative basis while relying on the same as shared by the Client.   |



|     |  |   |
|-----|--|---|
| 10. | Environmental Compliance                   | The Valuer assumed that the Project Site / Project is not contaminated and is not adversely affected by any existing or proposed environmental law and any processes which are carried out on the Project Site are regulated by environmental legislation and are Project Site licensed by the appropriate authorities.   |
| 11. | Present Ground Conditions                  | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present, which might adversely affect the current or future occupation, development of the Project. The estimate assumes that the Project Site is free from rot, infestation, structural or latent defect and no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the property and comments made in the property details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.   |
| 12. | Town Planning and Statutory Considerations | The Valuer has not made formal search but has generally relied on readily available information to general public. Valuation Report is on current use/ current state basis of the property and the Valuer has not considered any Government proposals for road widening or compulsory purchase/ acquisition, or any other statute in force that might affect the Project.   |
| 13. | Future Market Development and Prospects    | The Valuer has not accounted any future market development and prospects to the extent information known to the Valuer as on the date of valuation. The Valuer does not warrant that such statements are accurate or correct.   |
| 14. | Disclaimer                                 | <p>The estimate of Market Value is based on documents/information shared by the Client. The Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Project.</p> <p>The Valuer has relied on the measurements and information provided at all times, whether from public and private sources, and has ensured to the best of their ability the correctness and the validity of the same, by cross checking from various sources. Whilst every effort has been taken to provide authentic data and analysis, the Valuer, and/or any of their associated companies and/or their employees are not responsible for any loss, major or minor incurred on the basis of the information and analyses provided, nor are liable to any damages in any form or shape.</p> <p>Given the confidential nature of real estate transactions, transaction details for most properties, which are privately actually transacted, are not in the public domain. Consequently, there is reliance on information from market sources, which may not be completely accurate. Thus, information has been crosschecked independently from other market sources to ascertain the broad credibility of information being provided by the market sources. This assignment has been done on best effort and knowledge basis.</p> <p>For ease and simplicity of representation, certain figures may have been rounded</p> |

## 2 VALUATION APPROACH AND METHODOLOGY

### 2.1 VALUATION STANDARDS ADOPTED

This Report is prepared in accordance and compliance with:

1. Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time ("**SEBI Regulations 2014**"), including Regulation 21 Sub-Regulation (3) and mandatory minimum disclosures as specified in Schedule V of these SEBI Regulation 2014,
2. Companies (Registered Valuers and Valuation) Rules, 2017 as amended from time to time ("**Valuer Rules 2017**"), including reporting requirements as specified in Rule 18 to these rules,
3. International Valuation Standards 2022 ("**IVS 2022**") as set out by International Valuation Standards Committee ("**IVSC**") and adopted by Royal Institution of Chartered Surveyors ("**RICS**") presented in the RICS Valuation Standards and Guidelines 2022 ("**RICS Red Book 2022**"), subject to variation to meet local established law, custom, practice, and market conditions.

### 2.2 BASIS OF VALUATION

Basis of valuation of the Project is **Market Value** as defined by IVSC and adopted by Royal Institution of Chartered Surveyors (RICS) to be: *"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion"*.

### 2.3 APPROACH AND METHODOLOGY

The purpose of this valuation exercise is to estimate the Market Value of the Project, which is a real estate asset. Market Value of the real estate asset can be estimated using different approaches and methodologies.

**Income Approach:** Under this valuation approach, the income generating potential of the real estate asset is estimated while opining on its market value. This approach is typically adopted for assets that are income-generating (completed and operational with multiple tenancies, multiple strata units that can be sold with phased/milestone-based revenue collections, among others). For income-generating assets with single/multiple tenancies, the discounted cash flow entailing term and reversion method is most commonly adopted.

**Market Approach:** Under this valuation approach, the price that an asset could fetch in an open market is estimated. This approach is typically adopted for homogeneous assets in their micro-market and are typically traded on a unit basis. The most commonly adopted valuation method under this valuation approach is the Listed Transaction / Listed Quoted Instances Method, also commonly known as the Direct Comparison or the Comparable Sales/Quoted Instances Method.

**Cost Approach:** Under this valuation approach, the cost required to create an asset of similar or equal utility is estimated. This valuation approach is typically adopted for real estate assets that can be clearly broken down into constituent elements, namely land and built structures. The most commonly adopted valuation method under this valuation approach is the Physical Method, also commonly known as Land and Building Method, which typically entails estimation of the underlying land value (while normally adopting the Market Approach) and the built structures (while adopting the Depreciated Replacement Cost Method) separately. The table below presents different valuation methodologies and their brief description.

**Table 2.1: Different Valuation Methodologies and Description**

| Sl. No. | Valuation Methodology                      | Description   |
|---------|--|---|
| 1.      | Comparable Sales / Quoted Instances Method | This method is based on comparing the subject property directly with other comparable property transaction (actually been sold in the vicinity or are offered for sale). Efforts would be made to collect transacted instances. In case of non-availability of transacted instances in the micro-market, the opinion will be offered based on the available asking/quoted instances in the market with appropriate adjustments for margin for negotiation. Given the homogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative and quantitative differences that may affect the price likely to be achieved by the property under consideration. These adjustments are typically made in the form of premium and/or discount factors for various property attributes, which affect the value. This method demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This method is a fair estimate of the prevailing prices. |
| 2.      | Depreciated Replacement Cost Method        | Replacement cost method is based on the construction cost of assets. The cost to be estimated is the cost of construction as per the construction status at the valuation date. This is based on the inspection of the facility and inputs provided by the Client; however, no structural survey will be conducted. Appropriate depreciation rates will be applied based on schedules given under the Indian Companies Act. This is generally used for estimating the Market Value of only the buildings  |
| 3.      | Discounted Cash Flow Method                | This method is based on the present value of the future receivable net income from the current operational leases / revenues. The current revenues and the future achievable revenues derived from the operational project components of the Project Site would be adjusted for the outgoing expenses to derive 10-year cash flows. The same is then discounted at an appropriate discounting rate linked with risk adjusted discounting factor to estimate the market value for the operational project components. This method is sometimes referred to as 'Rent Roll method as well.   |

#### Approach and Methodology Adopted for Estimating Market Value of the Project

Based on a detailed review of the leases for the Project, the Valuer has noted that a large number of leases of the Project were executed at rent prevalent at the time of signing of such leases or at a discount to prevailing market rental (for a few anchor tenants). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, demand-supply dynamics, quality of spaces, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some properties or submarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to estimate the intrinsic value of the property under review.

Considering the objective of this exercise and the nature of asset involved (completed & operational space, (other than the land portions of future development portion which has been valued using Comparable Sales / Quoted Instances Method under 'Market Approach'), the value is estimated using the 'Discounted Cash Flow Method' (basis term and rent reversion) under 'Income Approach'.

## 3 VALUATION ASSUMPTIONS AND INPUTS

### 3.1 INVESTIGATION, NATURE AND SOURCE OF INFORMATION

The Valuer undertook physical visits of the Project wherein the buildings and related assets were visually inspected to assess the condition of the buildings and the apparent state of its maintenance/upkeep.

Information related to state and structure of the relevant real estate market for the Project was sourced from the industry and market report prepared by Jones Lang LaSalle Property Consultants (India) Private Limited ('JLL'), who were appointed by the Client to undertake market research and portfolio analysis of the properties part of the Mindspace REIT.

Project related information referred to for the valuation exercise have been provided by the Client unless otherwise mentioned. The Valuer has assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, the Valuer has independently revalidated the information by reviewing the originals as provided by the Client.

In addition, the Valuer relied on the following information and documents shared by the Client with respect to the Project:

- Title certificates prepared by the Legal Counsel of the Client covering the type of ownership interest enjoyed and information on ongoing litigation.
- Architect's certificates dated mentioning site areas and property areas
- Relevant approval documents from competent authorities regarding occupancy, operations and fire safety.
- Lease agreements and commercial clauses thereof for top five tenants on a sample basis
- Masterplan/ Development plan applicable in the jurisdiction of the Project
- Management representation regarding the following:
  - Major repairs undertaken and proposed in the Project
  - Statement of assets
  - Revenue pendency if any
  - Options or Rights of Pre-emption and any other encumbrances concerning or affecting the property.
  - List of material litigations

### 3.2 CAPITALIZATION RATE

The capitalization rate adopted for valuing the assets has been based on various factors such as:

- Historical entry yields (going in cap rates) for commercial / office asset transactions across various key markets in India, which have steadily shown a downward trend over last 7 - 8 years from 10.5%-11.5% to about 7.5%-8.5% in 2023.
- The increased appetite for income generating assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- The demand supply situation in the respective city and expected dynamics of demand leading supply - given entry challenges such as land availability, higher initial cost outlays etc. developers are expected to focus on fully built to suit or semi-speculative projects (with key tenants tied in prior to launch of construction).
- Inflation (and interest rates) expected to be maintained in check with interventions from the Reserve Bank of India, in case of significant change.
- Liquidity associated with REIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer).

***Based on the above factors, the Valuer has adopted a exit cap rate of 8% for the Project, for the purposes of estimating the Market Value, considering the 1 year forward net operating income after 10 years, is utilized for the purpose of calculation of exit value / terminal cash flow.***

### 3.3 DISCOUNT RATE

This discount rate used for discounting the available cash flows represents Cost of equity (the opportunity cost for shareholders) and Cost of Debt (the opportunity cost for creditors), weighted by their respective contribution to the total capital of the company (WACC).

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived using the below formula:

$$\text{Cost of equity} = \text{Risk Free Rate (Rf)} + \text{Beta } (\beta) * (\text{Market Return (Rm)} - \text{Risk Free Rate (Rf)})$$

The cost of debt for completed commercial / office blocks has been considered based on prevalent financing rates for Grade A commercial / office parks in the city. The weightages accorded to equity and debt are derived through benchmarking the subject property against similar portfolios/properties in the market. For discounting the cash flows, an appropriate discount rate considering the location of Project and market dynamics of the micro market, has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC) which is derived to be 11.75% for the completed portion of the project.

Owing to the various risks pertaining to the under-construction / future development properties, we have considered a risk premium over the discount rate for completed properties to arrive at a discount rate for under-construction / future development properties. The Valuer has considered a risk premium of 125bps, to derive the WACC of 13% for under-construction / future development properties.

This derived discount rate was found to be aligned with the expectations of investors investing in similar assets.



## 4 VALUATION CERTIFICATE

| Property Name   | Mindspace Madhapur (KRIT), Madhapur, Hyderabad, Telangana, India 500 081  |   |                   |   |    |              |                        |    |             |                         |    |             |                        |    |             |                        |    |             |                        |    |             |                      |    |             |                      |    |             |                      |
|---|---|---|-------------------|---|----|--------------|------------------------|----|-------------|-------------------------|----|-------------|------------------------|----|-------------|------------------------|----|-------------|------------------------|----|-------------|----------------------|----|-------------|----------------------|----|-------------|----------------------|
| Property Address  | Mindspace Madhapur, Titus Towers, TSIIIC software layout, Madhapur, Hyderabad, Telangana, 500081  |   |                   |   |    |              |                        |    |             |                         |    |             |                        |    |             |                        |    |             |                        |    |             |                      |    |             |                      |    |             |                      |
| Land Area   | 48.43 acres   |   |                   |   |    |              |                        |    |             |                         |    |             |                        |    |             |                        |    |             |                        |    |             |                      |    |             |                      |    |             |                      |
| Brief Description                                       | <p>The Project is located in Madhapur micro market in the Western part of Hyderabad; it is located adjacent to Raidurg Metro Station and at a distance of ~ 31 km from Hyderabad International Airport. The proposed Metro Phase 2 would connect Raidurg to Hyderabad International Airport, which would further improve the connectivity of the Project.</p> <p>The Project has excellent visibility along the access road and has 3 entry and exit points.,</p>   |   |                   |   |    |              |                        |    |             |                         |    |             |                        |    |             |                        |    |             |                        |    |             |                      |    |             |                      |    |             |                      |
| Valuation Approaches                                    | <p>Since 7 buildings are completed and operational and 3 Buildings are under construction. The estimate of Market Value is prepared using ‘Discounted Cash Flow Approach’ using Rent Reversion</p> <p>For land earmarked for future development, the estimate of Market Value is prepared using ‘Government benchmarked price / Guideline Value’ method.</p>  |   |                   |   |    |              |                        |    |             |                         |    |             |                        |    |             |                        |    |             |                        |    |             |                      |    |             |                      |    |             |                      |
| Nature of the Interest by the Client                    | 89% freehold interest in the Project as informed by the Client  |   |                   |   |    |              |                        |    |             |                         |    |             |                        |    |             |                        |    |             |                        |    |             |                      |    |             |                      |    |             |                      |
| Purchase Price of the Project                           | <p>INR 20,902.55 million, as given by the Client</p> <p><i>Note: Based on the inputs provided by client, Mindspace REIT holds 89% of the ownership interest in the project and the valuation presented is for 89% interest in the project only. The total value of the asset with 100% interest is <b>INR 23,486.01 million</b></i></p>   |   |                   |   |    |              |                        |    |             |                         |    |             |                        |    |             |                        |    |             |                        |    |             |                      |    |             |                      |    |             |                      |
| Historical Valuation of the Project in 3 Previous Years | <p>Below table summarizes historical valuation of the Project as given by the Client:</p> <table><tr><th>Sl. No.</th><th>Date of Valuation</th><th>Market Value (INR Million) (Completed, Under Construction / Future Development)</th></tr><tr><td>1.</td><td>30-Sept-2023</td><td>31,345 (20127, 11,218)</td></tr><tr><td>2.</td><td>31-Mar-2023</td><td>30,476 (19,474, 10,729)</td></tr><tr><td>3.</td><td>30-Sep-2022</td><td>28,705 (23,422, 5,283)</td></tr><tr><td>4.</td><td>31-Mar-2022</td><td>27,172 (22,665, 4,507)</td></tr><tr><td>5.</td><td>30-Sep-2021</td><td>26,691 (21,957, 4,734)</td></tr><tr><td>6.</td><td>31-Mar-2021</td><td>24,373 (23,705, 668)</td></tr><tr><td>7.</td><td>30-Sep-2020</td><td>25,235 (24,606, 629)</td></tr><tr><td>8.</td><td>31-Mar-2020</td><td>23,970 (23,646, 324)</td></tr></table> <p><i>Note: The above figures are for 89% interest of Mindspace REIT in the Project.</i></p> | Sl. No.   | Date of Valuation | Market Value (INR Million) (Completed, Under Construction / Future Development) | 1. | 30-Sept-2023 | 31,345 (20127, 11,218) | 2. | 31-Mar-2023 | 30,476 (19,474, 10,729) | 3. | 30-Sep-2022 | 28,705 (23,422, 5,283) | 4. | 31-Mar-2022 | 27,172 (22,665, 4,507) | 5. | 30-Sep-2021 | 26,691 (21,957, 4,734) | 6. | 31-Mar-2021 | 24,373 (23,705, 668) | 7. | 30-Sep-2020 | 25,235 (24,606, 629) | 8. | 31-Mar-2020 | 23,970 (23,646, 324) |
| Sl. No.   | Date of Valuation   | Market Value (INR Million) (Completed, Under Construction / Future Development) |                   |   |    |              |                        |    |             |                         |    |             |                        |    |             |                        |    |             |                        |    |             |                      |    |             |                      |    |             |                      |
| 1.  | 30-Sept-2023  | 31,345 (20127, 11,218)  |                   |   |    |              |                        |    |             |                         |    |             |                        |    |             |                        |    |             |                        |    |             |                      |    |             |                      |    |             |                      |
| 2.  | 31-Mar-2023   | 30,476 (19,474, 10,729)   |                   |   |    |              |                        |    |             |                         |    |             |                        |    |             |                        |    |             |                        |    |             |                      |    |             |                      |    |             |                      |
| 3.  | 30-Sep-2022   | 28,705 (23,422, 5,283)  |                   |   |    |              |                        |    |             |                         |    |             |                        |    |             |                        |    |             |                        |    |             |                      |    |             |                      |    |             |                      |
| 4.  | 31-Mar-2022   | 27,172 (22,665, 4,507)  |                   |   |    |              |                        |    |             |                         |    |             |                        |    |             |                        |    |             |                        |    |             |                      |    |             |                      |    |             |                      |
| 5.  | 30-Sep-2021   | 26,691 (21,957, 4,734)  |                   |   |    |              |                        |    |             |                         |    |             |                        |    |             |                        |    |             |                        |    |             |                      |    |             |                      |    |             |                      |
| 6.  | 31-Mar-2021   | 24,373 (23,705, 668)  |                   |   |    |              |                        |    |             |                         |    |             |                        |    |             |                        |    |             |                        |    |             |                      |    |             |                      |    |             |                      |
| 7.  | 30-Sep-2020   | 25,235 (24,606, 629)  |                   |   |    |              |                        |    |             |                         |    |             |                        |    |             |                        |    |             |                        |    |             |                      |    |             |                      |    |             |                      |
| 8.  | 31-Mar-2020   | 23,970 (23,646, 324)  |                   |   |    |              |                        |    |             |                         |    |             |                        |    |             |                        |    |             |                        |    |             |                      |    |             |                      |    |             |                      |
| Ready Reckoner Rate and TSIIIC Allotment Rate           | <p>For Built-up Area</p> <p>Ground floor – INR 7,300 per sq. ft. and first &amp; other floors - INR 6,600 per sq. ft.</p> <p>Land Rate – INR 44,900 per sq. yd.</p> <p>Land Rate (as per TSIIIC) – INR 120,000 per sq. m.</p>   |   |                   |   |    |              |                        |    |             |                         |    |             |                        |    |             |                        |    |             |                        |    |             |                      |    |             |                      |    |             |                      |
| Date of Valuation                                       | 31-March-2024   |   |                   |   |    |              |                        |    |             |                         |    |             |                        |    |             |                        |    |             |                        |    |             |                      |    |             |                      |    |             |                      |

|  |  |
|--|--|
| Date of Inspection                                       | 22 and 23-Mar-2024   |
| Market Value as on 31-March - 2024                       | <p>For Completed Project - INR 20,982.98 million (INR Twenty Billion Nine Hundred Eighty-Two Million Nine Hundred Eighty Thousand Only)</p> <p>For Under construction, Future Redevelopment, and land Projects INR 12,717.18 million (INR Twelve Billion Seven Hundred Seventeen Million One Hundred and Eighty Thousand Only)</p> <p><i>Note: Based on the inputs provided by Client, Mindspace REIT holds 89% of the ownership interest in the project and the valuation presented is for 89% interest in the project only. The total value of the asset with 100% interest is <b>INR 37,865.34 million (INR Thirty-Seven Billion Eight Hundred Sixty-Five Million Three Hundred and Forty Thousand Only)</b></i></p>  |
| Matters Affecting the Property and its Value             | Please refer to Chapter 7 of this Valuation Report   |
| Assumptions, Disclaimers, Limitations and Qualifications | This Valuation Report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report, which are made in conjunction with those included within the Assumptions, Limitations & Qualifications section located within this report. Reliance on this report and extension of Valuer's liability is conditional upon the reader's acknowledgement and understanding of these statements. This Valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party, who may use or rely on the whole or any part of the content of this Valuation Report. The Valuer has no pecuniary interest that would conflict with the proper valuation of the Project |
| Prepared by  | <p>KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)</p> <p>Represented through its Director</p> <p>Mr. Sachin Gulaty FRICS FIV FIIA</p> <p>IBBI/RV/02/2021/14284</p>   |



**Name:** Sachin Gulaty FRICS FIV FIIA

**Designation:** Director

**Valuer Registration No.:** IBBI/RV/02/2021/14284

## 5 PROJECT SITE AND PROJECT ANALYSIS

### 5.1 DETAILS OF THE PROJECT SITE AND/OR PROJECT

The table below presents details of the Project Site and/or Project.

Table 5.1: Details of the Project Site and/or Project

| DETAILS OF PROPERTY                                     |  |
|---|--|
| Property Name   | Mindspace Madhapur (KRIT), Madhapur, Hyderabad, Telangana, India 500 081                       |
| Property Address  | Mindspace Madhapur, Titus Towers, TSIC software layout, Madhapur, Hyderabad, Telangana, 500081 |
| Land Area   | 48.43 acres  |
| Block-Wise Break-Up of Leasable Area and Current Status | Please refer Executive Summary   |
| Access  | Accessible through approx. 60 m. wide Hitech City Main Road and 36 m. wide Internal Road       |
| Frontage  | Approximately 180 m. frontage along Hitech City Main Road                                      |
| Shape and Visibility                                    | Regular in shape. Relatively flat terrain. Excellent visibility from Hitech city Main Road     |
| Approval Status   | Project has requisite approvals in place as confirmed by the Client.                           |
| INFRASTRUCTURE  |  |
| Water Supply, Sewerage & Drainage                       | Available within the Project   |
| Power & Telecommunication                               | Available within the Project   |

### 5.2 LOCATION OF THE PROJECT

The Project is located in Madhapur in the Western part of Hyderabad. It is located adjacent to the Raidurg Metro Station and at a distance of ~ 31 km from Hyderabad International Airport.

The following map presents the location of the Project with respect to the city.

Map 5.1: Location of the Project Site with respect to the Hyderabad City



Source: Real Estate Market Research & Analysis; JLL, March 2024

Table 5.2: Distances of the Project from Major Landmarks in the City

| Location / Landmark             | Approximate Distance from Project Site (km) |
|---------------------------------|---|
| Raidurg Metro station           | Adjacent to the Mindspace Park              |
| Cyber Tower                     | ~ 1.3                                       |
| Inorbit Mall                    | ~ 1.4                                       |
| Outer Ring Road (ORR)           | ~ 2.5                                       |
| Secunderabad Railway station    | ~ 19  |
| Hyderabad International Airport | ~ 31  |

Source: Real Estate Market Research & Analysis; JLL, March 2024

### 5.3 DESCRIPTION OF THE PROJECT AND ITS SURROUNDINGS

The Project is developed as IT Park and is located in Madhapur micro market of Hyderabad. It is located accessible through 60 m wide road from HITEC City main road and 36 m internal road. In terms of Project Site attributes, the Project Site is regular in shape and has relatively flat terrain. The Project has excellent frontage and visibility along the abutting road and the overall IT Park has 3 entry / exit points. The Project is regular in shape with fairly even topography.

The Project is spread across 48.43 acres of land and spread across ten buildings with total leasable area of ~ 5.13 million sq. ft. and ~ 1.79 acres of land earmarked for future development.

The Project micro market has excellent social and physical infrastructure and is the most sought-after micro market for Commercial office in Hyderabad.

The following map presents location of the Project and its surroundings.

Map 5.2: Location of Project and its Surrounding Developments



Source: Real Estate Market Research & Analysis; JLL, March 2024

The table below presents the boundary/edge conditions of the Project (overall Mindspace Park).

Table 5.3: Project Site and its Site Boundaries

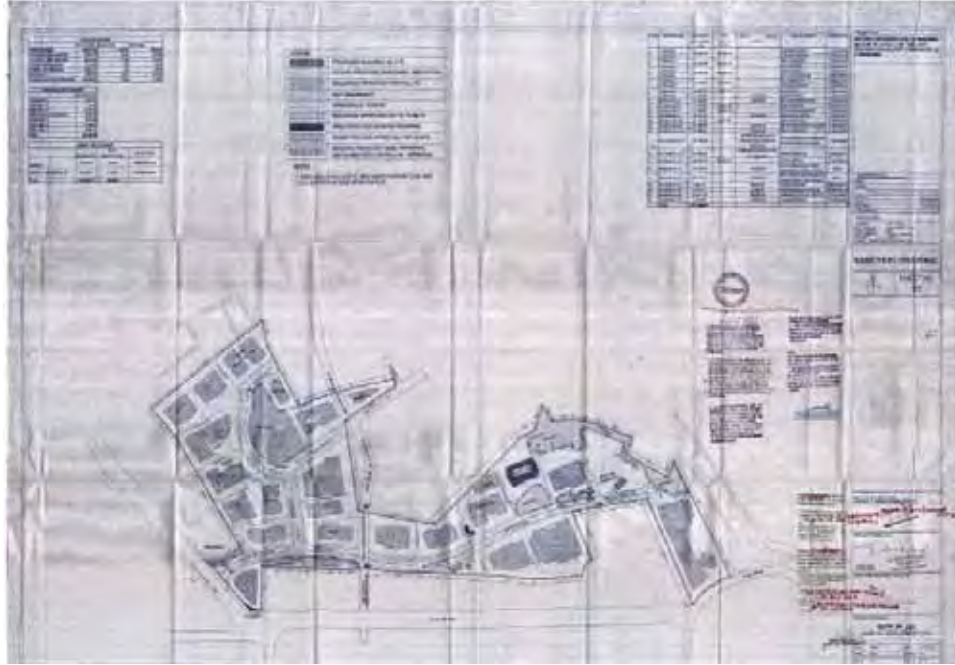
|       |                                       |
|-------|---------------------------------------|
| North | Private Property                      |
| South | Private Property and 36 m wide road   |
| West  | 60 m wide road (HITEC City main road) |
| East  | Private Property and 24 m wide road   |

Source: Real Estate Market Research & Analysis; JLL, March 2024

The Project is predominantly surrounded by Grade A commercial / office, residential, retail and hospitality developments. The map on the following page presents the conceptual Layout Plan of the Project as shared by the Client.



Map 5.3: Conceptual Layout Plan for the Project



Source: Client, March 2024

## 5.4 DESCRIPTION OF THE PROJECT

The Project is spread across ten (10) buildings i.e., Building (2A, 2B, 3A, 3B, 4 A&B, 5A, 10, 1A-1B, 7& 8 and Experience center). Building 2A, 2B, 3A, 3B, 4 A&B, 5A, 10 are completed & operational and Buildings 1A-1B, and Experience center are Under construction and Buildings 7 & 8 are under Future redevelopment, additionally the project has ~ 1.79 acres of land earmarked for future development.

The table below presents key asset specific information.

Table 5.4: Key Asset Specific Information of the Project - Completed Portion

| Particulars                      | Description   |
|----------------------------------|---|
| Name of the Entity               | K Raheja IT park (Hyderabad) Limited  |
| Interest owned by Mindspace REIT | Project is wholly owned by K Raheja IT Park (Hyderabad) Ltd, which is 89% owned and controlled by Mindspace REIT while balance 11% is held by Telangana State Industrial Infrastructure Corporation (TSIIC) |
| Land Extent                      | 48.43 Acres   |
| Asset Type                       | IT Park with Non-SEZ buildings  |
|                                  | ~ 1.79 acres of land earmarked for future development   |
| Sub-Market                       | Madhapur  |
| Approved and Existing Usage      | IT Offices  |
| Current Status                   | Operational   |
| Approvals Status                 | List of approvals are specified in annexure 4   |
| Freehold/Leasehold               | The underlying land is taken on freehold basis  |
| Leasable Area                    | 2.06 million sq. ft.  |
| Occupied Area                    | 1.92 million sq. ft.  |

| Particulars                       | Description          |
|-----------------------------------|----------------------|
| Committed Area                    | 1.99 million sq. ft. |
| Occupancy <sup>3/</sup>           | 93.1%                |
| Committed Occupancy <sup>4/</sup> | 96.3%                |
| Number of Tenants                 | 30                   |

<sup>1/</sup> Refer company structure set out in Annexure 1

<sup>2/</sup> Client has obtained occupation certificate for entire leasable area measuring 2.06 million sq. ft. (excludes leasable area for building 7 and 8 which is proposed for redevelopment)

<sup>3/</sup> Occupancy refers to proportion of area leased, which is actively occupied by the tenants/occupiers

<sup>4/</sup> Committed occupancy also includes area, which has been pre-leased to tenants/occupiers

**Table 5.5: Key Asset Specific Information of the Project - Under Construction / Future Development Portion**

| Particulars                       | Description   |
|-----------------------------------|---|
| Name of the Entity                | K Raheja IT park (Hyderabad) Limited  |
| Interest owned by Mindspace REIT  | Project is wholly owned by K Raheja IT Park (Hyderabad) Ltd, which is 89% owned and controlled by Mindspace REIT while balance 11% is held by Telangana State Industrial Infrastructure Corporation (TSIIC)             |
| Land Extent                       | 48.43 Acres   |
| Asset Type                        | Commercial / IT Park with Non-SEZ buildings and Ancillary   |
| Sub-Market                        | Madhapur  |
| Approved and Existing Usage       | Commercial / IT Offices and Ancillary   |
| Current Status                    | Under construction (1A and 1B – Completion Q4 FY26, excavation under progress, and Experience Center - basement work in progress completion in Q1 FY26) and (7&8, demolition completed, project completion in Q4 FY27). |
| Approvals Status                  | List of approvals are specified in annexure 4   |
| Freehold/Leasehold                | The underlying land is taken on freehold basis  |
| Leasable Area                     | 3.07 million sq. ft.  |
| Occupied Area                     | 0 million sq. ft.   |
| Committed Area                    | 0 million sq. ft.   |
| Occupancy <sup>3/</sup>           | 0%  |
| Committed Occupancy <sup>4/</sup> | 0%  |
| Number of Tenants                 | Not Applicable as Under Construction  |

<sup>1/</sup> Refer company structure set out in Annexure 1

<sup>3/</sup> Occupancy refers to proportion of area leased, which is actively occupied by the tenants/occupiers

<sup>4/</sup> Committed occupancy also includes area, which has been pre-leased to tenants/occupiers

## 5.5 PROJECT INSPECTION

The Project is part of a larger campus having total leasable area of 5.13 mn. sq. ft. spread across ten (10) Buildings (2A, 2B, 3A, 3B, 4 A&B, 5A, 10, 1A, 1B, 7, 8 and Experience center) and additional ~ 1.79 acres of land is earmarked for future development. Buildings (2A, 2B, 3A, 3B, 4 A&B, 5A, 10) are completed & operational and buildings 1A, 1B, and Experience Center are currently under Construction, buildings 7 & 8 are under future redevelopment. The Property was inspected on 22 and 23 March 2024 by the Valuer.

The inspection comprised visual inspection of operational buildings comprising the property and visits to key utility areas like LT Electric Room, Pump Room, HVAC installations, Power Back up, STP. The common areas within the buildings were visited on a sample basis as the areas under tenant occupation had access restriction.

The visual inspection of the buildings did not reveal any cause of concern with no visible signs of any disrepair or ill maintenance within the operational buildings. The utility areas also appeared well maintained, visually. No instances of any major logging or water accumulation were observed during the inspections. The inspections did not comprise any structural survey, technical/engineering review or safety audit and the assessment of the condition of the building, its utilities and campus infrastructure are based completely on visual survey.

Some of the photographs of the Project and surroundings are given below.



## 5.6 OTHER RELEVANT INFORMATION RELATED TO THE PROJECT

### Developable Area of the Project

The total site area of the project is ~ 48.43 Acres with total leasable area of 5.13Mn sq ft under 10 Buildings which includes under construction buildings and Experience center and ~ 1.79 acres of land earmarked for future development.

### Site Services and Finishes

The visual inspection was done for all the buildings including common areas and key utility areas such as LT Electric Room, Pump Room, STP, Chillers, HVAC Installations etc. As per the visual survey there was no concern related to finishes and site services. The campus is well maintained with proper landscaping in common areas.

**Condition and Repairs**

The visual inspection was done for all the buildings including common areas and key utility areas such as LT Electric Room, Pump Room, STP, Chillers, HVAC Installations etc. The inspection of key utility areas was done on a sample basis, and it did not reveal any cause of concern or ill maintenance in any of the operational buildings. However, there is upgrade CAPEX to the tune of approx. INR 441.00 million which shall be completed by Q4 FY25. Till March 31, 2024, upgrade capex of INR 1,718 million has been undertaken.

**Environmental Considerations**

The Valuer has not carried out any investigations or tests or been supplied with any information from the Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the subject or any other land (including any ground water).

For the purpose of assessing the vulnerability of the Project to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Hyderabad where the Project is located falls in Seismic Zone II with low risk. The city faces low risk in terms of high winds or cyclones too. The Project is not likely to face any higher risk than the overall risk profile of the city. Project is regular in shape with fairly even topography. No hazardous activity was noted in the vicinity of the Project, which may expose it for any induced disaster.

**Option or Pre-Emption Rights and Encumbrances**

Unless disclosed and recorded by the Client, the Project is considered to possess a good and marketable title and is free from any unusually onerous encumbrances with no option or pre-emption rights in relation to the assets except for those created in favor of the lenders, based on the information given in the Title Reports prepared by Hariani & Co. (hereinafter collectively referred to as 'Legal Counsel'). The Valuer has not checked and verified the title of the Project.

**Revenue Pendencies**

On the basis of the Title Reports prepared by the Legal Counsel and discussion with the Client, there are no revenue pendencies including local authority taxes associated with the Project or any compounding charges. No independent verification of this has been made from revenue authorities and reliance has been made on the Client information for the same.

**Material Litigation**

Based on discussions with the Client and Title Reports shared, there are no material litigation including tax disputes other than the litigation disclosed to the valuer, relating to the Project or any compounding charges.

**5.7 TENANCY ANALYSIS****Tenant Profile of Top 10 Tenants**

As on 31 March 2024 The Project has 30 tenants which include companies like Smartworks, BA continuum, Verizon, Tablespace Redbrick etc. The Project's Top 10 tenants account for 91.3% of the Gross Rental Income.

The top 10 Tenants as per Leasable areas is listed below: -

Table 5.6: Top 10 Tenants as per Leasable Area\*

| Sl No. | Tenant   | Leasable Area (Sq Ft) |
|--------|--|-----------------------|
| 1      | Smartworks Coworking Spaces Private Limited              | 443,948               |
| 2      | Verizon Data Services India Pvt Ltd                      | 309,812               |
| 3      | BA Continuum India Pvt Ltd                               | 302,327               |
| 4      | Tablespace Technologies Pvt. Ltd.                        | 263,312               |
| 5      | Brane Enterprises Pvt. Ltd.                              | 149,207               |
| 6      | DXC Technology India Pvt. Ltd.                           | 137,205               |
| 7      | 24-7 Intouch India Pvt. Ltd. (Knoah Solutions Pvt. Ltd.) | 92,986                |
| 8      | <b>Infinx Services Pvt Ltd</b>                           | 47,493                |
| 9      | <b>Redbrick IT Support Ltd</b>                           | 47,466                |
| 10     | Convergys India Services Pvt. Ltd.                       | 46,280                |
|        | <b>TOTAL</b>   | <b>1,840,036</b>      |

The top 10 Tenants as per Gross Rents are listed below: -

**Table 5.7: Top 10 Tenants as per Gross Rents\***

| Sl. No. | Tenant   | Share of Gross Rents (%) * |
|---------|--|----------------------------|
| 1       | Smartworks Coworking Spaces Private Limited              | 23.80%                     |
| 2       | Verizon Data Services India Pvt Ltd                      | 17.40%                     |
| 3       | BA Continuum India Pvt Ltd                               | 14.00%                     |
| 4       | Tablespace Technologies Pvt. Ltd.                        | 10.90%                     |
| 5       | Brane Enterprises Pvt. Ltd.                              | 7.80%                      |
| 6       | DXC Technology India Pvt. Ltd.                           | 5.4%                       |
| 7       | 24-7 Intouch India Pvt. Ltd. (Knoah Solutions Pvt. Ltd.) | 5.0%                       |
| 8       | Redbrick IT Support Ltd.                                 | 2.5%                       |
| 9       | Convergys India Services Pvt. Ltd.                       | 2.3%                       |
| 10      | Infinx Services Pvt. Ltd.                                | 2.3%                       |
|         | <b>TOTAL</b>   | <b>91.3%</b>               |

Source: Analysis, March 2024

\* Includes contracted areas for which rent may start at a future date



### **Lease Expiry Analysis**

The WALE of the property is 7.8 years, with ~15.05% of the occupied area expiring between FY 25 and FY 29 as shown in the chart on the following page: expiry as shown in the chart below:



### **Escalation Analysis**

The leases of the Project Site have typically seen rental escalation of 5% every year or 15% every 3 years.

## 6 MARKET SCAN OF THE CITY AND THE MICRO-MARKET

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### 6.1 INTRODUCTION

The valuation exercise takes into account the market performance and various other indicators that are relied upon the industry report which has been prepared by Jones Lang LaSalle India Property Consultants, who are appointed as an independent consultant by the Client.

### 6.2 CITY OVERVIEW

Hyderabad is one of the fastest-growing cities in India. The city has succeeded in building on its IT/ITeS and pharmaceutical capabilities and managed to attract several global technology and pharmaceutical giants to invest in and operate from the city. In 2020, Hyderabad topped the JLL City Momentum Index (CMI) for the second time after 2018. An active real estate market with healthy rental growth along with a thriving start-up culture have been the catalysts for Hyderabad to surpass all other major metro cities around the world and top the index. Proactive initiatives and investor friendly policies such as the new industrial policy of TS-iPass has helped support the fast and strong economic growth of the city in the last 5 years. The city is also home to 4,000 start-ups, primarily in the field of AI, Life sciences and Big Data analytics. The 2020 Global Start-up Ecosystem Report (GSER) by start-up Genome and the Global Entrepreneurship Network has put the state of Telangana among the top 30 global ecosystems for affordable talent in 2020 and Hyderabad is amongst the Top 100 emerging ecosystems.

### 6.3 ECONOMY & DEMOGRAPHICS

IT/ITeS and pharmaceutical industries are the two major sectors that contribute the maximum to the city's GDP. Riding on the strong expansion by all marquee tenants, IT exports by Telangana in FY 2022–23 grew by 31.4% to INR 2,41,275 crore, compared to the national average of 9.4%. During the same financial year, the state added approximately 127,594 new jobs at an annual growth rate of 16.3%. This accounts for a staggering 44% of the total IT jobs added in the country during the same period. Along with IT/ITeS, the pharmaceutical industry adds significantly to the exports from the city by commanding a 30% share in India's bulk drug production. The city now boasts of over 1 million professionals employed by the IT sector.

Owing to its robust and fast-developing infrastructure along with ease of living that offers a cosmopolitan environment, Hyderabad is amongst the most preferred destinations by the young workforce of the country. As per India Workforce Report by LinkedIn, Hyderabad is the 3rd largest city to attract people from every corner of India. Hyderabad accounts for about 8.5% of total migrants across cities in India.

### 6.4 INFRASTRUCTURE INITIATIVES

The Telangana State Road Transport Corporation's (TSRTC) city buses, and Indian Railways' Multi-Modal Transport System along with Hyderabad Metro Rail (HMR) form the key public transport system for Hyderabad city. The current Hyderabad Metro Rail network consists of 57 stations covering 67 km. This connects the eastern and western parts of the city through the dense CBD of Hyderabad. This service is further being extended to connect the Rajiv Gandhi International airport at Shamshabad with the IT hubs- Madhapur, Gachibowli, and surrounding areas in the western part. Over the last 3 years, the city has experienced massive road development projects in all major areas.

The major infrastructure push to Hyderabad is being carried out through the most comprehensive road development plan. The flagship program by the state government and

Greater Hyderabad Municipal Corporation (GHMC) is aimed to improve 54 junctions in the city by building new elevated flyways and underpasses along with the construction of new roads. The INR 24,000 crore project involves reducing the traffic congestion in the city and use it as a catalyst to improve the ease of living.

#### **Existing infrastructure**

| Existing Project                            | Completion timeline       | Details  | Key Impact Zones                               |
|---|---------------------------|--|--|
| Nehru Outer Ring Road (ORR)                 | 2008 – 2018 (in phases)   | 158 km elevated 8-lane expressway built to encircle city periphery   | Madhapur, Gachibowli                           |
| Rajiv Gandhi International Airport (RIGA)   | 2008 (On-going expansion) | Improved air connectivity of Hyderabad with key cities across the world.<br><br>Direct air connectivity with the key cities in the USA, UK, Europe, Middle East, Singapore, and Hong Kong. | Suburbs Others, Gachibowli                     |
| PVNR Expressway                             | 2009                      | 11.6 km signal-free elevated highway from Mehidipatnam to Attapur  | SBD, Suburbs Others                            |
| Durgam Cheruvu Bridge                       | 2020                      | 0.5 km cable bridge over Durgam Cheruvu connecting Jubilee Hills to Madhapur<br>Reduces travel time  | SBD  |
| Strategic Road Development Programme (SRDP) | Started in 2018           | -  | CBD, SBD, Madhapur, Gachibowli, Suburbs Others |

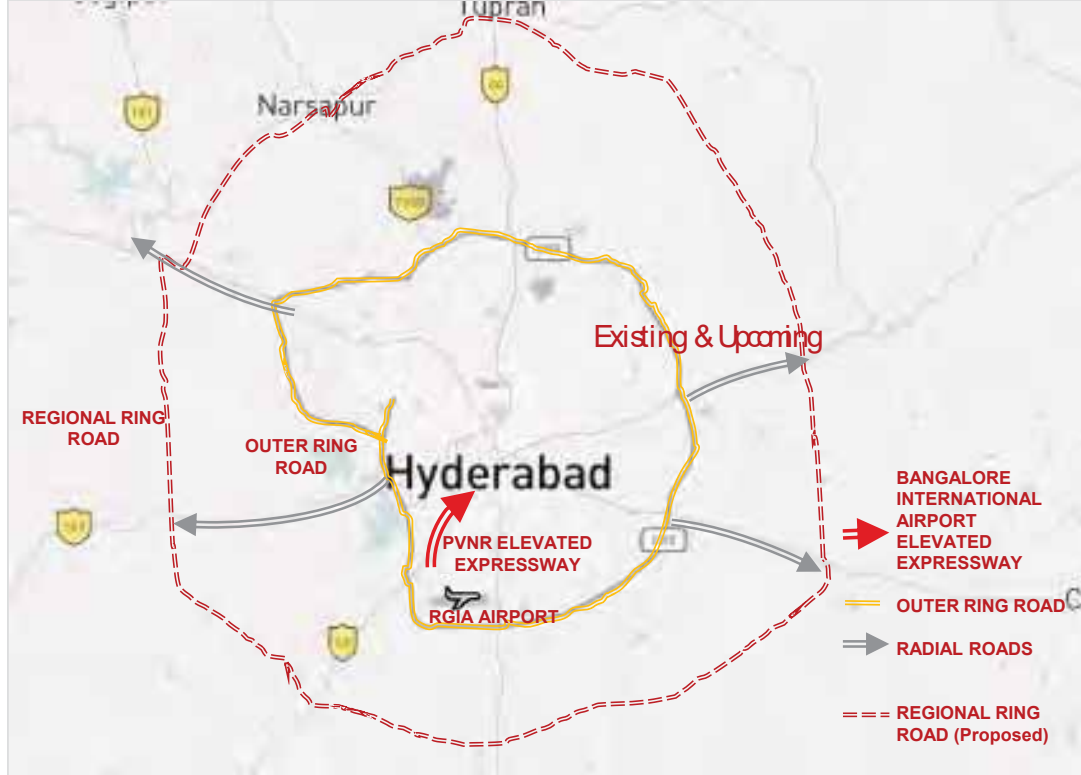
Source: Real Estate Market Research & Analysis; JLL, March 2024

#### **Upcoming Infrastructure**

Some of the key upcoming projects for the city are mentioned below:

| Upcoming Project                            | Completion timeline | Details   | Key Impact Zones         |
|---|---------------------|---|--------------------------|
| Regional Ring Road                          | NA                  | 6 lane, 330 km Circular Road network to be developed around extended suburbs of Hyderabad city to ensure excellent connectivity with supporting smaller towns around Hyderabad.<br>Intercity connectivity with other districts of Telangana is likely to improve  | NA                       |
| Elevated Corridors                          | 2022 - 2024         | Elevated Road network in key junctions of the city<br>Helps in easing traffic congestion  | Suburbs Others, CBD, SBD |
| Elevated Bus Rapid Transport System (EBRTS) | NA                  | To complement Hyderabad's transport infrastructure, an elevated BRTS is planned between KPHB and the Financial District with further extension up to Kokapet. Being implemented by the Hyderabad Airport Metro Limited EBRTS will have 23 stops for electric buses and aims to resolve the traffic congestion along the Metro corridor. | Madhapur, Gachibowli     |

Source: Real Estate Market Research & Analysis; JLL, March 2024

**Hyderabad – Key existing & upcoming roads in the city**

Source: Real Estate Market Research &amp; Analysis; JLL, March 2024

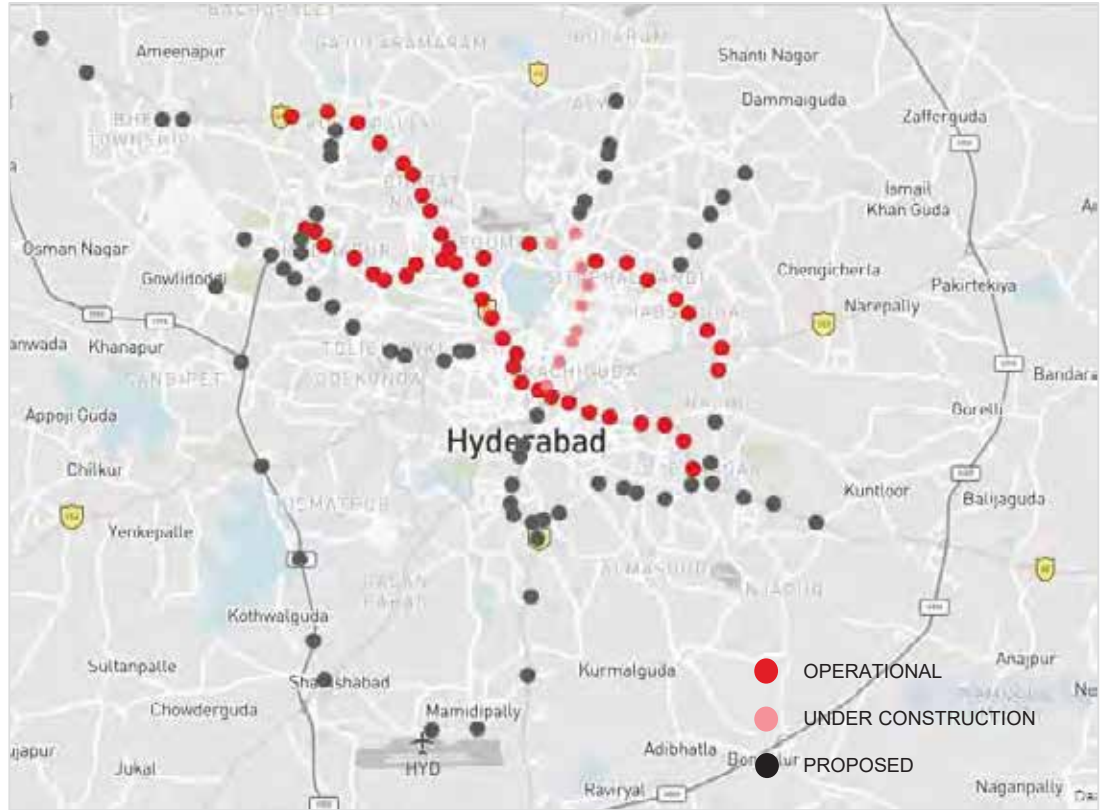
**Existing Metro Rail Lines**

| Existing Project               | Completion timeline | Details   | Key Impact Zones   |
|--------------------------------|---------------------|---|--------------------|
| Hyderabad Metro Rail – Phase I | 2017 - 2020         | 69 km elevated network connecting eastern and western parts of city via CBD | SBD, CBD, Madhapur |

**Upcoming Metro Rail Lines**

| Upcoming Project                | Completion timeline                 | Details   | Key Impact Zones                |
|---------------------------------|-------------------------------------|---|---------------------------------|
| Hyderabad Metro Rail – Phase II | NA<br>(3-4 years from commencement) | <ul style="list-style-type: none"> <li>58 km network connecting airport and other residential suburbs</li> <li>Raidurg to Shamshabad Airport – 31 km</li> <li>Nagole to LB Nagar – 5 km</li> <li>Lakdi ka pul to BHEL – 22 km</li> </ul>  | Gachibowli, SBD, Suburbs Others |
| Hyderabad Airport Metro         | NA                                  | Hyderabad Metro's Airport Express Line is an upcoming rail line that'll connect Mindspace REIT Junction and Rajiv Gandhi International Airport in Shamshabad via 10 stations. This 32 km line of the Hyderabad Metro Phase 2 project will be funded by Telangana Government and executed by HAML (Hyderabad Airport Metro Ltd). |                                 |

Source: Real Estate Market Research &amp; Analysis; JLL, March 2024

**Hyderabad – Map of existing and upcoming metro lines**

Source: Real Estate Market Research & Analysis; JLL, March 2024

## 6.5 HYDERABAD - OFFICE SUB MARKETS

The office sub-markets of Hyderabad City are classified into six micro markets based on the market trend as mentioned below.

| Sub-market      | Locations   | Map of Hyderabad office market |
|-----------------|---|--------------------------------|
| CBD             | Begumpet, SP Road, Secunderabad, Punjagutta, Nagarjuna Circle, Raj Bhavan Road. |                                |
| SBD             | Banjara Hills, Jubilee Hills, Shaikpet, Kavuri Hills, Ameerpet, Nagarjuna Hills |                                |
| Madhapur        | Hafeezpet, Madhapur, Kondapur, Madhapur, Raidurg, Kukatpally                    |                                |
| Gachibowli      | Kokapet, Manikonda, Financial District, Nanakramguda, Puppalguda, Khajaguda     |                                |
| Peripheral East | Uppal, Pocharam   |                                |



|                    |            |  |
|--------------------|------------|--|
| Suburbs-<br>Others | Shamshabad |  |
|--------------------|------------|--|

Source: Real Estate Market Research & Analysis; JLL, March 2024

### Key Submarkets-Development and Occupier Profile

|                 |   |
|-----------------|---|
| Madhapur        | <p>Development Profile: it is the most established office market in the western part of the city, well connected by the public transport in the city</p> <p>Key Occupiers: Qualcomm, Wells Fargo, Deloitte, AMD, Intel, Facebook, Microsoft, JPMC, Synchrony, Dell</p> <p>Key Developers: Mindspace REIT, Phoenix Group, RMZ, Salarpuria, Capitaland, Meenakshi Constructions, Divyasree</p>  |
| Gachibowli      | <p>Development profile: Developed as an extension to existing office market in Madhapur, along the ORR in the western part of the city. Primarily emerged as home to owned campuses of large companies but office market expanded in the last decade</p> <p>Key Occupiers: Largely home to campuses of Wipro, Infosys, Amazon, Microsoft along with notable presence from Apple, Google, CTS, Micron, ZF</p> <p>Key Developers: Phoenix Group, GAR Corp, Salarpuria, DLF, Vamsiram Builders</p> |
| Peripheral East | <p>Development profile: Office market is in nascent stage of development with key projects being operational in Pocharam &amp; Uppal in the eastern periphery</p> <p>Key Occupiers: Infosys, Genpact, Cyient</p> <p>Key Developers: Mindspace REIT, NSL Constructions</p>   |
| Suburbs Others  | <p>Development profile: Very early-stage market around Shamshabad in the southern periphery driven mostly by its proximity to the International Airport Office</p> <p>Key Occupiers: Cube Infrastructure, HBL, OSI Systems</p> <p>Key Developers: GMR</p>   |
| CBD             | <p>Development profile: Oldest office market originated in the center of the city. Projects are largely owned by individual landlords with standalone properties</p> <p>Key Occupiers: SONATA Software, Dr.Reddy's</p> <p>Key Developers: Gowra Ventures, Ashoka Builders</p>   |
| SBD             | <p>Development profile: Developed around affluent localities in the city adjoining Madhapur. Most properties developed by key developers were as standalone developments</p> <p>Key Occupiers: DE Shaw, First American Financial</p> <p>Key Developers: Phoenix Group, Vamsiram Builders</p>  |

Source: Real Estate Market Research & Analysis; JLL, March 2024

### Hyderabad Office Real Estate Market Highlights Q1 2024

Gross leasing in the Hyderabad office market in Q1 2024 stood at 1.37 mn sq ft, up by 40.4% y-o-y. On a q-o-q basis, this was lower by 50%. Leasing activity in existing properties was strong especially in marquee assets. The quarterly gross leasing activity was led by Madhapur which accounted for a ~78% share. IT/ITeS led with the biggest share of 23.7%, followed by BFSI and Flex with 22.0% and 17.3% shares, respectively. The healthcare segment also held a 17% share in the quarterly leasing, underpinning the strong demand from this sector, especially in the form of GCCs and R&D centres.

The net absorption in Q1 2024 stood at 1.55 mn sq ft, nearly 3X up from the same period last year, albeit lower by 44.1% q-o-q. This also included end-user property purchases of 0.32 mn sq ft during the quarter. Net absorption was also impacted by lower completions in Q1, with new supply at a four-quarter low.

The city recorded completions of 2.08 million sq ft during the quarter, largely concentrated in SBD and Gachibowli, with only a solitary mid-sized completion in Madhapur during the quarter. With this, total Grade A office stock in the city rose to 124.0 million sq ft.

At the overall city level, vacancy rose by 10 bps q-o-q to 24.6%. In the same period, Madhapur's vacancy stood at 14.5%, down by 100 bps q-o-q and at its lowest in four quarters.

Overall office rents rose marginally by 0.4% q-o-q to INR 64.5 per sq ft per month.

### **City Market Trends**

| Sub-Markets     | Total Stock (sq. ft) | Net Absorption (sq. ft) |                        |                        | Vacancy % |                        |                        |
|-----------------|----------------------|-------------------------|------------------------|------------------------|-----------|------------------------|------------------------|
|                 |                      | Q1 2024                 | Q4 2023 (Q-O-Q Change) | Q1 2023 (Y-O-Y Change) | Q1 2024   | Q4 2023 (Q-O-Q Change) | Q1 2023 (Y-O-Y Change) |
| Overall         | 124,021,083          | 1,551,978               | -44.1%                 | 195.8%                 | 24.6%     | 10 bps                 | 360 bps                |
| CBD             | 3,104,883            | 0                       | -100.0%                | -100.0%                | 10.6%     | 10 bps                 | 110 bps                |
| SBD             | 4,386,241            | 90,000                  | 34.3%                  | 16.2%                  | 37.3%     | 1,560 bps              | 1,170 bps              |
| Madhapur        | 71,507,977           | 962,764                 | -42.3%                 | 181.1%                 | 14.5%     | -100 bps               | 90 bps                 |
| Gachibowli      | 40,735,894           | 476,215                 | -55.9%                 | NA                     | 40.6%     | 0 bps                  | 600 bps                |
| Peripheral East | 2,989,000            | 0                       | NA                     | NA                     | 46.3%     | 0 bps                  | 1,110 bps              |
| Suburbs Others  | 1,297,083            | 23,000                  | NA                     | -54.0%                 | 17.3%     | -170 bps               | -410 bps               |

Source: Real Estate Market Research & Analysis; JLL, March 2024

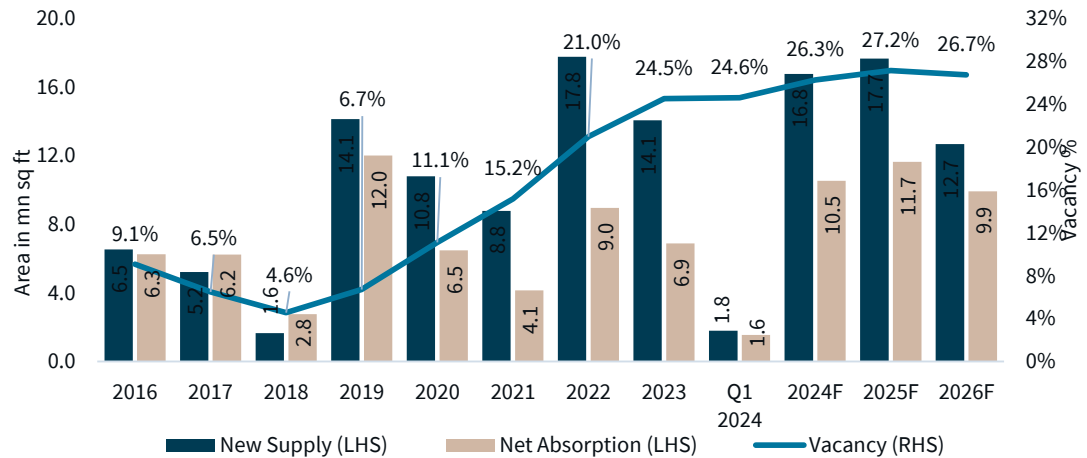
### **Leasing Activity**

Leasing activity in Hyderabad stood at a healthy 1.37 mn sq ft in Q1 2024, with space demand holding steady on same period comparison. In fact, on a y-o-y basis leasing volumes were up by 40.4%, though q-o-q activity was down by 50%. Deals were largely driven by expansion activity from existing tenants

Madhapur was the runaway leader accounting for a 78% share of the gross leasing activity in the quarter, with Gachibowli's share at 21%. The demand for flex spaces continued to remain healthy with flex operators managing to lease out ~3,100 seats in the city as occupiers embraced plug and play workspaces as part of their optimized workplace strategies. There are some large-scale transactions that are currently in active stages of closure in the city, predominantly in the Madhapur submarket.

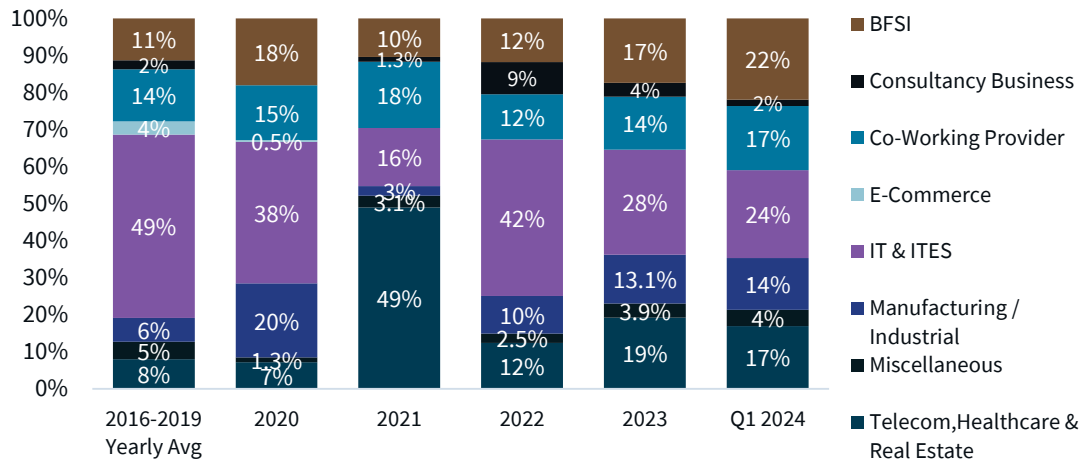
Hyderabad's net absorption was clocked at 1.55 mn sq ft, driven by the fresh leases in both existing and newly completed buildings and some end-user office space purchases which themselves totalled to 0.32 mn sq ft, reported during the quarter. The net absorption though lower on account of less completions in Q1, was also up by nearly 3x y-o-y.

### Total Completions, Net Absorption and Vacancy Rate – Overall



Source: Real Estate Market Research & Analysis; JLL, March 2024

### Occupier share in gross leasing activity



Source: Real Estate Market Research & Analysis; JLL, March 2024

### Vacancy

While demand has remained quite healthy, the supply infusion in the city has remained strong. As a result of which vacancy in the city rose by 10 bps q-o-q to 24.6%. Since covid, the vacancy levels in the city have moved northwards amidst a strong supply even as demand has shown a recent resurgence since 2022.

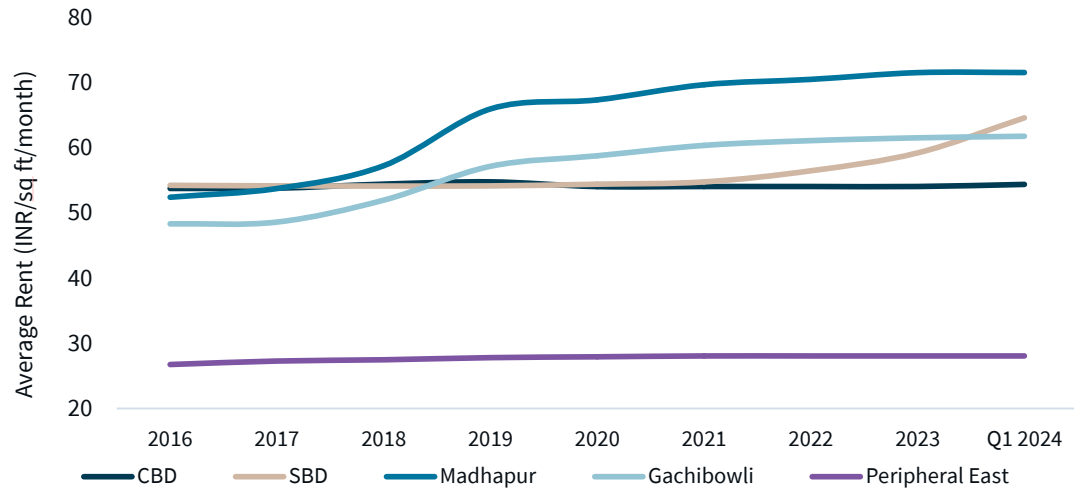
### Market Rents

With limited supply till 2018 in the city, rents remained stable across the city. However, as a new wave of quality supply hit the market in 2019, rents witnessed significant growth in key micro markets like Madhapur and Gachibowli. However, post covid the rental growth has been limited but continues to be on the growth curve in the city amidst completions from top developers largely in Madhapur and Gachibowli entering the market at higher rentals.

With the completion of projects by RMZ, Salarpuria & Capitaland in 2023, rental values moved up by 1.5% y-o-y by end of the year. In Q1 2024, rents were further seen to grow by 0.4% q-o-q to now be at INR 64.5 per sq ft per month. Rent change q-o-q was seen to be higher in the SBD sub-market due to stock realignment and the removal of average assets from the Grade A building basket. Also, the new completion in the SBD entered the market at a healthy premium to this submarket's average.

| GROSS RENT (INR/SQ FT/PM) GFA |       |              |              |
|-------------------------------|-------|--------------|--------------|
|                               | Q3 23 | Q-o-Q Change | Y-o-Y Change |
| Overall                       | 64.1  | 0.6%         | 1.7%         |
| CBD                           | 54.0  | 0.0%         | 0.0%         |
| SBD                           | 56.6  | 0.4%         | 3.5%         |
| Madhapur                      | 71.5  | 0.7%         | 2.1%         |
| Gachibowli                    | 61.1  | 0.0%         | 0.0%         |
| Peripheral East               | 28.1  | 0.0%         | 0.0%         |

### Submarket wise Gross Rents



Source: Real Estate Market Research & Analysis; JLL, March 2024

*Note: Mindspace REIT micro markets, the rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 10% depending upon negotiations, final structuring of the lease agreement and other parameters.*

### New supply

In the last few, years Hyderabad has witnessed a massive growth in new supply across the key submarkets. While the average annual supply from up to 2018 has been 4.8 million sq ft, it jumped to 13.2 million sq ft in the last four years in the city. With delayed projects coming on board in the next few quarters, new supply is expected to witness robust growth in the latter part of 2023 and in 2024, largely driven by Madhapur and Gachibowli submarkets. After recording its lowest ever supply in Q1 2023 at 0.7 million sq ft, Hyderabad recorded a gross supply of 8.5 million sq ft in the next two quarters of 2023. In Q3 2023, city witnessed 3.2 million sq ft of new supply largely led by Madhapur submarket, taking the overall office stock in the city to 116.3 million sq ft.

In the last few, years Hyderabad has witnessed a massive growth in new supply across the key submarkets. While the average annual supply up to 2018 has been 4.8 million sq ft, it jumped to 13.2 million sq ft in the last four years in the city. Even in 2023, new supply jumped to 15 mn sq ft, with another 2.1 mn sq ft completed in Q1 2024. Most of the new supply additions over the past 3-4 years have been led by Madhapur and Gachibowli submarkets. The city's total Grade A office stock now stands at 124.0 mn sq ft.

## Outlook

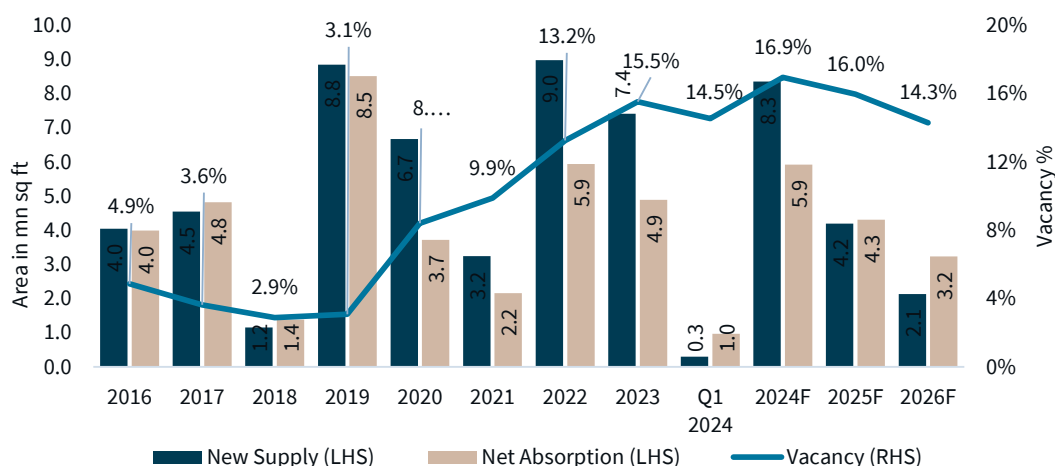
New supply over the next one year is likely to be driven by leading developers like RMZ, Phoenix Group & Vamsiram Builders as many large projects are in advanced stages of construction, mostly located in the submarket of Madhapur followed by Gachibowli. Amidst robust supply in the pipeline, vacancy in the city is expected to come under pressure in the medium term in the range of 25-27%, but expected to be largely tight in the Madhapur corridor. While a significant proportion of the upcoming supply in the medium to long term is still due for absorption, the rising demand and healthy leasing activity as well as ongoing deals are expected to support the net absorption levels to surpass 2023 levels in the short term and sustain in the medium term as well. Large part of leasing activity is expected to be witnessed in Madhapur market owing to quality supply from leading developers in key localities of the submarket and then gradually moving towards Gachibowli in the longer term

## 6.6 MICRO MARKET: MADHAPUR

The project lies in the Madhapur micro market.

### Supply, Demand Trend

#### Total Completions, Net Absorption and Vacancy Rate

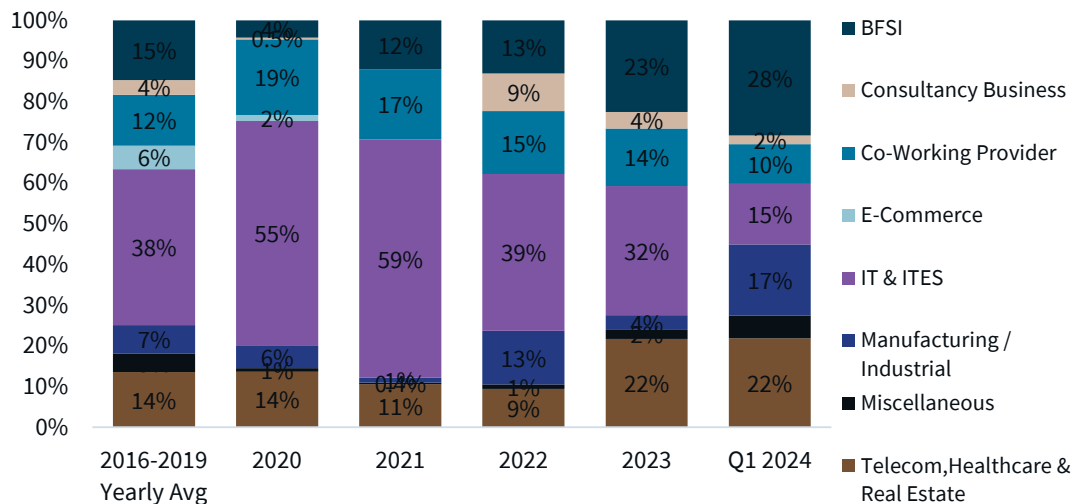


Source: Real Estate Market Research & Analysis; JLL, March 2024



## Leasing activity

### Occupier's share in gross leasing activity



Source: Real Estate Market Research & Analysis; JLL, March 2024

As Madhapur enjoys superior connectivity and well-established infrastructure in the city, it has been the most sought-after office market in the city from tenants across all segments. It commands a market share of 60-70% of total leasing activity in the city as large companies prefer expanding into this market along with robust demand from mid-sized tenants. Demand has always matched or outpaced the supply in the submarket amidst large inflow of pre-commitments in the properties of Salarpuria, Mindspace REIT, RMZ, Phoenix & Divyasree. Albeit a mismatch in 2020 owing to covid, it recorded a healthy recovery 2021 & 2022.

Robust leasing activity was observed in more recent completions by RMZ, Salarpuria & Capitaland in 2023, which supported the strong net absorption numbers of 4.9 mn sq ft for the full year. This amounted to a share of 71% of the overall net absorption over the same period. For Q1 2024 as well, Madhapur net absorption stood at 0.96 mn sq ft, a 62% contribution to the quarterly net absorption number for the city. With a healthy volume of deal closures in the quarter, Madhapur recorded gross leasing of 1.06 mn sq ft, accounting for 77.4% of total gross leasing in Q1 2024.

## Supply

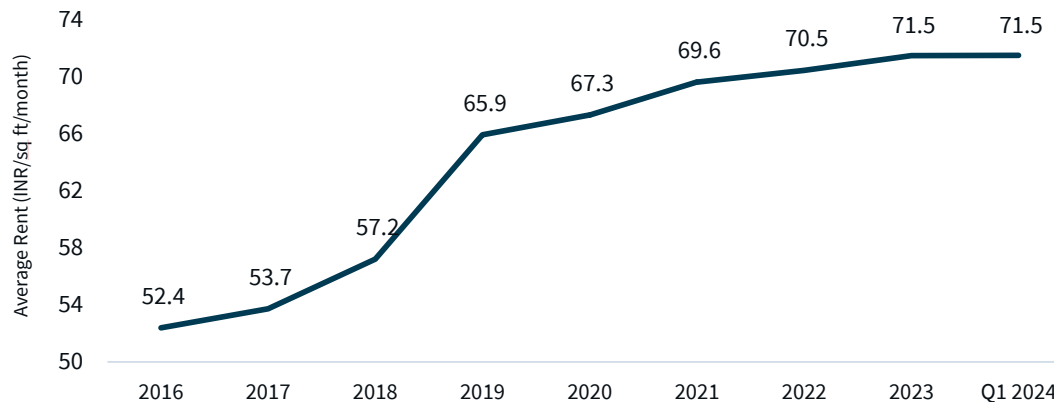
In the last 5 years, total Grade A office stock in Madhapur recorded a growth of 97% to reach 71.2 million sq ft, nearly doubling during this period. With marquee office projects getting operational by key developers like RMZ, Capitaland, Salarpuria & Divyasree, supply remained very robust in this submarket with an average annual supply of 7 million sq ft from 2019 till 2023. In Q1 2024, completions were sluggish at 0.3 mn sq ft, with the office stock reaching 71.5 mn sq ft at the end of the quarter.

## Vacancy

As the submarket has been largely driven by large scale pre-commitments along with being the most sought-after market by small to medium sized tenants as well, vacancy always remained below 5% until 2019. However, due to huge supply alongside sluggish demand due to covid, vacancy rose from 3% to 8% in 2020. After reporting a sustained growth since that time, vacancy has started to moderate in recent times. In Q1 2024, vacancy dropped by 100 bps q-o-q to reach 14.5%, the lowest in a year.

## Rents

As Madhapur being the most active market attracting large scale expansions along with entry of new tenants, rents in the submarket remained superior to the average city rents. With the completion of projects by RMZ & Salarpuria in 2019 which commanded higher rentals than the submarket average, the rents in the submarket recorded a growth of ~15% during that year to INR 65.9 per sq. ft per month. This rise in rental values continued into the next couple of years till 2021. However, owing to sluggish demand along with limited quality supply in 2022, rents registered a moderate growth. But with the completion of marquee projects, rents in 2023 recorded a healthy growth of 1.3% to stand at INR 71.5 per sq. ft per month by end of the year. The lease transactions in the Madhapur micro market are recorded in the range of INR 65 – 80 per sq. ft per month. The lease transactions in Madhapur where the Project is located are in the range of INR 72 to 76 per sq. ft per month. In Q1 2024, rents were largely unchanged q-o-q. However, on a y-o-y basis, rents are up by 1.33%.



*Note: Mindspace REIT micro markets, the rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 10% depending upon negotiations, final structuring of the lease agreement and other parameters.*

## Outlook

A strong supply in 2023 with marquee assets entering the submarket saw healthy occupier traction from major GCCs across the tech, Healthcare and BFSI segments. As a result, net absorption stood at 4.9 mn sq ft in 2023. Going forward, this submarket is likely to register a healthy supply of 8.3 million sq ft for the full year of 2024 with vacancy falling into the range of 14-15% on the back of strong demand. Rents are expected to see a marginal upside as well as most of the ongoing transactions are expected to close higher than market-average rentals.

## Prominent Lease Transactions within the Micro-Market

Below are some of the lease transactions witnessed in the micro-market:

**Table 6-1: Major Lease Transactions in the Micro-Market of the Project**

| Sl. No. | Occupier Name                     | Name of the Building         | Sub-Market | Area Leased (sq. ft) | Lease Rentals (INR per sq ft per month) | Transacted Period |
|---------|-----------------------------------|------------------------------|------------|----------------------|---|-------------------|
| 1       | Ryan International                | ITPH - Block 1 (East Wing)   | Madhapur   | 60,000               | 74                                      | Q1 2024           |
| 2       | Technip                           | Phoenix Avance H10 A1        | Madhapur   | 180,000              | 68                                      | Q1 2024           |
| 3       | Foundever/Site I                  | Cyber Pearl Phase 2          | Madhapur   | 20,873               | 65                                      | Q1 2024           |
| 4       | Feuji                             | Raheja Commerzone (KRC Wing) | Madhapur   | 46,625               | 70-75                                   | Q1 2024           |
| 5       | Sanofi Healthcare India Pvt. Ltd. | RMZ TheSpire - Tower 100     | Madhapur   | 231,845              | 72                                      | Q1 2024           |
| 6       | Awfis                             | Aurobindo Orbit              | Madhapur   | 35,000               | 73                                      | Q1 2024           |

| Sl. No. | Occupier Name                    | Name of the Building                       | Sub-Market | Area Leased (sq. ft) | Lease Rentals (INR per sq ft per month) | Transacted Period |
|---------|----------------------------------|--|------------|----------------------|---|-------------------|
| 7       | Blujay Solutions                 | Salarpuria knowledge City Argus (Parcel 2) | Madhapur   | 21,000               | 115                                     | Q1 2024           |
| 8       | Petrocon Engineers & Consultants | Laxmi Cyber City 2                         | Madhapur   | 23,000               | 75                                      | Q1 2024           |
| 9       | Cigna Healthcare                 | Salarpuria knowledge Park Block 2          | Madhapur   | 300,000              | 76                                      | Q1 2024           |
| 10      | Redbricks                        | RMZ Nexity Tower 30                        | Madhapur   | 52,000               | 75                                      | Q1 2024           |

Source: Real Estate Market Research & Analysis; JLL, March 2024

### **Investment Activities within the Micro-Market**

The city has witnessed few institutional office transactions of varying size. It is observed that the transaction value is based on the nature of the development, the micro-market location, Project, and leases prevailing etc.

### **Investment Activities within the Country**

The table below present details of few large sale transactions in major cities in India. Net yield for these transactions is arrived based on the Capital Value at which the property was transacted and rentals applicable for the same property during transaction. The net yield for such large transactions is witnessed in the range of 7.75% to 9.50%.

**Table 6-2: List of transactions / deals in recent past:**

| Sl. No | City      | Property Name             | Location      | Micro Market | Leasable Area (sq. ft.) | Capital Value (INR per sq. ft.) | Net Yield     | Transacted Period |
|--------|-----------|---------------------------|---------------|--------------|-------------------------|---------------------------------|---------------|-------------------|
| 1      | Mumbai    | One BKC                   | BKC, Mumbai   | BKC          | ~700,000                | 35,000-36,000                   | 8.00% - 8.25% | 2019              |
| 2      | Mumbai    | Equinox Business Park     | Kurla, Mumbai | BKC Fringe   | ~1,250,000              | 19,000 - 20,000                 | 8.25% - 8.50% | 2018              |
| 3      | Mumbai    | Express Towers            | Nariman Point | CBD          | ~472,377                | 40000 - 43,000                  | 7.25% - 7.75% | 2021              |
| 4      | Chennai   | Sandhya Infocity          | Navalur       | PBD OMR      | ~1,418,174              | 5,500 – 6,000                   | 8.00% - 8.50% | 2021              |
| 5      | Chennai   | Global Infocity           | Perungudi     | SBD OMR      | ~2,700,000              | 8,500 – 9,000                   | 7.75% - 8.00% | 2018              |
| 6      | Chennai   | One India bulls Park      | Ambattur      | PBD West     | ~1,900,000              | 4,500 – 5,000                   | 8.00% - 8.50% | 2018              |
| 7      | Hyderabad | Phoenix aVance Building 6 | HITEC City    | PBD West     | ~640,000                | 7,500 - 8,000                   | 9.00% – 9.50% | 2021              |
| 8      | Hyderabad | Phoenix Aquila Tower A    | Gachibowli    | PBD West     | ~1,180,000              | 8,200 - ,8700                   | 8.00% - 8.25% | 2021              |
| 9      | Hyderabad | Waverock                  | Gachibowli    | PBD West     | ~2,350,000              | 7,200 - 7,700                   | 8.00% - 8.25% | 2017              |
| 10     | Pune      | E Park 2                  | Kharadi       | SBD East     | ~180,000                | 7,000-9,000                     | 7.75% - 8.00% | 2022              |
| 11     | Pune      | WTC Tower A               | Kharadi       | SBD East     | ~28,342                 | 10,000-11,500                   | 7.50% - 8.00% | 2019              |
| 12     | Bengaluru | Prestige RMZ Star Tech    | Bangalore     | SBD East     | ~1,370,000              | -                               | 7.60% - 7.80% | 2022              |
| 13     | Bengaluru | Embassy Tech Village      | Bangalore     | SBD East     | ~9,100,000              | 9,500 – 11,000                  | 8.00% - 8.25% | 2020              |
| 14     | Gurgaon   | One Horizon Centre        | Gurgaon       | SBD East     | ~421,134                | 22,000 – 24,000                 | 8.00% - 8.25% | 2020              |
| 15     | Mumbai    | Godrej BKC                | BKC           | BKC & Annex  | ~200,000                | 40,000 – 45,000                 | 8.00 – 8.50%  | 2023              |

| Sl. No | City             | Property Name              | Location                     | Micro Market                 | Leasable Area (sq. ft.)                                      | Capital Value (INR per sq. ft.)                        | Net Yield   | Transacted Period |
|--------|------------------|----------------------------|------------------------------|------------------------------|--|--|---|-------------------|
| 16     | Mumbai & Gurgaon | Downtown Powai & Candor G1 | Powai & Sohna Road           | Eastern Suburbs & Sohna Road | ~2,700,000 + ~3,700,000                                      | Enterprise value INR 11,225                            | 7.90-8.20%  | 2023              |
| 17     | Chennai          | Embassy Splendid TechZone  | Pallavaram-Thoraipakkam Road | PBD OMR                      | ~1,400,000 (Completed) +1,600,000 (UC) +2,000,000 (Proposed) | Enterprise value INR 1,269 Cr. (61% economic interest) | 8.50% on the completed portion 10% on the u/c portion | 2024              |

Source: Real Estate Market Research & Analysis; JLL, March 2024

## 7 MARKET VALUE ESTIMATE

### 7.1 ADOPTED PROCEDURE

The market practice in most commercial/ office developments involves contracting tenants / occupiers in the form of pre-commitments at sub-market rent to increase attractiveness of the property to prospective tenants - typically extended to anchor tenants. Additionally, there are instances of tenants paying above-market rent for certain properties as well (primarily owing to market conditions at the time of contracting the lease). In order to arrive at a unit value for these tenancies, the Valuer has considered the impact of such sub/above market rents on the valuation of the Project.

For the purpose of this valuation exercise, the Valuer has analyzed the tenancy details provided by the Client, to identify variances vis-à-vis prevailing market/marginal rent. Each lease is assessed separately for below aspects, for the rent over a 10-year time horizon:

- The rent rolls (and the corresponding lease deeds on a sample basis) were reviewed to identify tenancy characteristics for the asset. As part of the rent roll review, major tenancy agreements belonging to top 5 tenants were reviewed on a sample basis.
- Title certificates, architect certificates and other related documents as mentioned in relevant sections of the report were reviewed for validation of area details, ownership interests of the Project.
- Physical site inspections were undertaken to assess the status of the Project.

### 7.2 CASH FLOW PROJECTIONS

The cash flows for the Project has been projected separately for each lease, to arrive at their respective value estimates.

Net Operating Income (NOI) has primarily been used to arrive at the value of the Project. The projected future cash flows from the Project are based on existing lease terms for the operational leases till the expiry of the leases or re-negotiation, whichever is earlier, following which, the lease terms have been aligned with market rents achievable by the Project.

For vacant area and under-construction/future development area, the achievable market rent-led cash flows are projected factoring appropriate lease-up timeframe for vacant/under-construction/future development area. These cash flows have been projected for 10-year duration from the date of valuation and for 11<sup>th</sup> year (for estimate of terminal value based on NOI). These future cash flows are then discounted to present-day value (valuation date) at an appropriate discount rate. Each lease is assessed separately for below aspects, for the rent over a 10 year time horizon:

- Projecting the rental income for identified tenancies up to the period of lease expiry, lock-in expiry, escalation milestones, etc. whichever is applicable. In the event of unleased spaces, market-led rent is adopted with suitable lease-up time.
- Generating a market led rental income stream for identified tenancies for the time period similar to the cash flows drawn in the aforementioned step.
- In the event the escalated contracted rent is higher than the achievable market rent by 15%, the contracted terms are ignored, and the terms are reverted to market. In the event the escalated contracted rent is below 115% of the achievable rent, the contracted terms are adopted going forward until the next lease review/ renewal. Intent of this step is to project the rental income for respective leases until lease expiry as well as post expiry.
- Computing the monthly income based on rent projected above and translating the same to quarterly income (for the next 10 years and 11<sup>th</sup> year is considered for calculation of terminal value).



Further, to arrive at the total value of the leased spaces (from base rentals), appropriate revenues and operational expenses are projected on quarterly basis. Some of such adjustments on revenue and operational expenses are presented in the table below:

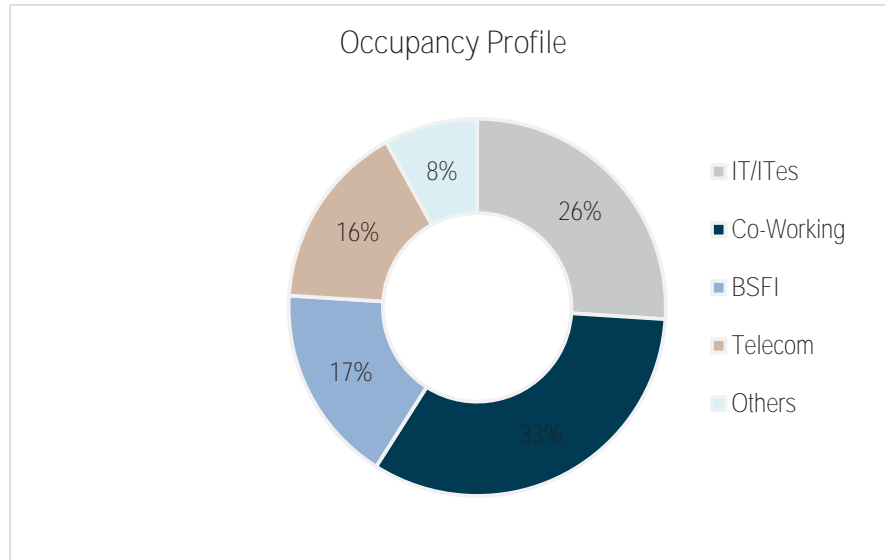
**Table 7.1: Adjustments on Revenues and Operational Expenses**

| Parameters                           | Description / Basis  |
|--------------------------------------|--|
| Parking Income                       | Based on income inputs provided by Client for the leased spaces and market assumption taken for vacant spaces  |
| Miscellaneous Income                 | Based on income inputs provided by Client for the Project  |
| Insurance                            | Based on insurance outflow (if any) provided by Client   |
| Annual Lease Rental / Property Taxes | Based on annual lease rental / property tax assessed for the Project as provided by Client   |
| Asset Management Fee                 | Considered as a recurring expense (in case of an external management team) as a percentage of the lease rental income as per the agreement between respective assets and its asset manager.  |
| Margin on CAM                        | Based on the operational revenues and expenses of the respective assets to understand the recurring, non-recurring, recoverable and non-recoverable expenses and accordingly modelled the common area maintenance income and operational expenses for the asset. |
| Revenue Escalation                   | Based on market-led annual escalation on the market rent   |
| Rent Free Period                     | Based on the trend prevalent in the submarket, appropriate rent free periods from lease commencement date (for future / new leases) are considered   |
| Brokerage                            | Based on prevalent market dynamics, brokerage for future / new leases are considered   |
| Fit-Out Income                       | Based on fit-out rent (if any) provided by Client till lease expiry of applicable leases (same is not capitalized)   |
| Transaction Cost on Exit             | Considered as a percentage of the terminal value after aforesaid adjustments   |

### 7.3 ABSORPTION/ LEASING VELOCITY AND OCCUPANCY PROFILE

Occupancy profile of the project is as follows: -

- ~33% taken by Co working.
- 26% taken by IT/ITeS sector.
- ~17% taken by BSFI.
- 16% taken by Telecom and Media
- ~8% taken by Others and F&B



## 7.4 KEY ASSUMPTIONS AND INPUTS

The table below presents key assumptions and/or inputs used in the cash flow configuration used for providing Valuation of the Project.

**Table 7.2: Key Assumptions Used in the Estimate of Operational / Completed Buildings**

| Parameters                                       | Assumptions / Inputs       | Remarks / Basis   |
|--|----------------------------|---|
| Cash Flow Period                                 |                            |   |
| Valuation Date                                   | 31 March 24                | As per workings   |
| Cash Flow Period                                 | 10 years                   | As per workings   |
| Cash Flow Exit Period                            | 31-March -34               | As per workings   |
| Asset Details                                    |                            |   |
| Total Leasable Area                              | 2.06 million sq. ft        | As per the information provided by the Client                     |
| Leased Area                                      | 1.99 million sq. ft        | As per the information provided by the Client                     |
| Vacant Area / Vacancy                            | 0.08 million sq. ft./ 2.8% | As per the information provided by the Client                     |
| Vacancy Allowance                                | 2%                         | As per market benchmarks for large scale Grade A office projects. |
| Area to be Leased                                | 0.08 million sq. ft        | As per the information provided by the Client                     |
| Rent Free Period for Existing Lease Rollovers    | 2 months                   | As prevalent in the micro-market                                  |
| Rent Free Period for New Leases                  | 3 months                   | As prevalent in the micro-market                                  |
| Construction Related Assumptions                 |                            |   |
| Construction Cost to be incurred (upgrade costs) | INR 441 Mn                 | As per the information provided by the Client                     |

| Parameters  | Assumptions / Inputs   | Remarks / Basis   |
|---|--|---|
| Estimated Completion Date for Incurring Expenditure | Q4 FY25  | As per the information provided by the Client   |
| Estimates of already carried out major repairs      | INR 1,718 Mn   | As per the information provided by the Client.  |
| Revenue Assumptions                                 |  |   |
| Lease Rentals                                       | Actual rentals as per the Rent Roll including additional charges (if any)  | As per the information provided by the Client   |
| Rent Escalation                                     | Escalation in rentals as per the Rent Roll for the validity period of the leases, i.e., 15% every 3 years or 5% every year | As prevalent in the market, it is observed that lease agreements are primarily at 5% rent escalations every year. Or at 15% every 3 years   |
| Market / Marginal Rent – Office for FY 25           | INR 74.6 per sq. ft. per month   | The lease transactions in Grade A office space in the said micro market are recorded in the range of INR 55 – 80 per sq. ft. per month for last 5 years. The asking instances are observed in the range of INR 70 - 80 per sq. ft. per month.<br>Based on the market benchmarking of recent leases on aspects such as location, size of transaction, type of development etc. the achievable rent for the Project is derived. |
| Market / Marginal Rent – Amenities                  | Not Applicable   |   |
| Other Income  | 1% of base rentals   | Analysis of the historical trend of other income suggest a normalized level of other income can be achieved in the future. Accordingly, we have considered other income at 1% of base rental income. Other income includes components from Events, Telecom Towers, Pop-ups  |
| Market Rent - Car Parking Space for FY 25           | INR 2,100 per sq. ft. per month  | The Grade A offices offers car parking rates in the range of INR 2,000 – 3,500 per slot per month. Based on the market benchmarking of recent leased rates within the micro-market, the achievable car park rate for the subject property is derived.   |
| Market / Marginal Rent - Food Court for FY 25       | INR 241.50 per sq. ft. per month for   | Based on the market benchmarking of recent leases within the micro-market   |
| Market / Marginal Rent – Kiosk for FY 25            | INR 241.50 per sq. ft. per month   | Based on the market benchmarking of recent leases within the micro-market   |
| Market / Marginal Rent Terrace for FY 25            | Not Applicable   |   |

| Parameters                               | Assumptions / Inputs   | Remarks / Basis  |
|--|--|--|
| Other Operating Income                   |  |  |
| Market Rent Growth for FY 26 onwards     | 5% per annum   | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5% per annum for the Project  |
| Parking Rent Growth for FY 26 onwards    | 5% per annum   | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5% per annum for the Project  |
| Lease Tenure                             | 9 years  | As prevalent in the market   |
| Target Efficiency                        | 76%  | Recent re-leasing suggest that the Client has leased the same premises at relatively lower efficiency and received higher rentals for the same carpet area.<br>Going forward, for leases which will expire during the next 10 years, we have considered an efficiency at 76% or actual, whichever is lower |
| Maintenance Services Income / CAM Income | INR 15.02 per sq. ft per month   | As given by the Client and as prevalent in the market  |
| Operating Cost Assumptions               |  |  |
| Brokerage - New Leases                   | 2 months receivable on base rent   | As prevalent in the market   |
| Brokerage - Renewals / Release           | 2 month receivable on base rent  | As prevalent in the market   |
| Maintenance Services Cost                | INR 12.47 per sq. ft per month   | As given by the Client and as prevalent in the market  |
| Property Tax                             | INR 1.70 per sq. ft per month  | As given by the Client   |
| Insurance                                | INR 0.43 per sq. ft per month  | As given by the Client   |
| Cost Escalation                          | 3% per annum   | As prevalent in the market.  |
| CAM Escalation (Income + Expense)        | 5% per annum   | As prevalent in the market.  |
| Other Assumptions                        |  |  |
| Transaction Cost on Sale                 | 1% of Terminal Value   | As prevalent in the market   |
| Other Operating Expenses                 | 2% of Base Rent + Car Parking Charges  | As prevalent in the market.  |
| Property Management Fees                 | 3.5% (Base Rent + Car Parking Charges + Fit out Rent + Other Operating Income) | As prevalent in the market   |
| Discounting Rate / WACC                  | Suggestive Discount Factor: 11.75%   | Refer Section 3.3 of this report   |

| Parameters                  | Assumptions / Inputs  | Remarks / Basis                              |
|-----------------------------|---|--|
| Cap Rate for Terminal Value | Capitalized using long-term net yield rate of 8.00% (post yield shrinkage).<br>Capitalized based on the Net Cash Flows of the 11 <sup>th</sup> year   | Refer Section 3.2 of this report             |
| Cash Flow Configuration     | Cash flows have been drawn on quarterly basis for a period of 10 years, considering both cash inflows and outflows. Cash flows of terminal year is then capitalized and adjusted with transaction costs, to arrive at terminal value. | Value assumptions as practiced in the market |

**Table 7.3: Key Assumptions Used in the Estimate of Under Construction / Future Development Block**

| Parameters                                    | Assumptions / Inputs   | Remarks / Basis  |
|---|--|--|
| Cash Flow Period                              |  |  |
| Valuation Date                                | 31-March 2024  | As per workings  |
| Cash Flow Period                              | 10 years   | As per workings  |
| Cash Flow Exit Period                         | 31-March -34   | As per workings  |
| Asset Details                                 |  |  |
| Total Leasable Area                           | 3.07 mn Sq. ft   | As per the information provided by the Client  |
| Leased Area                                   | 0 Sq. ft   | As per the information provided by the Client  |
| Vacant Area / Vacancy                         | 100.00%  | As per the information provided by the Client  |
| Vacancy Allowance                             | 2%   | As per Valuation Guidelines practice for a conservative approach we maintain a structural vacancy of 2%. Although micro-market has seen a healthy absorption for Grade A projects. |
| Area to be Leased                             | 3.0 mn. Sq. ft   | As per the information provided by the Client  |
| Rent Free Period for Existing Lease Rollovers | 2 months   | As prevalent in the micro-market   |
| Rent Free Period for New Leases               | 3 months   | As prevalent in the micro-market   |
| Construction Related Assumptions              |  |  |
| Construction Cost to be incurred              | INR 6,066 Mn for 1A-1B<br>INR 8,154 Mn for 7&8<br>INR 1,021 Mn for Experience Centre | As per the information provided by the Client  |



| Parameters                                    | Assumptions / Inputs   | Remarks / Basis   |
|---|--|---|
| Revenue Assumptions                           |  |   |
| Lease Rentals                                 | Actual rentals as per the Rent Roll including additional charges (if any)  | As per the information provided by the Client   |
| Rent Escalation                               | Escalation in rentals as per the Rent Roll for the validity period of the leases, i.e., 15% every 3 years Or 4.5% every year | As prevalent in the market, it is observed that lease agreements are primarily at 4.5% rent escalations every year. Or at 15% every 3 years   |
| Market / Marginal Rent - Office               | INR 74.6.00 per sq. ft. per month - Commercial Area  | The lease transactions in Grade A office space in the said micro market are recorded in the range of INR 55 – 80 per sq. ft. per month for last 5 years. The asking instances are observed in the range of INR 70 - 80 per sq. ft. per month.<br>Based on the market benchmarking of recent leases on aspects such as location, size of transaction, type of development etc. the achievable rent for the Project is derived. |
| Market Rent - Car Parking Space               | Not Applicable   |   |
| Market / Marginal Rent - Food Court for FY 25 | INR 241.5 per sq. ft. per month  | Based on the market benchmarking of recent leases within the micro-market   |
| Market / Marginal Rent – Kiosk for FY 25      | INR 241.5 per sq. ft. per month  | Based on the market benchmarking of recent leases within the micro-market   |
| Market / Marginal Rent - Terrace              | Not Applicable   |   |
| Other Income                                  | 1.0% of base rentals   | As prevalent in the market, we consider a normalized level of other income for future. Hence, we have considered other income at 1.0% of base rental income. Other income includes components from Events, Telecom Towers, Pop-ups  |
| Other Operating Income                        |  |   |
| Market Rent Growth                            | 5% per annum (FY26 onwards)  | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5% per annum for the Project   |
| Parking Rent Growth                           | 5% per annum (FY26 onwards)  | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5% per annum for the Project   |
| Lease Tenure                                  | 9 years  | As prevalent in the market  |
| Target Efficiency                             | 76%  | Recent re-leasing suggest that the Client has leased the same premises at relatively lower efficiency and   |

| Parameters                                 | Assumptions / Inputs  |                          | Remarks / Basis  |
|--|---|--------------------------|--|
|  |   |                          | received higher rentals for the same carpet area.<br>Going forward, for leases which will expire during the next 10 years, we have considered an efficiency at 76% or actual, whichever is lower |
| Maintenance Services Income / CAM Income   | INR 15.02 per sq. ft per month  |                          | As given by the Client and as prevalent in the market  |
| Operating Cost Assumptions                 |   |                          |  |
| Brokerage - New Leases                     | 2 months receivable on base rent  |                          | As prevalent in the market   |
| Brokerage - Renewals / Release             | 2 month receivable on base rent   |                          | As prevalent in the market   |
| Maintenance Services Cost                  | INR 12.47 per sq. ft per month  |                          | As given by the Client and as prevalent in the market  |
| Property Tax                               | INR 1.70 per sq. ft per month   |                          | As given by the Client   |
| Insurance                                  | INR 0.43 per sq. ft per month   |                          | As given by the Client   |
| Cost Escalation                            | 3% per annum  |                          | As prevalent in the market.  |
| CAM Escalation                             | 5% per annum  |                          | As prevalent in the market.  |
| Other Assumptions                          |   |                          |  |
| Transaction Cost on Sale                   | 1% of Terminal Value  |                          | As prevalent in the market   |
| Other Operating Expenses                   | 2% of Base Rent + Car Parking Charges   |                          | As prevalent in the market.  |
| Property Management Fees                   | 3.5% (Base Rent + Car Parking Charges + Fit out Rent + Other Operating Income)  |                          | As prevalent in the market   |
| Discounting Rate / WACC                    | Suggestive Discount Factor: 13.00%  |                          | Refer Section 3.3 of this report   |
| Cap Rate for Terminal Value                | Capitalized using long-term net yield rate of 8.00% (post yield shrinkage). Capitalized based Net Cash Flows of the 11 <sup>th</sup> year   |                          | Refer Section 3.2 of this report   |
| Cash Flow Configuration                    | Cash flows have been drawn on quarterly basis for a period of 10 years, considering both cash inflows and outflows. Cash flows of terminal year is then capitalized and adjusted with transaction costs, to arrive at terminal value. |                          | Value assumptions as practiced in the market   |
| Experience Center Assumptions - Additional |   |                          |  |
| Club Membership Volume                     | 2,000 Members   |                          | As given by the Client and as prevalent in the market  |
| Membership Pricing                         | Membership Volume   | Membership Pricing (INR) | As given by the Client and as prevalent in the market  |

| Parameters                   | Assumptions / Inputs  |         | Remarks / Basis                                       |
|------------------------------|---|---------|---|
|                              | Founder   | 600,000 |   |
|                              | Individual / Family   | 300,000 |   |
|                              | Corporate 1   | 200,000 |   |
|                              | Corporate 2   | 250,000 |   |
|                              | Corporate 3   | 300,000 |   |
|                              | *Clubhouse shall also have additional income streams from banquets, spa, F&B etc. |         |   |
| Annual Membership Fee        | 75,000 INR per annum  |         | As given by the Client and as prevalent in the market |
| Cost Escalation              | 5% per annum  |         | As given by the Client and as prevalent in the market |
| Clubhouse Operating Expenses | 40 INR per sq. ft per month   |         | As given by the Client and as prevalent in the market |
| Cost Escalation              | 5% per annum  |         | As given by the Client and as prevalent in the market |

### **Valuation of land for future development – 1.79 acres**

Project has 1.79 acres of land for future development located at the entrance gate. Further it is forming part of the larger IT park and designated for IT/ITES development. We note the update on the litigation on the said plot as specified in Annexure 7.

However, as there are no concrete development plans on the said plot at present, and the update on writ petition is only recent, we continue to estimate the value of the land using government benchmarked price. We may potentially re-look at approach during the subsequent valuation exercise depending on the progress.

## **7.5 MARKET VALUE**

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which the Valuer has no knowledge, the Market Value of the complete ownership interest in the Project comprising land and improvements thereon, as explained above, on the below mentioned dates, is as follows:

**Table 7.4: Market Value of the Project**

| Component   | Area                                       | Market Value (INR Million) |
|---|--|----------------------------|
| Commercial Office/IT Space – completed                                | 2.06 million sq. ft                        | 20,982.98                  |
| Commercial Office/IT Space –under construction and Future Development | 3.07 million sq. ft & ~ 1.79 acres of land | 12,717.18                  |

Note: The above-mentioned value includes proportionate undivided ownership in the Amenity Plot, Utility Areas and Internal Roads and total open spaces of the entire Campus. The Market Value presented is for 89% interest in the Subject Property only.

With all assumptions as mentioned in this report, we are of the opinion that the Market Value of the Project Mindspace Madhapur (KRIT) located in Madhapur, Hyderabad Telangana, India 500081, as on 31 March 2024 is estimated to be:

**For Completed Project - INR 20,982.98 million** (INR Twenty Billion Nine Hundred Eighty Two Million Nine Hundred Eighty Thousand Only)

**For Under construction, Future Redevelopment, and land Projects INR 12,717.18 million** (INR Twelve Billion Seven Hundred Seventeen Million One Hundred and Eighty Thousand Only)

*Note: Based on the inputs provided by client, Mindspace REIT holds 89% of the ownership interest in the project and the valuation presented is for 89% interest in the project only. The total value of the asset with 100% interest is INR 37,865.34 million (INR Thirty-Seven Billion Eight Hundred Sixty-Five Million Three Hundred and Forty Thousand Only).*

**Table 7.5: Ready Reckoner rates and TSIC Allotment Rates for the Project**

| Component                  | Ready Reckoner Rate  |
|----------------------------|--|
| Commercial (Built-Up Area) | Ground floor – INR 7,300 per sq. ft.<br>First & other floors – INR 6,600 per sq. ft. |
| Land                       | INR 44,900 per sq. yard.   |
| Land (as Per TSIC)         | INR 120,000 per sq. m  |

Source: Registration & Stamps Department, Govt of Telangana and TSIC, March 2024

**KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)**, the Valuer for the Project, hereby declares that:

- We are fully competent to undertake the valuation;
- We are independent and have prepared the report on a fair and unbiased basis; and
- We have valued the Project based on the valuation standards as specified under sub-regulation 10 of regulation 21 of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended from time to time.



**Name:** Sachin Gulaty FRICS FIV FIIA,

**Designation:** Director

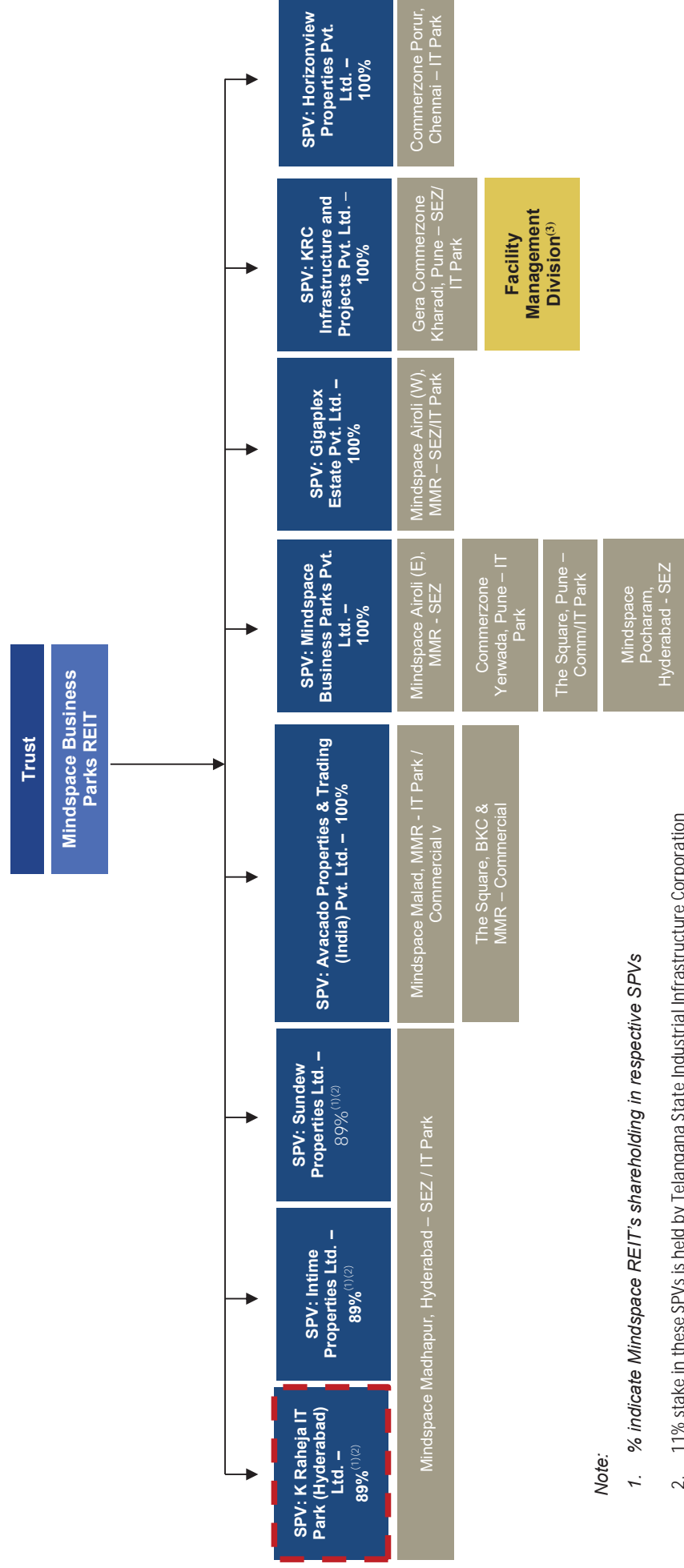
**Valuer Registration No.:** IBBI/RV/02/2021/14284

**Address:** 5<sup>th</sup> Floor, India Accelerator, The Iconic Corenthum, Sector 62, NOIDA – 201309. Uttar Pradesh. INDIA.

**E-Mail ID:** sachin.gulaty@k-zen.in

## Annexure - 1

### Ownership Structure of the Project

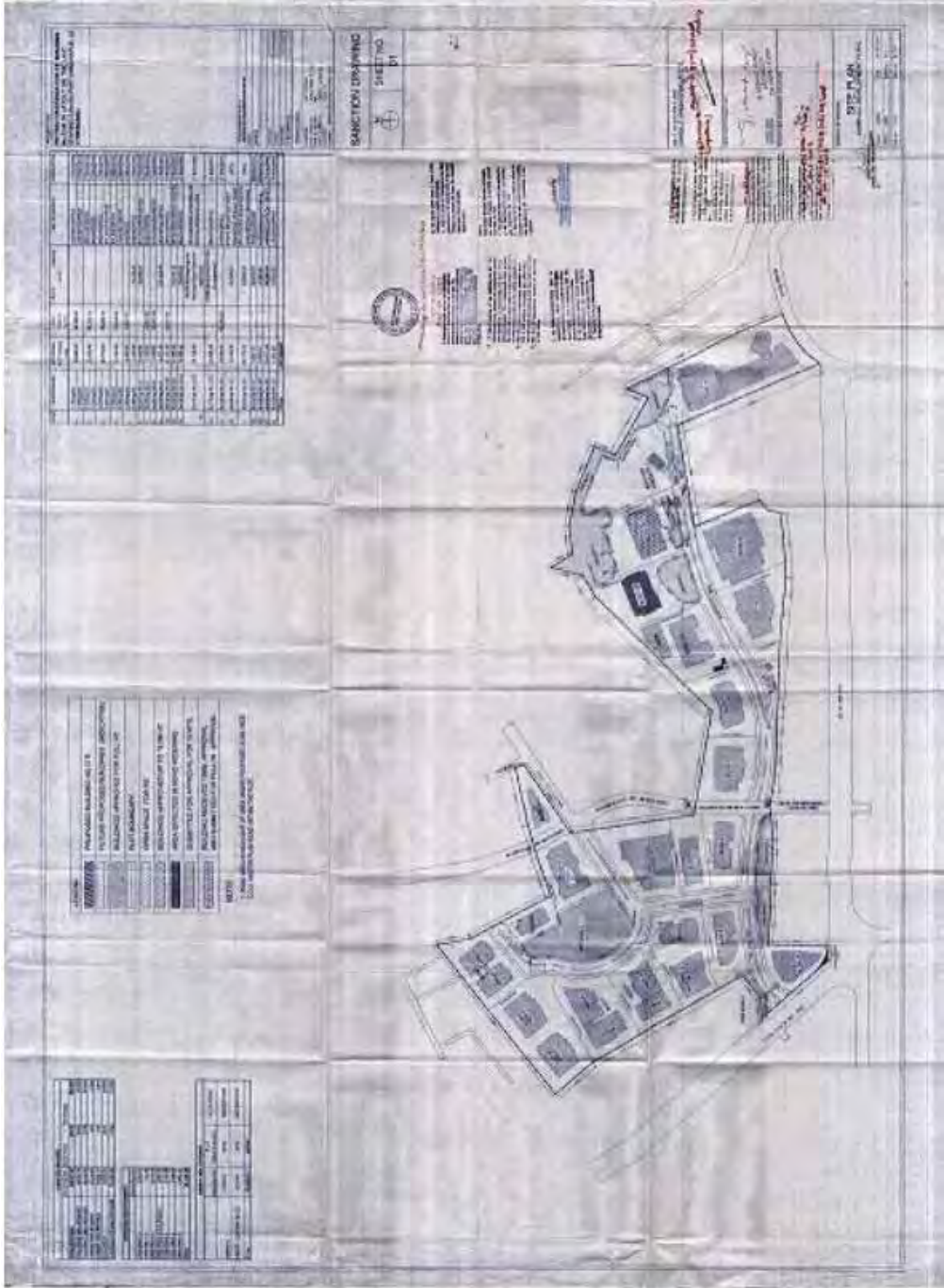


Note:

1. % indicate *Mindspace REIT's shareholding in respective SPVs*
2. 11% stake in these SPVs is held by Telangana State Industrial Infrastructure Corporation Limited
3. Facility Management Division is housed in KRC Infrastructure and Projects Pvt. Ltd.



Annexure - 2  
Layout Plan of the Project



### Annexure - 3

## Statement of Key Assets within the Project

Table 7.6 Statement of Key Assets within the Project

| Building                      | No. / Name | B2A                      | B2B                      | B3A                      | B3B                      | B4                           | B5A                      | B10                        |
|-------------------------------|------------|--------------------------|--------------------------|--------------------------|--------------------------|------------------------------|--------------------------|----------------------------|
| Floor                         | Nos        | 2B+S+10F                 | B+GF+9F                  | B+GF+4F                  | 2B+GF+6F                 | G+2P+8F                      | G+3F                     | 2B+G+10F                   |
| Warm Shell / Bare shell       |            | Warm Shell               | Warm Shell               | Warm Shell               | Warm Shell               | Bare Shell                   | Warm Shell               | Warm Shell                 |
| Air Cooled Chiller            | TR         | 1 x 280 , 1 x 350        | 1 x 100                  | 1 x 100,<br>1 x 200      | 280                      | NA                           | 182                      | 60                         |
| Water Cooled Chiller          | TR         | NA                       | NA                       | NA                       | NA                       | NA                           | NA                       | NA                         |
| No of Elevators /Make         | No/ Make   | 10-Mitsubishi            | 10-Mitsubishi            | 4-OTIS                   | 5-Mitsubishi             | 06+2-KONE                    | 4-OTIS                   | 5-Kone                     |
| No of DG / Capacity           | No. / KVA  | 3 x 1010                 | 3 x 1010                 | 2 x 1010                 | 2 x 1010                 | NA                           | 1 x 625, 1 x 1000        | 1 x 380, 1 x 740, 4 x 1010 |
| No of Transformers / Capacity | No./ KVA   | 2 x 2500                 | 2 x 2500                 | 2 x 1000                 | 2 x 1250                 | 04 x 1500                    | 2 x 1000                 | 2 x 2500                   |
| Booster Pump                  | KW / Make  | 9.3 - Kirloskar Brothers | 9.3 - Kirloskar Brothers | 9.3 - Kirloskar Brothers | 9.3 - Kirloskar Brothers | 2 x 9.3 - Kirloskar Brothers | 9.3 - Kirloskar Brothers | 9.3 - Kirloskar Brothers   |
| Jockey Pump                   | KW / Make  | 11 - Kirloskar Brothers  | 11 - Kirloskar Brothers  | 9.3 - Kirloskar Brothers | 9.3 - Kirloskar Brothers | 68 - Kirloskar Brothers      | 11 - Kirloskar Brothers  | 9.3 - Kirloskar Brothers   |
| Fire Diesel Pump              | KW / Make  | 68 - Kirloskar Brothers  | 68 - Kirloskar Brothers  | 68 - Kirloskar Brothers  | 68 - Kirloskar Brothers  | 68 - Kirloskar Brothers      | 68 - Kirloskar Brothers  | 68 - Kirloskar Brothers    |
| Hydrant Pump                  | KW / Make  | 75 - Kirloskar Brothers  | 75 - Kirloskar Brothers  | 55 - Kirloskar Brothers  | 55 - Kirloskar Brothers  | 55 - Kirloskar Brothers      | 75 - Kirloskar Brothers  | 55 - Kirloskar Brothers    |
| Sprinkle Pump                 | KW / Make  | 75 - Kirloskar Brothers  | 75 - Kirloskar Brothers  | 55 - Kirloskar Brothers  | 55 - Kirloskar Brothers  | 55 - Kirloskar Brothers      | 75 - Kirloskar Brothers  | 55 - Kirloskar Brothers    |
| STP Rating                    | KLD        | 350                      | 350                      | 150                      | 150                      | 150                          | 80                       | 150                        |

## **Annexure - 4**

### **Approvals and NOCs Received for the Project**

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List of one-time sanctions/approvals which are obtained or pending:

#### **Approvals Received**

- a) Approved masterplans for all buildings
- b) Full Occupancy Certificates for all Buildings
- c) Consent to Operate for all buildings
- d) Height Clearance NOC from AAI for all buildings
- e) Fire NOC for all Buildings
- f) All approvals for B1A-1B received including CFE, AAI NOC and EC
- g) EC received for B7&8
- h) Consent to Operate for all Buildings (except Building 5A, 7, and 8; not applicable for B5A)
- i) CFE for B7&8
- j) EC received for all buildings except for Buildings (not required for Building 5A)
- k) Approvals for Experience Centre (EC, municipal approval, CFE, building permit)
- l) Demolition approval received for building 7 and 8


#### **Approvals Pending**

- a) Municipal approval of B8 applied, yet to receive- received 15 mt height approval. Applied for Full height. Approval expected shortly.

## Annexure - 5

### Ready Reckoner Rate Applicable for the Project

Ready Reckoner Rate for the Built-up Area



REGISTRATION & STAMPS DEPARTMENT

Government of Telangana

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Ready Reckoner

EOG

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Unit Rates - Locality Wise

District Name

RANGAREDDY

Mandal Name

SRILAKSHMIPALLE

City/Town/Village

MADHAPUR

| Sl.No | Ward No. | Locality                                      | Apartment value<br>(Rs. per Sq.Ft.) |             |              | Classification  | Effective Date<br>(dd/mm/yyyy) | Download<br>Details - Rates |
|-------|----------|---|-------------------------------------|-------------|--------------|-----------------|--------------------------------|-----------------------------|
|       |          |   | General Floor                       | First Floor | Other Floors |                 |                                |                             |
| 1.    | 0-1      | RESID IN COMM-I                               | 4,500                               | 4,500       | 4,500        | 02(Commercial)  | 01/02/2022                     | Get                         |
| 2.    | 0-1      | RESIDENTIAL LOCALITY                          | 3,000                               | 3,000       | 3,000        | 01(Residential) | 01/02/2022                     | Get                         |
| 3.    | 0-2      | COMMERCIAL-I                                  | 4,500                               | 4,500       | 4,500        | 01(Residential) | 01/02/2022                     | Get                         |
| 4.    | 0-2      | MADHAPUR MAIN ROAD                            | 7,300                               | 8,600       | 8,600        | 02(Commercial)  | 01/02/2022                     | Get                         |
| 5.    | 0-3      | COMMERCIAL PROPERTIES IN MADHAPUR RESIDENTIAL | 4,500                               | 4,500       | 4,500        | 02(Commercial)  | 01/02/2022                     | Get                         |
| 6.    | 0-3      | RES PROP ABUTTING TO KOTHAGUDA IN TO MADHAPUR | 4,500                               | 4,500       | 4,500        | 01(Residential) | 01/02/2022                     | Get                         |
| 7.    | 0-2      | MADHAPUR MAIN RD TO JUBILE HILLS VIA YSR STAT | 4,500                               | 4,500       | 4,500        | 01(Residential) | 01/02/2022                     | Get                         |
| 8.    | 0-3      | MADHAPUR                                      | 3,000                               | 3,000       | 3,000        | 01(Residential) | 01/02/2022                     | Get                         |
| 9.    | 0-3      | MADHAPUR MAINROAD                             | 7,300                               | 8,600       | 8,600        | 02(Commercial)  | 01/02/2022                     | Get                         |
| 10.   | 0-3      | MADHAPUR TO RUBBEEHILLS ROAD VIA YSR STATUE   | 7,300                               | 8,600       | 8,600        | 02(Commercial)  | 01/02/2022                     | Get                         |
| 11.   | 0-3      | MINDSPACE JUNCTION TO SHORBIT MALL            | 7,300                               | 8,600       | 8,600        | 02(Commercial)  | 01/02/2022                     | Get                         |

Source: IGRS Telangana 2023

## Ready Reckoner Rate for the Land

| REGISTRATION & STAMPS DEPARTMENT<br>Government of Telangana |            |   |                                 |                              |                                |                                 |
|---|------------|---|---------------------------------|------------------------------|--------------------------------|---------------------------------|
| Unit Rates - Locality Wise                                  |            |   |                                 |                              |                                |                                 |
| District Name : RANGAREDDY                                  |            | Mandal Name : SRILINGAMPALLE                  |                                 | City/Town/Village : MADHAPUR |                                |                                 |
| S.No.   | Ward/Block | Locality                                      | Unit Value<br>(Rs. per Sq.Yard) | Classification               | Effective Date<br>(dd/mm/yyyy) | Doc No. Wise<br>Details - Rates |
| 1.  | 0 - 1      | RESD IN COMM-1                                | 32,200                          | 02(Commercial)               | 01/02/2022                     | <a href="#">Get</a>             |
| 2.  | 0 - 1      | RESIDENTIAL LOCALITY                          | 32,200                          | 01(Residential)              | 01/02/2022                     | <a href="#">Get</a>             |
| 3.  | 0 - 2      | COMMERCIAL-1                                  | 44,900                          | 01(Residential)              | 01/02/2022                     | <a href="#">Get</a>             |
| 4.  | 0 - 2      | MADHAPUR MAIN ROAD                            | 44,900                          | 02(Commercial)               | 01/02/2022                     | <a href="#">Get</a>             |
| 5.  | 0 - 3      | COMMERCIAL PROPERTIES IN MADHAPUR RESIDENTIAL | 32,200                          | 02(Commercial)               | 01/02/2022                     | <a href="#">Get</a>             |
| 6.  | 0 - 3      | RES PROP ABUTTING TO KOTHAGUDA IN TO MADHAPUR | 44,900                          | 01(Residential)              | 01/02/2022                     | <a href="#">Get</a>             |
| 7.  | 0 - 2      | MADHAPUR MAIN RD TO JUBILE HILLS VIA YSR STAT | 44,900                          | 01(Residential)              | 01/02/2022                     | <a href="#">Get</a>             |
| 8.  | 0 - 3      | MADHAPUR                                      | 32,200                          | 01(Residential)              | 01/02/2022                     | <a href="#">Get</a>             |
| 9.  | 0 - 3      | MADHAPUR MAINROAD                             | 44,900                          | 02(Commercial)               | 01/02/2022                     | <a href="#">Get</a>             |
| 10.   | 0 - 3      | MADHAPUR TO JUBILEHILLS ROAD VIA YSR STATUE   | 44,900                          | 02(Commercial)               | 01/02/2022                     | <a href="#">Get</a>             |
| 11.   | 0 - 3      | MINDSPACE JUNCTION TO INORBIT MALL            | 44,900                          | 02(Commercial)               | 01/02/2022                     | <a href="#">Get</a>             |

Source: IGRS Telangana 2023

## Allotment Rate for the Land (as Per TSIC)

| TELANGANA STATE INDUSTRIAL INFRASTRUCTURE CORPORATION LIMITED           |              |                                  |                                 |
|---|--------------|----------------------------------|---------------------------------|
| STATEMENT OF REVUSED LAND RATES W.E.F. 01.05.2023 VALID UPTO 31.03.2024 |              |                                  |                                 |
| Sl. No.   | CURRENT ZONE | NAME OF THE IP/AN/GC/SEZ ETC     | RATE<br>(in Rs. per<br>Sq.Mtrs) |
| [1]   | [2]          | [3]                              | [5]                             |
| 1   | CYBERABAD    | FINANCIAL DISTRICT NANAKRAMGUDA  | ₹ 1,15,000                      |
| 2   | CYBERABAD    | HITECHCITY LAYOUT MADHAPUR       | ₹ 1,20,000                      |
| 3   | CYBERABAD    | IP GACHIBOWLI                    | ₹ 1,15,000                      |
| 4   | CYBERABAD    | IT PARK-MANIKONDA & NANAKRAMGUDA | ₹ 1,10,000                      |
| 5   | CYBERABAD    | SOFTWARE UNITS LAYOUT MADHAPUR   | ₹ 1,20,000                      |
| 6   | CYBERABAD    | IP RAKAMCHERLA                   | ₹ 2,862                         |
| 7   | CYBERABAD    | IP VIKARABAD                     | ₹ 6,899                         |
| 8   | CYBERABAD    | CHANDULAL BARADARI               | ₹ 37,632                        |
| 9   | CYBERABAD    | IHC CHANDULAL BARADARI           | ₹ 37,632                        |

Source: TSIC, Telangana 2023



## Annexure - 6

### Cashflow of the Project

Table 7.7 Discounted Cash Flow (INR Mn) – Completed Buildings

| Sl. No. | Particulars                           | 1-Apr-23  | 1-Apr-24  | 1-Apr-25  | 1-Apr-26  | 1-Apr-27  | 1-Apr-28  | 1-Apr-29  | 1-Apr-30  | 1-Apr-31  | 1-Apr-32  | 1-Apr-33  | 1-Apr-34  |
|---------|---------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|         |                                       | 31-Mar-24 | 31-Mar-25 | 31-Mar-26 | 31-Mar-27 | 31-Mar-28 | 31-Mar-29 | 31-Mar-30 | 31-Mar-31 | 31-Mar-32 | 31-Mar-33 | 31-Mar-34 | 31-Mar-35 |
|         |                                       | Y0        | Y1        | Y2        | Y3        | Y4        | Y5        | Y6        | Y7        | Y8        | Y9        | Y10       | Y11       |
|         | Development / Construction Phasing    |           | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
|         | Total Development Cost to be Incurred | -         | 441.00    | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
|         | Leasable Area                         |           |           |           |           |           |           |           |           |           |           |           |           |
| A       | Base Rental                           |           | 1,579.46  | 1,860.54  | 1,942.16  | 2,054.50  | 2,153.67  | 2,258.78  | 2,376.23  | 2,389.92  | 2,637.18  | 2,696.33  | 2,945.96  |
| B       | Car Parking Income                    |           | 4.64      | 4.65      | 4.65      | 4.61      | 4.53      | 4.52      | 4.59      | 4.61      | 4.69      | 6.08      | 7.75      |
| C       | Fit-out rentals/ tenant improvements  |           | 0.24      | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| D       | Facility Rentals                      |           | 1,584.34  | 1,865.19  | 1,946.81  | 2,059.11  | 2,158.20  | 2,263.30  | 2,380.82  | 2,394.52  | 2,641.87  | 2,702.41  | 2,953.71  |
| E       | Maintenance services income           |           | 351.67    | 383.12    | 402.28    | 422.39    | 443.51    | 465.68    | 488.97    | 513.42    | 539.09    | 566.04    | 594.35    |
| F       | Other Operating Income                |           | 15.79     | 18.61     | 19.42     | 20.54     | 21.54     | 22.59     | 23.76     | 23.90     | 26.37     | 26.96     | 29.46     |
| G       | Revenue from Operations               |           | 1,951.81  | 2,266.91  | 2,368.51  | 2,502.04  | 2,623.24  | 2,751.58  | 2,893.55  | 2,931.84  | 3,207.33  | 3,295.42  | 3,577.52  |
|         | Direct Operating Expenses             |           | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| H       | Maintenance services Expenses         |           | 309.13    | 324.59    | 340.81    | 357.86    | 375.75    | 394.54    | 414.26    | 434.98    | 456.72    | 479.56    | 503.54    |
| I       | Property Tax                          |           | 42.13     | 43.39     | 44.69     | 46.04     | 47.42     | 48.84     | 50.30     | 51.81     | 53.37     | 54.97     | 56.62     |
| J       | Insurance Premium                     |           | 10.76     | 11.08     | 11.41     | 11.75     | 12.11     | 12.47     | 12.84     | 13.23     | 13.63     | 14.03     | 14.46     |
| K       | Net Operating Income (NOI)            |           | 1,589.79  | 1,887.85  | 1,971.59  | 2,086.40  | 2,187.97  | 2,295.73  | 2,416.14  | 2,431.82  | 2,683.62  | 2,746.86  | 3,002.91  |
|         | Add: Terminal Cash Flow               |           | -         | -         | -         | -         | -         | -         | -         | -         | -         | 37,160.98 | -         |
|         | Indirect Operating Expenses           |           | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| L       | Brokerage Fees                        |           | 37.86     | -         | 16.51     | 1.71      | 5.41      | 10.60     | 2.03      | 128.29    | 46.98     | 122.85    | -         |
| M       | Property Management Fee               |           | 56.00     | 65.93     | 68.82     | 72.79     | 76.29     | 80.01     | 84.16     | 84.64     | 93.39     | 95.53     | 104.41    |
| N       | Other operational expenses            |           | 31.68     | 37.30     | 38.94     | 41.18     | 43.16     | 45.27     | 47.62     | 47.89     | 52.84     | 54.05     | 59.07     |

Note: We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purpose

Table 7.8 Discounted Cash Flow (INR Mn) - Under construction (Buildings 1A &amp; 1B)

| Sl. No. | Particulars                           | 1-Apr-23<br>31-Mar-24 | 1-Apr-24<br>31-Mar-25 | 1-Apr-25<br>31-Mar-26 | 1-Apr-26<br>31-Mar-27 | 1-Apr-27<br>31-Mar-28 | 1-Apr-28<br>31-Mar-29 | 1-Apr-29<br>31-Mar-30 | 1-Apr-30<br>31-Mar-31 | 1-Apr-31<br>31-Mar-32 | 1-Apr-32<br>31-Mar-33 | 1-Apr-33<br>31-Mar-34 | 1-Apr-34<br>31-Mar-35 |
|---------|---------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|         |                                       | Y0                    | Y1                    | Y2                    | Y3                    | Y4                    | Y5                    | Y6                    | Y7                    | Y8                    | Y9                    | Y10                   | Y11                   |
|         | Development / Construction Phasing    |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
|         | Total Development Cost to be Incurred | -                     | 1,409.66              | 2,277.27              | 2,363.76              | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
|         | Leasable Area                         |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| A       | Base Rental                           |                       | -                     | -                     | 312.40                | 1,144.73              | 1,365.36              | 1,426.80              | 1,491.00              | 1,558.10              | 1,628.21              | 1,701.48              | 1,778.05              |
| D       | Facility Rentals                      |                       | -                     | -                     | 312.40                | 1,144.73              | 1,365.36              | 1,426.80              | 1,491.00              | 1,558.10              | 1,628.21              | 1,701.48              | 1,778.05              |
| E       | Maintenance services income           |                       | -                     | -                     | 55.02                 | 196.20                | 285.35                | 299.62                | 314.60                | 330.33                | 346.85                | 364.19                | 382.40                |
| F       | Other Operating Income                |                       | -                     | -                     | 3.12                  | 11.45                 | 13.65                 | 14.27                 | 14.91                 | 15.58                 | 16.28                 | 17.01                 | 17.78                 |
| G       | Revenue from Operations               |                       | -                     | -                     | 370.54                | 1,352.37              | 1,664.36              | 1,740.68              | 1,820.51              | 1,904.01              | 1,991.34              | 2,082.68              | 2,178.23              |
|         | Direct Operating Expenses             |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| H       | Maintenance services Expenses         |                       | -                     | -                     | 109.64                | 172.68                | 241.75                | 253.84                | 266.53                | 279.86                | 293.85                | 308.55                | 323.97                |
| I       | Property Tax                          |                       | -                     | -                     | 28.76                 | 29.62                 | 30.51                 | 31.42                 | 32.37                 | 33.34                 | 34.34                 | 35.37                 | 36.43                 |
| J       | Insurance Premium                     |                       | -                     | -                     | 7.34                  | 7.56                  | 7.79                  | 8.02                  | 8.26                  | 8.51                  | 8.77                  | 9.03                  | 9.30                  |
| K       | Net Operating Income (NOI)            |                       | -                     | -                     | 224.80                | 1,142.51              | 1,384.31              | 1,447.40              | 1,513.35              | 1,582.30              | 1,654.38              | 1,729.74              | 1,808.52              |
|         | Add: Terminal Cash Flow               |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | 22,380.49             | -                     |
|         | Indirect Operating Expenses           |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| L       | Brokerage Fees                        |                       | -                     | -                     | 142.23                | 76.45                 | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| M       | Property Management Fee               |                       | -                     | -                     | 11.04                 | 40.47                 | 48.27                 | 50.44                 | 52.71                 | 55.08                 | 57.56                 | 60.15                 | 62.85                 |
| N       | Other operational expenses            |                       | -                     | -                     | 6.25                  | 22.89                 | 27.31                 | 28.54                 | 29.82                 | 31.16                 | 32.56                 | 34.03                 | 35.56                 |
| O       | Net cashflows                         | -                     | (1,409.66)            | (2,277.27)            | (2,298.47)            | 1,002.70              | 1,308.74              | 1,368.42              | 1,430.82              | 1,496.06              | 1,564.26              | 24,016.06             | -                     |

Note: We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes

Table 7.9 Discounted Cash Flow (INR Mn) – Under construction (Buildings 7 &amp; 8)

| Sl. No. | Particulars                           | 1-Apr-23  | 1-Apr-24   | 1-Apr-25   | 1-Apr-26   | 1-Apr-27   | 1-Apr-28  | 1-Apr-29  | 1-Apr-30  | 1-Apr-31  | 1-Apr-32  | 1-Apr-33  | 1-Apr-34  |
|---------|---------------------------------------|-----------|------------|------------|------------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|         |                                       | 31-Mar-24 | 31-Mar-25  | 31-Mar-26  | 31-Mar-27  | 31-Mar-28  | 31-Mar-29 | 31-Mar-30 | 31-Mar-31 | 31-Mar-32 | 31-Mar-33 | 31-Mar-34 | 31-Mar-35 |
|         |                                       | Y0        | Y1         | Y2         | Y3         | Y4         | Y5        | Y6        | Y7        | Y8        | Y9        | Y10       | Y11       |
|         | Development / Construction Phasing    |           | -          | -          | -          | -          | -         | -         | -         | -         | -         | -         | -         |
|         | Total Development Cost to be Incurred | -         | 1,307.04   | 2,238.24   | 2,768.93   | 1,713.00   | -         | -         | -         | -         | -         | -         | -         |
|         | Leasable Area                         |           |            |            |            |            |           |           |           |           |           |           |           |
| A       | Base Rental                           |           | -          | -          | -          | 390.99     | 1,443.49  | 1,723.76  | 1,801.33  | 1,882.39  | 1,967.10  | 2,055.62  | 2,148.12  |
| D       | Facility Rentals                      |           | -          | -          | -          | 390.99     | 1,443.49  | 1,723.76  | 1,801.33  | 1,882.39  | 1,967.10  | 2,055.62  | 2,148.12  |
| E       | Maintenance services income           |           | -          | -          | -          | 70.57      | 251.65    | 366.00    | 384.30    | 403.52    | 423.70    | 444.88    | 467.12    |
| F       | Other Operating Income                |           | -          | -          | -          | 3.91       | 14.43     | 17.24     | 18.01     | 18.82     | 19.67     | 20.56     | 21.48     |
| G       | Revenue from Operations               |           | -          | -          | -          | 465.47     | 1,709.58  | 2,107.00  | 2,203.65  | 2,304.73  | 2,410.46  | 2,521.05  | 2,636.72  |
|         | Direct Operating Expenses             |           | -          | -          | -          | -          | -         | -         | -         | -         | -         | -         | -         |
| H       | Maintenance services Expenses         |           | -          | -          | -          | 139.54     | 219.78    | 307.69    | 323.08    | 339.23    | 356.20    | 374.00    | 392.71    |
| I       | Property Tax                          |           | -          | -          | -          | 35.90      | 36.98     | 38.09     | 39.23     | 40.41     | 41.62     | 42.87     | 44.16     |
| J       | Insurance Premium                     |           | -          | -          | -          | 9.17       | 9.44      | 9.72      | 10.02     | 10.32     | 10.63     | 10.95     | 11.27     |
| K       | Net Operating Income (NOI)            |           | -          | -          | -          | 280.86     | 1,443.37  | 1,751.49  | 1,831.32  | 1,914.77  | 2,002.02  | 2,093.23  | 2,188.59  |
|         | Add: Terminal Cash Flow               |           | -          | -          | -          | -          | -         | -         | -         | -         | -         | 27,083.80 | -         |
|         | Indirect Operating Expenses           |           | -          | -          | -          | -          | -         | -         | -         | -         | -         | -         | -         |
| L       | Brokerage Fees                        |           | -          | -          | -          | 178.81     | 97.30     | -         | -         | -         | -         | -         | -         |
| M       | Property Management Fee               |           | -          | -          | -          | 13.82      | 51.03     | 60.93     | 63.68     | 66.54     | 69.54     | 72.67     | 75.94     |
| N       | Other operational expenses            |           | -          | -          | -          | 7.82       | 28.87     | 34.48     | 36.03     | 37.65     | 39.34     | 41.11     | 42.96     |
| O       | Net cashflows                         | -         | (1,307.04) | (2,238.24) | (2,768.93) | (1,632.60) | 1,266.18  | 1,656.08  | 1,731.62  | 1,810.58  | 1,893.14  | 29,063.26 | -         |

Note: We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes

Table 7.10 Discounted Cash Flow (INR Mn) - Under construction (Experience Center)

| Sl. No. | Particulars                         | 1-Apr-23<br>31-Mar-24 | 1-Apr-24<br>31-Mar-25 | 1-Apr-25<br>31-Mar-26 | 1-Apr-26<br>31-Mar-27 | 1-Apr-27<br>31-Mar-28 | 1-Apr-28<br>31-Mar-29 | 1-Apr-29<br>31-Mar-30 | 1-Apr-30<br>31-Mar-31 | 1-Apr-31<br>31-Mar-32 | 1-Apr-32<br>31-Mar-33 | 1-Apr-33<br>31-Mar-34 | 1-Apr-34<br>31-Mar-35 |
|---------|-------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|         |                                     | Y0                    | Y1                    | Y2                    | Y3                    | Y4                    | Y5                    | Y6                    | Y7                    | Y8                    | Y9                    | Y10                   | Y11                   |
| A       | Inflow                              |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|         | <b>Clubhouse</b>                    |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|         | Membership Revenue                  |                       | -                     | 87.38                 | 144.75                | 117.62                | 119.37                | 119.03                | 71.30                 | 23.36                 | 24.53                 | 20.48                 | 13.46                 |
|         | Clubhouse Operations                |                       | -                     | 18.98                 | 61.25                 | 106.06                | 152.05                | 201.95                | 241.65                | 264.19                | 279.29                | 293.25                | 307.91                |
|         | Revenue from Clubhouse              |                       | -                     | 106.36                | 206.00                | 223.68                | 271.41                | 320.98                | 312.95                | 287.55                | 303.82                | 313.73                | 321.37                |
|         | <b>Office + Retail</b>              |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
|         | Gross Rentals                       |                       | -                     | 38.91                 | 53.64                 | 56.05                 | 58.57                 | 61.21                 | 63.96                 | 66.84                 | 69.85                 | 72.99                 | -                     |
|         | CAM margin & other income           |                       | -                     | 1.14                  | 1.52                  | 1.52                  | 1.52                  | 1.52                  | 1.52                  | 1.52                  | 1.52                  | 1.52                  | 1.52                  |
|         | Revenue from Office + Retail        |                       | -                     | 40.05                 | 55.16                 | 57.57                 | 60.09                 | 62.73                 | 65.48                 | 68.36                 | 71.37                 | 74.51                 | 1.52                  |
|         | Revenue from Operations             |                       | -                     | 146.41                | 261.16                | 281.25                | 331.50                | 383.71                | 378.43                | 355.91                | 375.18                | 388.24                | 322.89                |
| B       | Outflow                             |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
|         | Construction Cost                   |                       | 575.21                | 400.00                | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
|         | Project overheads cost              |                       | 30.50                 | 15.25                 | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
|         | <b>Direct Operating Expenses</b>    |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
|         | Clubhouse Operating Cost            |                       | -                     | 67.02                 | 80.23                 | 88.96                 | 100.54                | 112.65                | 116.62                | 123.02                | 129.78                | 136.93                | 144.47                |
|         | Property tax                        |                       | -                     | 2.43                  | 2.43                  | 2.43                  | 2.43                  | 2.43                  | 2.43                  | 2.43                  | 2.43                  | 2.43                  | 2.43                  |
|         | Insurance expenses                  |                       | -                     | 0.63                  | 0.63                  | 0.63                  | 0.63                  | 0.63                  | 0.63                  | 0.63                  | 0.63                  | 0.63                  | 0.63                  |
|         | Net Operating Income (NOI)          |                       | (605.71)              | (338.93)              | 177.86                | 189.22                | 227.89                | 267.99                | 258.75                | 229.83                | 242.34                | 248.25                | 175.35                |
|         | Add: Terminal Cash Flow             |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | 4,537.76              | -                     |
| C       | Indirect Operating Expenses         |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
|         | Brokerage Fees                      |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | 45.38                 | -                     |
|         | Asset Management Fee                |                       | -                     | 1.36                  | 1.88                  | 1.96                  | 2.05                  | 2.14                  | 2.24                  | 2.34                  | 2.44                  | 2.55                  | 2.67                  |
|         | Clubhouse - Member Acquisition Cost |                       | -                     | 8.74                  | 5.74                  | 6.02                  | 5.91                  | 5.99                  | 1.14                  | 1.20                  | 1.26                  | 0.79                  | 0.55                  |
|         | Clubhouse - Refurbishment Capex     |                       | -                     | -                     | -                     | 20.00                 | 20.00                 | 20.00                 | 20.00                 | 20.00                 | 20.00                 | 20.00                 | 20.00                 |
|         | Clubhouse - Property Management Fee |                       | -                     | 7.45                  | 6.98                  | 8.68                  | 10.32                 | 12.15                 | 9.75                  | 10.37                 | 10.89                 | 11.07                 | 11.43                 |
|         | Other overheads                     |                       | -                     | 0.39                  | 0.54                  | 0.56                  | 0.59                  | 0.61                  | 0.64                  | 0.67                  | 0.70                  | 0.73                  | -                     |
|         | Sales & Marketing Expense           |                       | -                     | 17.77                 | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
|         | EBITDA                              |                       | (605.71)              | (374.63)              | 162.74                | 151.99                | 189.03                | 227.09                | 224.98                | 195.25                | 207.04                | 4,705.49              | -                     |

Note: We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes

Table 7.11 Opinion Market Value of the Land

| Particulars   | Land Area (sq. m.) | Unit Value (INR per sq. m.) | Unit Valuation of the Land (INR Million per Acre) | Total Value (INR Million) |
|---|--------------------|-----------------------------|---|---------------------------|
| Opinion Market Value of the Land under the Project using Guideline Value Method | 7,243.95           | 120,000.00                  | 485.63  | 869.27                    |



## Annexure - 7

### Material Litigations

#### 1. Title litigation and irregularities

Softsol India Limited ("Softsol") and others ("Petitioners") have filed writ petition on February 8, 2013 in the Hyderabad High Court ("Court") against KRIT (wrongly named as M/s. K Raheja Corporation) and others ("Respondents") inter alia seeking declaration (a) that the allotment of land admeasuring approximately 4500 square yards (3763 square metres) ("Suit Land") of land adjacent to Softsol's plot is illegal and (b) for handover of the same to the Industrial Area Local Authority ("IALA"), being one of the Respondents, for developing the Suit Land as a common facility centre / area / park for general use by software companies. The Suit Land is part of the land admeasuring approximately 110 acres allotted by the Government of Andhra Pradesh to KRIT for the Mindspace Madhapur project.

By an ex-parte interim stay order dated February 11, 2013 ("Stay Order"), it was inter alia directed by the Court that, no construction activity shall be undertaken or continued over 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. 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 listed for hearing on January 4, 2023. The matter was listed for hearing on March 7, 2023. The matter was heard by the Court and the writ petition was dismissed and the Stay Order was vacated. By way of abundant caution, KRIT filed a caveat before the Court.

#### 2. Criminal matters

Sharmin Habib ("Complainant") lodged a first information report ("FIR") on October 10, 2017 with the Madhapur Police Station alleging that certain staff members of the Raheja Group ("Accused") prevented the Complainant and a staff from entering the premises for conducting the business of a day care centre in the name of Kidz Paradise in in Building No. 2.B, Mindspace Madhapur (KRIT), and harassed them. The concerned investigating officer has filed final report dated November 16, 2017 of the matter before the Metropolitan Magistrate, Kukatpally at Miyapur, Cyberabad ("Court"), stating inter alia that while there was a rental dispute between the Complainant and the Accused which was pending in the Court, the particular incident was in relation to a regular security aspect of access in the IT Park being allowed on showing identity card, whereas Complaint tried to enter without showing identity card. The investigating officer also reported that the Complainant did not comply with the notices under Section 91 of the Criminal Procedure Code, and that no such incident had occurred as alleged by the Complainant. The investigating officer further recorded that the complaint was filed on completely flimsy grounds and filed the final report before the Court recommending closure of the case on basis of lack of evidence. The matter is currently pending.

#### 3. Regulatory actions

1. The Comptroller and Auditor General of India ("CAG") had issued a report on public sector undertakings for the year ended March 2016 ("CAG Report") where certain audit observations were made with respect to certain public sector undertakings including: (a) a low rate of return on investments made by APIIC (now, TSIIIC) in KRIT; (b) allocation of the development and construction of complexes for IT and ITES companies to K. Raheja Corporation Private Limited by the erstwhile Government of Andhra Pradesh ("GoAP") without adopting a due tender process; (c) transfer of certain portion of land to non-

IT/ITES sister companies of the KRC group, namely, Trion Properties Limited – Inorbit Malls and Chalet Hotels– Westin Hotel at a discounted price, in violation of GoAP directions dated August 11, 2003 and without prior consultation with APIIC, pursuant to the demerger of KRIT. KRIT responded to the observations under the CAG report by its letter dated September 21, 2017 submitting its issue-wise detailed explanations and explaining various factual inaccuracies in respect of the said observations under the CAG Report, denying the irregularities and deficiencies. No further correspondence has been received.

2. KRIT had proposed a rights issue of shares in which Andhra Pradesh Industrial Infrastructure Corporation (“APIIC”) (now, TSIIC) abstained from subscribing to the rights shares. Consequently, upon closure of the rights issue subscription by the other shareholders of KRC group, the stake of APIIC in KRIT reduced from 11%. Thereafter, upon demerger of certain undertakings of KRIT into Intime and Sundew, the APIIC’s stake reduced in each of these entities instead of what it was initially at 11%. Such rights issue of shares was undertaken in compliance with applicable law and agreement between the parties, and after KRIT had waited over one year for APIIC to decide.

Subsequently, APIIC / GoAP disputed such dilution of their stake in KRIT, Intime and Sundew, which led to an inquiry by Vigilance and Enforcement Department of GoAP against the Government Officials and correspondingly, KRIT. APIIC issued a letter dated July 10, 2012 to KRIT, referring to a report of vigilance and enforcement department (“VED Report”) in relation to the Mindspace Madhapur project. Subsequently, the equity stake of APIIC was restored to 11% in KRIT, Intime and Sundew together with compensating APIIC for any loss of corporate benefits in the intervening period. The VED Report alleged certain irregularities, which include alleging a financial loss to APIIC and GoAP pursuant to sale of the land to its sister concerns and sale of constructed area, at a nominal price, dilution of 11% equity stake of APIIC and loss of immovable asset base to APIIC due to the dilution of equity.

KRIT denied such irregularities, violations or financial loss caused to APIIC /GoAP. While denying the loss alleged by APIIC, KRIT, Intime and Sundew provided a joint undertaking dated February 14, 2014 to APIIC inter alia undertaking (i) to pay the amounts to APIIC in respect of APIIC’s claim of losses, due to any differences in values pertaining to the sale transactions in Mindspace Madhapur project; (ii) that payments shall be made by KRIT within 30 days of receipt of such written demand from APIIC; and (iii) that KRIT shall be bound by the decision of APIIC and comply with the same within the stipulated timelines.

KRIT has further provided an undertaking dated October 24, 2016 to APIIC, inter alia undertaking to pay losses incurred by Government of Telangana /APIIC as per the VED Report and to maintain the agreed shareholding of the Government of Telangana or APIIC in KRIT, Intime and Sundew post conversion of KRIT to public limited company and the Government of Telangana/ APIIC will not be required to infuse additional funds to maintain its equity stake in KRIT, Intime and Sundew.

While KRIT has attempted to make payments to the extent of the loss incurred by APIIC along with interest, by letter dated April 23, 2019, APIIC has confirmed to KRIT that it will be informed about the quantum of the amount to be paid, once the quantum of loss is determined by an independent third party appointed for such purpose. KRCPL, by way of its letter dated December 9, 2019, has undertaken that it shall assume any financial liability that KRIT, Intime or Sundew may incur in this behalf.

3. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against ("Income Tax Act") against Avacado, Gigaplex, KRIT, MBPPL, Chalet Hotels, Genext, Inorbit Malls, KRCPL, KRPL, Shoppers Stop and others ("Parties"). Pursuant to the Warrant, the Income Tax Department carried out a search on November 30, 2017. The search covered various matters for which notices were already issued from time to time. The search was concluded on December 6, 2017 at the office and residence of the Parties. Pursuant to the search, the Income Tax Department issued notices to each of the Parties under Section 153A of the Income Tax Act directing them to prepare and furnish true and correct returns of total income for assessment years ("AY") from 2008-2009, 2012-13 to 2017-18 within a stipulated timeline from the date of service of the notices and these returns have been furnished before the Income Tax Department. Further, the Income Tax Department issued notices under Section 142(1)/143(2) of the Income Tax Act for assessment years 2008-2009, 2012-13 to 2017-2018/2018-19, to the Parties seeking certain information. These details have been furnished before the Income Tax Department by the Parties from time to time. Post the Warrant, the assessment proceedings under section 153A of the Income Tax Act were initiated for AY 2012-13 to AY 2018-19. The assessment under section 143(3) read with section 153A of the Income Tax Act for AY 2012-2013 to AY 2017-2018 and under Section 143(3) of the Income Tax Act, for AY 2018-2019 were completed. KRIT filed appeals before the CIT(A) against the order for AY 2012-13 to AY 2017-18 and against the order for AY 2018-19 which are currently pending.
4. Anand Achary sent legal notices dated October 26, 2023 and November 11, 2023, respectively to Ranju Alex, the Area Vice President, South Asia of Marriott International Inc, and Westin Hotel, Amitabh Rai, Cluster General Manager, Westin Hyderabad, Sanjay Sethi, Chief Executive Officer and Managing Director, Chalet Hotels Limited and others alleging grabbing of an alleged park area and unauthorised conversion of the park area for commercial use. By way of abundant caution, KRIT and Chalet Hotels Limited have individually filed caveats before the High Court of Telangana

#### 4. Material civil/commercial litigation

KRIT filed an arbitration application on September 21, 2015 before the Hyderabad High Court ("High Court") against Premier Kinder Care Services Private Limited ("Premier"). KRIT prayed for appointment of sole arbitrator to resolve disputes between KRIT and Premier in relation to (a) the term sheet dated March 10, 2011 entered into between KRIT and Premier for grant of lease by the KRIT to Premier in respect of Unit No. 2 admeasuring 3171 sq. ft. in Building No.2B at Mindspace Madhapur (KRIT) ("Premises"); (b) failure of Premier in making payments of ₹ 11.42 million due on account arrears of rent, balance security deposit together with interest thereon and (c) to deliver the possession of the Premises to KRIT. The notice of the petition has been served on Premier by publication in newspapers, pursuant to the order of the High Court dated November 25, 2016. The High Court by its order dated March 11, 2020 allowed the application for appointment of sole arbitrator. The arbitrator was appointed. By award dated July 22, 2021 ("Award"), the arbitrator allowed the claim of KRIT and a mediator was appointed who has submitted the mediator report dated August 2, 2021 to KRIT. The possession of the premises was taken and leased out.

Table 7.12: Summary of Pending Tax Litigation

| ASSESSMENT YEAR | SIGNIFICANT ISSUE IN DISPUTE  | AUTHORITY - RAISING ISSUE | AUTHORITY - PASSING ORDER | APPEAL PREFERRED BY | AUTHORITY - ISSUE PENDING BEFORE | NEXT DATE OF HEARING IF APPLICABLE | EXPOSURE - TAX, INTEREST AND PENALTY |
|-----------------|---|---------------------------|---------------------------|---------------------|----------------------------------|------------------------------------|--------------------------------------|
| 2009-10         | Restoration of CIT order u/s 263 for non allowability of deduction u/s. 80IA against IHP.   | CIT                       | CIT                       | Dept.               | High Court                       | Not available                      | -                                    |
| 2010-11         | Restoration of CIT order u/s 263 for non allowability of deduction u/s. 80IA against IHP and on account of non fulfilment of minimum no of lease condition. | CIT                       | CIT                       | Dept.               | High Court                       | Not available                      | -                                    |
| 2010-11         | Allowability of deduction u/s. 80IA against IHP   | Assessing Officer         | Assessing Officer         | Dept.               | High Court                       | Not available                      | -                                    |
| 2011-12         | Restoration of CIT order u/s 263 for non allowability of deduction u/s. 80IA against IHP and on account of non fulfilment of minimum no of lease condition. | CIT                       | CIT                       | Dept.               | High Court                       | Not available                      | -                                    |
| 2012-13         | Rental Income assessed under the head "Business" instead of IHP + Deduction u/s 80IA not allowed. Additional ground taken for claim of Education Cess.      | Assessing Officer         | Assessing Officer         | Company             | CIT(A)                           | Not available                      | 5,594,322                            |
| 2013-14         | Rental Income assessed under the head "Business" instead of IHP + Deduction u/s 80IA not allowed  | Assessing Officer         | Assessing Officer         | Company             | CIT(A)                           | Not available                      | 65,624,550                           |
| 2014-15         | Rental Income assessed under the head "Business" instead of IHP + Deduction u/s 80IA not allowed  | Assessing Officer         | Assessing Officer         | Company             | CIT(A)                           | Not available                      | 138,166,291                          |
| 2012-13         | Deduction u/s 80IA not allowed  | Assessing Officer         | Assessing Officer         | Company             | CIT(A)                           | Not available                      | -                                    |
| 2013-14         | Deduction u/s 80IA not allowed  | Assessing Officer         | Assessing Officer         | Company             | CIT(A)                           | Not available                      | -                                    |
| 2014-15         | Deduction u/s 80IA not allowed  | Assessing Officer         | Assessing Officer         | Company             | CIT(A)                           | Not available                      | -                                    |
| 2015-16         | Deduction u/s 80IA not allowed  | Assessing Officer         | Assessing Officer         | Company             | CIT(A)                           | Not available                      | 171,390,751                          |

|         |  |                                |                   |                   |         |        |               |             |
|---------|--|--------------------------------|-------------------|-------------------|---------|--------|---------------|-------------|
| 2016-17 |  | Deduction u/s 80IA not allowed | Assessing Officer | Assessing Officer | Company | CIT(A) | Not available | 181,357,135 |
| 2017-18 |  | Deduction u/s 80IA not allowed | Assessing Officer | Assessing Officer | Company | CIT(A) | Not available | 185,355,401 |
| 2018-19 |  | Deduction u/s 80IA not allowed | Assessing Officer | Assessing Officer | Company | CIT(A) | Not available | 185,013,203 |

Note: Direct tax litigations are at the SPV level.

**Table 7.13: Indirect Tax Litigation**

| SR.NO | ENTITY                           | PARK               | TAX TYPE    | AUTHORITY PENDING  | TAX DEMAND (IN 'MN) | INTEREST (QUANTIFIED) | PENALTY (QUANTIFIED) | ISSUE IN BRIEF   | PERIOD                     | INTEREST      | PENALTY       |
|-------|----------------------------------|--------------------|-------------|--|---------------------|-----------------------|----------------------|--|----------------------------|---------------|---------------|
| 1     | K Raheja IT Park (Hyderabad) Ltd | Mindspace Madhapur | Service Tax | CESTAT   | 19.77               | -                     | -                    | Service tax on pure flout charges collected from the customers       | April 2015 to June 2017    | as applicable | as applicable |
| 2     | K Raheja IT Park (Hyderabad) Ltd | Mindspace Madhapur | Customs     | Reply to SCN filed with Commissioner, Customs, Hyderabad | 9.08                | -                     | -                    | Customs duty demand at the time of debonding of assets from the STPI | November 2014 and May 2016 | as applicable | as applicable |
| 3     | K Raheja IT Park (Hyderabad) Ltd | Mindspace Madhapur | Service Tax | CESTAT   | 96.10               | -                     | 96.10                | Service tax on pure flout charges collected from the customers       | April 2010 to March 2015   | as applicable | 96.10         |



## Annexure - 8

### Caveats and Limitations

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1. The Valuation Report (hereafter referred to as the 'Report') covers specific markets and situations that are highlighted in the Report based on independent market report prepared by JLL and does not entail any comprehensive analysis of the market and the industry given the nature of the scope of the assignment.
2. The opinions expressed in the Report are subject to the limitations expressed below.
  - a) The valuation method adopted is based on the Valuer's expertise and knowledge considering the forecasts on demand, supply and pricing as undertaken by JLL as part of an independent market/ industry research and considered to be relevant and reasonable at that point of time. The Report and the opinions therein do not constitute any recommendation to K Raheja Corp Investment Managers Private Limited (or the 'Client') or its affiliates and subsidiaries or its customers or any other party to adopt a particular course of action. The use of the Report at a later date may invalidate the assumptions and bases on which these opinions have been expressed and is not recommended as an input to any financial decision.
  - b) It should be noted that the valuation is based upon the facts and evidence available at the time of conduct of the valuation and applicable on the date of valuation. It is therefore recommended that these valuations be periodically reviewed.
  - c) Changes in socio-economic and political conditions could result in a substantially different situation than those presented herein. The Valuer assumes no responsibility for changes in such external conditions.
  - d) The Valuer has considered the independent market report prepared by JLL and macro understanding of the market through readily available information in public domain. Hence, no direct link is sought to be established between the macro-level understandings on the market with the assumptions estimated for the analysis herein.
  - e) The services provided is limited to valuation of the Project primarily comprising Land and Building and any part thereof and does not constitute any audit, survey, due diligence, tax related services etc. Accordingly, no opinion has been expressed on the financial information of the business of any party, including the Client and its affiliates and subsidiaries. The Report is prepared solely for the purpose stated and should not be used for any other purpose.
  - f) While the information included in the Report is accurate and reliable to the best of the knowledge of the Valuer, no representations or warranties, expressed or implied, as to the completeness of such information is being made. The Valuer shall not undertake any obligation to update or supplement any information contained in the Report save as provided for in the Agreement.
  - g) Apart from the sources already mentioned in the report, the Valuer has relied on readily available public information for the purpose of preparing this report.
3. The Report reflects matters as they currently exist. Any changes thereon may materially affect the information contained in the Report.
4. All assumptions made in order to determine the valuation of the Project is based on information or opinions as current. In the course of the analysis, the Valuer has relied on information or opinions, both written and verbal, as obtained from the Client as well as from third parties provided with, including limited information on the market, financial and operating data, which has been accepted as accurate in bona-fide belief. No responsibility is assumed for technical or specialized information furnished by the third-party organizations, and this is believed bona-fide to be reliable.

5. No investigation of the title of the assets has been made and owners' claims to the assets is assumed to be valid unless anything contrary is mentioned in the main report. No consideration is given to liens or encumbrances, which may be against the Project or assets. Therefore, no responsibility is assumed for matters of a legal nature.
6. Review of tenants' ability and willingness to continually pay lease rents as per their respective contractual terms is not within the scope of work of Valuer. Valuer has assumed that all tenants' will be able to pay their rents on time as and when demanded as per their contractual terms and that no arrears exist with respect to any tenancy.
7. The Valuer's total aggregate liability to the Client including that of any third-party claims, in contract, tort including negligence or breach of statutory duty, misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the services is limited to an aggregate sum as agreed in the LOE (Letter of Engagement). The Valuer shall not be liable for any pure economic loss, loss of profit, loss of business, depletion of goodwill, in each case whether direct or indirect or consequential or any claims for consequential loss compensation whatsoever which, arise out of or in connection with services provided under this engagement.
8. The Client including its agents, affiliates and employees, must not use, reproduce or divulge to any third party any information it receives from the Valuer for any purpose except set out herein.
9. This engagement shall be governed by and construed in accordance with Indian laws and any dispute arising out of or in connection with the engagement, including the interpretation thereof, shall be submitted to the exclusive jurisdiction of courts in New Delhi.

# Valuation Report

## Mindspace Madhapur (Intime Properties Limited), Madhapur, Hyderabad

Telangana, India

Submitted To:

K. Raheja Corp. Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP)

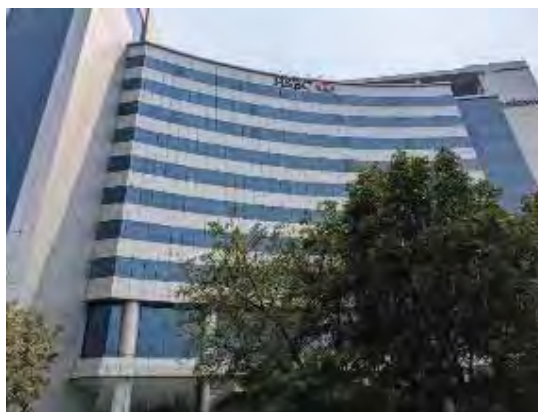
(acting as Manager to Mindspace Business Parks REIT)

Date of Valuation:

31-Mar-2024

Date of Report:

24-Apr-2024



Prepared By:

**KZEN VALTECH PRIVATE LIMITED**

**IBBI/RV-E/05/2022/164**

## EXECUTIVE SUMMARY

|                   |   |
|-------------------|---|
| Property Name     | Mindspace Madhapur (Intime), Madhapur, Hyderabad, Telangana, India 500 081  |
| Property Address  | Mindspace Madhapur, Titus Towers, TSIC software layout, Madhapur, Hyderabad, Telangana, 500081  |
| Land Area         | 8.52 Acres  |
| Brief Description | <p>The Project is located in Madhapur micro market in the Western part of Hyderabad; it is located adjacent to Raidurg Metro Station and at a distance of ~ 31 km from Hyderabad International Airport. The proposed Metro Phase 2 would connect Raidurg to Hyderabad International Airport, which would further improve the connectivity of the Project.</p> <p>The Project is developed as Grade A IT Park with IT Buildings (5B, 6, 9). The Project has excellent visibility along the access road and has 3 entry and exit points.</p> <p>The Project is surrounded by mixed use development comprising residential, retail, and commercial developments.</p> |

Asset Details Leasable area details for Intime Properties Limited as shared by the Client is given below:

| Sr. No. | Building Name       | Leasable Area (sq. ft.) |
|---------|---------------------|-------------------------|
| 1.      | Building 5B         | 245,977                 |
| 2.      | Building 6          | 388,543                 |
| 3.      | Building 9          | 1,095,002               |
|         | Total Leasable Area | 1,729,522               |

Based on the site inspection, all buildings are operational. There are no under-construction buildings within the property.

Location Map



Key Assumptions The table below summarizes key Valuation assumptions used in the estimate.

| Particulars  | Description  |               |                          |            |             |                         |  |         |               |                     |            |             |                         |    |             |                         |         |           |         |    |            |                          |         |           |         |    |            |                         |         |           |           |
|--|--|---------------|--------------------------|------------|-------------|-------------------------|--|---------|---------------|---------------------|------------|-------------|-------------------------|----|-------------|-------------------------|---------|-----------|---------|----|------------|--------------------------|---------|-----------|---------|----|------------|-------------------------|---------|-----------|-----------|
| Asset Specific Information   |  |               |                          |            |             |                         |  |         |               |                     |            |             |                         |    |             |                         |         |           |         |    |            |                          |         |           |         |    |            |                         |         |           |           |
| Nature of Asset  | Commercial / IT Office with Amenities  |               |                          |            |             |                         |  |         |               |                     |            |             |                         |    |             |                         |         |           |         |    |            |                          |         |           |         |    |            |                         |         |           |           |
| Current Status   | Completed and Operational  |               |                          |            |             |                         |  |         |               |                     |            |             |                         |    |             |                         |         |           |         |    |            |                          |         |           |         |    |            |                         |         |           |           |
| Total Leasable Area  | 1,729,522 sq. ft.  |               |                          |            |             |                         |  |         |               |                     |            |             |                         |    |             |                         |         |           |         |    |            |                          |         |           |         |    |            |                         |         |           |           |
| Asset Details  | <table><tr><th>Sl. No.</th><th>Building Name</th><th>Age of the Building</th><th>Usage Type</th><th>Status Area</th><th>Leasable Area (sq. ft.)</th></tr><tr><td>1.</td><td>Building 5B</td><td>~ 15 years and 8 months</td><td>Non-SEZ</td><td>Completed</td><td>245,977</td></tr><tr><td>2.</td><td>Building 6</td><td>~ 14 years and 05 months</td><td>Non-SEZ</td><td>Completed</td><td>388,543</td></tr><tr><td>3.</td><td>Building 9</td><td>~ 13 years and 9 months</td><td>Non-SEZ</td><td>Completed</td><td>1,095,002</td></tr></table> |               |                          |            |             |                         |  | Sl. No. | Building Name | Age of the Building | Usage Type | Status Area | Leasable Area (sq. ft.) | 1. | Building 5B | ~ 15 years and 8 months | Non-SEZ | Completed | 245,977 | 2. | Building 6 | ~ 14 years and 05 months | Non-SEZ | Completed | 388,543 | 3. | Building 9 | ~ 13 years and 9 months | Non-SEZ | Completed | 1,095,002 |
|  | Sl. No.  | Building Name | Age of the Building      | Usage Type | Status Area | Leasable Area (sq. ft.) |  |         |               |                     |            |             |                         |    |             |                         |         |           |         |    |            |                          |         |           |         |    |            |                         |         |           |           |
|  | 1.   | Building 5B   | ~ 15 years and 8 months  | Non-SEZ    | Completed   | 245,977                 |  |         |               |                     |            |             |                         |    |             |                         |         |           |         |    |            |                          |         |           |         |    |            |                         |         |           |           |
|  | 2.   | Building 6    | ~ 14 years and 05 months | Non-SEZ    | Completed   | 388,543                 |  |         |               |                     |            |             |                         |    |             |                         |         |           |         |    |            |                          |         |           |         |    |            |                         |         |           |           |
|  | 3.   | Building 9    | ~ 13 years and 9 months  | Non-SEZ    | Completed   | 1,095,002               |  |         |               |                     |            |             |                         |    |             |                         |         |           |         |    |            |                          |         |           |         |    |            |                         |         |           |           |
| <p>In addition to the above, the undivided rights, title and interest in the following assets are also part of the Project.</p> <ul style="list-style-type: none"><li>▪ Total utility areas and internal roads.</li><li>▪ Total open spaces.</li></ul> |  |               |                          |            |             |                         |  |         |               |                     |            |             |                         |    |             |                         |         |           |         |    |            |                          |         |           |         |    |            |                         |         |           |           |
| Revenue Assumptions  |  |               |                          |            |             |                         |  |         |               |                     |            |             |                         |    |             |                         |         |           |         |    |            |                          |         |           |         |    |            |                         |         |           |           |
| In-Place Rent  | INR 69.5 per sq. ft. per Month   |               |                          |            |             |                         |  |         |               |                     |            |             |                         |    |             |                         |         |           |         |    |            |                          |         |           |         |    |            |                         |         |           |           |
| Market / Marginal Rent   | INR 74.6 per sq. ft. per Month   |               |                          |            |             |                         |  |         |               |                     |            |             |                         |    |             |                         |         |           |         |    |            |                          |         |           |         |    |            |                         |         |           |           |
| Parking Rent   | INR 2,100 per CPS per Month  |               |                          |            |             |                         |  |         |               |                     |            |             |                         |    |             |                         |         |           |         |    |            |                          |         |           |         |    |            |                         |         |           |           |
| Financial Assumptions  |  |               |                          |            |             |                         |  |         |               |                     |            |             |                         |    |             |                         |         |           |         |    |            |                          |         |           |         |    |            |                         |         |           |           |
| Exit Cap Rate  | 8.00%  |               |                          |            |             |                         |  |         |               |                     |            |             |                         |    |             |                         |         |           |         |    |            |                          |         |           |         |    |            |                         |         |           |           |
| Discount Rate / WACC   | 11.75%   |               |                          |            |             |                         |  |         |               |                     |            |             |                         |    |             |                         |         |           |         |    |            |                          |         |           |         |    |            |                         |         |           |           |

For Completed Project - INR 17,407.07 million (INR Seventeen Billion Four Hundred Seven Million and Seventy Thousand Only)

Market Value on  
31-Mar-2024

*Note: Based on the inputs provided by Client, the valuation presented is for 89% interest of Mindspace REIT in the project only. The total value of the asset with 100% interest is **INR 19,558.5 million** (INR Nineteen Billion Five Hundred Fifty Eight Million and Five Hundred Thousand Only)*



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## **LIST OF ABBREVIATIONS**

|         |   |
|---------|---|
| BPO     | Business Process Outsourcing                                    |
| CBD     | Central Business District                                       |
| DCR     | Development Controls & Regulations                              |
| GHMC    | Greater Hyderabad Municipal Corporation                         |
| HMDA    | Hyderabad Metropolitan Development Authority                    |
| INR     | Indian National Rupees  |
| IT/ITES | Information Technology/IT enabled Services                      |
| IVSC    | International Valuation Standards Committee                     |
| JLL     | Jones Lang LaSalle Property Consultants (India) Private Limited |
| km      | Kilometre   |
| NH      | National Highway  |
| ORR     | Outer Ring Road   |
| PBD     | Peripheral Business District                                    |
| RICS    | Royal Institution of Chartered Surveyors                        |
| SEBI    | Securities and Exchange Board of India                          |
| SBD     | Secondary Business District                                     |
| SEZ     | Special Economic Zone   |
| sq. ft. | square feet   |
| sq. m.  | square metre  |
| REIT    | Real Estate Investment Trust                                    |
| Y-o-Y   | Year-on-Year  |

## **CONVERSION OF UNITS**

|          |                  |
|----------|------------------|
| 1 acre   | 43559.66 sq. ft. |
| 1 acre   | 4046.9 sq. m.    |
| 1 sq. m. | 1.196 sq. yards  |
| 1 sq. m. | 10.764 sq. ft.   |
| 1 meter  | 1.0936 yards     |
| 1 meter  | 3.28 ft.         |
| 1 cent   | 435.6 sq. ft.    |

# 1 INTRODUCTION

---

## 1.1 INSTRUCTIONS

K Raheja Corp. Investment Managers LLP (hereinafter referred to as the 'Client'), in its capacity as Manager of the Mindspace Business Parks REIT (Mindspace REIT), has appointed KZEN VALTECH PRIVATE LIMITED, Registered Valuer Entity with Insolvency and Bankruptcy Board of India ("IBBI") bearing registration no. IBBI/RV-E/05/2022/164 (hereinafter referred to as the 'Valuer') to carry out an independent estimate of Market Value of commercial / office properties located in Chennai, Hyderabad, Mumbai and Pune along with incidental or ancillary activities including a facility management business and power distribution facility, vide Engagement Letter dated 27 March 2023. The Client intends to seek independent estimate of Market Value for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchange.

This Valuation Report has Market Value of a commercial / office project named '**Mindspace Madhapur (Intime)**' located in **Madhapur, Hyderabad**, Telangana, India (hereinafter referred to as the 'Project').

## 1.2 PURPOSE OF VALUATION

The purpose of this valuation is to estimate the value of the Project as part of the portfolio of Mindspace REIT for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended together with clarifications, guidelines and notifications thereunder in the Indian stock exchange and for accounting purpose.

In addition, other documents in relation to the regulatory filings such as publicity material, research reports, presentations and press releases will also be prepared, wherein copies, summary or extracts of the Valuation Report are intended to be included.

## 1.3 RELIANT PARTIES

The reliance on the Valuation Report prepared as part of this engagement is extended to the Manager, REIT and other parties including the trustee of REIT, debenture trustee(s), stock exchanges, unitholders of REIT, Securities and Exchange Board of India ('SEBI'), credit rating agencies, lenders of the REIT and/or its special purpose vehicles or any other person within or outside India as the Manager may deem fit for the purpose as highlighted in this report (valuation). The Valuer, however, would extend no liability to such reliant parties save and except for gross and willful negligence.

The valuation exercise is conducted strictly and only for the use of the parties as stated above who need to rely on such valuation ('Reliant Party') and for the Purpose specifically stated. The Client shall make all reliant parties aware of the terms and conditions of the engagement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 1.4 VALUER'S CAPABILITY

**KZEN VALTECH PRIVATE LIMITED**, bearing Registered Valuer Entity number IBBI/RV-E/05/2022/164 with IBBI has been appointed as the Valuer for providing opinions on market value of the respective Subject Properties.

Mr. Sachin Gulaty, Director, KZEN VALTECH PRIVATE LIMITED, is registered as a valuer with IBBI for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 13 August 2021. He qualified for the degree of Bachelor of Architecture from School of Planning and Architecture, New Delhi in 1997, and qualified for the degree of Master in Planning with specialization in Urban Planning from School of Planning and Architecture, New Delhi in 2002. He, subsequently, undertook distance learning from SVKM's Narsee Monjee Institute of Management Studies ("NMIMS") Global Access – School for Continuing Education, qualified for the two-years Post Graduate Diploma in Banking & Financial Management and was awarded this Post Graduate Diploma in July 2018.

Mr. Gulaty has more than 26 years of experience, including one and a half years of post-graduate education, spread over domains of architecture, urban planning, urban infrastructure, real estate advisory, and real estate asset valuation. He was the National Head of Valuations for Jones Lang LaSalle Property Consultants (India) Private Limited ("JLL India"), a leading International Property Consulting firm in India, from 2010 to 2021. Prior to this role, Mr. Gulaty gained practical experience in providing architecture services, town and city planning, and research related to regulatory studies and urban governance covering urban infrastructure such as water supply, sanitation, solid waste management, and urban transport, among other aspects. In the early part of his career, he worked with renowned architectural services firm, Kuldip Singh & Associates, and The Energy and Resources Institute ("TERI"). His last employment was with JLL as Senior Director and National Head for Valuations.

As the National Head of Valuations at JLL India, he led numerous valuation exercises for multiple financial institutions, private equity/real estate funds, corporates, industrial houses, government departments, and developers across multiple real estate asset classes of commercial, retail, residential, industrial, healthcare, and hospitality, among others. Clientele served by him across his entire career till date, under various employments, includes Brookfield, GIC, Qatar Investment Authority, JP Morgan, BlackRock, CapitalLand, Citibank, Standard Chartered Bank, Yes Bank, Kotak Mahindra, Maruti Suzuki, Indiabulls, Dubai Port World, World Bank, DLF, RMZ, Shriram Properties, DIPAM, NHAI, NBCC, AAI, and RLDA, among others.

Mr. Gulaty, who carries IBBI Registration Number: IBBI/RV/02/2021/14284, is enrolled with the Institute of Valuers Registered Valuers Foundation ("IOVRVF"), is a Fellow of Royal Institution of Chartered Surveyors ("RICS"), Fellow and Lifetime Member of Institute of Valuers, India ("IOV"), admitted as an Arbitrator (India) on the RICS Panel of Dispute Resolvers & Expert Witnesses, and features in the global list of RICS Trained Assessors, has prepared and signed this report on behalf of RV-E.

## 1.5 INDEPENDENCE, CONFLICT OF INTEREST AND VALUER'S INTEREST

The Valuer confirms that there are no conflicts of interest in so far as discharging his duties as a valuer for the Project is concerned. The Valuer has undertaken the valuation exercise without the presence of any bias, coercion, or undue influence of any party, whether directly connected to the valuation assignment. There has not been any professional association with the Client or the Project in past five years from his engagement as the Valuer, except as valuer under the SEBI (REIT) Regulations, 2014.

The Valuer certifies that he/she does not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the Project (including the parties with whom the Client is dealing, including the lender or selling agent, if any) and accepts instructions to value the Project only from the Client.



## 1.6 ASSUMPTIONS, DEPARTURES AND RESERVATIONS

This Valuation Report has been prepared on the basis of the assumptions within the instructions (Key Assumptions, Qualifications, limitations and Disclosures) detailed after this section of this report. The development mix, built up area, land area and lease details such as lease rent, lease commencement and lease end date, lock-in period, escalation terms, etc. pertaining to the Project is based on the appropriate relevant documents, which has been provided by the Client and the same has been adopted for the purpose of this valuation.

## 1.7 INSPECTION OF THE PROJECT

Building 9 of the project was inspected on 22 March 2024 and Buildings 5 and 6 of the project were inspected on 23 March 2024 by the Valuer in the presence of client-nominated representative, and subsequently no site visits have been conducted. No measurement or building survey has been carried out as part of the valuation exercise. The Valuer has relied entirely on the site areas provided by the Client, which has been assumed to be correct. Based on the discussions with the Client, it has been assumed that no material change in the condition of the property has taken place except for the progress of construction work in accordance with the information shared.

## 1.8 GENERAL COMMENT

A valuation is a prediction of price, not a guarantee. By necessity, it requires the Valuer to make subjective judgments that, even if logical and appropriate, may differ from those made by a purchaser, or another valuer. Historically it has been considered that valuers may properly conclude within a range of possible values.

The purpose of the valuation does not alter the approach to the valuation.

Property values can change substantially, even over short periods of time, and thus the valuation of the Project herein could differ significantly if the date of valuation was to change.

This report should not be relied upon for any other purpose other than for which this valuation exercise has been undertaken.

## 1.9 CONFIDENTIALITY

The contents of this Valuation Report are intended for the specific purpose stated. Consequently, and in accordance with current practice, no responsibility is accepted to any other party in respect of the whole or any part of its contents- except as maybe required in connection with the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, under the applicable law.

## 1.10 AUTHORITY

The Client acknowledges and agrees that the valuation exercise undertaken (including, without limitation, the Reports itself and the contents thereof) is solely for the purpose set out in Section 1.2 herein. If Client desires to use the Report in any offering or other investment material for purpose other than as mentioned in the Section 1.2 herein, then (a) with Valuer will require, and the Client must provide or cause to be provided, an indemnification agreement in his favor, given by parties reasonably satisfactory to him, and (b) the Client will obtain his consent to the references in such materials to the Report.

## 1.11 LIMITATION OF LIABILITY

The Valuer has provided the services exercising due care and skill but does not accept any legal liability arising from negligence or otherwise to any person in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the properties. Further, the Valuer shall not accept liability for any errors, misstatements, omissions in the report caused due to false, misleading or incomplete information or documentation provided to him by the Instructing Party.

The Valuer's maximum aggregate liability for claims arising out of or in connection with the Valuation, under this engagement shall not exceed the professional indemnity insurance obtained by him. As on the date of this report, the professional indemnity insurance maintained by the Valuer is for Indian Rupees Fifty Million.

In the event that the Manager, the sponsors, the trustee, the REIT, or other intermediaries appointed by the Manager and / or REIT or its SPVs be subject to any claim ('Claim Parties') in connection with, arising out of or attributable to the Report, the Claim Parties will be entitled to require the Valuer to be a necessary party/respondent to such claim and he shall not object to his inclusion as a necessary party/ respondent. In all such cases, the Manager, on behalf of the REIT, agrees to reimburse/ refund to the Valuer, the actual cost (which shall include legal fees and external counsel's fee) incurred by them while becoming a necessary party/respondent. If the Valuer does not cooperate to be named as a party/respondent to such claims in providing adequate/successful defense in defending such claims, the Claim Parties jointly or severally will be entitled to initiate a separate claim against the Valuer in this regard.

The Valuer will neither be responsible for any legal due diligence, title search, and physical measurements nor undertake any verification/ validation of the zoning regulations/ development controls with any government departments/authorities, among other aspects., etc.

## 1.12 DISCLOSURE AND PUBLICATION

The Valuer must not disclose the contents of this Valuation Report to a third party in any way, except as allowed under the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars. As per the terms and regulation 2(1) of the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars, it may be noted that the Valuation report is prepared in accordance with said REIT regulations.

## 1.13 ANTI-BRIBERY AND ANTI-CORRUPTION

The Valuer represents, warrants and undertakes that:

The Valuer is familiar with applicable Anti-Corruption Laws under this Agreement including but not limited to Prevention of Corruption Act 1988 and will ensure that neither it nor any of its officers, directors, shareholders, employees and agents or any other person acting under its implied or express authority will engage in any activity, practice or conduct which would constitute an offence under, or expose or potentially expose either Party to any direct or indirect liability, under Applicable Anti-Corruption Laws;

It is further agreed that breach of any of the above undertakings shall be deemed to be a material breach of the Agreement and in case the Valuer is insisted upon or asserted by Client to violate any of the above said undertakings including Anti-Corruption regulations in any form

or manner, on pretext of business relationship or otherwise, the Valuer shall have a discretionary right to terminate this Agreement without any liability or obligation on his part.

Such termination of this Agreement shall not in any way prejudice the rights and obligations (including payment for the services delivered under this Agreement) already accrued to the Valuer, prior to such termination.

## KEY ASSUMPTIONS, QUALIFICATIONS, LIMITATIONS AND DISCLAIMERS

|    |   |   |
|----|---|---|
| 1. | Type of Estimate                              | The scope of the assignment covers only estimating Market Value of a specified property and not a business valuation for either the Client or any of their subsidiaries or associated companies, etc. The estimate is based on extent of data/information provided by the Client and estimate has limited coverage wherever full data/information is not made available by the Client.  |
| 2. | Legal Due-Diligence                           | Legal due diligence for establishing clarity of title, ownership, encumbrances if any, notices or disputes if any, among other legal-related issues are not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.  |
| 3. | Information Provided by the Client and Others | The Valuer has relied on the information provided by the Client and the same has been assumed to be correct and has been used in the valuation. Where it is stated that another party has supplied information to the Valuer, this information is believed to be reliable. The Valuer cannot accept any responsibility for accuracy and non-reliability of such information.  |
| 4. | Regulatory Due-Diligence                      | Regulatory due diligence is not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.  |
| 5. | Project Status, Schedule and Project Costing  | Assessment of the Project Status and Schedule is based on the information provided by the Client and does not consider any unforeseeable developments which could impact the same in the future. The estimate <u>does account</u> for any capital expenses incurred by the Client on the existing and/or ongoing development works in the Project. Auditing the project figures is not part of the scope of work under this assignment. In all likelihood, an independent auditing agency would be covering this aspect, details of which can be obtained from the Client.  |
| 6. | Market Conditions and Trends                  | The Valuer has taken into consideration the general conditions in the market with respect to broad demand and supply while carrying out the valuation. The Valuer has compared other comparable properties on the basis of many factors and as far as possible tried to remove / account for the differences in type, location and quality of the properties.   |
| 7. | Information on Leases and Sales Performance   | The Valuer has relied on the rent roll including lease terms & conditions of the existing and pre-committed leases, as given by the Client. The Valuer has not verified individual lease agreements and the Valuer has relied on all information provided to him by the Client, upon which the Valuer will rely, is complete and correct. The Valuer has relied on pre-leasing details to the extent data/information made available by the Client.   |
| 8. | Site Investigations and Illustrations         | The Valuer has carried out the site visits and based on the information made available by the Client and the estimate is carried out considering that the Project Site is a contiguous land parcel and is free from any encroachments and encumbrances as on the date of valuation. The Valuer has not carried out any structural survey nor tested the building services. No geographical or geo-physical survey was carried out. No environmental assessment has been carried out. Any sketch, plan or map in the report is included to assist reader while visualizing the Project and assume no responsibility in connection with such matters. |

|     |  |  |
|-----|--|--|
| 9.  | Project Cost Estimates                     | Project Cost Estimates used in the estimate is as given by the Client. Project progress including capital expenditure progress reported is based on the cost incurred data as shared by the Client. The Valuer has reviewed the Project Cost estimates and/or cost incurred data to broadly ascertain their correctness on a normative basis while relying on the same as shared by the Client.  |
| 10. | Environmental Compliance                   | The Valuer assumed that the Project Site / Project is not contaminated and is not adversely affected by any existing or proposed environmental law and any processes which are carried out on the Project Site are regulated by environmental legislation and are Project Site licensed by the appropriate authorities.  |
| 11. | Present Ground Conditions                  | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present, which might adversely affect the current or future occupation, development of the Project. The estimate assumes that the Project Site is free from rot, infestation, structural or latent defect and no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the property and comments made in the property details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.  |
| 12. | Town Planning and Statutory Considerations | The Valuer has not made formal search but has generally relied on readily available information to general public. Valuation Report is on current use/ current state basis of the property and the Valuer has not considered any Government proposals for road widening or compulsory purchase/ acquisition, or any other statute in force that might affect the Project.  |
| 13. | Future Market Development and Prospects    | The Valuer has not accounted any future market development and prospects to the extent information known to the Valuer as on the date of valuation. The Valuer does not warrant that such statements are accurate or correct.  |
| 14. | Disclaimer                                 | <p>The estimate of Market Value is based on documents/information shared by the Client. The Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Project.</p> <p>The Valuer has relied on the measurements and information provided at all times, whether from public and private sources, and has ensured to the best of their ability the correctness and the validity of the same, by cross checking from various sources. Whilst every effort has been taken to provide authentic data and analysis, the Valuer, and/or any of their associated companies and/or their employees are not responsible for any loss, major or minor incurred on the basis of the information and analyses provided, nor are liable to any damages in any form or shape.</p> <p>Given the confidential nature of real estate transactions, transaction details for most properties, which are privately actually transacted, are not in the public domain. Consequently, there is reliance on information from market sources, which may not be completely accurate. Thus, information has been crosschecked independently from other market sources to ascertain the broad credibility of information being provided by the market sources. This assignment has been done on best effort and knowledge basis.</p> <p>For ease and simplicity of representation, certain figures may have been rounded.</p> |

## 2 VALUATION APPROACH AND METHODOLOGY

### 2.1 VALUATION STANDARDS ADOPTED

This Report is prepared in accordance and compliance with:

1. Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time ("**SEBI Regulations 2014**"), including Regulation 21 Sub-Regulation (3) and mandatory minimum disclosures as specified in Schedule V of these SEBI Regulation 2014,
2. Companies (Registered Valuers and Valuation) Rules, 2017 as amended from time to time ("**Valuer Rules 2017**"), including reporting requirements as specified in Rule 18 to these rules,
3. International Valuation Standards 2022 ("**IVS 2022**") as set out by International Valuation Standards Committee ("**IVSC**") and adopted by Royal Institution of Chartered Surveyors ("**RICS**") presented in the RICS Valuation Standards and Guidelines 2022 ("**RICS Red Book 2022**"), subject to variation to meet local established law, custom, practice, and market conditions.

### 2.2 BASIS OF VALUATION

Basis of valuation of the Project is **Market Value** as defined by IVSC and adopted by Royal Institution of Chartered Surveyors (RICS) to be: *"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion"*.

### 2.3 APPROACH AND METHODOLOGY

The purpose of this valuation exercise is to estimate the Market Value of the Project, which is a real estate asset. Market Value of the real estate asset can be estimated using different approaches and methodologies.

**Income Approach:** Under this valuation approach, the income generating potential of the real estate asset is estimated while opining on its market value. This approach is typically adopted for assets that are income-generating (completed and operational with multiple tenancies, multiple strata units that can be sold with phased/milestone-based revenue collections, among others). For income-generating assets with single/multiple tenancies, the discounted cash flow entailing term and reversion method is most commonly adopted.

**Market Approach:** Under this valuation approach, the price that an asset could fetch in an open market is estimated. This approach is typically adopted for homogeneous assets in their micro-market and are typically traded on a unit basis. The most commonly adopted valuation method under this valuation approach is the Listed Transaction / Listed Quoted Instances Method, also commonly known as the Direct Comparison or the Comparable Sales/Quoted Instances Method.

**Cost Approach:** Under this valuation approach, the cost required to create an asset of similar or equal utility is estimated. This valuation approach is typically adopted for real estate assets that can be clearly broken down into constituent elements, namely land and built structures. The most commonly adopted valuation method under this valuation approach is the Physical Method, also commonly known as Land and Building Method, which typically entails estimation of the underlying land value (while normally adopting the Market Approach) and the built structures (while adopting the Depreciated Replacement Cost Method) separately.



The table below presents different valuation methodologies and their brief description.

**Table 2.1: Different Valuation Methodologies and Description**

| Sl. No. | Valuation Methodology                      | Description   |
|---------|--|---|
| 1.      | Comparable Sales / Quoted Instances Method | This method is based on comparing the subject property directly with other comparable property transaction (actually been sold in the vicinity or are offered for sale). Efforts would be made to collect transacted instances. In case of non-availability of transacted instances in the micro-market, the opinion will be offered based on the available asking/quoted instances in the market with appropriate adjustments for margin for negotiation. Given the homogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative and quantitative differences that may affect the price likely to be achieved by the property under consideration. These adjustments are typically made in the form of premium and/or discount factors for various property attributes, which affect the value. This method demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This method is a fair estimate of the prevailing prices. |
| 2.      | Depreciated Replacement Cost Method        | Replacement cost method is based on the construction cost of assets. The cost to be estimated is the cost of construction as per the construction status at the valuation date. This is based on the inspection of the facility and inputs provided by the Client; however, no structural survey will be conducted. Appropriate depreciation rates will be applied based on schedules given under the Indian Companies Act. This is generally used for estimating the Market Value of only the buildings  |
| 3.      | Discounted Cash Flow Method                | This method is based on the present value of the future receivable net income from the current operational leases / revenues. The current revenues and the future achievable revenues derived from the operational project components of the Project Site would be adjusted for the outgoing expenses to derive 10-year cash flows. The same is then discounted at an appropriate discounting rate linked with risk adjusted discounting factor to estimate the market value for the operational project components. This method is sometimes referred to as 'Rent Roll method as well.   |

#### Approach and Methodology Adopted for Estimating Market Value of the Project

Based on a detailed review of the leases for the Project, the Valuer has noted that a large number of leases of the Project were executed at rent prevalent at the time of signing of such leases or at a discount to prevailing market rental (for a few anchor tenants). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, demand-supply dynamics, quality of spaces, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some properties or submarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to estimate the intrinsic value of the property under review.

Considering the objective of this exercise and the nature of asset involved (completed & operational commercial / office space, the value is estimated using the 'Discounted Cash Flow Method' (basis term and rent reversion) under 'Income Approach'.

## 3 VALUATION ASSUMPTIONS AND INPUTS

### 3.1 INVESTIGATION, NATURE AND SOURCE OF INFORMATION

The Valuer undertook physical visits of the Project wherein the buildings and related assets were visually inspected to assess the condition of the buildings and the apparent state of its maintenance/upkeep.

Information related to state and structure of the relevant real estate market for the Project was sourced from the industry and market report prepared by Jones Lang LaSalle Property Consultants (India) Private Limited ('JLL'), who were appointed by the Client to undertake market research and portfolio analysis of the properties part of the Mindspace REIT.

Project related information referred to for the valuation exercise have been provided by the Client unless otherwise mentioned. The Valuer has assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, the Valuer has independently revalidated the information by reviewing the originals as provided by the Client.

In addition, the Valuer relied on the following information and documents shared by the Client with respect to the Project:

- Title certificates prepared by the Legal Counsel of the Client covering the type of ownership interest enjoyed and information on ongoing litigation.
- Architect's certificates dated mentioning site areas and property areas
- Relevant approval documents from competent authorities regarding occupancy, operations and fire safety.
- Lease agreements and commercial clauses thereof for top five tenants on a sample basis
- Masterplan/ Development plan applicable in the jurisdiction of the Project
- Management representation regarding the following:
  - Major repairs undertaken and proposed in the Project
  - Statement of assets
  - Revenue pendency if any
  - Options or Rights of Pre-emption and any other encumbrances concerning or affecting the property.
  - List of material litigations

### 3.2 CAPITALIZATION RATE

The capitalization rate adopted for valuing the assets has been based on various factors such as:

- Historical entry yields (going in cap rates) for commercial / office asset transactions across various key markets in India, which have steadily shown a downward trend over last 7 - 8 years from 10.5%-11.5% to about 7.5%-8.5% in 2023.
- The increased appetite for income generating assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- The demand supply situation in the respective city and expected dynamics of demand leading supply - given entry challenges such as land availability, higher initial cost outlays etc. developers are expected to focus on fully built to suit or semi-speculative projects (with key tenants tied in prior to launch of construction).
- Inflation (and interest rates) expected to be maintained in check with interventions from the Reserve Bank of India, in case of significant change.
- Liquidity associated with REIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer).

***Based on the above factors, the Valuer has adopted a exit cap rate of 8% for the Project, for the purposes of estimating the Market Value, considering the 1 year forward net operating income after 10 years, is utilized for the purpose of calculation of exit value / terminal cash flow.***

### 3.3 DISCOUNT RATE

This discount rate used for discounting the available cash flows represents Cost of equity (the opportunity cost for shareholders) and Cost of Debt (the opportunity cost for creditors), weighted by their respective contribution to the total capital of the company (WACC).

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived using the below formula:

$$\text{Cost of equity} = \text{Risk Free Rate (Rf)} + \text{Beta } (\beta) * (\text{Market Return (Rm)} - \text{Risk Free Rate (Rf)})$$

The cost of debt for completed commercial / office blocks has been considered based on prevalent financing rates for Grade A commercial / office parks in the city. The weightages accorded to equity and debt are derived through benchmarking the subject property against similar portfolios/properties in the market. For discounting the cash flows, an appropriate discount rate considering the location of Project and market dynamics of the micro market, has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC) which is derived to be 11.75% for the completed portion of the project.

This derived discount rate was found to be aligned with the expectations of investors investing in similar assets.

## 4 VALUATION CERTIFICATE

| Property Name   | Mindspace Madhapur (Intime), Madhapur, Hyderabad, Telangana, India 500 081   |                             |                   |                             |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
|---|--|-----------------------------|-------------------|-----------------------------|----|-------------|--------|----|-------------|--------|----|-------------|--------|----|-------------|--------|----|-------------|--------|----|-------------|--------|----|-------------|--------|----|-------------|--------|
| Property Address  | Mindspace Madhapur, Titus Towers, TSIIIC software layout, Madhapur, Hyderabad, Telangana, 500081   |                             |                   |                             |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| Land Area   | 8.52 Acres   |                             |                   |                             |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| Brief Description                                       | <p>The Project is located in Madhapur micro market in the Western part of Hyderabad; it is located adjacent to Raidurg Metro Station and at a distance of ~ 31 km from Hyderabad International Airport. The proposed Metro Phase 2 would connect Raidurg to Hyderabad International Airport, which would further improve the connectivity of the Project.</p> <p>The Project is developed as Grade A IT Park and comprises of three IT Buildings (5B, 6, 9). The Project has excellent visibility along the access road and has 3 entry and exit points. The Project is surrounded by mixed use development comprising residential, retail, and commercial developments.</p>   |                             |                   |                             |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| Valuation Methods                                       | For completed and operational Buildings, the estimate of Market Value is prepared using 'Discounted Cash Flow Method' using Rent Reversion   |                             |                   |                             |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| Nature of the Interest by the Client                    | 89% freehold interest in the Project as informed by the Client   |                             |                   |                             |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| Purchase Price of the Project                           | <p>INR 13,517.33 million, as given by the Client</p> <p><i>Note: Based on the inputs provided by client, Mindspace REIT holds 89% of the ownership interest in the project and the valuation presented is for 89% interest in the project only. The total value of the asset with 100% interest is <b>INR 15,188.01 million</b></i></p>  |                             |                   |                             |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| Historical Valuation of the Project in 3 Previous Years | <p>Below table summarizes historical valuation of the Project as given by the Client:</p> <table><tr><th>Sr. No.</th><th>Date of Valuation</th><th>Total Market Value (INR Mn)</th></tr><tr><td>1.</td><td>30-Sep-2023</td><td>17,001</td></tr><tr><td>2.</td><td>31-Mar-2023</td><td>16,831</td></tr><tr><td>3.</td><td>30-Sep-2022</td><td>16,775</td></tr><tr><td>4.</td><td>31-Mar-2022</td><td>16,436</td></tr><tr><td>5.</td><td>30-Sep-2021</td><td>16,204</td></tr><tr><td>6.</td><td>31-Mar-2021</td><td>15,790</td></tr><tr><td>7.</td><td>30-Sep-2020</td><td>16,061</td></tr><tr><td>8.</td><td>31-Mar-2020</td><td>15,501</td></tr></table> <p><i>Note: The above figures are for 89% interest of Intime Properties Limited in the Project.</i></p> | Sr. No.                     | Date of Valuation | Total Market Value (INR Mn) | 1. | 30-Sep-2023 | 17,001 | 2. | 31-Mar-2023 | 16,831 | 3. | 30-Sep-2022 | 16,775 | 4. | 31-Mar-2022 | 16,436 | 5. | 30-Sep-2021 | 16,204 | 6. | 31-Mar-2021 | 15,790 | 7. | 30-Sep-2020 | 16,061 | 8. | 31-Mar-2020 | 15,501 |
| Sr. No.   | Date of Valuation  | Total Market Value (INR Mn) |                   |                             |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| 1.  | 30-Sep-2023  | 17,001                      |                   |                             |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| 2.  | 31-Mar-2023  | 16,831                      |                   |                             |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| 3.  | 30-Sep-2022  | 16,775                      |                   |                             |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| 4.  | 31-Mar-2022  | 16,436                      |                   |                             |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| 5.  | 30-Sep-2021  | 16,204                      |                   |                             |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| 6.  | 31-Mar-2021  | 15,790                      |                   |                             |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| 7.  | 30-Sep-2020  | 16,061                      |                   |                             |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| 8.  | 31-Mar-2020  | 15,501                      |                   |                             |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| Ready Reckoner Rate                                     | <p>For Built-up Area</p> <p>Ground floor – INR 7,300 per sq. ft. and first &amp; other floors - INR 6,600 per sq. ft.</p> <p>Land Rate – INR 44,900 per sq. yard.</p>  |                             |                   |                             |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| Date of Valuation                                       | 31-Mar-2024  |                             |                   |                             |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| Date of Inspection                                      | 22 and 23-Mar-2024   |                             |                   |                             |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |

|  |  |
|--|--|
|  | For Completed Project - INR 17,407.07 million (INR Seventeen Billion Four Hundred Seven Million and Seventy Thousand Only)   |
| Market Value as on 31-Mar-2024                           | <i>Note: Based on the inputs provided by Client, the valuation presented is for 89% interest of Mindspace REIT in the project only. The total value of the asset with 100% interest is <b>INR 19,558.5 million</b> (INR Nineteen Billion Five Hundred Fifty-Eight Million and Five Hundred Thousand Only)</i>  |
| Matters Affecting the Property and its Value             | Please refer to Chapter 7 of this Valuation Report   |
| Assumptions, Disclaimers, Limitations and Qualifications | This Valuation Report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report, which are made in conjunction with those included within the Assumptions, Limitations & Qualifications section located within this report. Reliance on this report and extension of Valuer's liability is conditional upon the reader's acknowledgement and understanding of these statements. This Valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party, who may use or rely on the whole or any part of the content of this Valuation Report. The Valuer has no pecuniary interest that would conflict with the proper valuation of the Project |
| Prepared by  | KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)<br>Represented through its Director<br>Mr. Sachin Gulaty FRICS FIV FIIA<br>IBBI/RV/02/2021/14284  |



-----  
**Name:** Sachin Gulaty FRICS FIV FIIA  
**Designation:** Director  
**Valuer Registration No.:** IBBI/RV/02/2021/14284



## 5 PROJECT SITE AND PROJECT ANALYSIS

### 5.1 DETAILS OF THE PROJECT SITE AND/OR PROJECT

The table below presents details of the Project Site and/or Project.

Table 5.1: Details of the Project Site and/or Project

| DETAILS OF PROPERTY                                     |  |
|---|--|
| Property Name   | Mindspace Madhapur (Intime), Madhapur, Hyderabad, Telangana, India 500 081                     |
| Property Address  | Mindspace Madhapur, Titus Towers, TSIC software layout, Madhapur, Hyderabad, Telangana, 500081 |
| Land Area   | 8.52 Acres   |
| Block-Wise Break-Up of Leasable Area and Current Status | Please refer Table 1.1   |
| Access  | Accessible through 60 m wide Hitech City Main Road and 36 m wide internal road                 |
| Frontage  | Excellent frontage along the abutting road   |
| Shape and Visibility                                    | Regular in shape and has excellent visibility along the abutting road                          |
| Approval Status   | Project has requisite approvals in place as confirmed by the Client.                           |
| INFRASTRUCTURE  |  |
| Water Supply, Sewerage & Drainage                       | Available within the Project   |
| Power & Telecommunication                               | Available within the Project   |

### 5.2 LOCATION OF THE PROJECT

The Project is located in Madhapur in the Western part of Hyderabad. It is located adjacent to the Raidurg Metro Station and at a distance of ~ 31 km from Hyderabad International Airport.

The map on the following page presents the location of the Project with respect to the city.

Map 5.1: Location of the Project Site with respect to the Hyderabad City



Source: Real Estate Market Research & Analysis; JLL, March 2024

The distance of the Project from major landmarks in the city is given in the table below.

Table 5.2: Distances of the Project from Major Landmarks in the City

| Location / Landmark             | Approximate Distance from Project Site (km) |
|---------------------------------|---|
| Raidurg Metro station           | Adjacent to the Mindspace Park              |
| Cyber Tower                     | ~ 1.3                                       |
| Inorbit Mall                    | ~ 1.4                                       |
| Outer Ring Road (ORR)           | ~ 2.5                                       |
| Secunderabad Railway station    | ~ 19  |
| Hyderabad International Airport | ~ 31  |

Source: Real Estate Market Research & Analysis; JLL, March 2024

### 5.3 DESCRIPTION OF THE PROJECT AND ITS SURROUNDINGS

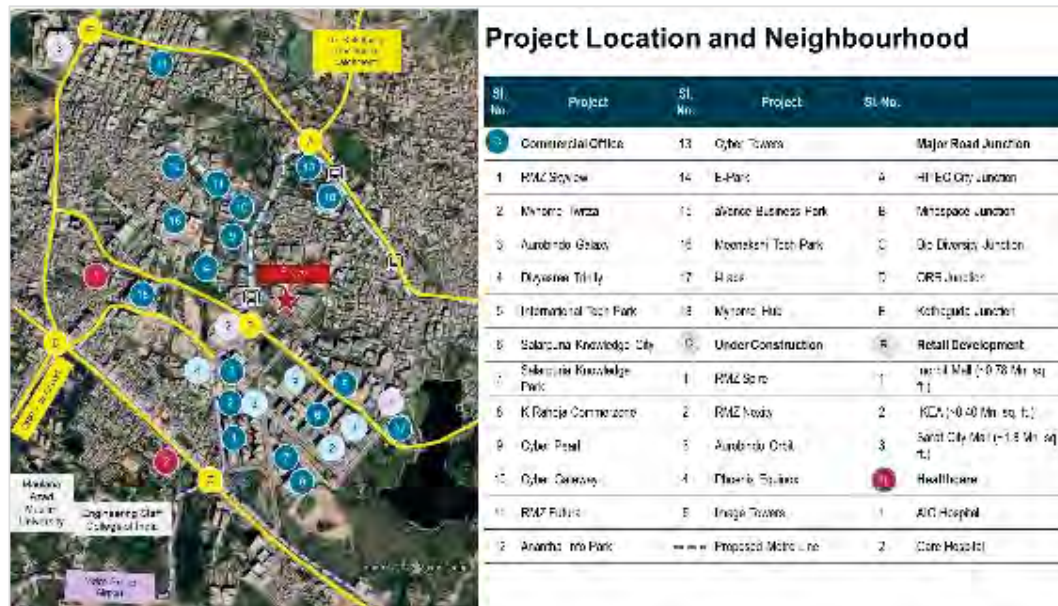
The Project is developed as IT Park and is located in Madhapur micro market of Hyderabad. It is located accessible through 60 m wide road from HITEC City main road and 36 m internal road. In terms of Project Site attributes, the Project Site is regular in shape and has relatively flat terrain. The Project has excellent frontage and visibility along the abutting road and the overall IT Park has 3 entry / exit points. The Project is regular in shape with fairly even topography.

The Project is spread across ~8.52 acres of land and spread across three buildings with total leasable area of ~ 1.73 million sq. ft.

The Project micro market has excellent social and physical infrastructure and is the most sought-after micro market for commercial office in Hyderabad.

The following map presents the location of the Project and its surroundings.

Map 5.2: Location of Project and its Surrounding Developments



Source: Real Estate Market Research & Analysis; JLL, March 2024

The table below presents the boundary/edge conditions of the Project (overall Mindspace Park).

Table 5.3: Project (overall Mindspace Park) and its Site Boundaries

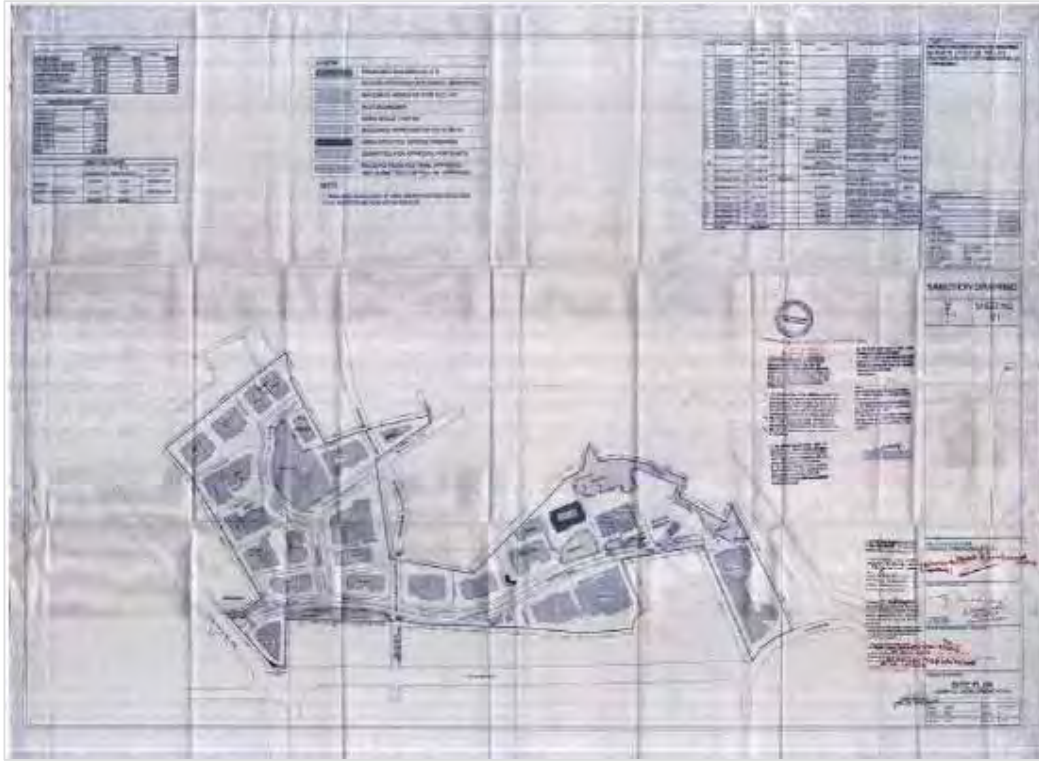
|       |                                       |
|-------|---------------------------------------|
| North | Private Property                      |
| South | Private Property and 36 m wide road   |
| West  | 60 m wide road (HITEC City main road) |
| East  | Private Property and 24 m wide road   |

Source: Real Estate Market Research & Analysis; JLL, March 2024

The Project is predominantly surrounded by Grade A commercial / office, residential, retail and hospitality developments.

The map on the following page presents the conceptual Layout Plan of the Project as shared by the Client.

Map 5.3: Conceptual Layout Plan for the Project



Source: Client, March 2024

## 5.4 DESCRIPTION OF THE PROJECT

As stated earlier, the Project has total leasable area of 1.73 million sq. ft. as per the occupancy certificate and leases signed and it is spread across three (3) buildings i.e., Building 5B, 6 and 9. All the buildings are completed & operational and are non-SEZ buildings.

The table on the following page presents key asset specific information.

**Table 5.4: Key Asset Specific Information of the Project**

| Particulars                      | Description   |
|----------------------------------|---|
| Name of the Entity               | Intime Properties Limited   |
| Interest owned by Mindspace REIT | Project is wholly owned by Intime Properties Limited, which is 89% owned and controlled by Mindspace REIT <sup>11</sup> |
| Land Extent                      | 8.52 Acres  |
| Asset Type                       | IT Park with Non-SEZ buildings  |
| Sub-Market                       | Madhapur  |
| Approved and Existing Usage      | IT Offices  |
| Current Status                   | 100% Complete and Operational   |
| Approvals Status                 | List of approvals are specified in annexure 4   |
| Freehold/Leasehold               | The underlying land is taken on freehold basis  |
| Leasable Area                    | 1.73 million sq. ft.  |
| Occupied Area                    | 1.59 million sq. ft.  |

| Particulars                       | Description          |
|-----------------------------------|----------------------|
| Committed Area                    | 1.59 million sq. ft. |
| Occupancy <sup>3/</sup>           | 92.1%                |
| Committed Occupancy <sup>4/</sup> | 92.1%                |
| Number of Tenants                 | 31                   |

<sup>1/</sup> Refer company structure set out in Annexure 1

<sup>2/</sup> Client has obtained occupation certificate for entire leasable area measuring 1.73 million sq. ft.

<sup>3/</sup> Occupancy refers to proportion of area leased, which is actively occupied by the tenants/occupiers

<sup>4/</sup> Committed occupancy also includes area, which has been pre-leased to tenants/occupiers

## 5.5 PROJECT INSPECTION

The Project is part of a larger campus. spread across three (3) IT Buildings (5B, 6 & 9). All buildings are completed & operational and are non-SEZ buildings, The Project was inspected on 22 and 23 March 2024 by the Valuer.

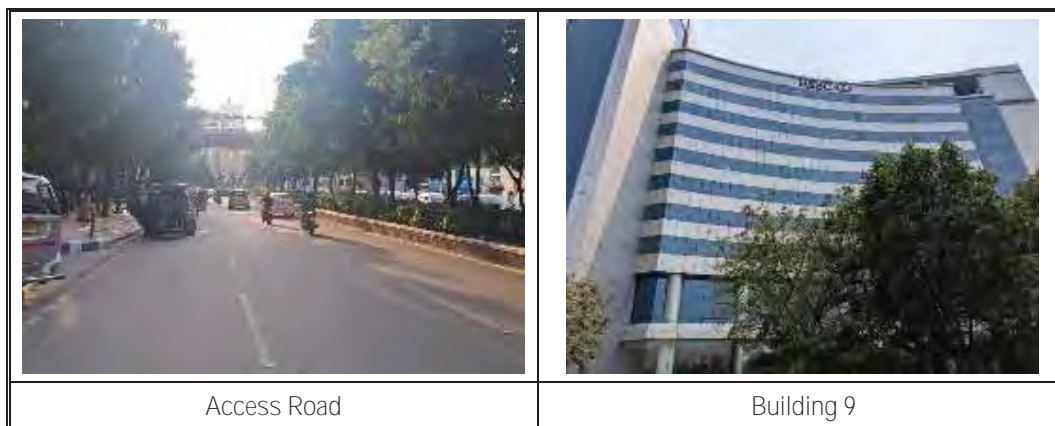
The inspection comprised visual inspection of operational buildings comprising the property and visits to key utility areas like LT Electric Room, Pump Room, HVAC installations, Power Back up, STP. The common areas within the buildings were visited on a sample basis as the areas under tenant occupation had access restriction.

The visual inspection of the buildings did not reveal any cause of concern with no visible signs of any disrepair or ill maintenance within the operational buildings. The utility areas also appeared well maintained, visually. No instances of any major logging or water accumulation were observed during the inspections. The inspections did not comprise any structural survey, technical/engineering review or safety audit and the assessment of the condition of the building, its utilities and campus infrastructure are based completely on visual survey.

Some of the photographs of the Project and surroundings are given below.







## 5.6 OTHER RELEVANT INFORMATION RELATED TO THE PROJECT

### Developable Area of the Project

The Total area of the Project is ~ 8.52 acres with a total leasable area of ~ 1.73 Mn sq. ft under 3 buildings.

### Site Services and Finishes

The visual inspection was done for all the buildings including common areas and key utility areas such as LT Electric Room, Pump Room, STP, Chillers, HVAC Installations etc. As per the visual survey there was no concern related to finishes and site services. The campus is well maintained with proper landscaping in common areas.

### Condition and Repairs

The visual inspection was done for all the buildings including common areas and key utility areas such as LT Electric Room, Pump Room, STP, Chillers, HVAC Installations etc. The inspection of key utility areas was done on a sample basis, and it did not reveal any cause of concern or ill maintenance in any of the operational buildings. However, there is upgrade CAPEX to the tune of approx. INR 191.3 million which shall be completed by Q4 FY25.

### Environmental Considerations

Valuer has not carried out any investigations or tests or been supplied with any information from Client or from any relevant expert that determines presence or otherwise of pollution or contaminative substances in the subject or any other land (including ground water).

For the purpose of assessing the vulnerability of the Project to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Hyderabad where the Project is located falls in Seismic Zone II with low risk. The city faces low risk in terms of high winds or cyclones too. The Project is not likely to face any higher risk than the overall risk profile of the city. Project is regular in shape with fairly even topography. No hazardous activity was noted in the vicinity of the Project, which may expose it for any induced disaster.

### Option or Pre-Emption Rights and Encumbrances

Unless disclosed and recorded by the Client, the Project is considered to possess a good and marketable title and is free from any unusually onerous encumbrances with no option or pre-emption rights in relation to the assets except for those created in favor of the lenders, based

on the information given in the Title Reports prepared by Hariani & Co. (hereinafter collectively referred to as 'Legal Counsel'). The Valuer has not checked and verified the title of the Project.

### **Revenue Pendencies**

On the basis of the Title Reports prepared by the Legal Counsel and discussion with the Client, there are no revenue pendencies including local authority taxes associated with the Project or any compounding charges. No independent verification of this has been made from revenue authorities and reliance has been made on the Client information for the same.

### **Material Litigation**

Based on discussions with the Client and Title Reports shared, there are no material litigation including tax disputes other than the litigation disclosed to the valuer, relating to the Project or any compounding charges.

## **5.7 TENANCY ANALYSIS**

### **Tenant Profile of Top 10 Tenants**

As on 31 March 2024, The Project has 30 tenants which include companies like Qualcomm India, BA Continuum Verizon, Wework, HSBC, Vodafone etc. The Project's Top 10 tenants account 87.9% of the Gross Rental Income. Top 10 Tenants as per leasable areas are listed on the following page:

**Table 5.5: Top 10 Tenants as per Leasable Area\***

| Sl. No. | Tenant   | Leasable Area (sq. ft.) |
|---------|--|-------------------------|
| 1       | Qualcomm India Private Limited                       | 388,543                 |
| 2       | BA Continuum India Pvt Ltd                           | 245,977                 |
| 3.      | Verizon Data Services India Pvt. Ltd.                | 194,071                 |
| 4.      | Wework India Management Private Limited              | 101,857                 |
| 5.      | HSBC Electronic Data Processing India Pvt Ltd.       | 99,760                  |
| 6       | Vodafone Idea Limited                                | 96,377                  |
| 7       | Verisk Analytics India Private Limited               | 92,442                  |
| 8       | Oplus India Research and Development India Pvt. Ltd. | 72,336                  |
| 9       | Newmark CRE Services Pvt. Ltd.                       | 65,309                  |
| 10      | ACS Global Tech Solutions Pvt. Ltd.                  | 55,891                  |
|         | TOTAL  | 1,412,563               |

\*Includes contracted areas for which rent may start at a future date

The top 10 Tenants as per Gross Rents are listed below:

**Table 5.6: Top 10 Tenants as per Gross Rentals\***

| Sl. No. | Tenant  | Share of Gross Rentals |
|---------|---|------------------------|
| 1       | Qualcomm India Private Limited  | 22.7%                  |
| 2       | Verizon Data Services India Pvt. Ltd.BA Continuum India Pvt Ltd                       | 13.0%                  |
| 3       | BA Continuum India Pvt Ltd Verizon Data Services India Pvt. Ltd.                      | 13.0%                  |
| 4       | Vodafone Idea Limited   | 6.7%                   |
| 5       | HSBC Electronic Data Processing India Pvt Ltd.Wework India Management Private Limited | 6.3%                   |

| Sl. No. | Tenant   | Share of Gross Rentals |
|---------|--|------------------------|
| 6       | Wework India Management Private Limited HSBC Electronic Data Processing India Pvt Ltd. | 6.2%                   |
| 7       | Verisk Analytics India Private Limited   | 5.8%                   |
| 8       | Oplus India Research and Development India Pvt Ltd                                     | 5.2%                   |
| 9       | Newmark CRE Services Pvt Ltd   | 4.5%                   |
| 10      | Teleperformance Global Services Private Limited  | 4.5%                   |
|         | TOTAL  | 87.9%                  |

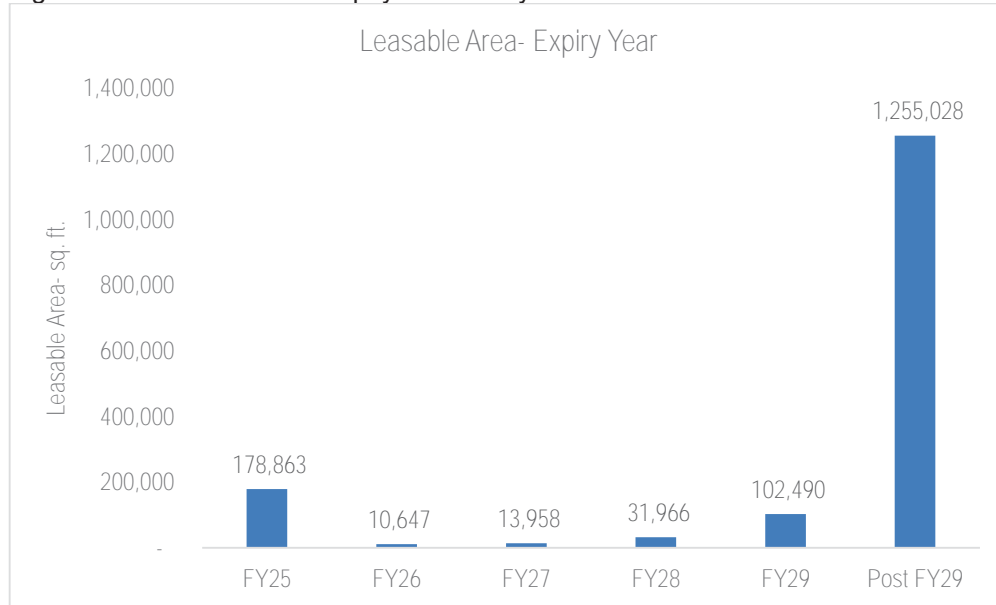
Source: Analysis, March 2024

\* Includes contracted areas for which rent may start at a future date

### **Lease Expiry Analysis**

The WALE of the project is 6.7 years, the occupied area expiring between FY 25 and FY 29 as shown in the chart on the following:

Figure 5-1: Leasable Area Expiry Year Analysis



Source: Analysis, March 2024

### **Escalation Analysis**

The leases of the Project Site have typically seen rental escalation of 5% every year or 15% every 3 years.

## 6 MARKET SCAN OF THE CITY AND THE MICRO-MARKET

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### 6.1 INTRODUCTION

The valuation exercise takes into account the market performance and various other indicators that are relied upon the industry report which has been prepared by Jones Lang LaSalle India Property Consultants, who are appointed as an independent consultant by the Client.

### 6.2 CITY OVERVIEW

Hyderabad is one of the fastest-growing cities in India. The city has succeeded in building on its IT/ITeS and pharmaceutical capabilities and managed to attract several global technology and pharmaceutical giants to invest in and operate from the city. In 2020, Hyderabad topped the JLL City Momentum Index (CMI) for the second time after 2018. An active real estate market with healthy rental growth along with a thriving start-up culture have been the catalysts for Hyderabad to surpass all other major metro cities around the world and top the index. Proactive initiatives and investor friendly policies such as the new industrial policy of TS-iPass has helped support the fast and strong economic growth of the city in the last 5 years. The city is also home to 4,000 start-ups, primarily in the field of AI, Life sciences and Big Data analytics. The 2020 Global Start-up Ecosystem Report (GSER) by start-up Genome and the Global Entrepreneurship Network has put the state of Telangana among the top 30 global ecosystems for affordable talent in 2020 and Hyderabad is amongst the Top 100 emerging ecosystems.

### 6.3 ECONOMY & DEMOGRAPHICS

IT/ITeS and pharmaceutical industries are the two major sectors that contribute the maximum to the city's GDP. Riding on the strong expansion by all marquee tenants, IT exports by Telangana in FY 2022–23 grew by 31.4% to INR 2,41,275 crore, compared to the national average of 9.4%. During the same financial year, the state added approximately 127,594 new jobs at an annual growth rate of 16.3%. This accounts for a staggering 44% of the total IT jobs added in the country during the same period. Along with IT/ITeS, the pharmaceutical industry adds significantly to the exports from the city by commanding a 30% share in India's bulk drug production. The city now boasts of over 1 million professionals employed by the IT sector.

Owing to its robust and fast-developing infrastructure along with ease of living that offers a cosmopolitan environment, Hyderabad is amongst the most preferred destinations by the young workforce of the country. As per India Workforce Report by LinkedIn, Hyderabad is the 3rd largest city to attract people from every corner of India. Hyderabad accounts for about 8.5% of total migrants across cities in India.

### 6.4 INFRASTRUCTURE INITIATIVES

The Telangana State Road Transport Corporation's (TSRTC) city buses, and Indian Railways' Multi-Modal Transport System along with Hyderabad Metro Rail (HMR) form the key public transport system for Hyderabad city. The current Hyderabad Metro Rail network consists of 57 stations covering 67 km. This connects the eastern and western parts of the city through the dense CBD of Hyderabad. This service is further being extended to connect the Rajiv Gandhi International airport at Shamshabad with the IT hubs- Madhapur, Gachibowli, and surrounding areas in the western part. Over the last 3 years, the city has experienced massive road development projects in all major areas.

The major infrastructure push to Hyderabad is being carried out through the most comprehensive road development plan. The flagship program by the state government and Greater Hyderabad Municipal Corporation (GHMC) is aimed to improve 54 junctions in the city by building new elevated flyways and underpasses along with the construction of new roads. The INR 24,000 crore project involves reducing the traffic congestion in the city and use it as a catalyst to improve the ease of living.

### **Existing infrastructure**

| Existing Project                            | Completion timeline       | Details  | Key Impact Zones                               |
|---|---------------------------|--|--|
| Nehru Outer Ring Road (ORR)                 | 2008 – 2018 (in phases)   | 158 km elevated 8-lane expressway built to encircle city periphery   | Madhapur, Gachibowli                           |
| Rajiv Gandhi International Airport (RIGA)   | 2008 (On-going expansion) | Improved air connectivity of Hyderabad with key cities across the world.<br><br>Direct air connectivity with the key cities in the USA, UK, Europe, Middle East, Singapore, and Hong Kong. | Suburbs Others, Gachibowli                     |
| PVNR Expressway                             | 2009                      | 11.6 km signal-free elevated highway from Mehidipatnam to Attapur  | SBD, Suburbs Others                            |
| Durgam Cheruvu Bridge                       | 2020                      | 0.5 km cable bridge over Durgam Cheruvu connecting Jubilee Hills to Madhapur<br>Reduces travel time  | SBD  |
| Strategic Road Development Programme (SRDP) | Started in 2018           | -  | CBD, SBD, Madhapur, Gachibowli, Suburbs Others |

Source: Real Estate Market Research & Analysis; JLL, March 2024

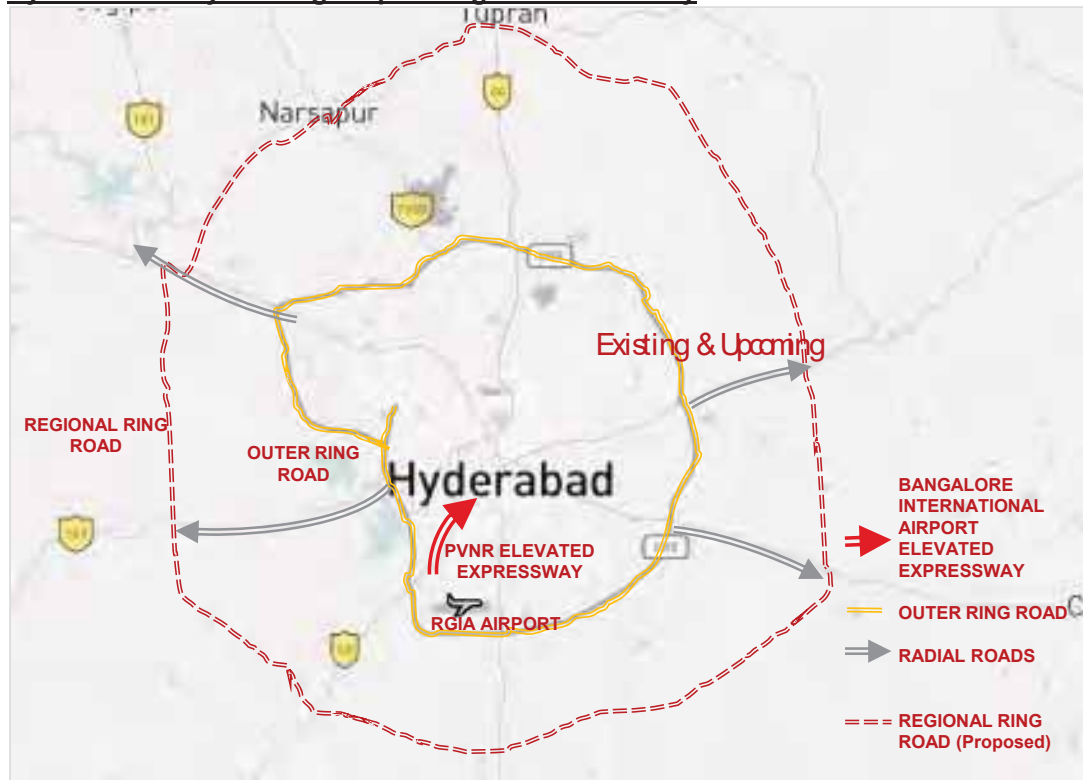
### **Upcoming Infrastructure**

Some of the key upcoming projects for the city are mentioned below:

| Upcoming Project                            | Completion timeline | Details   | Key Impact Zones         |
|---|---------------------|---|--------------------------|
| Regional Ring Road                          | NA                  | 6 lane, 330 km Circular Road network to be developed around extended suburbs of Hyderabad city to ensure excellent connectivity with supporting smaller towns around Hyderabad.<br>Intercity connectivity with other districts of Telangana is likely to improve  | NA                       |
| Elevated Corridors                          | 2022 - 2024         | Elevated Road network in key junctions of the city<br>Helps in easing traffic congestion  | Suburbs Others, CBD, SBD |
| Elevated Bus Rapid Transport System (EBRTS) | NA                  | To complement Hyderabad's transport infrastructure, an elevated BRTS is planned between KPHB and the Financial District with further extension up to Kokapet. Being implemented by the Hyderabad Airport Metro Limited EBRTS will have 23 stops for electric buses and aims to resolve the traffic congestion along the Metro corridor. | Madhapur, Gachibowli     |

Source: Real Estate Market Research & Analysis; JLL, March 2024



**Hyderabad – Key existing & upcoming roads in the city**

Source: Real Estate Market Research &amp; Analysis; JLL, March 2024

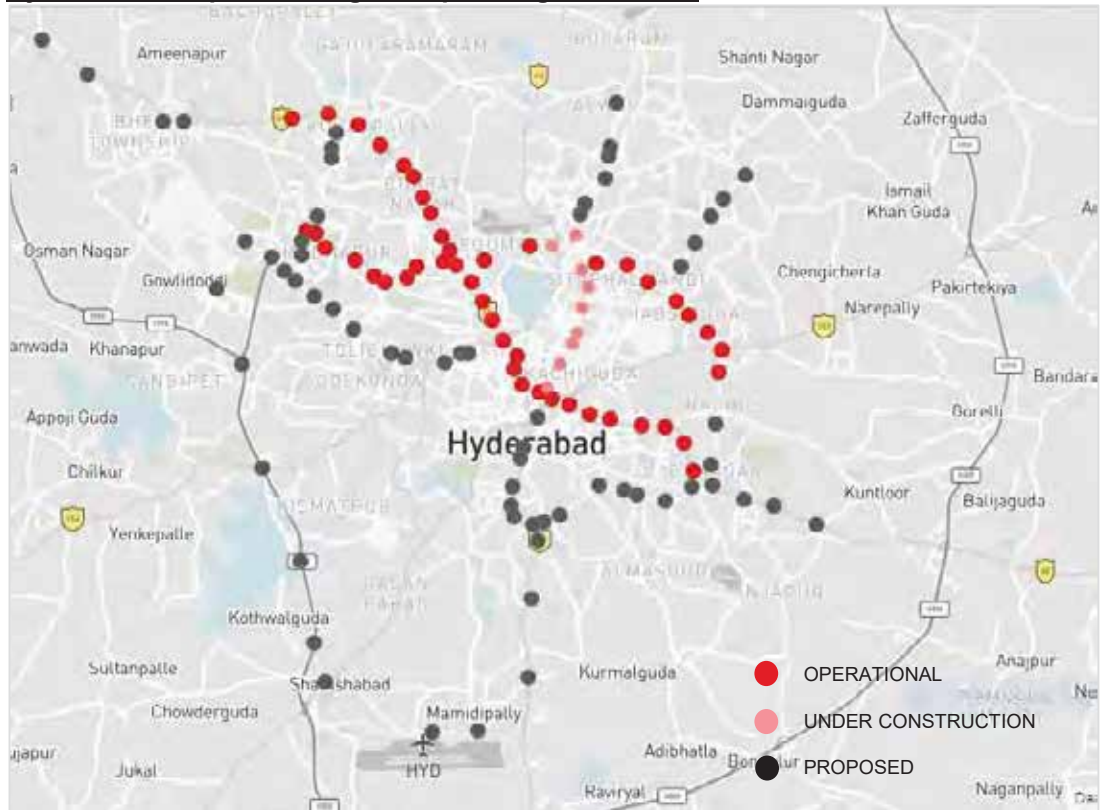
**Existing Metro Rail Lines**

| Existing Project               | Completion timeline | Details   | Key Impact Zones   |
|--------------------------------|---------------------|---|--------------------|
| Hyderabad Metro Rail – Phase I | 2017 - 2020         | 69 km elevated network connecting eastern and western parts of city via CBD | SBD, CBD, Madhapur |

**Upcoming Metro Rail Lines**

| Upcoming Project                | Completion timeline                 | Details   | Key Impact Zones                |
|---------------------------------|-------------------------------------|---|---------------------------------|
| Hyderabad Metro Rail – Phase II | NA<br>(3-4 years from commencement) | <ul style="list-style-type: none"> <li>58 km network connecting airport and other residential suburbs</li> <li>Raidurg to Shamshabad Airport – 31 km</li> <li>Nagole to LB Nagar – 5 km</li> <li>Lakdi ka pul to BHEL – 22 km</li> </ul>  | Gachibowli, SBD, Suburbs Others |
| Hyderabad Airport Metro         | NA                                  | Hyderabad Metro's Airport Express Line is an upcoming rail line that'll connect Mindspace REIT Junction and Rajiv Gandhi International Airport in Shamshabad via 10 stations. This 32 km line of the Hyderabad Metro Phase 2 project will be funded by Telangana Government and executed by HAML (Hyderabad Airport Metro Ltd). |                                 |

Source: Real Estate Market Research &amp; Analysis; JLL, March 2024

**Hyderabad – Map of existing and upcoming metro lines**

Source: Real Estate Market Research & Analysis; JLL, March 2024

## 6.5 HYDERABAD - OFFICE SUB MARKETS

The office sub-markets of Hyderabad City are classified into six micro markets based on the market trend as mentioned below.

| Sub-market | Locations   | Map of Hyderabad office market |
|------------|---|--------------------------------|
| CBD        | Begumpet, SP Road, Secunderabad, Punjagutta, Nagarjuna Circle, Raj Bhavan Road. |                                |
| SBD        | Banjara Hills, Jubilee Hills, Shaikpet, Kavuri Hills, Ameerpet, Nagarjuna Hills |                                |
| Madhapur   | Hafeezpet, Madhapur, Kondapur, Madhapur, Raidurg, Kukatpally                    |                                |
| Gachibowli | Kokapet, Manikonda, Financial District, Nanakramguda, Puppalguda, Khajaguda     |                                |

|                 |                 |  |
|-----------------|-----------------|--|
| Peripheral East | Uppal, Pocharam |  |
| Suburbs- Others | Shamshabad      |  |

Source: Real Estate Market Research & Analysis: JLL, March 2024

### Key Submarkets-Development and Occupier Profile

|                 |   |
|-----------------|---|
| Madhapur        | <p>Development Profile: it is the most established office market in the western part of the city, well connected by the public transport in the city</p> <p>Key Occupiers: Qualcomm, Wells Fargo, Deloitte, AMD, Intel, Facebook, Microsoft, JPMC, Synchrony, Dell</p> <p>Key Developers: Mindspace REIT, Phoenix Group, RMZ, Salarpuria, Capitaland, Meenakshi Constructions, Divyasree</p>  |
| Gachibowli      | <p>Development profile: Developed as an extension to existing office market in Madhapur, along the ORR in the western part of the city. Primarily emerged as home to owned campuses of large companies but office market expanded in the last decade</p> <p>Key Occupiers: Largely home to campuses of Wipro, Infosys, Amazon, Microsoft along with notable presence from Apple, Google, CTS, Micron, ZF</p> <p>Key Developers: Phoenix Group, GAR Corp, Salarpuria, DLF, Vamsiram Builders</p> |
| Peripheral East | <p>Development profile: Office market is in nascent stage of development with key projects being operational in Pocharam &amp; Uppal in the eastern periphery</p> <p>Key Occupiers: Infosys, Genpact, Cyient</p> <p>Key Developers: Mindspace REIT, NSL Constructions</p>   |
| Suburbs Others  | <p>Development profile: Very early-stage market around Shamshabad in the southern periphery driven mostly by its proximity to the International Airport Office</p> <p>Key Occupiers: Cube Infrastructure, HBL, OSI Systems</p> <p>Key Developers: GMR</p>   |
| CBD             | <p>Development profile: Oldest office market originated in the center of the city. Projects are largely owned by individual landlords with standalone properties</p> <p>Key Occupiers: SONATA Software, Dr.Reddy's</p> <p>Key Developers: Gowra Ventures, Ashoka Builders</p>   |
| SBD             | <p>Development profile: Developed around affluent localities in the city adjoining Madhapur. Most properties developed by key developers were as standalone developments</p> <p>Key Occupiers: DE Shaw, First American Financial</p> <p>Key Developers: Phoenix Group, Vamsiram Builders</p>  |

Source: Real Estate Market Research & Analysis: JLL, March 2024

### Hyderabad Office Real Estate Market Highlights Q1 2024

Gross leasing in the Hyderabad office market in Q1 2024 stood at 1.37 mn sq ft, up by 40.4% y-o-y. On a q-o-q basis, this was lower by 50%. Leasing activity in existing properties was strong especially in marquee assets. The quarterly gross leasing activity was led by Madhapur which accounted for a ~78% share. IT/ITeS led with the biggest share of 23.7%, followed by BFSI and Flex with 22.0% and 17.3% shares, respectively. The healthcare segment also held

a 17% share in the quarterly leasing, underpinning the strong demand from this sector, especially in the form of GCCs and R&D centres.

The net absorption in Q1 2024 stood at 1.55 mn sq ft, nearly 3X up from the same period last year, albeit lower by 44.1% q-o-q. This also included end-user property purchases of 0.32 mn sq ft during the quarter. Net absorption was also impacted by lower completions in Q1, with new supply at a four-quarter low.

The city recorded completions of 2.08 million sq ft during the quarter, largely concentrated in SBD and Gachibowli, with only a solitary mid-sized completion in Madhapur during the quarter. With this, total Grade A office stock in the city rose to 124.0 million sq ft.

At the overall city level, vacancy rose by 10 bps q-o-q to 24.6%. In the same period, Madhapur's vacancy stood at 14.5%, down by 100 bps q-o-q and at its lowest in four quarters.

Overall office rents rose marginally by 0.4% q-o-q to INR 64.5 per sq ft per month.

### **City Market Trends**

| Sub-Markets     | Total Stock (sq. ft) | Net Absorption (sq. ft) |                        |                        | Vacancy % |                        |                        |
|-----------------|----------------------|-------------------------|------------------------|------------------------|-----------|------------------------|------------------------|
|                 |                      | Q1 2024                 | Q4 2023 (Q-O-Q Change) | Q1 2023 (Y-O-Y Change) | Q1 2024   | Q4 2023 (Q-O-Q Change) | Q1 2023 (Y-O-Y Change) |
| Overall         | 124,021,083          | 1,551,978               | -44.1%                 | 195.8%                 | 24.6%     | 10 bps                 | 360 bps                |
| CBD             | 3,104,883            | 0                       | -100.0%                | -100.0%                | 10.6%     | 10 bps                 | 110 bps                |
| SBD             | 4,386,241            | 90,000                  | 34.3%                  | 16.2%                  | 37.3%     | 1,560 bps              | 1,170 bps              |
| Madhapur        | 71,507,977           | 962,764                 | -42.3%                 | 181.1%                 | 14.5%     | -100 bps               | 90 bps                 |
| Gachibowli      | 40,735,894           | 476,215                 | -55.9%                 | NA                     | 40.6%     | 0 bps                  | 600 bps                |
| Peripheral East | 2,989,000            | 0                       | NA                     | NA                     | 46.3%     | 0 bps                  | 1,110 bps              |
| Suburbs Others  | 1,297,083            | 23,000                  | NA                     | -54.0%                 | 17.3%     | -170 bps               | -410 bps               |

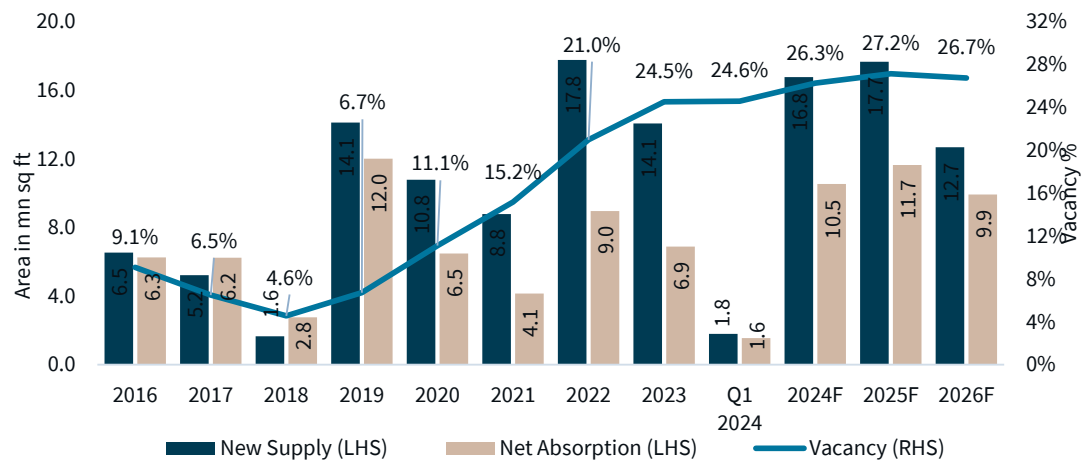
Source: Real Estate Market Research & Analysis; JLL, March 2024

### **Leasing Activity**

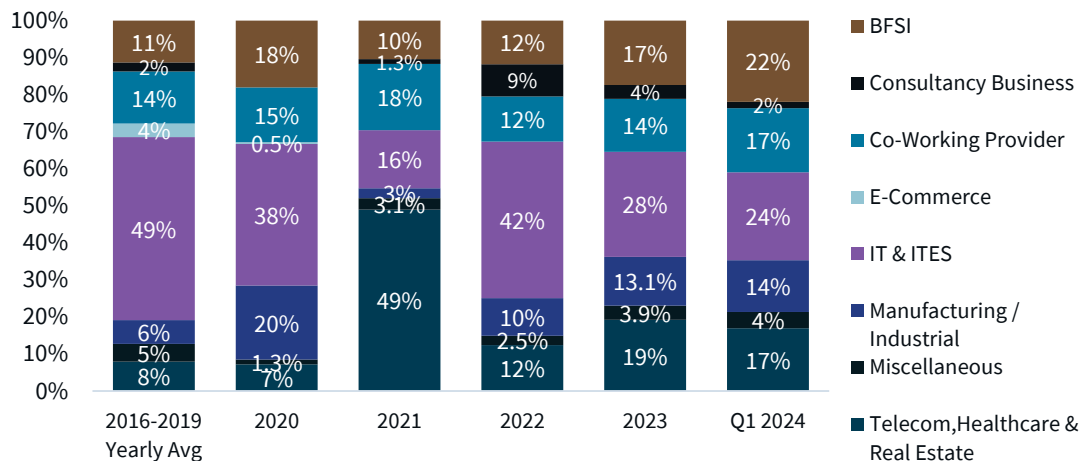
Leasing activity in Hyderabad stood at a healthy 1.37 mn sq ft in Q1 2024, with space demand holding steady on same period comparison. In fact, on a y-o-y basis leasing volumes were up by 40.4%, though q-o-q activity was down by 50%. Deals were largely driven by expansion activity from existing tenants

Madhapur was the runaway leader accounting for a 78% share of the gross leasing activity in the quarter, with Gachibowli's share at 21%. The demand for flex spaces continued to remain healthy with flex operators managing to lease out ~3,100 seats in the city as occupiers embraced plug and play workspaces as part of their optimized workplace strategies. There are some large-scale transactions that are currently in active stages of closure in the city, predominantly in the Madhapur submarket.

Hyderabad's net absorption was clocked at 1.55 mn sq ft, driven by the fresh leases in both existing and newly completed buildings and some end-user office space purchases which themselves totalled to 0.32 mn sq ft, reported during the quarter. The net absorption though lower on account of less completions in Q1, was also up by nearly 3x y-o-y.

**Total Completions, Net Absorption and Vacancy Rate – Overall**

Source: Real Estate Market Research &amp; Analysis; JLL, March 2024

**Occupier share in gross leasing activity**

Source: Real Estate Market Research &amp; Analysis; JLL, March 2024

**Vacancy**

While demand has remained quite healthy, the supply infusion in the city has remained strong. As a result of which vacancy in the city rose by 10 bps q-o-q to 24.6%. Since covid, the vacancy levels in the city have moved northwards amidst a strong supply even as demand has shown a recent resurgence since 2022.

**Market Rents**

With limited supply till 2018 in the city, rents remained stable across the city. However, as a new wave of quality supply hit the market in 2019, rents witnessed significant growth in key micro markets like Madhapur and Gachibowli. However, post covid the rental growth has been limited but continues to be on the growth curve in the city amidst completions from top developers largely in Madhapur and Gachibowli entering the market at higher rentals.

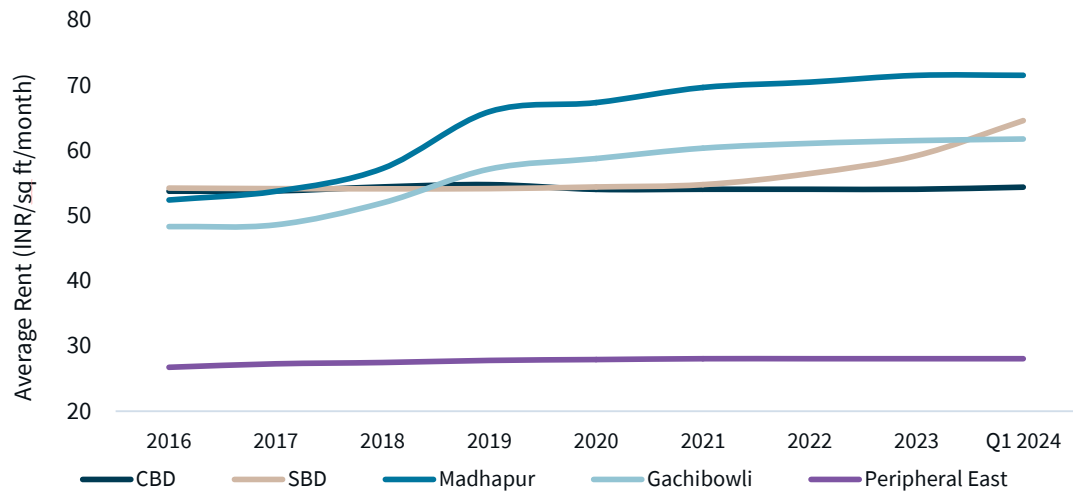
With the completion of projects by RMZ, Salarpuria & Capitaland in 2023, rental values moved up by 1.5% y-o-y by end of the year. In Q1 2024, rents were further seen to grow by 0.4% q-o-q to now be at INR 64.5 per sq ft per month. Rent change q-o-q was seen to be higher in the SBD sub-market due to stock realignment and the removal of average assets from the



Grade A building basket. Also, the new completion in the SBD entered the market at a healthy premium to this submarket's average.

| GROSS RENT (INR/SQ FT/PM) GFA |       |              |              |
|-------------------------------|-------|--------------|--------------|
|                               | Q3 23 | Q-o-Q Change | Y-o-Y Change |
| Overall                       | 64.1  | 0.6%         | 1.7%         |
| CBD                           | 54.0  | 0.0%         | 0.0%         |
| SBD                           | 56.6  | 0.4%         | 3.5%         |
| Madhapur                      | 71.5  | 0.7%         | 2.1%         |
| Gachibowli                    | 61.1  | 0.0%         | 0.0%         |
| Peripheral East               | 28.1  | 0.0%         | 0.0%         |

### Submarket wise Gross Rents



Source: Real Estate Market Research & Analysis; JLL, March 2024

Note: Mindspace REIT micro markets, the rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 10% depending upon negotiations, final structuring of the lease agreement and other parameters.

### New supply

In the last few, years Hyderabad has witnessed a massive growth in new supply across the key submarkets. While the average annual supply from up to 2018 has been 4.8 million sq ft, it jumped to 13.2 million sq ft in the last four years in the city. With delayed projects coming on board in the next few quarters, new supply is expected to witness robust growth in the latter part of 2023 and in 2024, largely driven by Madhapur and Gachibowli submarkets. After recording its lowest ever supply in Q1 2023 at 0.7 million sq ft, Hyderabad recorded a gross supply of 8.5 million sq ft in the next two quarters of 2023. In Q3 2023, city witnessed 3.2 million sq ft of new supply largely led by Madhapur submarket, taking the overall office stock in the city to 116.3 million sq ft.

In the last few, years Hyderabad has witnessed a massive growth in new supply across the key submarkets. While the average annual supply up to 2018 has been 4.8 million sq ft, it jumped to 13.2 million sq ft in the last four years in the city. Even in 2023, new supply jumped to 15 mn sq ft, with another 2.1 mn sq ft completed in Q1 2024. Most of the new supply additions over the past 3-4 years have been led by Madhapur and Gachibowli submarkets. The city's total Grade A office stock now stands at 124.0 mn sq ft.

## Outlook

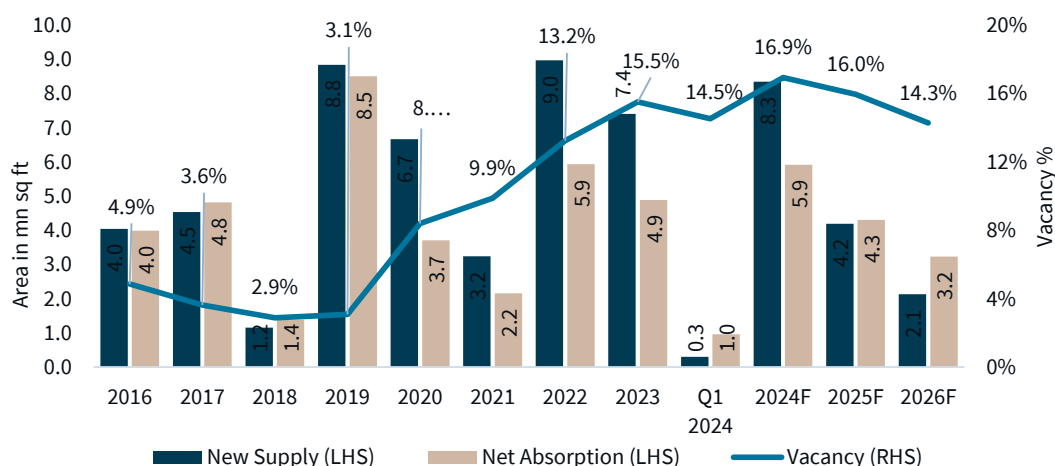
New supply over the next one year is likely to be driven by leading developers like RMZ, Phoenix Group & Vamsiram Builders as many large projects are in advanced stages of construction, mostly located in the submarket of Madhapur followed by Gachibowli. Amidst robust supply in the pipeline, vacancy in the city is expected to come under pressure in the medium term in the range of 25-27%, but expected to be largely tight in the Madhapur corridor. While a significant proportion of the upcoming supply in the medium to long term is still due for absorption, the rising demand and healthy leasing activity as well as ongoing deals are expected to support the net absorption levels to surpass 2023 levels in the short term and sustain in the medium term as well. Large part of leasing activity is expected to be witnessed in Madhapur market owing to quality supply from leading developers in key localities of the submarket and then gradually moving towards Gachibowli in the longer term

## 6.6 MICRO MARKET: MADHAPUR

The project lies in the Madhapur micro market.

### Supply, Demand Trend

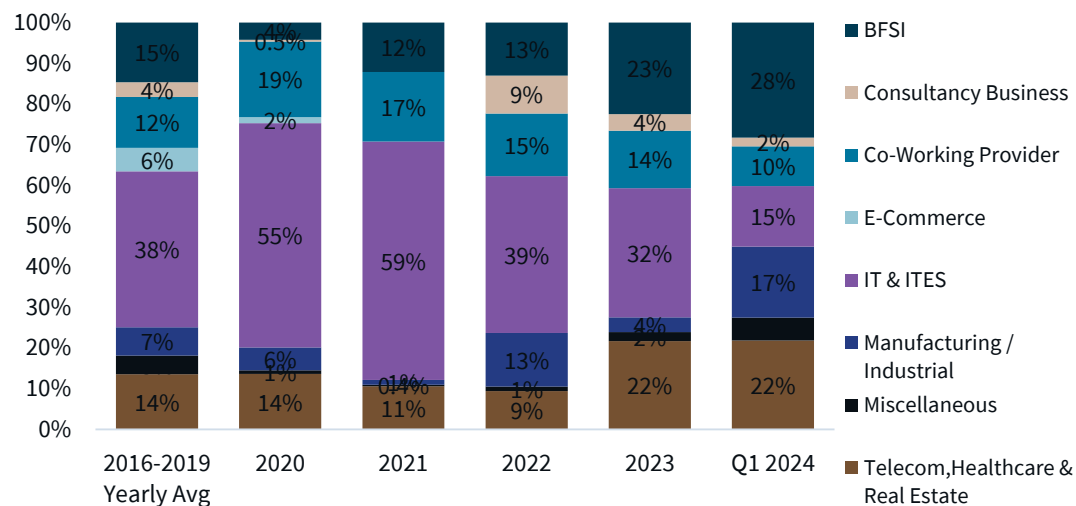
#### Total Completions, Net Absorption and Vacancy Rate



Source: Real Estate Market Research & Analysis; JLL, March 2024

## Leasing activity

### Occupier's share in gross leasing activity



Source: Real Estate Market Research & Analysis; JLL, March 2024

As Madhapur enjoys superior connectivity and well-established infrastructure in the city, it has been the most sought-after office market in the city from tenants across all segments. It commands a market share of 60-70% of total leasing activity in the city as large companies prefer expanding into this market along with robust demand from mid-sized tenants. Demand has always matched or outpaced the supply in the submarket amidst large inflow of pre-commitments in the properties of Salarpuria, Mindspace REIT, RMZ, Phoenix & Divyasree. Albeit a mismatch in 2020 owing to covid, it recorded a healthy recovery 2021 & 2022.

Robust leasing activity was observed in more recent completions by RMZ, Salarpuria & Capitaland in 2023, which supported the strong net absorption numbers of 4.9 mn sq ft for the full year. This amounted to a share of 71% of the overall net absorption over the same period. For Q1 2024 as well, Madhapur net absorption stood at 0.96 mn sq ft, a 62% contribution to the quarterly net absorption number for the city. With a healthy volume of deal closures in the quarter, Madhapur recorded gross leasing of 1.06 mn sq ft, accounting for 77.4% of total gross leasing in Q1 2024.

## Supply

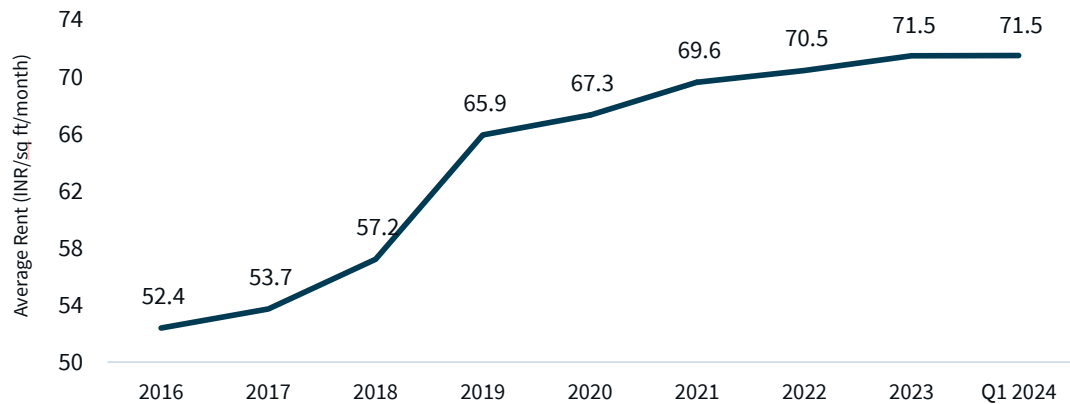
In the last 5 years, total Grade A office stock in Madhapur recorded a growth of 97% to reach 71.2 million sq ft, nearly doubling during this period. With marquee office projects getting operational by key developers like RMZ, Capitaland, Salarpuria & Divyasree, supply remained very robust in this submarket with an average annual supply of 7 million sq ft from 2019 till 2023. In Q1 2024, completions were sluggish at 0.3 mn sq ft, with the office stock reaching 71.5 mn sq ft at the end of the quarter.

## Vacancy

As the submarket has been largely driven by large scale pre-commitments along with being the most sought-after market by small to medium sized tenants as well, vacancy always remained below 5% until 2019. However, due to huge supply alongside sluggish demand due to covid, vacancy rose from 3% to 8% in 2020. After reporting a sustained growth since that time, vacancy has started to moderate in recent times. In Q1 2024, vacancy dropped by 100 bps q-o-q to reach 14.5%, the lowest in a year.

## Rents

As Madhapur being the most active market attracting large scale expansions along with entry of new tenants, rents in the submarket remained superior to the average city rents. With the completion of projects by RMZ & Salarpuria in 2019 which commanded higher rentals than the submarket average, the rents in the submarket recorded a growth of ~15% during that year to INR 65.9 per sq ft per month. This rise in rental values continued into the next couple of years till 2021. However, owing to sluggish demand along with limited quality supply in 2022, rents registered a moderate growth. But with the completion of marquee projects, rents in 2023 recorded a healthy growth of 1.3% to stand at INR 71.5 per sq ft per month by end of the year. The lease transactions in the Madhapur micro market are recorded in the range of INR 65 – 80 per sq. ft per month. The lease transactions in Madhapur where the Project is located are in the range of INR 72 to 76 per sq. ft per month. In Q1 2024, rents were largely unchanged q-o-q. However, on a y-o-y basis, rents are up by 1.33%.



*Note: Mindspace REIT micro markets, the rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 10% depending upon negotiations, final structuring of the lease agreement and other parameters.*

## Outlook

A strong supply in 2023 with marquee assets entering the submarket saw healthy occupier traction from major GCCs across the tech, Healthcare and BFSI segments. As a result, net absorption stood at 4.9 mn sq ft in 2023. Going forward, this submarket is likely to register a healthy supply of 8.3 million sq ft for the full year of 2024 with vacancy falling into the range of 14-15% on the back of strong demand. Rents are expected to see a marginal upside as well as most of the ongoing transactions are expected to close higher than market-average rentals.

## Prominent Lease Transactions within the Micro-Market

Below are some of the lease transactions witnessed in the micro-market:

**Table 6-1: Major Lease Transactions in the Micro-Market of the Project**

| Sl. No. | Occupier Name                     | Name of the Building         | Sub-Market | Area Leased (sq. ft) | Lease Rentals (INR per sq ft per month) | Transacted Period |
|---------|-----------------------------------|------------------------------|------------|----------------------|---|-------------------|
| 1       | Ryan International                | ITPH - Block 1 (East Wing)   | Madhapur   | 60,000               | 74                                      | Q1 2024           |
| 2       | Technip                           | Phoenix Avance H10 A1        | Madhapur   | 180,000              | 68                                      | Q1 2024           |
| 3       | Foundever/Site I                  | Cyber Pearl Phase 2          | Madhapur   | 20,873               | 65                                      | Q1 2024           |
| 4       | Feuji                             | Raheja Commerzone (KRC Wing) | Madhapur   | 46,625               | 70-75                                   | Q1 2024           |
| 5       | Sanofi Healthcare India Pvt. Ltd. | RMZ TheSpire - Tower 100     | Madhapur   | 231,845              | 72                                      | Q1 2024           |

| Sl. No. | Occupier Name                    | Name of the Building                       | Sub-Market | Area Leased (sq. ft.) | Lease Rentals (INR per sq ft per month) | Transacted Period |
|---------|----------------------------------|--|------------|-----------------------|---|-------------------|
| 6       | Awfis                            | Aurobindo Orbit                            | Madhapur   | 35,000                | 73                                      | Q1 2024           |
| 7       | Blujay Solutions                 | Salarpuria knowledge City Argus (Parcel 2) | Madhapur   | 21,000                | 115                                     | Q1 2024           |
| 8       | Petrocon Engineers & Consultants | Laxmi Cyber City 2                         | Madhapur   | 23,000                | 75                                      | Q1 2024           |
| 9       | Cigna Healthcare                 | Salarpuria knowledge Park Block 2          | Madhapur   | 300,000               | 76                                      | Q1 2024           |
| 10      | Redbricks                        | RMZ Nexity Tower 30                        | Madhapur   | 52,000                | 75                                      | Q1 2024           |

Source: Real Estate Market Research & Analysis; JLL, March 2024

### **Investment Activities within the Micro-Market**

The city has witnessed few institutional office transactions of varying size. It is observed that the transaction value is based on the nature of the development, the micro-market location, Project, and leases prevailing etc.

### **Investment Activities within the Country**

The table below present details of few large sale transactions in major cities in India. Net yield for these transactions is arrived based on the Capital Value at which the property was transacted and rentals applicable for the same property during transaction. The net yield for such large transactions is witnessed in the range of 7.75% to 9.50%.

**Table 6-2: List of transactions / deals in recent past:**

| Sl. No | City      | Property Name             | Location      | Micro Market | Leasable Area (sq. ft.) | Capital Value (INR per sq. ft.) | Net Yield     | Transacted Period |
|--------|-----------|---------------------------|---------------|--------------|-------------------------|---------------------------------|---------------|-------------------|
| 1      | Mumbai    | One BKC                   | BKC, Mumbai   | BKC          | ~700,000                | 35,000-36,000                   | 8.00% - 8.25% | 2019              |
| 2      | Mumbai    | Equinox Business Park     | Kurla, Mumbai | BKC Fringe   | ~1,250,000              | 19,000 - 20,000                 | 8.25% - 8.50% | 2018              |
| 3      | Mumbai    | Express Towers            | Nariman Point | CBD          | ~472,377                | 40000 - 43,000                  | 7.25% - 7.75% | 2021              |
| 4      | Chennai   | Sandhya Infocity          | Navalur       | PBD OMR      | ~1,418,174              | 5,500 – 6,000                   | 8.00% - 8.50% | 2021              |
| 5      | Chennai   | Global Infocity           | Perungudi     | SBD OMR      | ~2,700,000              | 8,500 – 9,000                   | 7.75% - 8.00% | 2018              |
| 6      | Chennai   | One India bulls Park      | Ambattur      | PBD West     | ~1,900,000              | 4,500 – 5,000                   | 8.00% - 8.50% | 2018              |
| 7      | Hyderabad | Phoenix aVance Building 6 | HITEC City    | PBD West     | ~640,000                | 7,500 - 8,000                   | 9.00% – 9.50% | 2021              |
| 8      | Hyderabad | Phoenix Aquila Tower A    | Gachibowli    | PBD West     | ~1,180,000              | 8,200 - ,8700                   | 8.00% - 8.25% | 2021              |
| 9      | Hyderabad | Waverock                  | Gachibowli    | PBD West     | ~2,350,000              | 7,200 - 7,700                   | 8.00% - 8.25% | 2017              |
| 10     | Pune      | E Park 2                  | Kharadi       | SBD East     | ~180,000                | 7,000-9,000                     | 7.75% - 8.00% | 2022              |
| 11     | Pune      | WTC Tower A               | Kharadi       | SBD East     | ~28,342                 | 10,000-11,500                   | 7.50% - 8.00% | 2019              |
| 12     | Bengaluru | Prestige RMZ Star Tech    | Bangalore     | SBD East     | ~1,370,000              | -                               | 7.60% - 7.80% | 2022              |
| 13     | Bengaluru | Embassy Tech Village      | Bangalore     | SBD East     | ~9,100,000              | 9,500 – 11,000                  | 8.00% - 8.25% | 2020              |
| 14     | Gurgaon   | One Horizon Centre        | Gurgaon       | SBD East     | ~421,134                | 22,000 – 24,000                 | 8.00% - 8.25% | 2020              |



| Sl. No | City             | Property Name              | Location                     | Micro Market                 | Leasable Area (sq. ft.)                                      | Capital Value (INR per sq. ft.)                        | Net Yield   | Transacted Period |
|--------|------------------|----------------------------|------------------------------|------------------------------|--|--|---|-------------------|
| 15     | Mumbai           | Godrej BKC                 | BKC                          | BKC & Annex                  | ~200,000   | 40,000 – 45,000  | 8.00 – 8.50%  | 2023              |
| 16     | Mumbai & Gurgaon | Downtown Powai & Candor G1 | Powai & Sohna Road           | Eastern Suburbs & Sohna Road | ~2,700,000 + ~3,700,000                                      | Enterprise value INR 11,225                            | 7.90-8.20%  | 2023              |
| 17     | Chennai          | Embassy Splendid TechZone  | Pallavaram-Thoraipakkam Road | PBD OMR                      | ~1,400,000 (Completed) +1,600,000 (UC) +2,000,000 (Proposed) | Enterprise value INR 1,269 Cr. (61% economic interest) | 8.50% on the completed portion 10% on the u/c portion | 2024              |

Source: Real Estate Market Research & Analysis; JLL, March 2024

## 7 MARKET VALUE ESTIMATE

### 7.1 ADOPTED PROCEDURE

The market practice in most commercial/ office developments involves contracting tenants / occupiers in the form of pre-commitments at sub-market rent to increase attractiveness of the property to prospective tenants - typically extended to anchor tenants. Additionally, there are instances of tenants paying above-market rent for certain properties as well (primarily owing to market conditions at the time of contracting the lease). In order to arrive at a unit value for these tenancies, the Valuer has considered the impact of such sub/above market rents on the valuation of the Project.

For the purpose of this valuation exercise, the Valuer has analyzed the tenancy details provided by the Client, to identify variances vis-à-vis prevailing market/marginal rent. Each lease is assessed separately for below aspects, for the rent over a 10-year time horizon:

- The rent rolls (and the corresponding lease deeds on a sample basis) were reviewed to identify tenancy characteristics for the asset. As part of the rent roll review, major tenancy agreements belonging to top 5 tenants were reviewed on a sample basis.
- Title certificates, architect certificates and other related documents as mentioned in relevant sections of the report were reviewed for validation of area details, ownership interests of the Project.
- Physical site inspections were undertaken to assess the status of the Project.

### 7.2 CASH FLOW PROJECTIONS

The cash flows for the Project have been projected separately for each lease, to arrive at their respective value estimates.

Net Operating Income (NOI) has primarily been used to arrive at the value of the Project. The projected future cash flows from the Project are based on existing lease terms for the operational leases till the expiry of the leases or re-negotiation, whichever is earlier, following which, the lease terms have been aligned with market rents achievable by the Project.

For vacant area and under-construction/future development area, the achievable market rent-led cash flows are projected factoring appropriate lease-up timeframe for vacant/under-construction/future development area. These cash flows have been projected for 10-year duration from the date of valuation and for 11<sup>th</sup> year (for estimate of terminal value based on NOI). These future cash flows are then discounted to present-day value (valuation date) at an appropriate discount rate. Each lease is assessed separately for below aspects, for the rent over a 10-year time horizon:

- Projecting the rental income for identified tenancies up to the period of lease expiry, lock-in expiry, escalation milestones, etc. whichever is applicable. In the event of unleased spaces, market-led rent is adopted with suitable lease-up time.
- Generating a market led rental income stream for identified tenancies for the time similar to the cash flows drawn in the aforementioned step.
- Computing the monthly income based on rent projected above and translating the same to quarterly income (for the next 10 years and 11<sup>th</sup> year is considered for calculation of terminal value).

Further, to arrive at the total value of the leased spaces (from base rentals), appropriate revenues and operational expenses are projected on quarterly basis. Some of such adjustments on revenue and operational expenses are presented in the table below:

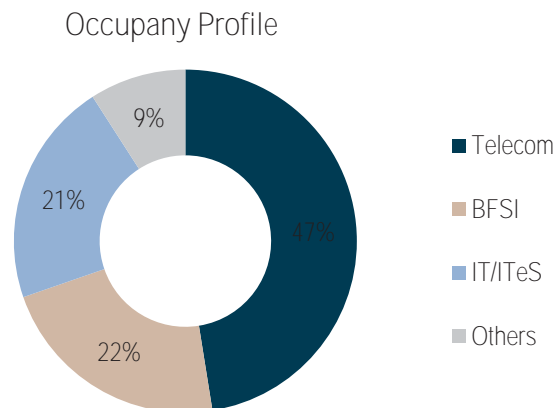
**Table 7.1: Adjustments on Revenues and Operational Expenses**

| Parameters                           | Description / Basis  |
|--------------------------------------|--|
| Parking Income                       | Based on income inputs provided by Client for the leased spaces and market assumption taken for vacant spaces  |
| Miscellaneous Income                 | Based on income inputs provided by Client for the Project  |
| Insurance                            | Based on insurance outflow (if any) provided by Client   |
| Annual Lease Rental / Property Taxes | Based on annual lease rental / property tax assessed for the Project as provided by Client   |
| Asset Management Fee                 | Considered as a recurring expense (in case of an external management team) as a percentage of the lease rental income as per the agreement between respective assets and its asset manager.  |
| Margin on CAM                        | Based on the operational revenues and expenses of the respective assets to understand the recurring, non-recurring, recoverable and non-recoverable expenses and accordingly modelled the common area maintenance income and operational expenses for the asset. |
| Revenue Escalation                   | Based on market-led annual escalation on the market rent   |
| Rent Free Period                     | Based on the trend prevalent in the submarket, appropriate rent-free periods from lease commencement date (for future / new leases) are considered   |
| Brokerage                            | Based on prevalent market dynamics, brokerage for future / new leases are considered   |
| Fit-Out Income                       | Based on fit-out rent (if any) provided by Client till lease expiry of applicable leases (same is not capitalized)   |
| Transaction Cost on Exit             | Considered as a percentage of the terminal value after aforesaid adjustments   |

### 7.3 ABSORPTION/ LEASING VELOCITY AND OCCUPANCY PROFILE

Occupancy profile of the project is as follows: -

- ~47% space is taken by Telecom.
- ~22% of the space is taken by BFSI.
- ~21% space is taken by IT /ITeS
- ~9% of area is occupied by others.



## 7.4 KEY ASSUMPTIONS AND INPUTS

The table below presents key assumptions and/or inputs used in the cash flow configuration used for providing Valuation of the Project.

**Table 7.2: Key Assumptions Used in the Estimate of Operational / Completed Buildings**

| Parameters                                     | Assumptions / Inputs   | Remarks / Basis   |
|--|--|---|
| Cash Flow Period                               |  |   |
| Valuation Date                                 | 31-March -24   | As per workings   |
| Cash Flow Period                               | 10 years   | As per workings   |
| Cash Flow Exit Period                          | 31-March-34  | As per workings   |
| Asset Details                                  |  |   |
| Total Leasable Area                            | 1,729,522 sq. ft   | As per the information provided by the Client   |
| Leased Area                                    | 1,592,952 sq. ft   | As per the information provided by the Client   |
| Vacant Area / Vacancy                          | 136,570/ 7.9%  | As per the information provided by the Client   |
| Vacancy Allowance                              | 2%   | As per market benchmarks for large scale Grade A office projects. .   |
| Area to be Leased                              | 136,570 sq. ft   | As per the information provided by the Client   |
| Rent Free Period for Existing Lease Rollovers  | 2 months   | As prevalent in the micro-market  |
| Rent Free Period for New Leases                | 3 months   | As prevalent in the micro-market  |
| Construction Related Assumptions               |  |   |
| Construction Cost to be incurred (CAPEX)       | INR 195 Mn (Upgrades: INR 191.3 Mn)  | As per the information provided by the Client   |
| Construction Cost to be incurred by            | Q4 FY 25   | As per the information provided by the Client   |
| Estimates of already carried out major repairs | INR 243 Mn   | As per the information provided by the Client.  |
| Revenue Assumptions                            |  |   |
| Lease Rentals                                  | Actual rentals as per the Rent Roll including additional charges (if any)  | As per the information provided by the Client   |
| Rent Escalation                                | Escalation in rentals as per the Rent Roll for the validity period of the leases, i.e., 15% every 3 years Or 4.5% every year | As prevalent in the market, it is observed that lease agreements are primarily at 4.5% rent escalations every year. Or at 15% every 3 years |
| Market / Marginal Rent – Office for FY 25      | INR 74.6 per sq. ft. per month   | The lease transactions in Grade A office space in the said micro market are recorded in the range of  |

| Parameters                                 | Assumptions / Inputs             | Remarks / Basis  |
|--|----------------------------------|--|
|  |                                  | INR 55 – 80 per sq. ft. per month for last 5 years. The asking instances are observed in the range of INR 70 - 80 per sq. ft. per month.<br>Based on the market benchmarking of recent leases on aspects such as location, size of transaction, type of development etc. the achievable rent for the Project is derived. |
| Market / Marginal Rent – Amenities         | Not Applicable                   |  |
| Other Income                               | 1% of base rentals               | Analysis of the historical trend of other income suggest a normalized level of other income can be achieved in the future. Accordingly, we have considered other income at 1% of base rental income. Other income includes components from Events, Telecom Towers, Pop-ups   |
| Market Rent - Car Parking Space for FY 25  | INR 2,100 per sq. ft. per month  | The Grade A offices offers car parking rates in the range of INR 2,000 – 3,500 per slot per month. Based on the market benchmarking of recent leased rates within the micro-market, the achievable car park rate for the subject property is derived.  |
| Market / Marginal Rent - Food Court        | Not Applicable                   |  |
| Market / Marginal Rent – Kiosk for FY 25   | INR 241.50 per sq. ft. per month | Based on the market benchmarking of recent leases within the micro-market  |
| Market / Marginal Rent – Terrace for FY 25 | INR 37.28 per sq. ft. per month  | Based on the market benchmarking of recent leases within the micro-market  |
| Other Operating Income                     |                                  |  |
| Market Rent Growth from FY 26 onwards      | 5% per annum                     | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5% per annum for the Project  |
| Parking Rent Growth from FY 26 onwards     | 5% per annum                     | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5% per annum for the Project  |
| Lease Tenure                               | 9 years                          | As prevalent in the market   |
| Target Efficiency                          | 76%                              | Recent re-leasing suggest that the Client has leased the same  |



| Parameters  | Assumptions / Inputs  | Remarks / Basis   |
|---|---|---|
|   |   | premises at relatively lower efficiency and received higher rentals for the same carpet area. Going forward, for leases which will expire during the next 10 years, we have considered an efficiency at 76% or actual, whichever is lower |
| Maintenance Services Income / CAM Income for FY25 | INR 13.18 per sq. ft per month  | As given by the Client and as prevalent in the market   |
| Operating Cost Assumptions                        |   |   |
| Brokerage - New Leases                            | 2 months receivable on base rent  | As prevalent in the market  |
| Brokerage - Renewals / Release                    | 2 month receivable on base rent   | As prevalent in the market  |
| Maintenance Services Cost for FY25                | INR 11.29 per sq. ft per month  | As given by the Client and as prevalent in the market   |
| Property Tax for FY25                             | INR 1.70 per sq. ft. per month  | As given by the Client  |
| Insurance for FY25                                | INR 0.32 per sq. ft per month   | As given by the Client  |
| Cost Escalation                                   | 3% per annum  | As prevalent in the market.   |
| CAM Escalation (Income + Expense)                 | 5% per annum  | As prevalent in the market.   |
| Other Assumptions                                 |   |   |
| Transaction Cost on Sale                          | 1% of Terminal Value  | As prevalent in the market  |
| Other Operating Expenses                          | 2% of Base Rent + Car Parking Charges   | As prevalent in the market.   |
| Property Management Fees                          | 3.5% (Base Rent + Car Parking Charges + Fit out Rent + Other Operating Income)  | As prevalent in the market  |
| Discounting Rate / WACC                           | Suggestive Discount Factor: 11.75%  | Refer Section 3.3 of this report  |
| Cap Rate for Terminal Value                       | Capitalized using long-term net yield rate of 8.00% (post yield shrinkage). Capitalized based on the Net Cash Flows of the 11 <sup>th</sup> year  | Refer Section 3.2 of this report  |
| Cash Flow Configuration                           | Cash flows have been drawn on quarterly basis for a period of 10 years, considering both cash inflows and outflows. Cash flows of terminal year is then capitalized and adjusted with transaction costs, to arrive at terminal value. | Value assumptions as practiced in the market  |

## 7.5 MARKET VALUE

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which the Valuer has no knowledge, the Market Value of the complete ownership interest in the Project comprising land and improvements thereon, as explained above, on the below mentioned dates, is as follows:

**Table 7.3: Market Value of the Project**

| Component                 | Leasable Area (sq. ft.) | Market Value (INR Million) | Percentage Share |
|---------------------------|-------------------------|----------------------------|------------------|
| Commercial / Office Space | 1,728,622               | 17,407.07                  | 89%              |

Note: The above-mentioned value includes proportionate undivided ownership in the Amenity Plot, Utility Areas and Internal Roads and total open spaces of the entire Campus

With all assumptions as mentioned in this report, we are of the opinion that the Market Value of the Project Mindspace Madhapur (Intime) located in Madhapur, Hyderabad Telangana, India 500081, comprising total leasable area of 1,728,622 sq. ft as on 31 March 2024 is estimated to be **INR 17,407.07 million (INR Seventeen Billion Four Hundred Seven Million and Seventy Thousand Only)**

*Note: Based on the inputs provided by client, Mindspace REIT holds 89% of the ownership interest in the project and the valuation presented is for 89% interest in the project only. The total value of the asset with 100% interest is INR 19,558.50 million (INR Nineteen Billion Five Hundred Fifty Eight Million and Five Hundred Thousand Only)*

**Table 7.4: Ready Reckoner rates for the Project**

| Component                  | Ready Reckoner Rate  |
|----------------------------|--|
| Commercial (Built-Up Area) | Ground floor – INR 7,300 per sq. ft.<br>first & other floors – INR 6,600 per sq. ft. |
| Land                       | INR 44,900 per sq. yard.   |

**KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)**, the Valuer for the Project, hereby declares that:

- We are fully competent to undertake the valuation;
- We are independent and have prepared the report on a fair and unbiased basis; and
- We have valued the Project based on the valuation standards as specified under sub-regulation 10 of regulation 21 of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended from time to time.



**Name:** Sachin Gulaty FRICS FIV FIIA,

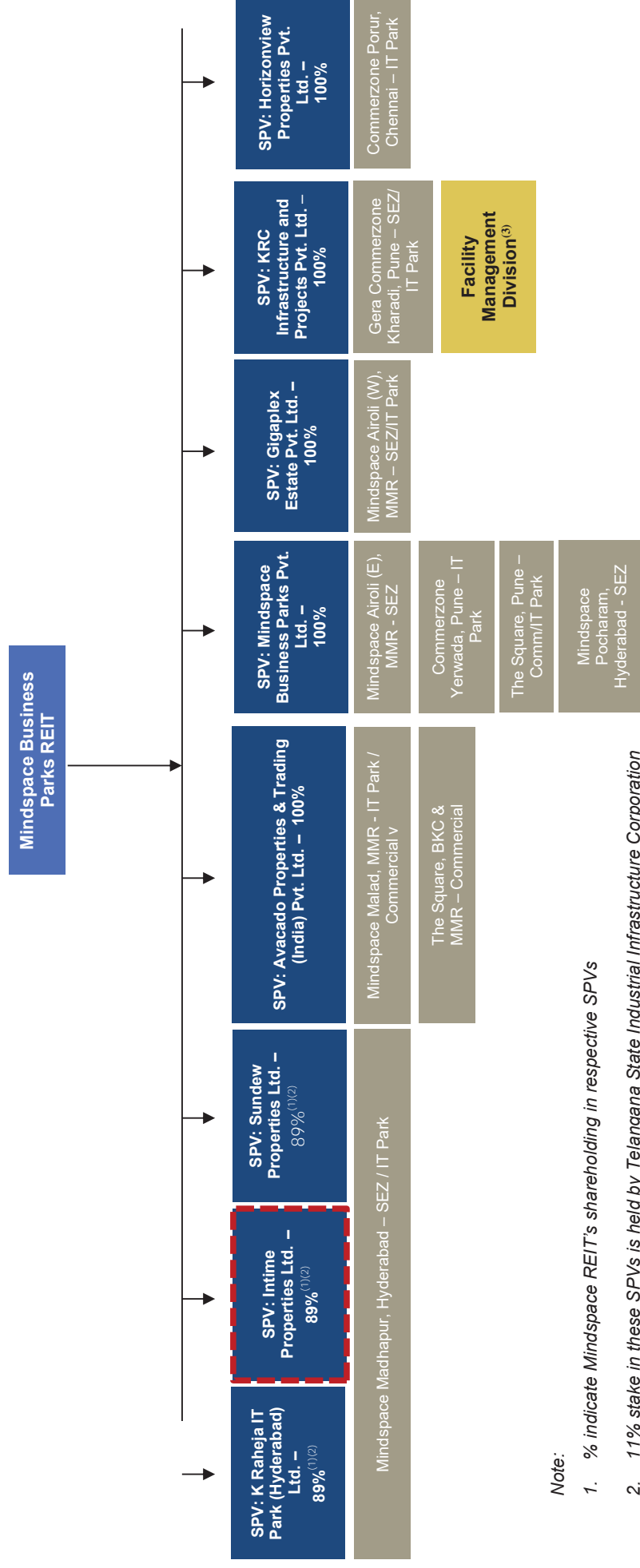
**Designation:** Director

**Valuer Registration No.:** IBBI/RV/02/2021/14284

**Address:** 5<sup>th</sup> Floor, India Accelerator, The Iconic Corenthum, Sector 62, NOIDA – 201309. Uttar Pradesh. INDIA.

**E-Mail ID:** sachin.gulaty@k-zen.in

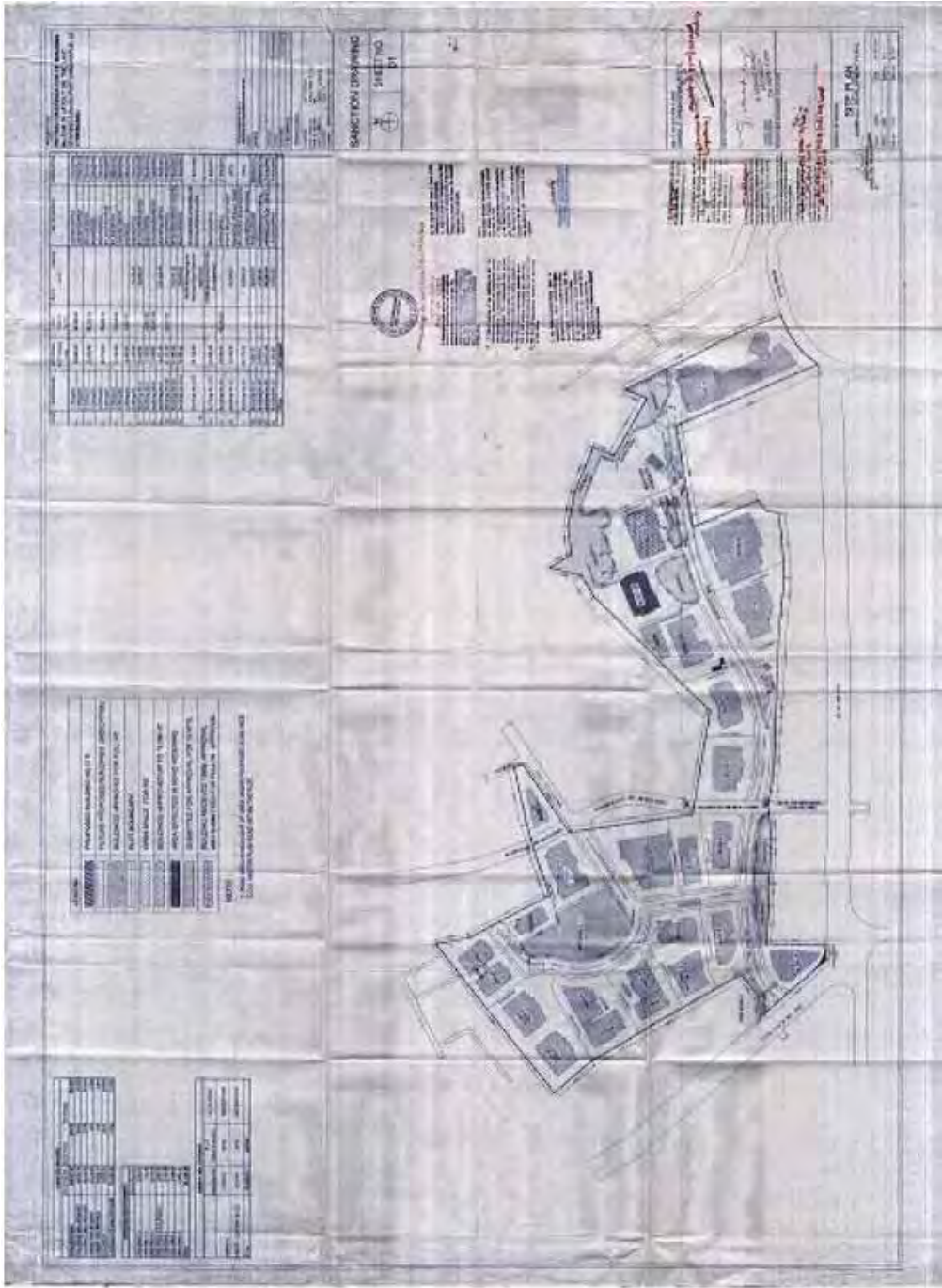
## Annexure - 1 Ownership Structure of the Project



**Note:**

1. % indicate Mindspace REIT's shareholding in respective SPVs
2. 11% stake in these SPVs is held by Telangana State Industrial Infrastructure Corporation Limited
3. Facility Management Division is housed in KRC Infrastructure and Protects Pvt. Ltd.

Annexure - 2  
Layout Plan of the Project



### Annexure - 3

#### Statement of Key Assets within the Project

| Building                      | No. / Name | B5B                      | B6                      | B9                      |
|-------------------------------|------------|--------------------------|-------------------------|-------------------------|
| Floor                         | Nos        | G+3P+5F                  | 3B+G+9F                 | 2B+G+15F                |
| Warm Shell / Bare shell       |            | Warm Shell               | Warm Shell              | Warm Shell              |
| Air Cooled Chiller            | TR         | 262                      | 360                     | 300                     |
| Water Cooled Chiller          | TR         | NA                       | NA                      | 2 x 800, 2 x 600        |
| No of Elevators /Make         | No/ Make   | 6-Thyssenkrupp           | 7-Otis                  | 25-Mitsubishi           |
| No of DG / Capacity           | No. / KVA  | 3 x 1010                 | 5 x 1010                | 7 x 1500                |
| No of Transformers / Capacity | No./ KVA   | 2 x 1600                 | 2 x 2500                | 4 X 2500                |
| Booster Pump                  | KW / Make  | 9.3 - Kirloskar Brothers | 5.5- Kirloskar Brothers | 11 - Kirloskar Brothers |
| Jockey Pump                   | KW / Make  | 15 - Kirloskar Brothers  | 11 - Kirloskar Brothers | 22 - Kirloskar Brothers |
| Fire Diesel Pump              | KW / Make  | 68 - Kirloskar Brothers  | 98 - Kirloskar Brothers | 92 - Kirloskar Brothers |
| Hydrant Pump                  | KW / Make  | 75 - Kirloskar Brothers  | 75 - Kirloskar Brothers | 90 - Kirloskar Brothers |
| Sprinkle Pump                 | KW / Make  | 75 - Kirloskar Brothers  | 75 - Kirloskar Brothers | 90 - Kirloskar Brothers |
| STP Rating                    | KLD        | 150                      | 110                     | 415                     |



## **Annexure - 4**

### **Approvals and NOCs Received for the Project**

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List of one-time sanctions/approvals which are obtained or pending

#### **Approvals Received**

- Approved masterplans for all buildings
- Full Occupancy Certificates for all Buildings
- Height Clearance NOC from AAI for all buildings
- Environmental clearances for all buildings
- Consent for Establishment for all buildings
- Consent for Operate for all buildings.
- Fire NOC for all buildings


#### **Approvals Pending**

- None

## Annexure - 5

### Ready Reckoner Rate Applicable for the Project

Ready Reckoner Rate for the Built-up Area



REGISTRATION & STAMPS DEPARTMENT

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Unit Rates - Locality Wise

| District Name |            | Mandal Name                                    |                                | City/Town/Village |              |                 |                             |                     |
|---------------|------------|--|--------------------------------|-------------------|--------------|-----------------|-----------------------------|---------------------|
| RAJGAREDDY    |            | SRILINGAMPALLE                                 |                                | MADHAPUR          |              |                 |                             |                     |
| S.No.         | Vand-Block | Locality                                       | Apartment value (Rs. per Sq.M) |                   |              | Classification  | Effective Date (dd/mm/yyyy) | Download Rate       |
|               |            |  | Ground Floor                   | First Floor       | Other Floors |                 |                             |                     |
| 1.            | 0 - 1      | RESID IN COMM-1                                | 4,500                          | 4,500             | 4,500        | 02(Commercial)  | 01/02/2022                  | <a href="#">Get</a> |
| 2.            | 0 - 1      | RESIDENTIAL LOCALITY                           | 3,000                          | 3,000             | 3,000        | 01(Residential) | 01/02/2022                  | <a href="#">Get</a> |
| 3.            | 0 - 2      | COMMERCIAL-1                                   | 4,500                          | 4,500             | 4,500        | 03(Residential) | 01/02/2022                  | <a href="#">Get</a> |
| 4.            | 0 - 2      | MADHAPUR (MAIN ROAD)                           | 7,400                          | 6,600             | 6,600        | 02(Commercial)  | 01/02/2022                  | <a href="#">Get</a> |
| 5.            | 0 - 3      | COMMERCIAL PROPERTIES IN MADHAPUR RESIDENTIAL  | 4,500                          | 4,500             | 4,500        | 02(Commercial)  | 01/02/2022                  | <a href="#">Get</a> |
| 6.            | 0 - 3      | RES PROP ADJUTING TO ROTHAGUDA IN TO MADHAPUR  | 4,500                          | 4,500             | 4,500        | 03(Residential) | 01/02/2022                  | <a href="#">Get</a> |
| 7.            | 0 - 2      | MADHAPUR MAIN RD TO JUBILEE HILLS VIA YSR STAT | 4,500                          | 4,500             | 4,500        | 01(Residential) | 01/02/2022                  | <a href="#">Get</a> |
| 8.            | 0 - 3      | MADHAPUR                                       | 1,000                          | 1,000             | 1,000        | 10(Residential) | 01/02/2022                  | <a href="#">Get</a> |
| 9.            | 0 - 3      | MADHAPUR MAIN ROAD                             | 7,300                          | 6,600             | 6,600        | 02(Commercial)  | 01/02/2022                  | <a href="#">Get</a> |
| 10.           | 0 - 3      | MADHAPUR TO JUBILEE HILLS ROAD VIA YSR STAT    | 7,300                          | 6,600             | 6,600        | 02(Commercial)  | 01/02/2022                  | <a href="#">Get</a> |
| 11.           | 0 - 3      | MINDSPACE JUNCTION TO ROBBET MALL              | 7,300                          | 6,600             | 6,600        | 02(Commercial)  | 01/02/2022                  | <a href="#">Get</a> |

Source: IGRS Telangana 2024

## Ready Reckoner Rate for the Land

| REGISTRATION & STAMPS DEPARTMENT<br>Government of Telangana   |            |   |                                 |                   |                                |                                  |
|---|------------|---|---------------------------------|-------------------|--------------------------------|----------------------------------|
| <a href="#">Home</a> <a href="#">About Us</a> <a href="#">Organization</a> <a href="#">Acts&amp;Rules</a> <a href="#">FAQ's</a> <a href="#">RTI Act</a> <a href="#">Downloads</a> <a href="#">Citizen's Charter</a> <a href="#">Ready Reckoner</a> <a href="#">EODR</a> <a href="#">Login</a> |            |   |                                 |                   |                                |                                  |
| Unit Rates - Locality Wise  |            |   |                                 |                   |                                |                                  |
| District Name   |            | Mandal Name                                     |                                 | City/Town/Village |                                |                                  |
| RANGAREDDY  |            | SRILINGAMPALLE                                  |                                 | MADHAPUR          |                                |                                  |
| S.No.   | Ward-Block | Locality  | Land Value<br>(Rs. per Sq.Yard) | Classification    | Effective Date<br>(dd/mm/yyyy) | Docs No. View<br>Details - Rates |
| 1.  | 0 - 1      | RESD IN COMM-1                                  | 32,200                          | 02(Commercial)    | 01/02/2022                     | <a href="#">Get</a>              |
| 2.  | 0 - 1      | RESIDENTIAL LOCALITY                            | 32,200                          | 01(Residential)   | 01/02/2022                     | <a href="#">Get</a>              |
| 3.  | 0 - 2      | COMMERCIAL-1                                    | 44,900                          | 01(Residential)   | 01/02/2022                     | <a href="#">Get</a>              |
| 4.  | 0 - 2      | MADHAPUR MAIN ROAD                              | 44,900                          | 02(Commercial)    | 01/02/2022                     | <a href="#">Get</a>              |
| 5.  | 0 - 3      | COMMERCIAL PROPERTIES IN MADHAPUR RESIDENTIAL   | 32,200                          | 02(Commercial)    | 01/02/2022                     | <a href="#">Get</a>              |
| 6.  | 0 - 3      | RES PROP ABUTTING TO KOTHAGUDA JN TO MADHAPUR   | 44,900                          | 01(Residential)   | 01/02/2022                     | <a href="#">Get</a>              |
| 7.  | 0 - 2      | MADHAPUR MAIN RD TO JUBILEE HILLS VIA YSR STAT. | 44,900                          | 01(Residential)   | 01/02/2022                     | <a href="#">Get</a>              |
| 8.  | 0 - 3      | MADHAPUR  | 32,200                          | 01(Residential)   | 01/02/2022                     | <a href="#">Get</a>              |
| 9.  | 0 - 3      | MADHAPUR MAINROAD                               | 44,900                          | 02(Commercial)    | 01/02/2022                     | <a href="#">Get</a>              |
| 10.   | 0 - 3      | MADHAPUR TO JUBILEEHILLS ROAD VIA YSR STATUE    | 44,900                          | 02(Commercial)    | 01/02/2022                     | <a href="#">Get</a>              |
| 11.   | 0 - 3      | MINDSPACE JUNCTION TO INORBIT MALL              | 44,900                          | 02(Commercial)    | 01/02/2022                     | <a href="#">Get</a>              |

Source: IGRS Telangana 2024

## Annexure - 6

### Cashflow of the Project

Table 7.5 Discounted Cash Flow (INR Mn)

| Sl. No. | Particulars  | 1-Apr-23  | 1-Apr-24  | 1-Apr-25  | 1-Apr-26  | 1-Apr-27  | 1-Apr-28  | 1-Apr-29  | 1-Apr-30  | 1-Apr-31  | 1-Apr-32  | 1-Apr-33  | 1-Apr-34  |
|---------|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|         |  | 31-Mar-24 | 31-Mar-25 | 31-Mar-26 | 31-Mar-27 | 31-Mar-28 | 31-Mar-29 | 31-Mar-30 | 31-Mar-31 | 31-Mar-32 | 31-Mar-33 | 31-Mar-34 | 31-Mar-35 |
|         |  | Y0        | Y1        | Y2        | Y3        | Y4        | Y5        | Y6        | Y7        | Y8        | Y9        | Y10       | Y11       |
|         | Development / Construction Phasing                         |           | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
|         | Total Development Cost to be Incurred (including Upgrades) | -         | 195.00    | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| A       | Base Rental  |           | 1,332.96  | 1,516.67  | 1,574.49  | 1,639.70  | 1,738.85  | 1,793.01  | 1,826.23  | 2,007.48  | 2,154.92  | 2,159.09  | 2,425.75  |
| B       | Car Parking Income   |           | 8.36      | 8.36      | 8.33      | 8.14      | 10.70     | 12.17     | 13.74     | 14.12     | 15.13     | 16.99     | 17.79     |
| C       | Fit-out rentals/ tenant improvements                       |           | 11.94     | 11.94     | 11.68     | 11.28     | 11.28     | 11.28     | 11.28     | 11.28     | 1.88      | -         | -         |
| D       | Facility Rentals   |           | 1,353.26  | 1,536.97  | 1,594.50  | 1,659.12  | 1,760.83  | 1,816.47  | 1,851.26  | 2,032.89  | 2,171.92  | 2,176.08  | 2,443.53  |
| E       | Maintenance services income                                |           | 279.10    | 295.52    | 310.29    | 325.81    | 342.10    | 359.20    | 377.16    | 396.02    | 415.82    | 436.61    | 458.44    |
| F       | Other Operating Income                                     |           | 13.33     | 15.17     | 15.74     | 16.40     | 17.39     | 17.93     | 18.26     | 20.07     | 21.55     | 21.59     | 24.26     |
| G       | Revenue from Operations                                    |           | 1,645.69  | 1,847.65  | 1,920.54  | 2,001.33  | 2,120.31  | 2,193.60  | 2,246.68  | 2,448.98  | 2,609.29  | 2,634.28  | 2,926.23  |
|         | Direct Operating Expenses                                  |           | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| H       | Maintenance services Expenses                              |           | 234.26    | 245.98    | 258.28    | 271.19    | 284.75    | 298.99    | 313.94    | 329.63    | 346.11    | 363.42    | 381.59    |
| I       | Property Tax   |           | 35.30     | 36.36     | 37.45     | 38.58     | 39.73     | 40.93     | 42.15     | 43.42     | 44.72     | 46.06     | 47.44     |
| J       | Insurance Premium  |           | 6.11      | 6.29      | 6.48      | 6.67      | 6.87      | 7.08      | 7.29      | 7.51      | 7.74      | 7.97      | 8.21      |
| K       | Net Operating Income (NOI)                                 |           | 1,370.01  | 1,559.02  | 1,618.33  | 1,684.89  | 1,788.96  | 1,846.61  | 1,883.30  | 2,068.42  | 2,210.72  | 2,216.83  | 2,488.99  |
|         | Add: Terminal Cash Flow                                    |           | -         | -         | -         | -         | -         | -         | -         | -         | -         | 30,801.21 | -         |
|         | Indirect Operating Expenses                                |           | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| L       | Brokerage Fees   |           | 46.87     | 1.44      | 1.69      | 5.12      | 3.12      | 18.79     | 87.02     | 70.78     | 20.93     | 154.73    | -         |
| M       | Property Management Fee                                    |           | 47.83     | 54.32     | 56.36     | 58.64     | 62.24     | 64.20     | 65.43     | 71.85     | 76.77     | 76.92     | 86.37     |
| N       | Other operational expenses                                 |           | 26.83     | 30.50     | 31.66     | 32.96     | 34.99     | 36.10     | 36.80     | 40.43     | 43.40     | 43.52     | 48.87     |
| O       | Net Cashflows  | -         | 1,053.49  | 1,472.76  | 1,528.63  | 1,588.17  | 1,688.61  | 1,727.51  | 1,694.05  | 1,885.36  | 2,069.61  | 32,742.87 | -         |

Note: We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes

## Annexure - 7

### Material Litigations

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#### 1. Litigation

There are no litigations in relation to the land held by Intime.

#### 2. Criminal matters

There are no pending criminal matters against Intime.

#### 3. Regulatory actions

KRIT had proposed a rights issue of shares in which Andhra Pradesh Industrial Infrastructure Corporation ("APIIC") (now, TSIIC) abstained from subscribing to the rights shares. Consequently, upon closure of the rights issue subscription by the other shareholders of KRC group, the stake of APIIC in KRIT reduced from 11%. Thereafter, upon demerger of certain undertakings of KRIT into Intime and Sundew, the APIIC's stake reduced in each of these entities instead of what it was initially at 11%. Such rights issue of shares was undertaken in compliance with applicable law and agreement between the parties, and after KRIT had waited over one year for APIIC to decide.

Subsequently, APIIC / GoAP disputed such dilution of their stake in KRIT, Intime and Sundew, which led to an inquiry by Vigilance and Enforcement Department of GoAP against the Government Officials and correspondingly, KRIT. APIIC issued a letter dated July 10, 2012 to KRIT, referring to a report of vigilance and enforcement department ("VED Report") in relation to the Mindspace Madhapur project. Subsequently, the equity stake of APIIC was restored to 11% in KRIT, Intime and Sundew together with compensating APIIC for any loss of corporate benefits in the intervening period. The VED Report alleged certain irregularities, which include alleging a financial loss to APIIC and GoAP pursuant to sale of the land to its sister concerns and sale of constructed area, at a nominal price, dilution of 11% equity stake of APIIC and loss of immovable asset base to APIIC due to the dilution of equity.

KRIT denied such irregularities, violations or financial loss caused to APIIC /GoAP. While denying the loss alleged by APIIC, KRIT, Intime and Sundew provided a joint undertaking dated February 14, 2014 to APIIC inter alia undertaking (i) to pay the amounts to APIIC in respect of APIIC's claim of losses, due to any differences in values pertaining to the sale transactions in Mindspace Madhapur project; (ii) that payments shall be made by KRIT within 30 days of receipt of such written demand from APIIC; and (iii) that KRIT shall be bound by the decision of APIIC and comply with the same within the stipulated timelines.

KRIT has further provided an undertaking dated October 24, 2016 to APIIC, inter alia undertaking to pay losses incurred by Government of Telangana /APIIC as per the VED Report and to maintain the agreed shareholding of the Government of Telangana or APIIC in KRIT, Intime and Sundew post conversion of KRIT to public limited company and the Government of Telangana/ APIIC will not be required to infuse additional funds to maintain its equity stake in KRIT, Intime and Sundew.

While KRIT has attempted to make payments to the extent of the loss incurred by APIIC along with interest, by letter dated April 23, 2019, APIIC has confirmed to KRIT that it will be informed about the quantum of the amount to be paid, once the quantum of loss is determined by an independent third party appointed for such purpose. KRCPL, by way of its letter dated December 9, 2019, has undertaken that it shall assume any financial liability that KRIT, Intime or Sundew may incur in this behalf.

#### 4. Material civil/commercial litigation

There are no material civil/commercial litigation involving Intime.



**Table 7.6: Summary of Pending Tax Litigation**

| ASSESSMENT YEAR | SIGNIFICANT ISSUE IN DISPUTE   | AUTHORITY-<br>RAISING ISSUE | AUTHORITY-PASSING | APPEAL PREFERRED<br>BY | AUTHORITY ISSUE<br>PENDING | NEXT DATE OF<br>HEARING IF   | EXPOSURE-<br>TAX,<br>INTEREST |
|-----------------|--|-----------------------------|-------------------|------------------------|----------------------------|--|-------------------------------|
| 2009-10         | Department appeal against the order of ITAT quashing the CIT order u/s. 263 for assessing Rental Income under the head "Business". | CIT                         | CIT               | Dept.                  | High Court                 | Not available  |                               |
| 2010-11         | Department appeal against the order of ITAT quashing the CIT order u/s. 263 for assessing Rental Income under the head "Business". | CIT                         | CIT               | Dept.                  | High Court                 | Not available  |                               |
| 2014-15         | Rental Income assessed under the head "Business" instead of IHP.   | Assessing Officer           | Assessing Officer | Company                | CIT(A)                     | Hearing completed -<br>Notice received and<br>adjourned till<br>20.04.2023 |                               |

Note: Direct tax litigations are at the SPV level.

**Table 7.7: Indirect Tax Litigation**

| TAX TYPE    | AUTHORITY<br>PENDING   | TAX DEMAND (IN<br>'MN) | INTEREST<br>(QUANTIFIED) | PENALTY<br>(QUANTIFIED) | ISSUE IN BRIEF   | PERIOD                   | INTEREST      | PENALTY       |
|-------------|--|------------------------|--------------------------|-------------------------|--|--------------------------|---------------|---------------|
| Service Tax | CESTAT   | 15.30                  | -                        | -                       | Service tax on pure fit out charges collected from the customers     | April 2015 to June 2017  | As Applicable | As applicable |
| Service Tax | CESTAT   | 20.70                  | -                        | 20.70                   | Service tax on pure fit out charges collected from the customers     | April 2010 to March 2015 | As Applicable | 20.70         |
| Customs     | Reply to SCN filed with Commissioner, Customs, Central Excise & Service Tax, Hyderabad | 15.93                  | -                        | -                       | Customs duty demand at the time of debonding of assets from the STPI | April 16                 | As Applicable | As applicable |

## Annexure - 8

### Caveats and Limitations

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1. The Valuation Report (hereafter referred to as the 'Report') covers specific markets and situations that are highlighted in the Report based on independent market report prepared by JLL and does not entail any comprehensive analysis of the market and the industry given the nature of the scope of the assignment.
2. The opinions expressed in the Report are subject to the limitations expressed below.
  - a) The valuation method adopted is based on the Valuer's expertise and knowledge considering the forecasts on demand, supply and pricing as undertaken by JLL as part of an independent market/ industry research and considered to be relevant and reasonable at that point of time. The Report and the opinions therein do not constitute any recommendation to K Raheja Corp Investment Managers LLP (or the 'Client') or its affiliates and subsidiaries or its customers or any other party to adopt a particular course of action. The use of the Report at a later date may invalidate the assumptions and bases on which these opinions have been expressed and is not recommended as an input to any financial decision.
  - b) It should be noted that the valuation is based upon the facts and evidence available at the time of conduct of the valuation and applicable on the date of valuation. It is therefore recommended that these valuations be periodically reviewed.
  - c) Changes in socio-economic and political conditions could result in a substantially different situation than those presented herein. The Valuer assumes no responsibility for changes in such external conditions.
  - d) The Valuer has considered the independent market report prepared by JLL and macro understanding of the market through readily available information in public domain. Hence, no direct link is sought to be established between the macro-level understandings on the market with the assumptions estimated for the analysis herein.
  - e) The services provided is limited to valuation of the Project primarily comprising Land and Building and any part thereof and does not constitute any audit, survey, due diligence, tax related services etc. Accordingly, no opinion has been expressed on the financial information of the business of any party, including the Client and its affiliates and subsidiaries. The Report is prepared solely for the purpose stated and should not be used for any other purpose.
  - f) While the information included in the Report is accurate and reliable to the best of the knowledge of the Valuer, no representations or warranties, expressed or implied, as to the completeness of such information is being made. The Valuer shall not undertake any obligation to update or supplement any information contained in the Report save as provided for in the Agreement.
  - g) Apart from the sources already mentioned in the report, the Valuer has relied on readily available public information for the purpose of preparing this report.
3. The Report reflects matters as they currently exist. Any changes thereon may materially affect the information contained in the Report.
4. All assumptions made in order to determine the valuation of the Project is based on information or opinions as current. In the course of the analysis, the Valuer has relied on information or opinions, both written and verbal, as obtained from the Client as well as from third parties provided with, including limited information on the market, financial and operating data, which has been accepted as accurate in bona-fide belief. No responsibility is assumed for technical or specialized information furnished by the third-party organizations, and this is believed bona-fide to be reliable.

5. No investigation of the title of the assets has been made and owners' claims to the assets is assumed to be valid unless anything contrary is mentioned in the main report. No consideration is given to liens or encumbrances, which may be against the Project or assets. Therefore, no responsibility is assumed for matters of a legal nature.
6. Review of tenants' ability and willingness to continually pay lease rents as per their respective contractual terms is not within the scope of work of Valuer. Valuer has assumed that all tenants' will be able to pay their rents on time as and when demanded as per their contractual terms and that no arrears exist with respect to any tenancy.
7. The Valuer's total aggregate liability to the Client including that of any third-party claims, in contract, tort including negligence or breach of statutory duty, misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the services is limited to an aggregate sum as agreed in the LOE (Letter of Engagement). The Valuer shall not be liable for any pure economic loss, loss of profit, loss of business, depletion of goodwill, in each case whether direct or indirect or consequential or any claims for consequential loss compensation whatsoever which, arise out of or in connection with services provided under this engagement.
8. The Client including its agents, affiliates and employees, must not use, reproduce or divulge to any third party any information it receives from the Valuer for any purpose except set out herein.
9. This engagement shall be governed by and construed in accordance with Indian laws and any dispute arising out of or in connection with the engagement, including the interpretation thereof, shall be submitted to the exclusive jurisdiction of courts in New Delhi.

# Valuation Report

## Mindspace Airoli East, Mumbai Region

Maharashtra, India

Submitted To:

K. Raheja Corp. Investment Managers Private  
Limited (formerly known as K Raheja Corp  
Investment Managers LLP)

(acting as the Manager to Mindspace Business Parks  
REIT)

Date of Valuation:

31-March-2024

Date of Report:

24-April-2024



Prepared By:

KZEN VALTECH PRIVATE LIMITED

IBBI/RV-E/05/2022/164

## EXECUTIVE SUMMARY

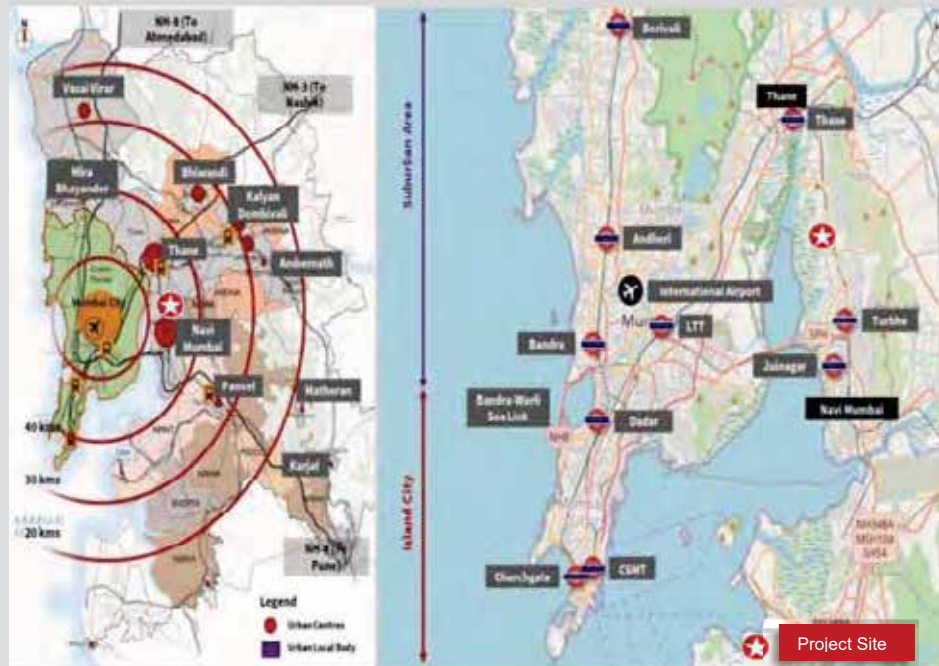
| Property Name     | Mindspace Airoli East, Navi Mumbai, Maharashtra, India  |                         |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |
|-------------------|---|-------------------------|---------------|-------------------------|----|------------------------------|---------|----|------------------------------|---------|----|------------------------------|---------|----|------------------------------|---------|----|--------------------------------|---------|----|------------------------------|---------|----|------------------------------|---------|----|------------------------------|---------|
| Property Address  | Plot No. 3, Kalwa Trans Thane Creek Industrial Area, Mindspace, Opp. Airoli Station, Kalwa, Airoli, Thane, Navi Mumbai 400708   |                         |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |
| Land Area         | Total Plot Area: ~50.1 acres  |                         |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |
| Brief Description | <p>The property is located in the Thane-Belapur Road micro market within Navi Mumbai in the Mumbai region. It lies along the Thane-Belapur Road. It is located at a distance of about 1.5 km from the Airoli Suburban Railway Station and about 15 km from the Eastern Express Highway.</p> <p>The property is developed as a Grade A, Information Technology (IT), Special Economic Zone (SEZ) Park and has two components i.e., a completed component and an under construction component. The total leasable area of the property is 6,420,121 sq. ft.</p> <p>Completed Buildings – 12 Commercial / Office SEZ Buildings and Club House</p> <p>The completed component of the property comprises 12 commercial / office SEZ buildings (Buildings 1, 2, 3, 4, 5&amp;6, 7, 8, 9, 10, 11, 12 and 14),and a Club House with total leasable area of 4,774,581 sq. ft.</p> <p>Under Construction Buildings – Office Building 15, High Street Retail and (Hotel + office) building</p> <p>The property includes High Street Retail, Building 15 and Mixed use building (Hotel + office) which is under construction and a future development (Building 15). All these buildings are proposed to be Non SEZ developments. The total leasable area of these under construction and future development buildings is 1,645,540 sq. ft and they are expected to be completed by Q1 FY28 (Building 15), Q4 FY25 (High Street Retail), Q2 FY28(Hotel portion) + Q4 FY27(Office portion)</p> <p>The property is owned entirely by Mindspace Business Parks Private Limited ("MBPPL") in which 100% interest is held by Mindspace Real Estate Investment Trust (REIT).</p> <p>The property has good frontage along the access road with one (1) main entrance, separate exit and separate secured gates for the buildings within. The property is predominantly surrounded by commercial office spaces followed by residential and industrial developments.</p> <p>Mindspace Business Parks Private Limited has also invested in the infrastructure to facilitate the distribution of the power to the customers (occupiers and operators within the subject properties). It procures power from Power generators/traders supplying to the grid and then distribute it to the end consumers within the property. It is not allowed to expand the power distribution outside the limits of the SEZ.</p> |                         |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |
| Asset Details     | <p>Leasable area details as shared by the Client is given below:</p> <table><tr><th>Sl. No.</th><th>Building Name</th><th>Leasable Area (sq. ft.)</th></tr><tr><td>1.</td><td>Building 1 – Office building</td><td>368,007</td></tr><tr><td>2.</td><td>Building 2 – Office building</td><td>387,073</td></tr><tr><td>3.</td><td>Building 3 – Office building</td><td>354,404</td></tr><tr><td>4.</td><td>Building 4 – Office building</td><td>349,433</td></tr><tr><td>5.</td><td>Building 5&amp;6 – Office building</td><td>872,549</td></tr><tr><td>6.</td><td>Building 7 – Office building</td><td>345,376</td></tr><tr><td>7.</td><td>Building 8 – Office building</td><td>295,423</td></tr><tr><td>8.</td><td>Building 9 – Office building</td><td>359,848</td></tr></table>   | Sl. No.                 | Building Name | Leasable Area (sq. ft.) | 1. | Building 1 – Office building | 368,007 | 2. | Building 2 – Office building | 387,073 | 3. | Building 3 – Office building | 354,404 | 4. | Building 4 – Office building | 349,433 | 5. | Building 5&6 – Office building | 872,549 | 6. | Building 7 – Office building | 345,376 | 7. | Building 8 – Office building | 295,423 | 8. | Building 9 – Office building | 359,848 |
| Sl. No.           | Building Name   | Leasable Area (sq. ft.) |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |
| 1.                | Building 1 – Office building  | 368,007                 |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |
| 2.                | Building 2 – Office building  | 387,073                 |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |
| 3.                | Building 3 – Office building  | 354,404                 |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |
| 4.                | Building 4 – Office building  | 349,433                 |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |
| 5.                | Building 5&6 – Office building  | 872,549                 |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |
| 6.                | Building 7 – Office building  | 345,376                 |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |
| 7.                | Building 8 – Office building  | 295,423                 |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |
| 8.                | Building 9 – Office building  | 359,848                 |               |                         |    |                              |         |    |                              |         |    |                              |         |    |                              |         |    |                                |         |    |                              |         |    |                              |         |    |                              |         |



|     |   |           |
|-----|---|-----------|
| 9.  | Building 10 – Office building           | 366,319   |
| 10. | Building 11 – Office building           | 353,159   |
| 11. | Building 12 – Office building           | 371,972   |
| 12. | Building 14 – Office building           | 344,247   |
| 13. | Club House                              | 6,771     |
| 14. | Building 15 – Under construction        | 800,000   |
| 15. | High Street Retail – Under construction | 45,908    |
| 16. | Hotel + Office – Under construction     | 799,632   |
|     | Total Leasable Area                     | 6,420,121 |

During the site inspection it was found that the Project Site has 12 office buildings that are complete and operational along with the Club House. Additionally, the property has an under construction High Street Retail building which is expected to be completed as per timelines specified above

Location Map



Key Assumptions

The table below summarizes key valuation assumptions used in the estimate.

| Particulars                | Description   |
|----------------------------|---|
| Asset Specific Information |   |
| Nature of Asset            | Commercial / Office with Amenities  |
| Current Status             | Office Buildings 1, 2, 3, 4, 5&6, 7, 8, 9, 10, 11, 12, 14 and Club House – Completed and Operational.<br>High Street Retail – Under Construction<br>Office Building 15 – Future Development.<br>Hotel + Office Building – Under Construction (Approvals in process) |

|                     |   |                                |                         |            |           |                       |
|---------------------|---|--------------------------------|-------------------------|------------|-----------|-----------------------|
| Total Leasable Area | 6,420,121 sq. ft (includes completed buildings and future developments) |                                |                         |            |           |                       |
| Asset Details       |   |                                |                         |            |           |                       |
|                     | Sl. No.   | Building Name                  | Leasable Area (sq. ft.) | Usage Type | Status    | Age of the Building   |
|                     | 1.  | Building 1 – Office building   | 368,007                 | IT SEZ     | Completed | 11 years and 8 months |
|                     | 2.  | Building 2 – Office building   | 387,073                 | IT SEZ     | Completed | 12 years and 7 month  |
|                     | 3.  | Building 3 – Office building   | 354,404                 | IT SEZ     | Completed | 14 years and 2 months |
|                     | 4.  | Building 4 – Office building   | 349,433                 | IT SEZ     | Completed | 12 years and 2 months |
|                     | 5.  | Building 5&6 – Office building | 872,549                 | IT SEZ     | Completed | 13 years and 3 months |
|                     | 6.  | Building 7 – Office building   | 345,376                 | IT SEZ     | Completed | 14 years              |
|                     | 7.  | Building 8 – Office building   | 295,423                 | IT SEZ     | Completed | 15 years and 6 months |
|                     | 8.  | Building 9 – Office building   | 359,847                 | IT SEZ     | Completed | 11 years and 3 months |
|                     | 9.  | Building 10 – Office building  | 366,319                 | IT SEZ     | Completed | 10 years and 9 months |
|                     | 10.   | Building 11 – Office building  | 353,159                 | IT SEZ     | Completed | 10 years and 8 months |
|                     | 11.   | Building 12 – Office building  | 371,972                 | IT SEZ     | Completed | 9 years and 4 months  |

|                                   |   |                               |           |                    |                    |  |
|-----------------------------------|---|-------------------------------|-----------|--------------------|--------------------|--|
|                                   | 12.   | Building 14 – Office building | 344,247   | IT SEZ             | Completed          | 14 years   |
|                                   | 13.   | Club House                    | 6,771     |                    | Completed          | 10 years and 3 months                              |
|                                   | 14.   | Building 15                   | 800,000   | Non SEZ IT         | Under Construction | Completion expected in Q1 FY28                     |
|                                   | 15.   | High Street Retail –          | 45,908    | Non SEZ Commercial | Under Construction | Completion expected in Q1 FY25                     |
|                                   | 16.   | Hotel + Office                | 799,632   |                    | Under Construction | Completion expected Office Q4 FY27 & Hotel Q2 FY28 |
|                                   |   | Total                         | 6,420,121 |                    |                    |  |
|                                   | In addition to the above, the undivided rights, title and interest in the following assets are also part of the Project. <ul style="list-style-type: none"><li>▪ Amenities and infrastructure</li><li>▪ Total utility areas and internal roads</li><li>▪ Total open spaces</li></ul>  |                               |           |                    |                    |  |
| Revenue Assumptions               |   |                               |           |                    |                    |  |
| In-Place Rent                     | INR 62.9 per sq. ft per month   |                               |           |                    |                    |  |
| Market / Marginal Rent            | Completed Buildings<br>Office Buildings – INR 61.95 per sq. ft per month<br>Kiosk – INR 262.50 per sq. ft per month<br>F&B – INR 141.75 per sq. ft per month<br>Under Construction Buildings<br>High Street Retail – INR 66.15 per sq. ft per month<br>(Hotel + Office)<br>Hotel – INR 59 per sq. ft per month<br>Office – INR 61.95 per sq. ft per month<br>Future Development<br>Building 15 – INR 61.95 per sq. ft per month |                               |           |                    |                    |  |
| Parking Rent                      | INR 1,575 per CPS per month (applicable for completed buildings only)   |                               |           |                    |                    |  |
| Financial Assumptions – Buildings |   |                               |           |                    |                    |  |
| Exit Cap Rate                     | 8.00%   |                               |           |                    |                    |  |

|              |  |  |                     |   |
|--------------|--|--|---------------------|---|
|              | Discount Rate / WACC   | Completed Buildings:<br>All Office Buildings (B1, B2, B3, B4, B5&6, B7, B8, B9, B10, B11, B12, B14) – 11.75%<br><br>Under Construction Buildings:<br>High Street Retail& (Hotel + office building) – 13.00%<br><br>Future Developments:<br>Office Buildings (Building 15) – 13.00% |                     |   |
|              | Financial Assumptions – Power Distribution Services  |  |                     |   |
|              | Discount Rate / WACC   | 10.50%   |                     |   |
|              | License End Date   | 3 <sup>rd</sup> November 2032  |                     |   |
|              |  |  |                     |   |
| Market Value | Component  | Market Value as on   | In Figures (INR Mn) | In Words  |
|              | Total Market Value (Completed / Operational, including power distribution business of MBPPL) | 31 <sup>st</sup> March 2024  | 45,423.99           | INR Forty Five Billion Four Hundred Twenty Three Million Nine Hundred Ninety Thousand Only  |
|              | Total Market Value (Under construction buildings and future development buildings)           | 31 <sup>st</sup> March 2024  | 2,099.86            | INR Two Billion Ninety Nine Million Eight Hundred Sixty Thousand Only                       |
|              | Total Value  |  | 47,523.86           | INR Forty Seven Billion Five Hundred Twenty Three Million Eight Hundred Sixty Thousand Only |
|              |  |  |                     |   |

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## **LIST OF ABBREVIATIONS**

|           |   |
|-----------|---|
| CBD       | Central Business District                                       |
| CY        | Current Year  |
| INR       | Indian Rupees   |
| IT / ITES | Information Technology / IT Enabled Services                    |
| IVSC      | International Valuation Standards Committee                     |
| JLL       | Jones Lang LaSalle Property Consultants (India) Private Limited |
| Km        | Kilometre   |
| NH        | National Highway  |
| PBD       | Peripheral Business District                                    |
| REIT      | Real Estate Investment Trust                                    |
| RICS      | Royal Institution of Chartered Surveyors                        |
| SBD       | Secondary Business District                                     |
| SEZ       | Special Economic Zone   |
| sq. ft    | square feet   |
| sq. m     | square metre  |

### **CONVERSION OF UNITS**

|         |                 |
|---------|-----------------|
| 1 acre  | 43559.66 sq. ft |
| 1 acre  | 4046.9 sq. m    |
| 1 sq. m | 1.196 sq. yards |
| 1 sq. m | 10.764 sq. ft   |
| 1 metre | 1.0936 yards    |
| 1 metre | 3.28 ft         |
| 1 cent  | 435.6 sq. ft    |

# 1 INTRODUCTION

---

## 1.1 INSTRUCTIONS

K Raheja Corp. Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP) (hereinafter referred to as the 'Client'), in its capacity as Manager of the Mindspace Business Parks REIT (Mindspace REIT), has appointed KZEN VALTECH PRIVATE LIMITED, Registered Valuer Entity with Insolvency and Bankruptcy Board of India ("IBBI") bearing registration no. IBBI/RV-E/05/2022/164 (hereinafter referred to as the 'Valuer') to carry out an independent estimate of Market Value of commercial / office properties located in Chennai, Hyderabad, Mumbai and Pune along with incidental or ancillary activities including a facility management business and power distribution facility, vide Engagement Letter dated 27 March 2023. The Client intends to seek independent estimate of Market Value for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchange.

This Valuation Report has Market Value of a commercial / office project located named **'Mindspace Airoli East' (Buildings B1, B2, B3, B4, B5&6, B7, B8, B9, B10, B11, B12, B14, B15, Club House, High Street Retail and (Hotel + office building))** located in **Airoli, Navi Mumbai**, Maharashtra, India (hereinafter referred to as the 'Project').

## 1.2 PURPOSE OF VALUATION

The purpose of this valuation is to estimate the value of the Project as part of the portfolio of Mindspace REIT for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended together with clarifications, guidelines and notifications thereunder in the Indian stock exchange and for accounting purpose.

In addition, other documents in relation to the regulatory filings such as publicity material, research reports, presentations and press releases will also be prepared, wherein copies, summary or extracts of the Valuation Report are intended to be included.

## 1.3 RELIANT PARTIES

The reliance on the Valuation Report prepared as part of this engagement is extended to the Manager, REIT and other parties including the trustee of REIT, debenture trustee(s), stock exchanges, unitholders of REIT, Securities and Exchange Board of India ('SEBI'), credit rating agencies, lenders of the REIT and / or its special purpose vehicles or any other person within or outside India as the Manager may deem fit for the purpose as highlighted in this report (valuation). The Valuer, however, would extend no liability to such reliant parties save and except for gross and willful negligence.

The valuation exercise is conducted strictly and only for the use of the parties as stated above who need to rely on such valuation ('Reliant Party') and for the Purpose specifically stated. The Client shall make all reliant parties aware of the terms and conditions of the engagement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 1.4 VALUER'S CAPABILITY

**KZEN VALTECH PRIVATE LIMITED**, bearing Registered Valuer Entity number IBBI/RV-E/05/2022/164 with IBBI has been appointed as the Valuer for providing opinions on market value of the respective Subject Properties.

Mr. Sachin Gulaty, Director, KZEN VALTECH PRIVATE LIMITED, is registered as a valuer with IBBI for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 13 August 2021. He qualified for the degree of Bachelor of Architecture from School of Planning and Architecture, New Delhi in 1997, and qualified for the degree of Master in Planning with specialization in Urban Planning from School of Planning and Architecture, New Delhi in 2002. He, subsequently, undertook distance learning from SVKM's Narsee Monjee Institute of Management Studies ("NMIMS") Global Access – School for Continuing Education, qualified for the two-years Post Graduate Diploma in Banking & Financial Management and was awarded this Post Graduate Diploma in July 2018.

Mr. Gulaty has more than 26 years of experience, including one and a half years of post-graduate education, spread over domains of architecture, urban planning, urban infrastructure, real estate advisory, and real estate asset valuation. He was the National Head of Valuations for Jones Lang LaSalle Property Consultants (India) Private Limited ("JLL India"), a leading International Property Consulting firm in India, from 2010 to 2021. Prior to this role, Mr. Gulaty gained practical experience in providing architecture services, town and city planning, and research related to regulatory studies and urban governance covering urban infrastructure such as water supply, sanitation, solid waste management, and urban transport, among other aspects. In the early part of his career, he worked with renowned architectural services firm, Kuldip Singh & Associates, and The Energy and Resources Institute ("TERI"). His last employment was with JLL as Senior Director and National Head for Valuations.

As the National Head of Valuations at JLL India, he led numerous valuation exercises for multiple financial institutions, private equity/real estate funds, corporates, industrial houses, government departments, and developers across multiple real estate asset classes of commercial, retail, residential, industrial, healthcare, and hospitality, among others. Clientele served by him across his entire career till date, under various employments, includes Brookfield, GIC, Qatar Investment Authority, JP Morgan, BlackRock, CapitalLand, Citibank, Standard Chartered Bank, Yes Bank, Kotak Mahindra, Maruti Suzuki, Indiabulls, Dubai Port World, World Bank, DLF, RMZ, Shriram Properties, DIPAM, NHAI, NBCC, AAI, and RLDA, among others.

Mr. Gulaty, who carries IBBI Registration Number: IBBI/RV/02/2021/14284, is enrolled with the Institute of Valuers Registered Valuers Foundation ("IOVRVF"), is a Fellow of Royal Institution of Chartered Surveyors ("RICS"), Fellow and Lifetime Member of Institute of Valuers, India ("IOV"), admitted as an Arbitrator (India) on the RICS Panel of Dispute Resolvers & Expert Witnesses, and features in the global list of RICS Trained Assessors, has prepared and signed this report on behalf of RV-E.

## 1.5 INDEPENDENCE, CONFLICT OF INTEREST AND VALUER'S INTEREST

The Valuer confirms that there are no conflicts of interest in so far as discharging his duties as a valuer for the Project is concerned. The Valuer has undertaken the valuation exercise without the presence of any bias, coercion, or undue influence of any party, whether directly connected to the valuation assignment. There has not been any professional association with the Client or the Project in past five years from his engagement as the Valuer, except as valuer under the SEBI (REIT) Regulations, 2014.

The Valuer certifies that he / she does not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the Project (including the parties with whom the

Client is dealing, including the lender or selling agent, if any) and accepts instructions to value the Project only from the Client.

## **1.6 ASSUMPTIONS, DEPARTURES AND RESERVATIONS**

This Valuation Report has been prepared on the basis of the assumptions within the instructions (Key Assumptions, Qualifications, limitations and Disclosures) detailed after this section of this report. The development mix, built up area, land area and lease details such as lease rent, lease commencement and lease end date, lock-in period, escalation terms, etc. pertaining to the Project is based on the appropriate relevant documents, which has been provided by the Client and the same has been adopted for the purpose of this valuation.

## **1.7 INSPECTION OF THE PROJECT**

The Project was inspected on 27 March 2024 by the Valuer and subsequently no site visits have been conducted. No measurement or building survey has been carried out as part of the valuation exercise. The Valuer has relied entirely on the site areas provided by the Client, which has been assumed to be correct. Based on the discussions with the Client, it has been assumed that no material change in the condition of the property has taken place except for the progress of construction work in accordance with the information shared.

## **1.8 GENERAL COMMENT**

A valuation is an estimation of price, not a guarantee. By necessity, it requires the Valuer to make subjective judgments that, even if logical and appropriate, may differ from those made by a purchaser, or another valuer. Historically it has been considered that valuers may properly conclude within a range of possible values.

The purpose of the valuation does not alter the approach to the valuation.

Property values can change substantially, even over short periods of time, and thus the valuation of the Project herein could differ significantly if the date of valuation was to change.

This report should not be relied upon for any other purpose other than for which this valuation exercise has been undertaken.

## **1.9 CONFIDENTIALITY**

The contents of this Valuation Report are intended for the specific purpose stated. Consequently, and in accordance with current practice, no responsibility is accepted to any other party in respect of the whole or any part of its contents – except as maybe required in connection with the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, under the applicable law.

## **1.10 AUTHORITY**

The Client acknowledges and agrees that the valuation exercise undertaken (including, without limitation, the Reports itself and the contents thereof) is solely for the purpose set out in Section 1.2 herein. If Client desires to use the Report in any offering or other investment material for purpose other than as mentioned in the Section 1.2 herein, then (a) with Valuer will require, and the Client must provide or cause to be provided, an indemnification agreement in his favor, given by parties reasonably satisfactory to him, and (b) the Client will obtain his consent to the references in such materials to the Report.

## 1.11 LIMITATION OF LIABILITY

The Valuer has provided the services exercising due care and skill but does not accept any legal liability arising from negligence or otherwise to any person in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the properties. Further, the Valuer shall not accept liability for any errors, misstatements, omissions in the report caused due to false, misleading or incomplete information or documentation provided to him by the Instructing Party.

The Valuer's maximum aggregate liability for claims arising out of or in connection with the Valuation, under this engagement shall not exceed the professional indemnity insurance obtained by him. As on the date of this report, the professional indemnity insurance maintained by the Valuer is for Indian Rupees Fifty Million.

In the event that the Manager, the sponsors, the trustee, the REIT, or other intermediaries appointed by the Manager and / or REIT or its SPVs be subject to any claim ('Claim Parties') in connection with, arising out of or attributable to the Report, the Claim Parties will be entitled to require the Valuer to be a necessary party / respondent to such claim and he shall not object to his inclusion as a necessary party / respondent. In all such cases, the Manager, on behalf of the REIT, agrees to reimburse / refund to the Valuer, the actual cost (which shall include legal fees and external counsel's fee) incurred by them while becoming a necessary party / respondent. If the Valuer does not cooperate to be named as a party / respondent to such claims in providing adequate / successful defense in defending such claims, the Claim Parties jointly or severally will be entitled to initiate a separate claim against the Valuer in this regard.

The Valuer will neither be responsible for any legal due diligence, title search, and physical measurements nor undertake any verification / validation of the zoning regulations / development controls with any government departments / authorities, among other aspects., etc.

## 1.12 DISCLOSURE AND PUBLICATION

The Valuer must not disclose the contents of this Valuation Report to a third party in any way, except as allowed under the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars. As per the terms and regulation 2(1) of the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars, it may be noted that the Valuation report is prepared in accordance with said REIT regulations.

## 1.13 ANTI-BRIBERY AND ANTI-CORRUPTION

The Valuer represents, warrants and undertakes that:

The Valuer is familiar with applicable Anti-Corruption Laws under this Agreement including but not limited to Prevention of Corruption Act 1988 and will ensure that neither it nor any of its officers, directors, shareholders, employees and agents or any other person acting under its implied or express authority will engage in any activity, practice or conduct which would constitute an offence under, or expose or potentially expose either Party to any direct or indirect liability, under Applicable Anti-Corruption Laws;

It is further agreed that breach of any of the above undertakings shall be deemed to be a material breach of the Agreement and in case the Valuer is insisted upon or asserted by Client to violate any of the above said undertakings including Anti-Corruption regulations in any form or manner, on pretext of business relationship or otherwise, the Valuer shall have a discretionary right to terminate this Agreement without any liability or obligation on his part.



Such termination of this Agreement shall not in any way prejudice the rights and obligations (including payment for the services delivered under this Agreement) already accrued to the Valuer, prior to such termination.

## KEY ASSUMPTIONS, QUALIFICATIONS, LIMITATIONS AND DISCLAIMERS

|    |   |   |
|----|---|---|
| 1. | Type of Estimate                              | The scope of the assignment covers only estimating Market Value of a specified property and not a business valuation for either the Client or any of their subsidiaries or associated companies, etc. The estimate is based on extent of data / information provided by the Client and estimate has limited coverage wherever full data / information is not made available by the Client.  |
| 2. | Legal Due-Diligence                           | Legal due diligence for establishing clarity of title, ownership, encumbrances if any, notices or disputes if any, among other legal-related issues are not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.  |
| 3. | Information Provided by the Client and Others | The Valuer has relied on the information provided by the Client and the same has been assumed to be correct and has been used in the valuation. Where it is stated that another party has supplied information to the Valuer, this information is believed to be reliable. The Valuer cannot accept any responsibility for accuracy and non-reliability of such information.  |
| 4. | Regulatory Due-Diligence                      | Regulatory due diligence is not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.  |
| 5. | Project Status, Schedule and Project Costing  | Assessment of the Project Status and Schedule is based on the information provided by the Client and does not consider any unforeseeable developments which could impact the same in the future. The estimate <u>does account</u> for any capital expenses incurred by the Client on the existing and / or ongoing development works in the Project. Auditing the project figures is not part of the scope of work under this assignment. In all likelihood, an independent auditing agency would be covering this aspect, details of which can be obtained from the Client.  |
| 6. | Market Conditions and Trends                  | The Valuer has taken into consideration the general conditions in the market with respect to broad demand and supply while carrying out the valuation. The Valuer has compared other comparable properties on the basis of many factors and as far as possible tried to remove / account for the differences in type, location and quality of the properties.   |
| 7. | Information on Leases and Sales Performance   | The Valuer has relied on the rent roll including lease terms & conditions of the existing and pre-committed leases, as given by the Client. The Valuer has not verified individual lease agreements and the Valuer has relied on all information provided to him by the Client, upon which the Valuer will rely, is complete and correct. The Valuer has relied on pre-leasing details to the extent data / information made available by the Client.   |
| 8. | Site Investigations and Illustrations         | The Valuer has carried out the site visits and based on the information made available by the Client and the estimate is carried out considering that the Project Site is a contiguous land parcel and is free from any encroachments and encumbrances as on the date of valuation. The Valuer has not carried out any structural survey nor tested the building services. No geographical or geo-physical survey was carried out. No environmental assessment has been carried out. Any sketch, plan or map in the report is included to assist reader while visualizing the Project and assume no responsibility in connection with such matters. |
| 9. | Project Cost Estimates                        | Project Cost Estimates used in the estimate is as given by the Client. Project progress including capital expenditure progress reported is based on the cost incurred data as shared by the Client. The Valuer has reviewed the Project Cost estimates and / or cost incurred data  |

|     |  |  |
|-----|--|--|
|     |  | to broadly ascertain their correctness on a normative basis while relying on the same as shared by the Client.   |
| 10. | Environmental Compliance                   | The Valuer assumed that the Project Site / Project is not contaminated and is not adversely affected by any existing or proposed environmental law and any processes which are carried out on the Project Site are regulated by environmental legislation and are Project Site licensed by the appropriate authorities.  |
| 11. | Present Ground Conditions                  | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present, which might adversely affect the current or future occupation, development of the Project. The estimate assumes that the Project Site is free from rot, infestation, structural or latent defect and no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the property and comments made in the property details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.  |
| 12. | Town Planning and Statutory Considerations | The Valuer has not made formal search but has generally relied on readily available information to general public. Valuation Report is on current use / current state basis of the property and the Valuer has not considered any Government proposals for road widening or compulsory purchase / acquisition, or any other statute in force that might affect the Project.  |
| 13. | Future Market Development and Prospects    | The Valuer has not accounted any future market development and prospects to the extent information known to the Valuer as on the date of valuation. The Valuer does not warrant that such statements are accurate or correct.  |
| 14. | Disclaimer                                 | <p>The estimate of Market Value is based on documents / information shared by the Client. The Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Project.</p> <p>The Valuer has relied on the measurements and information provided at all times, whether from public and private sources, and has ensured to the best of their ability the correctness and the validity of the same, by cross checking from various sources. Whilst every effort has been taken to provide authentic data and analysis, the Valuer, and / or any of their associated companies and / or their employees are not responsible for any loss, major or minor incurred on the basis of the information and analyses provided, nor are liable to any damages in any form or shape.</p> <p>Given the confidential nature of real estate transactions, transaction details for most properties, which are privately actually transacted, are not in the public domain. Consequently, there is reliance on information from market sources, which may not be completely accurate. Thus, information has been crosschecked independently from other market sources to ascertain the broad credibility of information being provided by the market sources. This assignment has been done on best effort and knowledge basis.</p> <p>For ease and simplicity of representation, certain figures may have been rounded.</p> |

## 2 VALUATION APPROACH AND METHODOLOGY

### 2.1 VALUATION STANDARDS ADOPTED

This Report is prepared in accordance and compliance with:

1. Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time ("**SEBI Regulations 2014**"), including Regulation 21 Sub-Regulation (3) and mandatory minimum disclosures as specified in Schedule V of these SEBI Regulation 2014,
2. Companies (Registered Valuers and Valuation) Rules, 2017 as amended from time to time ("**Valuer Rules 2017**"), including reporting requirements as specified in Rule 18 to these rules,
3. International Valuation Standards 2022 ("**IVS 2022**") as set out by International Valuation Standards Committee ("**IVSC**") and adopted by Royal Institution of Chartered Surveyors ("**RICS**") presented in the RICS Valuation Standards and Guidelines 2022 ("**RICS Red Book 2022**"), subject to variation to meet local established law, custom, practice, and market conditions.

### 2.2 BASIS OF VALUATION

Basis of valuation of the Project is **Market Value** as defined by IVSC and adopted by Royal Institution of Chartered Surveyors (RICS) to be: *"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion"*.

### 2.3 APPROACH AND METHODOLOGY

The purpose of this valuation exercise is to estimate the Market Value of the Project, which is a real estate asset. Market Value of the real estate asset can be estimated using different methodologies.

**Income Approach:** Under this valuation approach, the income generating potential of the real estate asset is estimated while opining on its market value. This approach is typically adopted for assets that are income-generating (completed and operational with multiple tenancies, multiple strata units that can be sold with phased/milestone-based revenue collections, among others). For income-generating assets with single/multiple tenancies, the discounted cash flow entailing term and reversion method is most commonly adopted.

**Market Approach:** Under this valuation approach, the price that an asset could fetch in an open market is estimated. This approach is typically adopted for homogeneous assets in their micro-market and are typically traded on a unit basis. The most commonly adopted valuation method under this valuation approach is the Listed Transaction / Listed Quoted Instances Method, also commonly known as the Direct Comparison or the Comparable Sales/Quoted Instances Method.

**Cost Approach:** Under this valuation approach, the cost required to create an asset of similar or equal utility is estimated. This valuation approach is typically adopted for real estate assets that can be clearly broken down into constituent elements, namely land and built structures. The most commonly adopted valuation method under this valuation approach is the Physical Method, also commonly known as Land and Building Method, which typically entails estimation of the underlying land value (while normally adopting the Market Approach) and the built structures (while adopting the depreciated Replacement Cost Method) separately.

The table on the following page presents different valuation methodologies and their brief description.

**Table 2.1: Different Valuation Methodologies and Description**

| Sl. No. | Valuation Methodology                      | Description   |
|---------|--|---|
| 1.      | Comparable Sales / Quoted Instances Method | This method is based on comparing the subject property directly with other comparable property transaction (actually been sold in the vicinity or are offered for sale). Efforts would be made to collect transacted instances. In case of non-availability of transacted instances in the micro-market, the opinion will be offered based on the available asking/quoted instances in the market with appropriate adjustments for margin for negotiation. Given the homogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative and quantitative differences that may affect the price likely to be achieved by the property under consideration. These adjustments are typically made in the form of premium and/or discount factors for various property attributes, which affect the value. This method demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This method is a fair estimate of the prevailing prices. |
| 2.      | Depreciated Replacement Cost Method        | Replacement cost method is based on the construction cost of assets. The cost to be estimated is the cost of construction as per the construction status at the valuation date. This is based on the inspection of the facility and inputs provided by the Client; however, no structural survey will be conducted. Appropriate depreciation rates will be applied based on schedules given under the Indian Companies Act. This is generally used for estimating the Market Value of only the buildings  |
| 3.      | Discounted Cash Flow Method                | This method is based on the present value of the future receivable net income from the current operational leases / revenues. The current revenues and the future achievable revenues derived from the operational project components of the Project Site would be adjusted for the outgoing expenses to derive 10-year cash flows. The same is then discounted at an appropriate discounting rate linked with risk adjusted discounting factor to estimate the market value for the operational project components. This method is sometimes referred to as 'Rent Roll method as well.   |

#### Approach and Methodology Adopted for Estimating Market Value of the Project

Based on a detailed review of the leases for the Project, the Valuer has noted that a large number of leases of the Project were executed at rent prevalent at the time of signing of such leases or at a discount to prevailing market rental (for a few anchor tenants). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, demand-supply dynamics, quality of spaces, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some properties or submarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to estimate the intrinsic value of the property under review.

Considering the objective of this exercise and the nature of asset involved (completed & operational, under construction / future development commercial / office space, (other than the land portions of future development portion which has been valued using Comparable Sales / Quoted Instances Method under 'Market Approach' and power distribution services which has been valued using Discount Cash Flow Method under 'Income Approach'), the value is estimated using the 'Discounted Cash Flow Method' (basis term and rent reversion) under 'Income Approach'.

## 3 VALUATION ASSUMPTIONS AND INPUTS

### 3.1 INVESTIGATION, NATURE AND SOURCE OF INFORMATION

The Valuer undertook physical visits of the Project wherein the buildings and related assets were visually inspected to assess the condition of the buildings and the apparent state of its maintenance / upkeep.

Information related to state and structure of the relevant real estate market for the Project was sourced from the industry and market report prepared by Jones Lang LaSalle Property Consultants (India) Private Limited ('JLL'), who were appointed by the Client to undertake market research and portfolio analysis of the properties part of the Mindspace REIT.

Project related information referred to for the valuation exercise have been provided by the Client unless otherwise mentioned. The Valuer has assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, the Valuer has independently revalidated the information by reviewing the originals as provided by the Client.

In addition, the Valuer relied on the following information and documents shared by the Client with respect to the Project:

- Title certificates prepared by the Legal Counsel of the Client covering the type of ownership interest enjoyed and information on ongoing litigation.
- Architect's certificates dated mentioning site areas and property areas.
- Relevant approval documents from competent authorities regarding occupancy, operations and fire safety.
- Lease agreements and commercial clauses thereof for top five tenants on a sample basis
- Masterplan / Development plan applicable in the jurisdiction of the Project
- Management representation regarding the following:
  - Major repairs undertaken and proposed in the Project.
  - Statement of assets
  - Revenue pendency if any
  - Options of Rights of Pre-emption and any other encumbrances concerning or affecting the property.
  - List of material litigations

### 3.2 CAPITALIZATION RATE

The capitalization rate adopted for valuing the assets has been based on various factors such as:

- Historical entry yields (going in cap rates) for commercial / office asset transactions across various key markets in India, which have steadily shown a downward trend over last 7 - 8 years from 10.5% - 11.5% to about 7.5% - 8.5% in 2023.
- The increased appetite for income generating assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- The demand supply situation in the respective city and expected dynamics of demand leading supply - given entry challenges such as land availability, higher initial cost outlays etc. developers are expected to focus on fully built to suit or semi-speculative projects (with key tenants tied in prior to launch of construction).
- Inflation (and interest rates) expected to be maintained in check with interventions from the Reserve Bank of India, in case of significant change.
- Liquidity associated with REIT listed / public listings (multiplicity of buyers and relatively lower budgets per buyer).

***Based on the above factors, the Valuer has adopted an exit cap rate of 8.00% for the Project, for the purposes of estimating the Market Value, considering the 1 year forward net operating income after 10 years, is utilized for the purpose of calculation of exit value / terminal cash flow.***

### 3.3 DISCOUNT RATE

This discount rate used for discounting the available cash flows represents Cost of equity (the opportunity cost for shareholders) and Cost of Debt (the opportunity cost for creditors), weighted by their respective contribution to the total capital of the company (WACC). The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived using the below formula:

$$\text{Cost of equity} = \text{Risk Free Rate (Rf)} + \text{Beta } (\beta) * (\text{Market Return (Rm)} - \text{Risk Free Rate (Rf)})$$

The cost of debt for completed commercial / office blocks has been considered based on prevalent financing rates for Grade A commercial / office parks in the city. The weightages accorded to equity and debt are derived through benchmarking the Project Site against similar portfolios / properties in the market. For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC) which is derived to be 11.75% for the completed portion of the project.

Owing to the various risks pertaining to the under-construction / future development properties, we have considered a risk premium over the discount rate for completed properties to arrive at a discount rate for under-construction / future development properties. The Valuer has considered a risk premium of 125bps, to derive the WACC of 13.00% for under construction / future development properties.

These derived discount rates were found to be aligned with the expectations of investors investing in similar assets.



## 4 VALUATION CERTIFICATE

| Property Name                          | Mindspace Airoli East, Navi Mumbai, Maharashtra, India   |  |            |                     |    |                  |  |    |                           |  |    |                             |                            |
|--|--|--|------------|---------------------|----|------------------|--|----|---------------------------|--|----|-----------------------------|----------------------------|
| Property Address                       | Plot No. 3, Kalwa Trans Thane Creek Industrial Area, Mindspace, Opp. Airoli Station, Kalwa, Airoli, Thane, Navi Mumbai 400708  |  |            |                     |    |                  |  |    |                           |  |    |                             |                            |
| Land Area                              | Total Plot Area: ~50.1 acres   |  |            |                     |    |                  |  |    |                           |  |    |                             |                            |
| Brief Description                      | <p>The property is located in the Thane-Belapur Road micro market within Navi Mumbai in the Mumbai region. It lies along the Thane-Belapur Road. It is located at a distance of about 1.5 km from the Airoli Suburban Railway Station and about 15 km from the Eastern Express Highway.</p> <p>The property is developed as a Grade A, Information Technology (IT), Special Economic Zone (SEZ) Park and has two components i.e., a completed component, and under construction component along with future development component.</p> <p>Completed Buildings – 12 Commercial / Office SEZ Buildings and Club House</p> <p>The completed component of the property comprises 12 commercial / office SEZ buildings (Buildings 1, 2, 3, 4, 5&amp;6, 7, 8, 9, 10, 11, 12 and 14) and a Club House</p> <p>Under Construction and Future Development Buildings – Office Building 15, High Street Retail and (Hotel + office) building</p> <p>The property includes High Street Retail and (Hotel + office building) which are under construction, and Building 15 which is future development. All these buildings are proposed to be Non SEZ developments.</p> <p>The Project also includes power distribution services to the customers (occupiers and operators within the property).</p> <p>The property has good frontage along the access road with one (1) main entrance, separate exit and separate secured gates for the buildings within. The property is predominantly surrounded by commercial office spaces followed by residential and industrial developments.</p> |  |            |                     |    |                  |  |    |                           |  |    |                             |                            |
| Valuation Methods                      | <p>The estimate of Market Value is prepared using following methods:</p> <table><tr><th>Sl. No.</th><th>Asset Type</th><th>Methodology Adopted</th></tr><tr><td>1.</td><td>Completed Assets</td><td>Discounted Cash Flow Method using Rent Reversion</td></tr><tr><td>2.</td><td>Under Construction Assets</td><td>Discounted Cash Flow Method using Rent Reversion</td></tr><tr><td>3.</td><td>Power Distribution services</td><td>Discounted Cashflow Method</td></tr></table>   | Sl. No.  | Asset Type | Methodology Adopted | 1. | Completed Assets | Discounted Cash Flow Method using Rent Reversion | 2. | Under Construction Assets | Discounted Cash Flow Method using Rent Reversion | 3. | Power Distribution services | Discounted Cashflow Method |
| Sl. No.                                | Asset Type   | Methodology Adopted                              |            |                     |    |                  |  |    |                           |  |    |                             |                            |
| 1.                                     | Completed Assets   | Discounted Cash Flow Method using Rent Reversion |            |                     |    |                  |  |    |                           |  |    |                             |                            |
| 2.                                     | Under Construction Assets  | Discounted Cash Flow Method using Rent Reversion |            |                     |    |                  |  |    |                           |  |    |                             |                            |
| 3.                                     | Power Distribution services  | Discounted Cashflow Method                       |            |                     |    |                  |  |    |                           |  |    |                             |                            |
| Nature of the Interest by the Client   | 100% leasehold interest in the Project as informed by the Client   |  |            |                     |    |                  |  |    |                           |  |    |                             |                            |
| Purchase Price of the Project          | INR 37,591 million, as given by the Client   |  |            |                     |    |                  |  |    |                           |  |    |                             |                            |
| Historical Valuation of the Project in | Below table summarizes historical valuation of the Project as given by the Client:   |  |            |                     |    |                  |  |    |                           |  |    |                             |                            |

|                  |         |                   |   |
|------------------|---------|-------------------|---|
| 3 Previous Years | Sl. No. | Date of Valuation | Total Market Value (Completed / Operational, Future Development / Under Construction))<br>(INR million) * |
|                  | 1.      | 30-Sept-2023      | 44,404(42,968, 1,437)   |
|                  | 2.      | 31-Mar-2023       | 45,213(43,446, 1,767)   |
|                  | 3.      | 30-Sep-2022       | 45,531(43,736, 1,795)   |
|                  | 4.      | 31-Mar-2022       | 44,720 (42,943, 1,777)  |
|                  | 5.      | 30-Sep-2021       | 43,742 (41,823, 1,919)  |
|                  | 6.      | 31-Mar-2021       | 42,699 (40,849, 1,850)  |
|                  | 7.      | 30-Sep-2020       | 42,425 (40,644, 1,781)  |
|                  | 8.      | 31-Mar-2020       | 43,107 (41,184, 1,922)  |

\*Includes valuation for power distribution business of MBPPL.

Ready Reckoner Rate  
Built-up Area (Office) – INR 62,400 per sq mt  
Land Area – INR 20,750 per sq mt

Date of Valuation  
31-March-2024

Date of Inspection  
27-March-2024

|                                |  |                             |                     |   |
|--------------------------------|--|-----------------------------|---------------------|---|
| Market Value as on 31-Mar-2024 | Component  | Market Value as on          | In Figures (INR Mn) | In Words  |
|                                | Total Market Value (Completed / Operational, including power distribution business of MBPPL) | 31 <sup>st</sup> March 2024 | 45,423.99           | INR Forty Five Billion Four Hundred Twenty Three Million Nine Hundred Ninety Thousand Only  |
|                                | Total Market Value (Under construction buildings and future development buildings)           | 31 <sup>st</sup> March 2024 | 2,099.86            | INR Two Billion Ninety Nine Million Eight Hundred Sixty Thousand Only                       |
|                                | Total Value  |                             | 47,523.86           | INR Forty Seven Billion Five Hundred Twenty Three Million Eight Hundred Sixty Thousand Only |

Matters Affecting the Property and its Value Please refer to Chapter 7 of this Valuation Report

Assumptions, Disclaimers, Limitations and Qualifications This Valuation Report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report, which are made in conjunction with those included within the Assumptions, Limitations & Qualifications section located within this report. Reliance on this report and extension of Valuer's liability is conditional upon the reader's acknowledgement and understanding of these statements. This Valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party, who may use or rely on the whole or any part of the content of this Valuation Report. The Valuer has no pecuniary interest that would conflict with the proper valuation of the Project

Prepared by KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)  
Represented through its Director  
Mr. Sachin Gulaty FRICS FIV FIIA  
IBBI/RV/02/2021/14284



**Name:** Sachin Gulaty FRICS FIV FIIA

**Designation:** Director

**Valuer Registration No.:** IBBI/RV/02/2021/14284

## 5 PROJECT SITE AND PROJECT ANALYSIS

### 5.1 DETAILS OF THE PROJECT SITE AND / OR PROJECT

The table below presents details of the Project Site and/or Project.

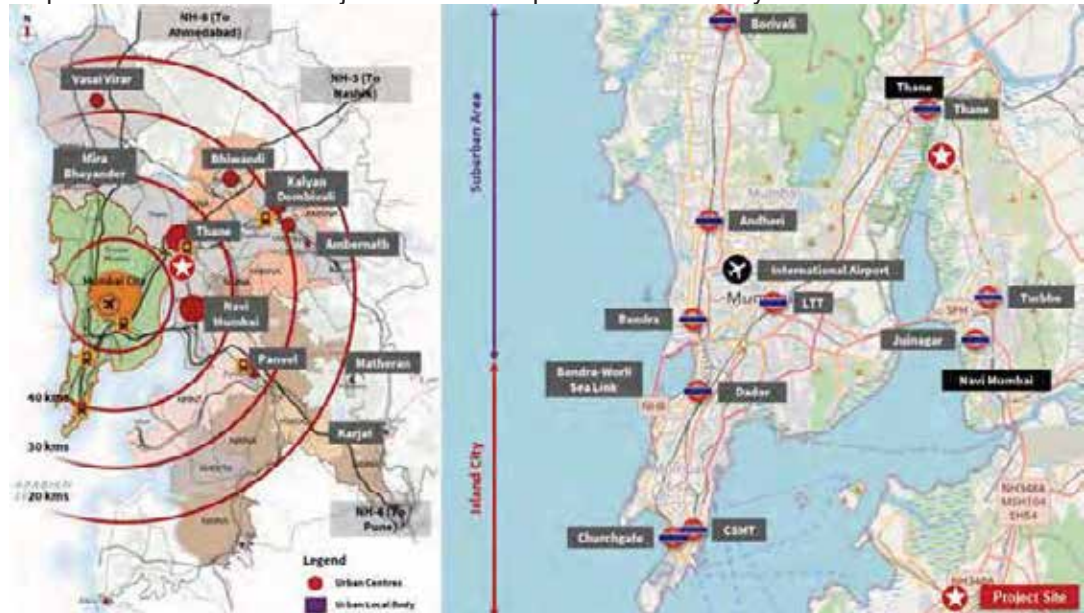
Table 5.1: Details of the Project Site and / or Project

| DETAILS OF PROPERTY                                     |  |
|---|--|
| Property Name   | Mindspace Airoli East, Navi Mumbai, Maharashtra, India   |
| Property Address  | Plot No. 3, Kalwa Trans Thane Creek Industrial Area, Mindspace, Opp. Airoli Station, Kalwa, Airoli, Thane, Navi Mumbai 400708                        |
| Land Area   | Total Plot Area: ~50.1 acres   |
| Block-Wise Break-Up of Leasable Area and Current Status | Block wise Leasable area details are mentioned above in Executive summary.   |
| Access  | Accessible through Thane-Belapur Road  |
| Frontage  | Approximately 450 m frontage along Thane-Belapur Road  |
| Shape and Visibility                                    | The topography of the project features terrain that is relatively flat and is regular in shape. It has excellent visibility from Thane-Belapur Road. |
| Approval Status   | List of approvals are specified in annexure  |
| INFRASTRUCTURE  |  |
| Water Supply, Sewerage & Drainage                       | Available within the Project   |
| Power & Telecommunication                               | Available within the Project   |

### 5.2 LOCATION OF THE PROJECT

The Project Site is strategically located along the Thane-Belapur Road in the Thane-Belapur Road micro market of Navi Mumbai in the vicinity of Mumbai city and Thane. It is located at a distance of about 1.5 km from the Airoli Suburban Railway Station and about 15 km from the Eastern Express Highway. It is also situated near the upcoming Navi Mumbai International Airport. The map below presents the location of the Project with respect to the city.

Map 5.1: Location of the Project Site with respect to Mumbai City



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The distance of the Project from major landmarks in the city is given in the table below.

Table 5.2: Distances of the Project from Major Landmarks in the City

| Location / Landmark               | Approximate Distance from Project Site (km) |
|-----------------------------------|---|
| Airoli Railway Station            | 1.5   |
| Airoli Circle                     | 3.2   |
| Mindspace Airoli West             | 4.0   |
| Eastern Express Highway           | 15.0  |
| Navi Mumbai International Airport | 28.0  |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### 5.3 DESCRIPTION OF THE PROJECT AND ITS SURROUNDINGS

The property is located in the Thane-Belapur Road micro market of Navi Mumbai in the Mumbai region. It lies along the Thane-Belapur Road and has excellent visibility from this access road. It is located at a distance of about 1.5 km from the Airoli Suburban Railway Station and about 15 km from the Eastern Express Highway. The topography of the project features terrain that is relatively flat and is regular in shape. The property has good frontage along the access road with one (1) main entrance and separate secured gates for the buildings within. The property is predominantly surrounded by commercial office spaces followed by residential and industrial developments.

The property is a Grade A, IT, SEZ Park and has three components i.e., a completed, under-construction component and a future development component. The map below presents location of the Project and its surroundings.

Map 5.2: Location of the Project and its Surrounding Developments



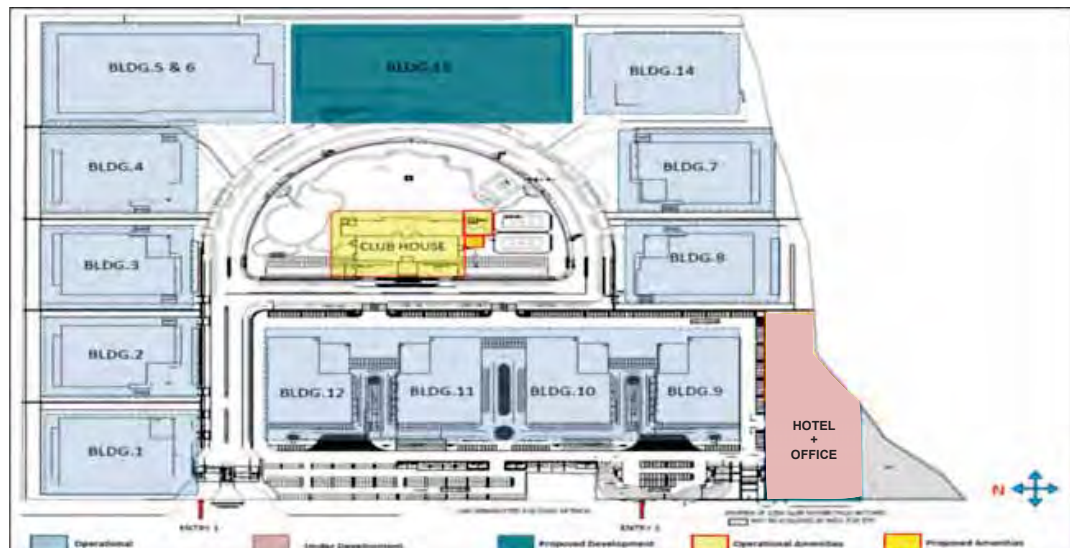
Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The Project has good accessibility due to its location along the Thane-Belapur Road facilitating easy connectivity to Thane, Mumbai and other parts of Navi Mumbai. Upcoming and proposed infrastructure such as the Navi Mumbai International Airport, New Thane Creek bridge at Vashi and the Sewri-Worli Connector are expected to further enhance the connectivity of the Project micro market with other parts of Mumbai as well as the country and thereby improve accessibility.

The map below presents the conceptual Layout Plan of the Project as shared by the Client.

Map 5.3: Conceptual Layout Plan for the Project

Completed, Under Construction, and Future Development Buildings:



Source: Client, 31<sup>st</sup> March 2024



The table below presents the boundary / edge conditions of the Project Site.

**Table 5.3: Project Site and its Site Boundaries**

|       |                        |
|-------|------------------------|
| North | Commercial development |
| South | Commercial development |
| West  | Thane-Belapur Road     |
| East  | Vacant Land            |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The Project is surrounded by commercial office spaces predominantly followed by residential and industrial developments in the vicinity. Grade A commercial / office developments and mid-scale residential developments are also present in the micro-market.

## 5.4 DESCRIPTION OF THE PROJECT

The table below presents key asset specific information.

**Table 5.4: Key Asset Specific Information of the Project – Completed Buildings**

| Particulars   | Description   |
|---|---|
| Name of the Entity  | Mindspace Business Parks Private Limited  |
| Interest owned by Mindspace REIT  | The underlying land is on leasehold basis from Maharashtra Industrial Development Corporation (MIDC); the buildings thereupon are wholly owned by Mindspace Business Parks Private Limited which is 100% owned and controlled by the Mindspace REIT <sup>1</sup>  |
| Land Extent of Project (completed, under construction and future development) | Total Plot Area: ~50.1 acres  |
| Asset Type  | IT Park with SEZ buildings  |
| Sub-Market  | Navi Mumbai   |
| Approved and Existing Usage   | IT SEZ  |
| Current Status  | Buildings 1, 2, 3, 4, 5&6, 7, 8, 9, 10, 11, 12, 14 and Club House - Completed and Operational   |
| Approvals Status  | List of approvals are specified in Annexure 4   |
| Freehold / Leasehold  | The underlying land of the Project Site is held as leasehold from MIDC, which lease is valid for a term of 99 years from 1st August, 1964. Further, the company has right to renew the lease for a period of 99 years upon the terms and conditions therein. Given that the purpose and obligations associated with lease of the underlying land has essentially been achieved, the likelihood of lease getting cancelled or not renewed at the end of the tenure is negligible. Thus, no specific adjustments are required to be made towards the legal tenure of underlying land's ownership. |
| Leasable Area   | 4.77 million sq. ft   |
| Occupied Area   | 3.93 million sq. ft   |
| Committed Area  | 3.93 million sq. ft   |
| Occupancy <sup>3</sup>  | 72.7%   |
| Committed Occupancy <sup>4</sup>  | 82.2%   |

| Particulars       | Description |
|-------------------|-------------|
| Number of Tenants | 26          |

<sup>1</sup> Refer company structure set out in Annexure 1

<sup>2</sup> Client has obtained occupancy certificate for entire leasable area measuring 4.2 million sq. ft (completed office buildings B1, B2, B3, B4, B5&6, B7, B8, B9, B10, B11, B12, B14)

<sup>3</sup> Occupancy refers to proportion of area leased, which is actively occupied by the tenants / occupiers

<sup>4</sup> Committed occupancy also includes area, which has been pre-leased to tenants / occupiers

**Table 5.5: Key Asset Specific Information of the Project – Under Construction / Future Developments**

| Particulars                      | Description   |
|----------------------------------|---|
| Name of the Entity               | Mindspace Business Parks Private Limited  |
| Interest owned by Mindspace REIT | The underlying land is on leasehold basis from MIDC; the buildings thereupon are wholly owned by Mindspace Business Parks Private Limited which is 100% owned and controlled by the Mindspace REIT <sup>1</sup>   |
| Asset Type                       | Proposed Non SEZ buildings  |
| Sub-Market                       | Navi Mumbai   |
| Approved Usage                   | Non SEZ IT (Building 15) and Non SEZ Commercial (High Street Retail)  |
| Current Status                   | Office Building 15 – Future Development, yet to commence construction.<br>High Street Retail – RCC works completed, Finishing work in progress.<br>Hotel + Office Building – Under Construction (Approvals in process)  |
| Approvals Status                 | List of approvals are specified in Annexure   |
| Freehold / Leasehold             | The underlying land of the Project Site is held as leasehold from MIDC, which lease is valid for a term of 99 years from 1st August, 1964. Further, the company has right to renew the lease for a period of 99 years upon the terms and conditions therein. Given that the purpose and obligations associated with lease of the underlying land has essentially been achieved, the likelihood of lease getting cancelled or not renewed at the end of the tenure is negligible. Thus, no specific adjustments are required to be made towards the legal tenure of underlying land's ownership. |
| Leasable Area                    | 1.60 million sq. ft   |
| Occupied Area                    | Nil   |
| Occupancy                        | Nil   |
| Committed Occupancy              | Nil   |

Note: Only the currently formulated development potential of 1.60 million sq. ft (including the under construction / future developments. Building 15, High Street Retail & (Hotel + office building)) have been considered for the purpose of valuation.

## 5.5 PROJECT INSPECTION





The Project is part of a larger campus development spread across ~50.1 acres of land parcel. The topography of the project features terrain that is relatively flat and is regular in shape. The Project comprises 12 completed SEZ office buildings (Buildings 1, 2, 3, 4, 5&6, 7, 8, 9, 10, 11, 12 and 14) and a Club House. The Project was inspected by the Valuer on 27 March 2024

The inspection comprised visual inspection of operational buildings comprising the property and visits to key utility areas like LT Electric Room, Pump Room, HVAC installations, Power Back up, STP. The common areas within the buildings were visited on a sample basis as the areas under tenant occupation had access restriction.

The visual inspection of the buildings did not reveal any cause of concern with no visible signs of any disrepair or ill maintenance within the operational buildings. The utility areas also appeared well maintained, visually. No instances of any major logging or water accumulation were observed during the inspections. The inspections did not comprise any structural survey, technical / engineering review or safety audit and the assessment of the condition of the building, its utilities and campus infrastructure are based completely on visual survey.

Some photographs of the Project and surroundings are given below.

|   |  |
|---|--|
|    |    |
| External Views of Buildings   | External Views of Buildings  |
|   |   |
| External Views of Buildings   | External Views of Buildings  |
|  |  |
| Clubhouse Area  | Under Construction – High Street Retail  |

|   |  |
|---|--|
|  |  |
| Future Development - Building 15  | MV Panel Room  |
|  |  |
| View of Internal Access Road  | View of Access Road  |

## 5.6 OTHER RELEVANT INFORMATION RELATED TO THE PROJECT

### Site Services and Finishes

The visual inspection was done for all the buildings including common areas and key utility areas such as LT Electric Room, Pump Room, STP, Chillers, HVAC Installations etc. As per the visual survey there was no concern related to finishes and site services. The campus is well maintained with proper landscaping in common areas.

### Condition and Repairs

The visual inspection was done for all the buildings including common areas and key utility areas such as LT Electric Room, Pump Room, STP, HVAC Installations etc. The inspection of key utility areas was done on a sample basis, and it did not reveal any cause of concern or ill maintenance in the operational building.

Below mentioned properties are undergoing upgradation / further development the budget and cost incurred details for the same are as follows:

For Completed Project –

Office buildings (B1, B2, B3, B4, B5, B6, B7, B8, B9, B10, B11, B12, B14) and Club House – INR 160 million CAPEX (upgrade) to be incurred by Q4 FY25. These buildings have incurred improvements / upgrades of INR 1,659 mn till March 31, 2024.

For Under Construction / Future Development –

Office building (B15)– INR 5,015 million CAPEX (Construction cost, project support services) to be incurred till Q1 FY28. The construction is expected to start by Q3 FY25 while building is expected to be completed by Q1 FY28.

High Street Retail - INR 115 million CAPEX (Construction cost, project support services) to be incurred till Q4 FY25

(Hotel + office Building)

INR 5,143 million CAPEX Construction cost, project support services) to be incurred till Q2 FY28

**Environmental Considerations**

The Valuer has not carried out any investigations or tests or been supplied with any information from the Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the subject or any other land (including any ground water).

For the purpose of assessing the vulnerability of the Project to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Mumbai where the Project is located falls in Seismic Zone III with moderate risk. The city faces low risk in terms of high winds or cyclones too. The Project is not likely to face any higher risk than the overall risk profile of the city. No hazardous activity was noted in the vicinity of the Project, which may expose it for any induced disaster.

The Project is located at a relatively higher elevation compared to its immediate surroundings, indicating low risk of flooding and perennial water logging.

**Option or Pre-Emption Rights and Encumbrances**

Unless disclosed and recorded by the Client, the Project is considered to possess a good and marketable title and is free from any unusually onerous encumbrances with no option or pre-emption rights in relation to the assets except for those created in favor of the lenders or as specified below, based on the information given in the Title Reports prepared by Hariani & Co. (hereinafter collectively referred to as 'Legal Counsel'). The Valuer has not checked and verified the title of the Project.

**Revenue Pendencies**

On the basis of the Title Reports prepared by the Legal Counsel and discussion with the Client, there are no revenue pendencies including local authority taxes associated with the Project or any compounding charges. No independent verification of this has been made from revenue authorities and reliance has been made on the Client information for the same.

**Material Litigation**

Based on discussions with the Client and Title Reports shared, there are no material litigation including tax disputes other than the litigation disclosed to the Valuer (which are specified in Annexure 7), relating to the Project or any compounding charges.

**5.7 TENANCY ANALYSIS****Tenant Profile of Top 10 Tenants**

As on 31<sup>st</sup> March 2024, the Project has 31 tenants (for office space) which include Accenture Services Pvt. Ltd. (Accenture Solutions Pvt. Ltd.), Larsen & Toubro Infotech Limited (LTIMindtree Limited), Wipro Limited, L&T Technology Services Ltd., Gebbs Healthcare Solutions Pvt. Ltd Cognizant Technology Solutions (I) Pvt. Ltd., etc.

The Project's top 10 tenants account for ~79.1% of the Gross Rental income.



The top 10 Tenants as per Leasable areas is listed below: -

**Table 5.6: Top 10 Tenants as per Leasable areas**

| Sl. No. | Tenant   | Leasable Area (Sq Ft) |
|---------|--|-----------------------|
| 1       | Wipro Limited  | 587,792               |
| 2       | Accenture Services Pvt. Ltd. (Accenture Solutions Pvt. Ltd.) | 514,975               |
| 3       | LTIMindtree Limited  | 463,629               |
| 4       | Citiustech Healthcare Technology Pvt. Ltd                    | 268,144               |
| 5       | eClerx Services Ltd  | 266,959               |
| 6       | Cognizant Technology Solutions (I) Pvt. Ltd.                 | 252,898               |
| 7       | Inventurus Knowledge Solutions Ltd.                          | 248,416               |
| 8       | State Street Syntel Services Pvt. Ltd                        | 176,994               |
| 9       | Syntel Private Limited                                       | 172,439               |
| 10      | L&T Technology Services Ltd.                                 | 151,261               |
|         | Total  | 3,103,507             |

The top 10 Tenants as per Gross Rents are listed below: -

**Table 5.7: Top 10 Tenants as per Gross Rents**

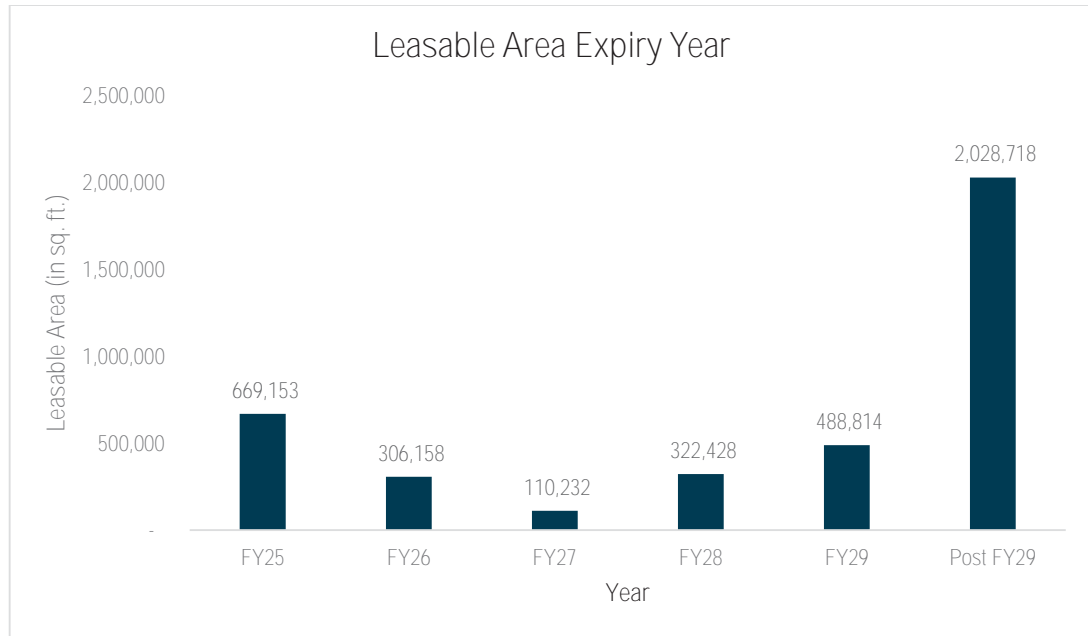
| Sl. No. | Tenant   | Share of Gross Rents* |
|---------|--|-----------------------|
| 1       | Accenture Services Pvt. Ltd. (Accenture Solutions Pvt. Ltd.) | 13.4%                 |
| 2       | LTIMindtree Limited  | 13.1%                 |
| 3       | Wipro Limited  | 8.7%                  |
| 4       | Citiustech Healthcare Technology Pvt. Ltd                    | 8.0%                  |
| 5       | Inventurus Knowledge Solutions Ltd.                          | 7.4%                  |
| 6       | eClerx Services Ltd  | 6.9%                  |
| 7       | Cognizant Technology Solutions (I) Pvt. Ltd.                 | 6.8%                  |
| 8       | State Street Syntel Services Pvt. Ltd                        | 5.2%                  |
| 9       | Syntel Private Limited                                       | 5.0%                  |
| 10      | L&T Technology Services Ltd.                                 | 4.6%                  |
|         | Total  | 79.1%                 |

\* For some of the tenants, rent commencement date may not have occurred

### **Lease Expiry Analysis**

The WALE of the property is 4.5 years based on area shared by the client, with 30% of occupied area expiring between FY25 and FY29 as shown in the chart below:





### **Escalation Analysis**

The leases of the Project Site have typically seen rental escalation of 5% every year or 15% every 3 years.

## **5.8 POWER DISTRIBUTION SERVICES**

In accordance with Section 14 (b) of the Electricity Act, 2003 read with Section 4(1) of the SEZ Act, 2005, entities that own and operate SEZ Parks are considered Deemed Distribution Licensee for supplying electricity to consumers within the SEZ area. Pursuant to the above regulations, MBPPL also has the license to distribute power within the Project Site.

The SPV has invested in the infrastructure to facilitate the distribution of the power to the customers (occupiers and operators within the subject properties). It procures power from Power generators supplying to the grid and then distribute it to the end consumers within the Project Site. The SPV is not allowed to expand the power distribution outside the limits of the SEZ, i.e., the Project Site in this case.

## 6 MARKET SCAN OF THE CITY AND THE MICRO-MARKET

### 6.1 INTRODUCTION

The valuation exercise takes into account the market performance and various other indicators that are relied upon the industry report which has been prepared by Jones Lang LaSalle India Property Consultants, who are appointed as an independent consultant by the Client.

### 6.2 CITY OVERVIEW

Mumbai, the financial capital of India, is a bustling metropolis that boasts a vibrant economy and is one of the key industrial hubs of India. Situated on the Western coast of the country, the city serves as a centre for commerce, trade, and finance. It houses the headquarters of numerous multinational corporations, top financial institutions, and major Indian companies. Additionally, it is home to Asia's oldest stock exchange – the Bombay Stock Exchange. Its strategic location, well-developed infrastructure, and connectivity through air, road, and rail networks make it a preferred destination for businesses. The city's robust economy is fuelled by various sectors, including finance, banking, information technology, manufacturing, entertainment, media, and services. Mumbai contributes ~5-6% to the overall GDP of the country and is also the top contributor to the country's exchequer, accounting for nearly 1/3rd of India's overall direct tax collections.

Mumbai's real estate market holds the distinction of being one of the most expensive markets in India. The capital value and rents in prime office submarkets rank among the highest in the country. However, despite these high costs, the market continues to exhibit strong activity levels. The office real estate market in Mumbai ranks as the third largest in India in terms of Grade A office stock, surpassed only by Bengaluru and Delhi NCR. The city's ability to cater to a diverse range of industries, attract top talent, and provide excellent business support services ensures that Mumbai continues to attract domestic as well as international businesses looking to establish or expand their presence in India.

### 6.3 INFRASTRUCTURE INITIATIVES

#### Existing infrastructure

| Existing Project                                 | Completion timeline | Details  | Key impact zones   |
|--|---------------------|--|--|
| Bandra Worli Sea Link                            | 2009                | 5.6 km long, 8-lane wide bridge that links Bandra with South Mumbai. | SBD Central, BKC & Annex and BKC Outskirts                     |
| Sea Link to Bandra Kurla Complex (BKC) Connector | 2021                | 604 meter long, two-lane flyover                                     | BKC & Annex and BKC Outskirts                                  |
| BKC – Eastern Express Highway Connector          | 2019                | 1.6 km connector from G Block of BKC to the EEH                      | BKC & Annex, BKC Outskirts and Eastern Suburbs                 |
| Western Express Highway (WEH)                    | 2002                | North-south 8-10 lane arterial road of 25.33 km                      | BKC & Annex, BKC Outskirts, Western Suburbs and Malad-Goregaon |
| Eastern Express Highway (EEH)                    | 2003                | 23.55 km city express highway  | BKC & Annex, BKC Outskirts and Eastern Suburbs                 |

|  |      |  |   |
|--|------|--|---|
| Eastern Freeway  | 2013 | 16.8 km long controlled-access highway   | CBD, SBD Central and Eastern Suburbs  |
| JVLR (Jogeshwari Vikhroli Link Road)   | 1994 | 10.6 km long 6 lane road connecting the WEH and EEH  | Western and Eastern Suburbs and Malad-Goregaon  |
| SCLR (Santacruz Chembur Link Road)   | 2014 | 6.45-kilometre-long (4.01 mi) arterial road connecting WEH and EEH   | BKC Outskirts, and Eastern suburbs  |
| Ghodbunder Road  | NA   | Key arterial road connected to the Western Express Highway at Ghodbunder and the Eastern Express Highway at Majiwada | Thane   |
| Thane Belapur Road   | NA   | Major road connecting Thane and Navi Mumbai. The road has been widened to a total of 6 lanes                         | Thane and Thane-Belapur Road  |
| Mumbai – Pune Expressway   | 2002 | 6-lane wide tolled expressway spanning a distance of 94.5 km   | Thane-Belapur Road, Navi Mumbai Others  |
| Western Line (Suburban Railway)  | 1867 | Consists of 37 stations from Dahanu Road to Churchgate railway station.  | CBD, BKC & Annex, BKC Outskirts, SBD Central, Western Suburbs, Malad-Goregaon         |
| Central Line (Suburban Railway)  | 1853 | Consists of 24 stations from Chhatrapati Shivaji Maharaj Terminus to Kalyan  | CBD, SBD Central, BKC & Annex, BKC Outskirts, Western Suburbs, Eastern Suburbs, Thane |
| Harbour Line (Suburban Railway)  | 1910 | The Harbour line is a branch line of the Mumbai Suburban Railway   | CBD, SBD Central, Thane-Belapur Road and Navi Mumbai Others                           |
| Monorail Line 1 (Jacob Circle – Wadala)  | 2014 | 20.21 km line and is fully elevated  | SBD Central   |
| Chhatrapati Shivaji Maharaj International Airport  | 1942 | It has two operating terminals spread over 750 hectares handling 950 aircraft per day.                               | Western Suburbs, Malad-Goregaon   |
| Mumbai Coastal Road Project (Partial opening of Phase 1 connecting Worli & Marine Drive) | 2024 | Partial opening of 4.5 km stretch from Worli to Marine Drive was opened to traffic.                                  | CBD, SBD Central  |

### **Upcoming infrastructure**

Submarket of Thane-Belapur Road and Navi Mumbai Others will benefit from the proposed Navi Mumbai International Airport. A proposed airport would positively impact the real estate market in Navi Mumbai by improving the area's commercial value, mainly through generating employment opportunities. Furthermore, it will also ease the burden on Mumbai's Chhatrapati Shivaji International Airport (CSIA) which accounts for over 25% of the entire air traffic in India.

Submarkets like CBD, SBD Central, Western Suburbs and Malad-Goregaon will benefit from the coastal road project. It will help improve the connectivity and reduce commuting time by 70%. Further, it will create easy access to the commercial hotspots of South Mumbai. Most importantly, it will decongest the expressway and local railways. This will lead to an uptick in the housing demand in the nearby suburbs and boost property prices

| Upcoming Project                                     | Completion timeline | Details   | Key impact zones  |
|--|---------------------|---|---|
| Mumbai Coastal Road Project (Phase 1)                | 2024                | 8-lane project of 10.58 km from Princess Street flyover to Worli end of Bandra Worli Sea Link. Comprises of twin tunnels each 3.45 km long equipped with the latest technology. | CBD, BKC & Annex, BKC Outskirts, SBD Central, Western Suburbs, Malad-Goregaon |
| Navi Mumbai International Airport                    | 2025                | It will be connected with Navi Mumbai Metro's Line 1 and with the proposed Mumbai Metro's Line 8 (Gold Line).   | Thane-Belapur Road and Navi Mumbai Others                                     |
| Goregaon Mulund Link Road                            | 2028                | 12-km long road infrastructure project that will connect Mulund directly to Goregaon. Construction in 4 phases  | Malad-Goregaon and Eastern Suburbs  |
| Suburban corridor between Panvel-Karjat on CR        | 2025                | 5 stations of Panvel, Chikale, Mahape, Chowk and Karjat and will pass through 58 bridges  | Thane-Belapur Road and Navi Mumbai Others                                     |
| Suburban corridor link between Airoli-Kalwa on CR    | 2024                | 8 kms long elevated link between Airoli and Kalwa is crucial for decongesting Thane station in future.  | Thane-Belapur Road, Navi Mumbai Others and Thane                              |
| Quadrupling of Virar-Dahanu road on WR               | 2025                | 8 new stations and several new structures, like station buildings at Virar, Vaitarna, Saphale, Kelve Road, Palghar, Umroli, Boisar and Wangaon-Dahanu road                      | Malad-Goregaon  |
| Extension of Harbour Line between Goregaon- Borivali | 2026                | 3-km elevated stretch over Malad to extend the existing harbour line  | Malad-Goregaon  |

### Mumbai - Map of existing and upcoming infrastructure



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### Existing Metro Lines - Mumbai

| Existing Project                        | Completion timeline | Details   | Key impact zones                   |
|---|---------------------|---|------------------------------------|
| Metro Blue Line 1 (Versova – Ghatkopar) | 2014                | 11.40 km line is fully elevated and consists of 12 stations | Malad-Goregaon and Eastern Suburbs |
| Metro Red Line 7                        | 2022                | Dahisar – Andheri – CSMIA T1                                | Western Suburbs and Malad-Goregaon |
| Metro Yellow line 2A                    | 2022                | Dahisar – Andheri West                                      | Western Suburbs and Malad-Goregaon |

### Upcoming Metro Lines – Mumbai

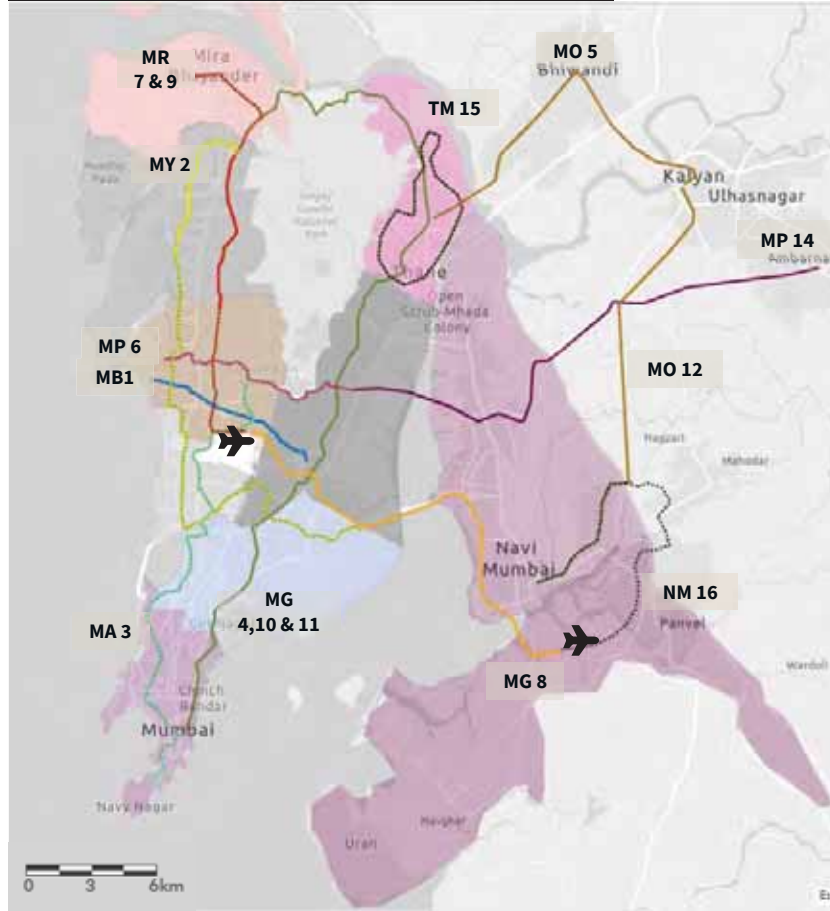
Completion of all the upcoming metro lines will benefit all the micro-markets of the city such as CBD, SBD BKC, SBD Central, Western Suburbs, Malad-Goregaon, Eastern Suburbs, Thane, and Navi Mumbai. The proposed metro aims to connect the areas that are not connected by the existing railway and enable commuters to reach the station within 500 m to 1 km. Residential developments in micro markets of Thane and Navi Mumbai will receive a boost, due to improved connectivity with the commercial hubs in the Western Suburbs and Malad-Goregaon

| Upcoming Project              |            | Completion timeline | Details                                | Key impact zones   |
|-------------------------------|------------|---------------------|--|--|
| Metro Aqua line 3 (Phase 1)   | MA 3       | 2024                | Colaba-Bandra-SEEPZ                    | CBD and SBD Central, BKC & Annex, BKC Outskirts, Western Suburbs           |
| Metro Green Line 4            | MG 4,10,11 | 2025                | Wadala – Kasarvadavali – Gaimukh       | Eastern Suburbs and Thane  |
| Metro Orange Line 5           | MO 5       | 2025                | Thane – Bhiwandi – Kalyan              | Thane  |
| Metro Pink Line 6             | MP 6       | 2026                | Lokhandwala – Jogeshwari – Kanjurmarg  | Western and Eastern Suburbs,   |
| Metro Gold Line 8             | MG 8       | 2026                | CSMIA T2 – NMIA (indicative)           | Western Suburbs, Thane-Belapur Road, Navi Mumbai Others and Malad-Goregaon |
| Metro Red Line 9              | MR 7 & 9   | 2025                | Dahisar – Mira Bhayandar               | Dahisar, Mira Road, Bhayandar  |
| Metro Green Line 10           | MG 4,10,11 | 2025                | Gaimukh – Shivaji Chowk (Mira Road)    | Thane  |
| Metro Green Line 11           | MG 4,10,11 | 2030                | Wadala – CSMT                          | SBD Central and CBD  |
| Metro Orange Line 12          | MO 12      | 2027                | Kalyan – Dombivali – Taloja            | Navi Mumbai Others   |
| Metro Magenta Line 14         | MM 14      | 2027                | Vikhroli – Badlapur (indicative)       | Eastern Suburbs and Thane  |
| Thane Metro                   | TM 15      | 2026                | Raila Devi – New Thane (indicative)    | Thane  |
| Navi Mumbai Metro Phase 2 & 3 | NM 16      | 2026-27             | Belapur – NMIA<br>Taloja – Khandeshwar | Thane-Belapur Road and Navi Mumbai Others                                  |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024




**Mumbai - Map of existing and upcoming metro line**



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

## 6.4 MUMBAI - OFFICE SUBMARKETS

| Submarket          | Locations  |  |
|--------------------|--|--|
| CBD                | Nariman Point, Churchgate, Fort, Ballard Estate, Cuffe Parade        |  |
| SBD Central        | Lower Parel, Dadar, Worli, Prabhadevi, Parel, Mahalaxmi              |  |
| BKC & Annex        | BKC  |  |
| BKC Outskirts      | Kalina, Kurla, Bandra East, Santacruz East                           |  |
| Western Suburbs    | Andheri East, Jogeshwari, Andheri West                               |  |
| Malad-Goregaon     | Goregaon, Malad, Borivali  |  |
| Eastern Suburbs    | Powai, LBS Marg, Ghatkopar, Vikhroli, Mulund, Sion                   |  |
| Thane              | Wagle Estate, Ghodbunder Road  |  |
| Thane-Belapur Road | Airoli, Mahape, Khoparkhairane, Turbhe, Juinagar, Nerul, CBD Belapur |  |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### Leasing Activity

#### City Market Trends

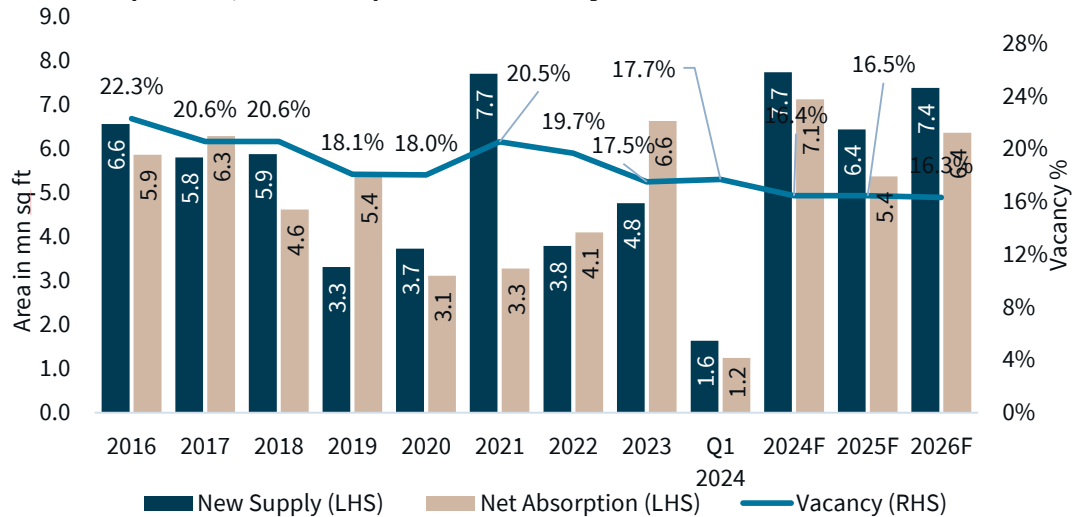
|                 | Total Stock<br>(mn sq. ft) | Net Absorption (mn sq. ft) |                              |                              |         | Vacancy (%)                  |                              |
|-----------------|----------------------------|----------------------------|------------------------------|------------------------------|---------|------------------------------|------------------------------|
|                 |                            | Q1 2024                    | Q4 2023<br>(Q-O-Q<br>Change) | Q1 2023<br>(Y-O-Y<br>Change) | Q1 2024 | Q4 2023<br>(Q-O-Q<br>Change) | Q1 2023<br>(Y-O-Y<br>Change) |
| Overall         | 130.4                      | 1.25                       | -61.0%                       | 23.2%                        | 17.7%   | 20 bps                       | -130 bps                     |
| CBD             | 5.0                        | 0.01                       | 23.6%                        | -62.1%                       | 8.8%    | -30 bps                      | -80 bps                      |
| SBD Central     | 18.4                       | 0.08                       | -85.1%                       | -77.0%                       | 24.1%   | -40 bps                      | -150 bps                     |
| BKC & Annex     | 10.2                       | 0.02                       | -144.3%                      | -34.8%                       | 7.3%    | -20 bps                      | -130 bps                     |
| BKC Outskirts   | 6.4                        | 0.17                       | 169.5%                       | 63.4%                        | 13.5%   | 20 bps                       | -140 pbs                     |
| Western Suburbs | 20.6                       | 0.21                       | 63.0%                        | 77.7%                        | 16.8%   | -90 bps                      | -60 bps                      |
| Malad-Goregaon  | 19.9                       | 0.32                       | -78.1%                       | 2280.2%                      | 16.4%   | 330 bps                      | -210 bps                     |
| Eastern Suburbs | 15.7                       | 0.22                       | -27.0%                       | 238.3%                       | 10.9%   | 140 bps                      | -440 bps                     |
| Thane           | 9.7                        | 0.09                       | -30.7%                       | 1073.3%                      | 19.8%   | 280 bps                      | 260 bps                      |

|                    | Total Stock<br>(mn sq. ft) | Net Absorption (mn sq. ft) |                              |                              |         | Vacancy (%)                  |                              |
|--------------------|----------------------------|----------------------------|------------------------------|------------------------------|---------|------------------------------|------------------------------|
|                    |                            | Q1 2024                    | Q4 2023<br>(Q-O-Q<br>Change) | Q1 2023<br>(Y-O-Y<br>Change) | Q1 2024 | Q4 2023<br>(Q-O-Q<br>Change) | Q1 2023<br>(Y-O-Y<br>Change) |
| Thane-Belapur Road | 20.3                       | 0.11                       | -81.6%                       | -60.5%                       | 18.9%   | -60 bps                      | -430 bps                     |
| Navi Mumbai Others | 4.2                        | 0.01                       | 0.0%                         | -60.1%                       | 57.2%   | -20 bps                      | -190 bps                     |

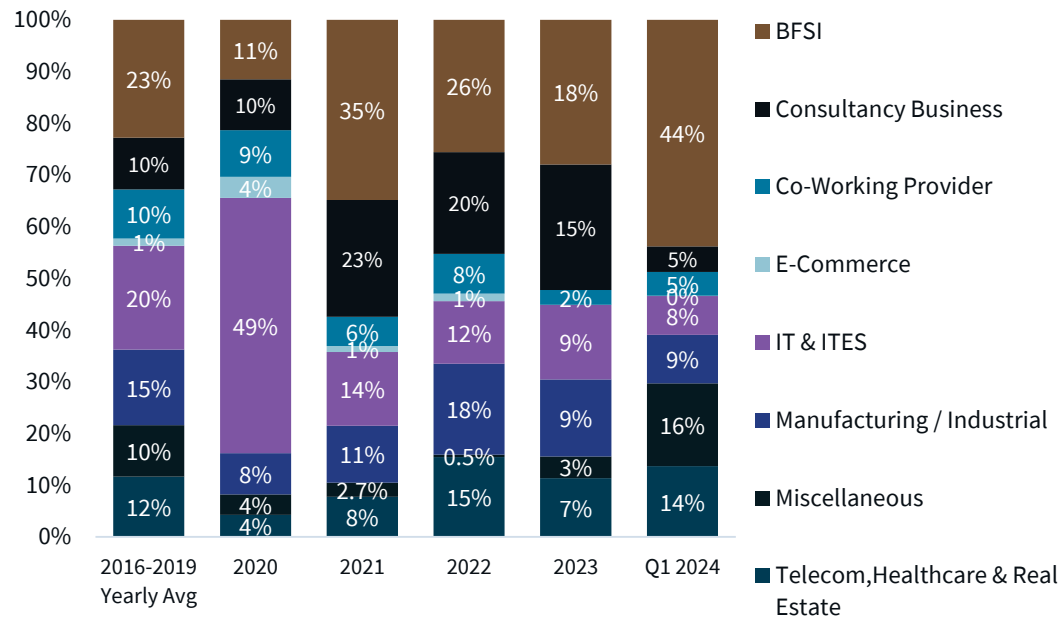
Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### Supply, Demand Trend

#### Total Completions, Net Absorption and Vacancy Rate - Overall

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### Leasing Activity



The city's office leasing activity stood at 2.1 million sq ft in Q1 2024, representing an increase of 40.4% compared to Q1 2023. Importantly, this was the strongest ever first quarter leasing performance compared to all previous Q1 performances. Leasing was driven by increased space take up from BFSI occupiers who accounted for ~44% of the overall activity, followed by the real estate and construction segment, which accounted for ~14%. During the quarter, the Malad-Goregaon submarket witnessed the highest traction with a share of 29.0% in leasing activity. Eastern Suburbs and Western Suburbs followed with respective shares of 20.3% and 15.8%.

Leasing activity was dominated by the strong performance of domestic firms, which accounted for 78% of the overall leasing activity. The trend of end-user deals in managed office spaces continued during the quarter. All major pre-commitments remained intact. Office space leasing activity during the quarter was mostly driven by large to medium-sized deals.

In recent times, the city witnessed increased demand by the occupiers from data centres, medical technology, health analytics, online education, gaming, pharma, and FMCG sectors. We expect vacancy levels to remain rangebound in the medium term.

### **Vacancy**

New supply during the quarter outpaced net absorption leading to a 20 bps q-o-q rise in vacancy levels to 17.7%. However, at a submarket level, vacancy levels decreased in all but three submarkets of BKC Outskirts, Malad-Goregaon and Thane. On a y-o-y basis, vacancy has decreased by 130 bps.

### **New Supply**

A supply of 1.6 million sq ft came on stream in 1Q24, largely driven by a couple of large-sized projects in the Malad-Goregaon and Thane sub-markets. The BKC Outskirts sub-market also recorded a supply of 0.1 million sq ft. The pace of the construction activity remains at optimum levels. Some of the key projects that became operational during the quarter were Oberoi Commerz 3 Phase 2 (0.7 million) in Goregaon, 63 GMA (0.4 million) in Goregaon, and Centrum Business Square (0.4 million) in Thane.

By the end of 2026, overall stock is expected to see an addition of around 20 million sq ft of Grade A space, with Eastern Suburbs, Thane-Belapur Road and Western Suburbs combining to account for 74% of the future supply.

### **Outlook**

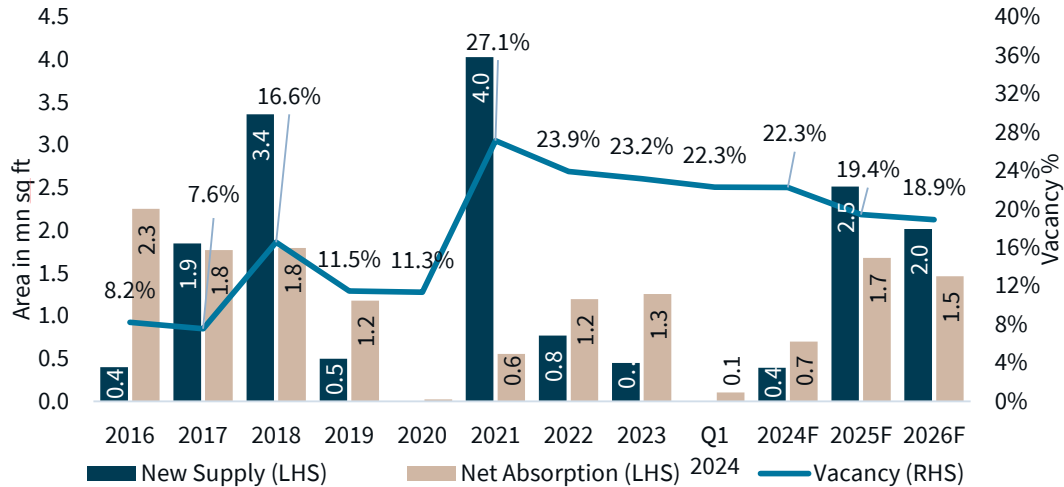
A total of nearly 7.5-8.0 million sq ft of office space is scheduled to be completed by end-2024. An optimum pace of construction activity is expected to continue in 2024. Total net absorption in 2024 is expected to be around 6.5-7.5 million sq ft as quality projects will continue to witness healthy demand from occupiers. Demand is expected to be driven by the BFSI, Consulting, and manufacturing sectors. As absorption outpaces supply, vacancy levels are expected to go down by 2024-end. Capital values are expected to rise faster than rents due to rising investor interest, leading to a compression of yields in key submarkets for quality assets.

## 6.5 MICRO MARKET: THANE-BELAPUR ROAD

The Mindspace Airoli East project lies in the Thane-Belapur Road micro market.

### Supply, Demand Trend

#### Total Completions, Net Absorption and Vacancy Rate

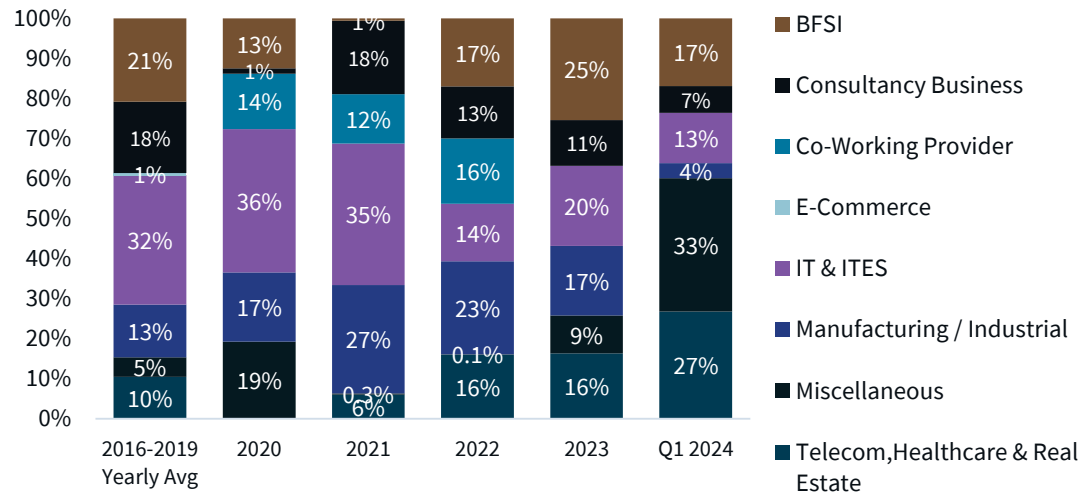


Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

Mindspace Airoli East project lies in the Thane Belapur Road micro-market.

### Leasing Activity

#### Occupier share in gross leasing activity



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The submarket witnessed a leasing activity of 185,898 sq ft in Q1 2024, down by 26.2% y-o-y. Most of the absorption came from space take-ups in the projects completed in the past 3 years. Inventurus Knowledge Solutions leased 44,533 sq ft in Mindspace Airoli, Sriram Finance Limited leased 31,408 sq ft in Q Parc and IndusInd Bank leased 27,084 sq ft in International Infotech Park. Thane-Belapur Road is one of the most favoured submarkets

amongst IT/ITeS occupiers as it offers a good supply of quality space with large floor plates, ideal for consolidating and expanding within the campus.

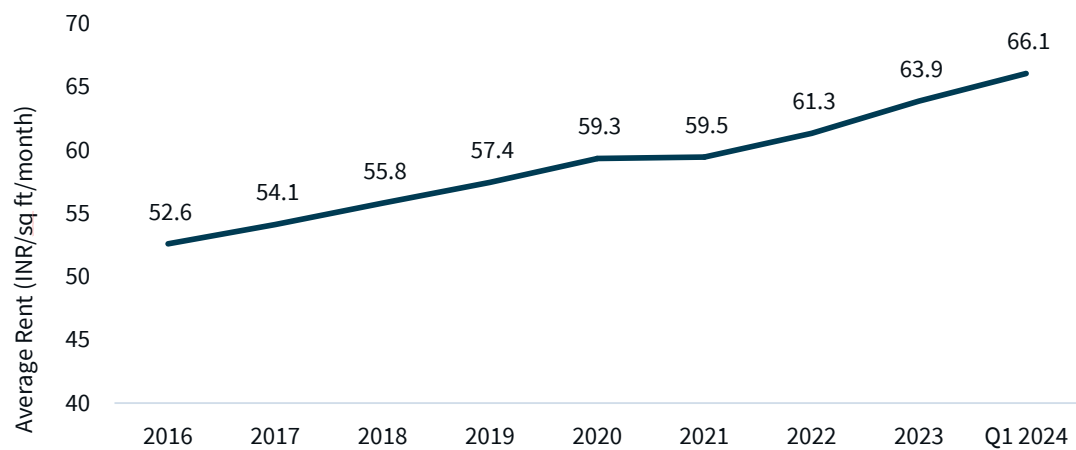
### **Supply**

No new supply addition was recorded during the quarter, keeping the stock unchanged at 20.3 million sq ft. Thane-Belapur Road is still the largest submarket in the city, accounting for a 15.6% share of the total city Grade A office stock.

### **Vacancy**

The vacancy rate declined by 50 bps q-o-q to 18.9% despite the net absorption keeping pace with new supply addition. However, good-quality projects by prominent developers continued to exhibit single-digit vacancies.

### **Rents**



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

*Note: Mindspace REIT micro markets, the rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 10% depending upon negotiations, final structuring of the lease agreement and other parameters.*

### **Prominent Lease Transactions within the Micro-Market**

Below are some of the lease transactions witnessed in the micro-market.

| Sl. No. | Occupier Name                        | Name of the Building | Location           | Area Leased (sq. ft.) | Lease Rentals (INR per sq. ft. per Month) | Transacted Period |
|---------|--------------------------------------|----------------------|--------------------|-----------------------|---|-------------------|
| 1       | HMM Shipping India Private Limited   | Rupa Renaissance     | Thane-Belapur Road | 18,100                | 60  | Q1 2024           |
| 2       | Furgo Survey India Private Limited   | Rupa Renaissance     | Thane-Belapur Road | 21,990                | 56  | Q1 2024           |
| 3       | Xplore Tech Services Private Limited | Rupa Solitaire       | Thane-Belapur Road | 23,348                | 60  | Q1 2024           |
| 4       | Lenskart Eytech Private Limited      | Rupa Renaissance     | Thane-Belapur Road | 16,600                | 79  | Q1 2024           |



|   |  |                                      |                    |        |    |         |
|---|--|--------------------------------------|--------------------|--------|----|---------|
| 5 | Inventurus Knowledge Solutions Private Limited | Mindspace Airoli East Building 5 & 6 | Thane-Belapur Road | 44,533 | 64 | Q1 2024 |
| 6 | RSM Astute Consulting Private Limited          | Rupa Renaissance                     | Thane-Belapur Road | 12,500 | 73 | Q1 2024 |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The lease transactions in the Thane Belapur Road micro market are recorded in the range of INR 50 – 80 per sq. ft per month. The lease transactions in Airoli East location where the Project is located are in the range of INR 55 to 65 per sq. ft per month. Market rent for Mindspace Airoli East has been considered in line with the achievable market rent for completed buildings at INR 61.95 per sq. ft per month

### **Investment Activities within the Micro Market**

The City has witnessed few institutional office transactions of varying size. It is observed that the transaction value is based on the nature of the development, the micro market location, Project, leases prevailing etc.

### **Investment Activities within India**

The table below present details of few large sale transactions in major cities in India. Net yield for these transactions is arrived based on the Capital Value at which the property was transacted and rentals applicable for the same property during transaction. The net yield for such large transactions is witnessed in the range of 7.75% to 9.50%.

| SL. NO. | CITY      | PROPERTY NAME             | LOCATION      | MICRO MARKET  | LEASABLE AREA (SQ FT) | CAPITAL VALUE (INR PER SQ FT) | NET YIELD     | TRANSACTION PERIOD |
|---------|-----------|---------------------------|---------------|---------------|-----------------------|-------------------------------|---------------|--------------------|
| 1       | Mumbai    | One BKC                   | BKC, Mumbai   | BKC & Annex   | ~700,000              | 35,000-36,000                 | 8.00% - 8.25% | 2019               |
| 2       | Mumbai    | Equinox Business Park     | Kurla, Mumbai | BKC Outskirts | ~1,250,000            | 19,000 - 20,000               | 8.25% - 8.50% | 2018               |
| 3       | Mumbai    | Express Towers            | Nariman Point | CBD           | ~472,377              | 40000 - 43,000                | 7.25% - 7.75% | 2021               |
| 4       | Chennai   | Sandhya Infocity          | Navalur       | PBD OMR       | ~1,418,174            | 5,500 - 6,000                 | 8.00% - 8.50% | 2021               |
| 5       | Chennai   | Global Infocity           | Perungudi     | SBD OMR       | ~2,700,000            | 8,500 - 9,000                 | 7.75% - 8.00% | 2018               |
| 6       | Chennai   | One India bulls Park      | Ambattur      | PBD West      | ~1,900,000            | 4,500 - 5,000                 | 8.00% - 8.50% | 2018               |
| 7       | Hyderabad | Phoenix aVance Building 6 | HITEC City    | PBD West      | ~640,000              | 7,500 - 8,000                 | 9.00% - 9.50% | 2021               |
| 8       | Hyderabad | Phoenix Aquila Tower A    | Gachibowli    | PBD West      | ~1,180,000            | 8,200 - 8,700                 | 8.00% - 8.25% | 2021               |
| 9       | Hyderabad | Waverock                  | Gachibowli    | PBD West      | ~2,350,000            | 7,200 - 7,700                 | 8.00% - 8.25% | 2017               |
| 10      | Pune      | E Park 2                  | Kharadi       | SBD East      | ~180,000              | 7,000-9,000                   | 7.75% - 8.00% | 2022               |
| 11      | Pune      | WTC Tower A               | Kharadi       | SBD East      | ~28,342               | 10,000-11,500                 | 7.50% - 8.00% | 2019               |

|    |                  |                            |                                |                              |  |  |   |      |
|----|------------------|----------------------------|--------------------------------|------------------------------|--|--|---|------|
| 12 | Bengaluru        | Prestige RMZ Star Tech     | Bangalore                      | SBD East                     | ~1,370,000   | -  | 7.60% - 7.80%   | 2022 |
| 13 | Bengaluru        | Embassy Tech Village       | Bangalore                      | SBD East                     | ~9,100,000   | 9,500 - 11,000   | 8.00% - 8.25%   | 2020 |
| 14 | Gurgaon          | One Horizon Centre         | Gurgaon                        | SBD East                     | ~421,134   | 22,000 - 24,000  | 8.00% - 8.25%   | 2020 |
| 15 | Mumbai           | Godrej BKC                 | BKC                            | BKC & Annex                  | ~200,000   | 40,000 - 45,000  | 8.00 - 8.50%  | 2023 |
| 16 | Mumbai & Gurgaon | Downtown Powai & Candor G1 | Powai & Sohna Road             | Eastern Suburbs & Sohna Road | ~2,700,000 + ~3,700,000  | Enterprise value INR 11,225                            | 7.90- 8.20%   | 2023 |
| 17 | Chennai          | Embassy Splendid TechZone  | Pallavaram - Thoraipakkam Road | PBD OMR                      | ~1,400,000 (Completed) + 1,600,000 (UC) + 2,000,000 (Proposed) | Enterprise value INR 1,269 Cr. (61% economic interest) | 8.50% on the completed portion 10% on the u/c portion | 2024 |

Project Site is **Mindspace Airoli East** which is one of the known developments for IT/ITeS companies located in the Thane-Belapur Road micro market at Airoli in Navi Mumbai City. The Project is a part of **Mindspace Business Parks REIT** (Mindspace REIT) portfolio. The location has excellent connectivity to residential locations and social infrastructure too.

The project offers Grade A, IT SEZ space spread across 12 completed and operational buildings with good amenities and facilities. There are prominent clients in the larger campus such as Larsen & Toubro Infotech Limited (LTIMindtree Limited), Accenture Services Pvt. Ltd. (Accenture Solutions Pvt. Ltd.), L&T Technology Services Ltd., Gebbs Healthcare Solutions Pvt. Ltd Cognizant Technology Solutions (I) Pvt. Ltd., etc. and is a preferred office space in the micro market due to the quality of buildings, ease of connectivity and nature of campus development. Considering the past transactions in the city and Project attributes in terms of size, occupancy profile, micro market trend etc. the cap rate has been arrived for the Project.

The Cap Rate applied to arrive at the terminal value of the property is 8.00%.

### **Outlook**

Over the next three years, the Thane-Belapur Road submarket is likely to add about 4.9 million sq ft of Grade A supply. As a result of this continuous infusion of supply into the submarket, rents are expected to remain stable or rise marginally, driven by a few marquee projects. Tech occupiers along with occupiers from the manufacturing segment and managed flex players are likely to be the mainstay of demand in this submarket.

## 7 MARKET VALUE ESTIMATE

### 7.1 ADOPTED PROCEDURE

The market practice in most commercial / office developments involves contracting tenants / occupiers in the form of pre-commitments at sub-market rent to increase attractiveness of the property to prospective tenants - typically extended to anchor tenants. Additionally, there are instances of tenants paying above-market rent for certain properties as well (primarily owing to market conditions at the time of contracting the lease). In order to arrive at a unit value for these tenancies, the Valuer has considered the impact of such sub / above market rents on the valuation of the Project.

For the purpose of this valuation exercise, the Valuer has analyzed the tenancy details provided by the Client, to identify variances vis-à-vis prevailing market / marginal rent. Each lease is assessed separately for below aspects, for the rent over a 10 year time horizon:

- The rent rolls (and the corresponding lease deeds on a sample basis) were reviewed to identify tenancy characteristics for the asset. As part of the rent roll review, major tenancy agreements belonging to top 5 tenants were reviewed on a sample basis.
- Title certificates, architect certificates and other related documents as mentioned in relevant sections of the report were reviewed for validation of area details, ownership interests of the Project.
- Physical site inspections were undertaken to assess the status of the Project.

#### 7.1.1 CASH FLOW PROJECTIONS

The cash flows for the Project have been projected separately for each lease, to arrive at their respective value estimates.

Net Operating Income (NOI) has primarily been used to arrive at the value of the Project. The projected future cash flows from the Project are based on existing lease terms for the operational leases till the expiry of the leases or re-negotiation, whichever is earlier, following which, the lease terms have been aligned with market rents achievable by the Project.

For vacant area and under-construction / future development area, the achievable market rent-led cash flows are projected factoring appropriate lease-up timeframe for vacant / under-construction / future development area. These cash flows have been projected for 10-year duration from the date of valuation and for 11<sup>th</sup> year (for estimation of terminal value based on NOI). These future cash flows are then discounted to present-day value (valuation date) at an appropriate discount rate. Each lease is assessed separately for below aspects, for the rent over a 10 year time horizon:

- Projecting the rental income for identified tenancies up to the period of lease expiry, lock-in expiry, escalation milestones, etc. whichever is applicable. In the event of unleased spaces, market-led rent is adopted with suitable lease-up time.
- Generating a market led rental income stream for identified tenancies for the time period similar to the cash flows drawn in the aforementioned step.
- Computing the monthly income based on rent projected above and translating the same to quarterly income (for the next 10 years and 11<sup>th</sup> year is considered for calculation of terminal value).

Further, to arrive at the total value of the leased spaces (from base rentals), appropriate revenues and operational expenses are projected on quarterly basis. Some of such adjustments on revenue and operational expenses are presented in the table below:

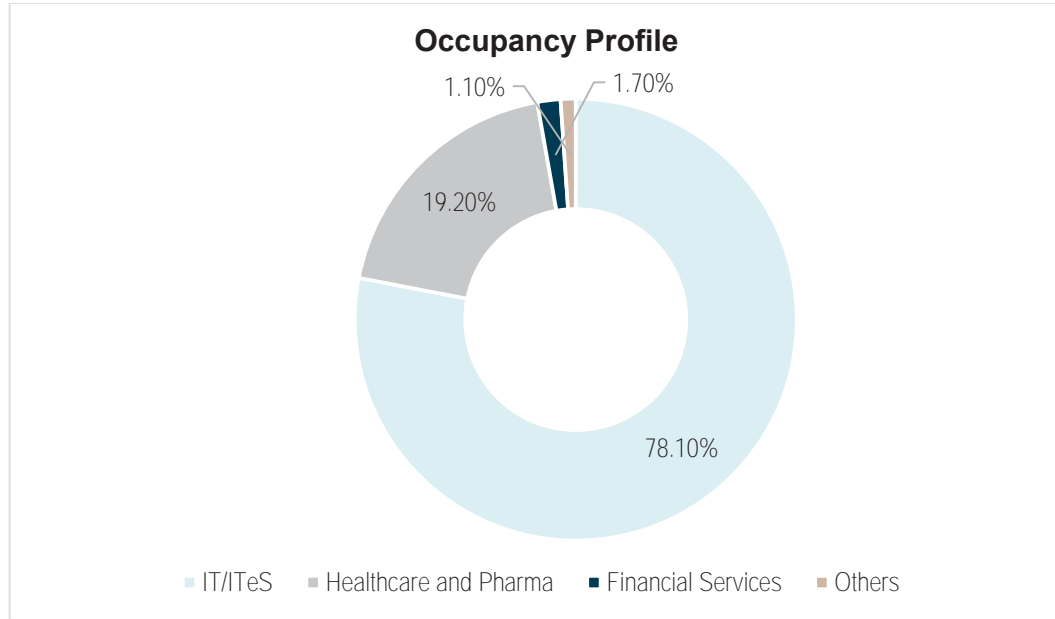
**Table 7.1: Adjustments on Revenues and Operational Expenses**

| Parameters                           | Description / Basis  |
|--------------------------------------|--|
| Parking Income                       | Based on income inputs provided by Client for the leased spaces and market assumption taken for vacant spaces  |
| Miscellaneous Income                 | Based on income inputs provided by Client for the Project  |
| Insurance                            | Based on insurance outflow (if any) provided by Client   |
| Annual Lease Rental / Property Taxes | Based on annual lease rental / property tax assessed for the Project as provided by Client   |
| Asset Management Fee                 | Considered as a recurring expense (in case of an external management team) as a percentage of the lease rental income as per the agreement between respective assets and its asset manager.  |
| Margin on CAM                        | Based on the operational revenues and expenses of the respective assets to understand the recurring, non-recurring, recoverable and non-recoverable expenses and accordingly modelled the common area maintenance income and operational expenses for the asset. |
| Revenue Escalation                   | Based on market-led annual escalation on the market rent   |
| Rent Free Period                     | Based on the trend prevalent in the submarket, appropriate rent free periods from lease commencement date (for future / new leases) are considered   |
| Brokerage                            | Based on prevalent market dynamics, brokerage for future / new leases are considered   |
| Fit-Out Income                       | Based on fit-out rent (if any) provided by Client till lease expiry of applicable leases (same is not capitalized)   |
| Transaction Cost on Exit             | Considered as a percentage of the terminal value after aforesaid adjustments   |

### **7.1.2 ABSORPTION / LEASING VELOCITY AND OCCUPANCY PROFILE**

Occupancy profile of the project is as follows: -

- ~78.1 space is taken by IT/ITeS Sector
- ~19.2% space is taken by Healthcare and Pharma
- ~01.7% space is taken by Financial Services
- ~1.1% space is taken by Other sectors including F&B



### 7.1.3 KEY ASSUMPTIONS AND INPUTS

The table below presents key assumptions and / or inputs used in the cash flow configuration used for providing Valuation of the Project.

**Table 7.2: Key Assumptions Used in the Estimate of Operational / Completed Blocks**

| Parameters                                    | Assumptions / Inputs                     | Remarks / Basis   |
|---|--|---|
| Cash Flow Period                              |  |   |
| Valuation Date                                | 31-March-2024                            | As per workings   |
| Cash Flow Period                              | 10 years                                 | As per workings   |
| Cash Flow Exit Period                         | 31-March-2034                            | As per workings   |
| Asset Details                                 |  |   |
| Total Leasable Area                           | Refer Error! Reference source not found. | As per the information provided by the Client   |
| Leased Area                                   | Refer Error! Reference source not found. | As per the information provided by the Client   |
| Vacant Area / Vacancy                         | 849,078 sq ft / 17.78%                   | As per the information provided by the Client   |
| Vacancy Allowance                             | 2.0%                                     | As per market benchmarks for large scale Grade A office projects.   |
| Area to be Leased                             | 849,078 sq ft                            | As per the information provided by the Client   |
| Rent Free Period for Existing Lease Rollovers | 2 months                                 | As prevalent in the micro-market for Grade A properties, the rent free period for existing lease rollovers is two months. |
| Rent Free Period for Vacant area Leasing      | 6 months                                 | As prevalent in the micro-market for Grade A properties, the rent free period for new leases is six months.               |

| Parameters                                       | Assumptions / Inputs  | Remarks / Basis  |
|--|---|--|
| Construction Related Assumptions                 |   |  |
| Approx. construction Cost to be Incurred         | INR 160 Mn  | As per the information provided by the Client  |
| Estimated Completion Date for incurring expenses | Q4 2025   | As per the information provided by the Client  |
| Estimates of already carried out major repairs   | INR 1,659 Mn  | As per the information provided by the Client  |
| Revenue Assumptions                              |   |  |
| Lease Rentals                                    | Actual rentals as per the Rent Roll including additional charges (if any)                               | As per the information provided by the Client  |
| Rent Escalation                                  | Escalation in rentals as per the Rent Roll for the validity period of the leases, i.e., 4.5% every year | As prevalent in the market it is observed that lease agreements are primarily at 4.5% rent escalations every year.   |
| Market / Marginal Rent – Office for FY25         | Completed Buildings<br>INR 61.95 per sq. ft per month   | The lease transactions in Grade A office space in the said micro market are recorded in the range of INR 55 – 65 per sq. ft. per month for last 5 years. The asking instances are observed in the range of INR 70 – 80 per sq. ft. per month. Please refer Section 6.5<br><br>Based on the market benchmarking of recent leases on aspects such as location, size of transaction, type of development etc. the achievable rent for the Project is derived. |
| Market / Marginal Rent - Amenities               | Not Applicable  |  |
| Market Rent - Car Parking Space for FY25         | INR 1,575 per CPS per month   | The Grade A offices offers car parking rates in the range of INR 1,000 – 2,000 per slot per month. Based on the market benchmarking of recent leased rates within the micro market, the achievable car park rate for the Project Site is derived.  |
| Market / Marginal Rent – F&B for FY25            | F&B – INR 141.75 per sq. ft per month   | The lease transactions of F&B in Grade A, IT park in the said micro market are recorded in the range of INR 130 – 150 per sq. ft per month for last 5 years. The asking instances are observed in the range of INR 140 – 160 per sq. ft per month.   |
| Market / Marginal Rent – Kiosk for FY25          | Kiosk – INR 262.50 per sq. ft per month   | The lease transactions of kiosk in Grade A IT park in the said micro market are recorded in the range of INR 250 – 270 per sq. ft. per month   |



| Parameters  | Assumptions / Inputs            | Remarks / Basis   |
|---|---------------------------------|---|
|   |                                 | for last 5 years. The asking instances are observed in the range of INR 260 – 280 per sq. ft. per month.  |
| Market / Marginal Rent - Terrace                  | Not Applicable                  |   |
| Other Income                                      | 1% of base rentals              | As prevalent in the market, we consider a normalized level of other income for future. Hence, we have considered other income at 1.0% of base rental income. Other income includes components from Events, Telecom Towers, Pop-ups  |
| Market Rent Growth from FY26                      | 5.0% per annum                  | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5-6% per annum for the Project   |
| Parking Rent Growth from FY26                     | 5.0% per annum                  | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5% per annum for the Project   |
| Lease Tenure                                      | 9 years                         | As prevalent in the market  |
| Target Efficiency                                 | 76%                             | Recent re-leasing suggests that the Client has leased the same premises at relatively lower efficiency and received higher rentals for the same carpet area.<br>Going forward, for leases which will expire during the next 10 years, we have considered an efficiency at 76% or actual, whichever is lower |
| Maintenance Services Income / CAM Income for FY25 | INR 11.77 per sq ft per month   | The CAM rate in Grade-A Commercial Development is observed to be in the range of INR 10 – 15 per sq. ft. per month. The CAM income in the Project is in-line with market trend and is as provided by Client   |
| Operating Cost Assumptions                        |                                 |   |
| Brokerage – New/Vacant Leases                     | 4-month receivable on base rent | As prevalent in the market  |
| Brokerage - Renewals / Release                    | 2-month receivable on base rent | As prevalent in the market  |
| Maintenance Services Cost for FY25                | INR 9.22 per sq ft per month    | As shared by client and as prevalent in the market  |

| Parameters                  | Assumptions / Inputs  | Remarks / Basis                                    |
|-----------------------------|---|--|
| Property Tax for FY25       | INR 1.63 per sq ft per month  | As shared by client and as prevalent in the market |
| Insurance for FY25          | INR 0.28 per sq ft per month  | As shared by client and as prevalent in the market |
| Cost Escalation             | 3.0% per Annum  | As prevalent in the market                         |
| CAM Escalation              | 5.0% per Annum  | As prevalent in the market                         |
|                             |   |  |
| Other Assumptions           |   |  |
| Transaction Cost on Sale    | 1% of Terminal Value  | As prevalent in the market                         |
| Other Operating Expenses    | 2% of Base Rent + Car Parking Charges   | As prevalent in the market                         |
| Property Management Fees    | 3.5% (Base Rent + Car Parking Charges + Fit out Rent + Other Operating Income)  | As prevalent in the market                         |
| Discounting Rate / WACC     | Suggestive Discount Factor: 11.75%  | Refer Section 3.3 of this report                   |
| Cap Rate for Terminal Value | Capitalized using long-term net yield rate of 8.0% (post yield shrinkage).<br>Capitalized based on the Net Cash Flow of the 11 <sup>th</sup> year   | Refer Section 3.2 of this report                   |
| Cash Flow Configuration     | Cash flows have been drawn on quarterly basis for a period of 10 years, considering both cash inflows and outflows. Cash flows of terminal year is then capitalized and adjusted with transaction costs, to arrive at terminal value. | Value assumptions as practiced in the market       |

**Table 7.3: Key Assumptions Used in the Estimate of Under Construction / Future Developments**

| Parameters            | Assumptions / Inputs   | Remarks / Basis   |
|-----------------------|------------------------|---|
| Cash Flow Period      |                        |   |
| Valuation Date        | 31-March-2024          | As per workings   |
| Cash Flow Period      | 10 years               | As per workings   |
| Cash Flow Exit Period | 31-March-2034          | As per workings   |
| Asset Details         |                        |   |
| Total Leasable Area   | Refer <b>Table 5.5</b> | As per the information provided by the Client                     |
| Leased Area           | Refer <b>Table 5.5</b> | As per the information provided by the Client                     |
| Vacant Area / Vacancy | 0 sq. ft / 100%        | As per the information provided by the Client                     |
| Vacancy Allowance     | 2.0%                   | As per market benchmarks for large scale Grade A office projects. |

| Parameters  | Assumptions / Inputs  | Remarks / Basis  |
|---|---|--|
| Area to be Leased                                   | 1.6 mn sq ft  | As per the information provided by the Client  |
| Rent Free Period for Existing Lease Rollovers       | Building 15, High Street Retail, Hotel + office building – 2 months   | As prevalent in the micro-market for Grade A properties, the rent free period for existing lease rollovers is two months   |
| Rent Free Period for New Leases                     | Building 15 – 6 months<br>High Street Retail – 3 months<br>Office portion of Hotel + office building – 4 months   | As prevalent in the micro-market for Grade A properties, the rent free period for new leases is six months   |
| Construction Related Assumptions                    |   |  |
| Approx. construction Cost to be Incurred            | Building 15 – INR 5,015 Mn<br>High Street Retail – INR 115 Mn<br>Hotel + Office Building – INR 5,143 Mn   | As per the information provided by the Client  |
| Estimated Completion Date                           | As Indicated in Executive Summary section   | As per the information provided by the Client  |
| Revenue Assumptions                                 |   |  |
| Lease Rentals                                       | Actual rentals as per the Rent Roll including additional charges (if any)   | As per the information provided by the Client  |
| Rent Escalation                                     | Escalation in rentals as per the Rent Roll for the validity period of the leases i.e., 4.5% every year  | As prevalent in the market it is observed that lease agreements are primarily at 4.5% rent escalations every year.   |
| Market / Marginal Rent – Office and Retail for FY25 | High Street Retail – INR 66.15 per sq. ft per month<br>Building 15 – INR 61.95 per sq. ft per month<br>(Hotel + Office)<br>Hotel – INR 59 per sq. ft per month<br>Office – INR 61.95 per sq. ft per month | The lease transactions in Grade A office space in the said micro market are recorded in the range of INR 55 – 65 per sq. ft. per month for last 5 years. The asking instances are observed in the range of INR 70 – 80 per sq. ft. per month. Please refer 6.5<br><br>The lease transactions in retail space in the said micro market are recorded in the range of INR 60 – 70 per sq. ft per month for last 5 years. The asking instances are observed in the range of INR 70 – 80 per sq. ft. per month.<br><br>Based on the market benchmarking of recent leases on aspects such as location, size of transaction, type of development etc. the achievable rent for the Project is derived. |

| Parameters  | Assumptions / Inputs  | Remarks / Basis  |
|---|---|--|
| Market / Marginal Rent – Amenities                | Not Applicable  |  |
| Market Rent – Car Parking Space                   | Not Applicable  |  |
| Market / Marginal Rent – Food Court               | Not Applicable  |  |
| Market / Marginal Rent – Kiosk                    | Not Applicable  |  |
| Market / Marginal Rent – Terrace                  | Not Applicable  |  |
| Other Income                                      | 1% of base rentals  | As prevalent in the market, we consider a normalized level of other income for future. Hence, we have considered other income at 1.0% of base rental income. Other income includes components from Events, Telecom Towers, Pop-ups   |
| Market Rent Growth from FY26                      | High Street Retail– 5% per annum<br>Building 15 – 5% per annum (Hotel + Office)<br>Hotel portion - 5% per annum<br>Office portion – 5% per annum  | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5% per annum for the Project  |
| Parking Rent Growth from FY26                     | High Street Retail – 5% per annum<br>Building 15 – 5% per annum (Hotel + Office)<br>Hotel portion – 5% per annum<br>Office portion – 5% per annum | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5% per annum for the Project  |
| Lease Tenure                                      | 9 years   | As prevalent in the market   |
| Target Efficiency                                 | Building 15 – 76%<br>High Street Retail – 70%<br>Hotel + office building – 76%  | Recent re-leasing suggest that the Client has leased the same premises at relatively lower efficiency and received higher rentals for the same carpet area.<br>Going forward, for leases which will expire during the next 10 years, we have considered an efficiency at 76% or actual, whichever is lower |
| Maintenance Services Income / CAM Income for FY25 | INR 11.77 per sq ft per month   | The CAM rate in Grade-A Commercial Development is observed to be in the range of INR 10 – 15 per sq. ft. per month. The CAM income in the Project is in-line   |

| Parameters                         | Assumptions / Inputs  | Remarks / Basis  |
|------------------------------------|---|--|
|                                    |   | with market trend and is as provided by Client         |
| Operating Cost Assumptions         |   |  |
| Brokerage – New Leases             | Building 15 – 4 months receivable on base rent<br>High Street Retail – 2 months receivable on base rent<br>Hotel + office building<br>Office portion – 4 months receivable on base rent | As prevalent in the market                             |
| Brokerage – Renewals / Release     | Building 15 – 2 months receivable on base rent<br>High Street Retail – 2 months receivable on base rent<br>Hotel + office building<br>Office portion - 2 months receivable on base rent | As prevalent in the market                             |
| Maintenance Services Cost for FY25 | INR 9.22 per sq ft per month  | As shared by the Client and as prevalent in the market |
| Property Tax for FY25              | INR 1.63 per sq ft per month  | As shared by client and as prevalent in the market     |
| Insurance for FY25                 | INR 0.28 per sq ft per month  | As shared by client and as prevalent in the market     |
| Cost Escalation                    | 3.0% per Annum  | As prevalent in the market                             |
| CAM Escalation (Income & Expense)  | 5.0% per Annum  | As prevalent in the market                             |
| Other Assumptions                  |   |  |
| Transaction Cost on Sale           | 1% of Terminal Value  | As prevalent in the market                             |
| Other Operating Expenses           | 2% of Base Rent + Car Parking Charges   | As prevalent in the market                             |
| Property Management Fees           | 3.5% (Base Rent + Car Parking Charges + Fit out Rent + Other Operating Income)  | As prevalent in the market                             |
| Discounting Rate / WACC            | Suggestive Discount Factor: 13.00%  | Refer Section 3.3 of this report                       |
| Cap Rate for Terminal Value        | Capitalized using long-term net yield rate of 8.0% (post yield shrinkage).<br>Capitalized based on the Net Cash Flow of the 11 <sup>th</sup> year                                       | Refer Section 3.2 of this report                       |
| Cash Flow Configuration            | Cash flows have been drawn on quarterly basis for a period of 10 years, considering both cash inflows and outflows. Cash flows of terminal year is then capitalized and adjusted        | Value assumptions as practiced in the market           |

| Parameters | Assumptions / Inputs                                 | Remarks / Basis |
|------------|--|-----------------|
|            | with transaction costs, to arrive at terminal value. |                 |

## 7.2 VALUATION ASSUMPTIONS FOR POWER DISTRIBUTION SERVICES

### 7.2.1 ADOPTED METHODOLOGY

Referring to the commission's latest order for the operational facility, the cash flows from the power distribution services are projected in the following manner:

- Amount of approved Gross Fixed Assets ("GFA") is considered.
- Further, Net Fixed Asset (NFA) which is GFA reduced by accumulated depreciation allowed as on date is computed.
- To compute the Net Cashflows, mainly return on equity, interest on notational debt, recovery of depreciation, interest on working capital have been added.
- Licensee is allowed to charge 14% return on equity which is 30% of GFA. In case of no actual loan, the commission allows a return on normative loan equal to 70% of GFA based on MYT regulations 2019. SLM (Straight Line Method) is considered for depreciation, as per the average rate approved by the commission. Depreciation is considered to the extent of 90% of the GFA.
- Approved power procurement, operational and maintenance expenses are allowed completely pass through.

### 7.2.2 KEY ASSUMPTIONS AND INPUTS

Following are the key details as per the Commission order dated 31 March 2024:

Table 7.4 Key Assumptions Used for Power Distribution Services

| Particulars                                 | Unit        | Figure           |
|---|-------------|------------------|
| Gross Fixed Assets                          | INR Mn      | 524              |
| Notional Equity (30% of GFA)                | INR Mn      | 157              |
| Notional Debt as on March 2024 (70% of GFA) | INR Mn      | 367              |
| Return on Equity                            | %           | 14%              |
| Depreciation Rate                           | % Per annum | 5.3%             |
| License End Date                            | Date        | 03 November 2032 |

### 7.2.3 KEY PROJECTIONS FOR CASH FLOWS

Following are the key projections, as provided by the Client

Table 7.5 Key Projections for Power Distribution Services

| Particulars            | Unit     | Q1 FY 2025 | Q2 FY 2025 | Q3 FY 2025 | Q4 FY 2025 |
|------------------------|----------|------------|------------|------------|------------|
| Number of units sold   | Mn units | 15.7       | 14.7       | 15.3       | 14.3       |
| Revenue from Sales     | INR Mn   | 184        | 172        | 179        | 168        |
| Power purchase expense | INR Mn   | 96         | 90         | 94         | 88         |
| O&M expenses           | INR Mn   | 18         | 17         | 18         | 17         |
| Planned Capex          | INR Mn   | 0.1        | 0.1        | 0.1        | 0.1        |



For the purpose of discounting the future cash flows Weighted Average Cost of Capital (WACC) of 10.5% has been utilized.

Following are the key projections for the purpose of projecting the future cashflows and further discounting the same to arrive at the market value for the Power Distribution Services.

**Table 7.6 Key Assumptions for Operating Parameters**

| ASSUMPTION                                 | UNIT        | DETAILS |
|--|-------------|---------|
| Power Purchase Cost (Increase % p.a. post) | % per annum | 5.0%    |
| O&M (Increase % p.a.)                      | % per annum | 7.0%    |
| Depreciation (SLM) -MERC                   | %           | 5.3%    |
| Depreciation (SLM) -Companies Act          | %           | 3.2%    |
| Transition Loss                            | %           | 0.7%    |
| Prov for Contingency (% of GB)             | %           | 0.0%    |

### 7.3 MARKET VALUE

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which the Valuer has no knowledge, the Market Value of the complete ownership interest in the Project comprising land and improvements thereon, as explained above, on the below mentioned dates, is estimated to be as follows:

**Table 7.7: Market Value of the Project**

| Component   | Market Value as on | In Figures (INR Mn) | In Words  |
|---|--------------------|---------------------|---|
| Total Market Value (Completed / Operational, including power distribution business of MBPPL) <sup>1</sup> | 31st March 2024    | 45,423.99           | INR Forty Five Billion Four Hundred Twenty Three Million Nine Hundred Ninety Thousand Only  |
| Total Market Value (Under construction buildings and future development buildings) <sup>2</sup>           | 31st March 2024    | 2,099.86            | INR Two Billion Ninety Nine Million Eight Hundred Sixty Thousand Only                       |
| Total Value   |                    | 47,523.86           | INR Forty Seven Billion Five Hundred Twenty Three Million Eight Hundred Sixty Thousand Only |

Note: The above-mentioned value includes proportionate undivided ownership in the Amenities and Infrastructure, Utility Areas and Internal Roads and total open spaces of the Entire Campus

<sup>1</sup> The completed component value includes value of power distribution business

<sup>2</sup> The under construction component value includes value of land parcel under future development as shown in Table 7.7

With all assumptions as mentioned in this report, we are of the opinion that the Market Value of the Project Mindspace Airoli East comprising total leasable area of 6,420,121 sq. ft including future development located in Navi Mumbai, Maharashtra, India and power distribution business as on 31 March 2024 is estimated to be **INR 47,523.86 million (INR Forty Seven Billion Five Hundred Twenty Three Million Eight Hundred Sixty Thousand Only).**

**Table 7.8: Ready Reckoner Rate**

| Component                  | Ready Reckoner Rate (INR per sq. m) |
|----------------------------|-------------------------------------|
| Commercial (Built-Up Area) | 62,400                              |
| Land Area (Open Plot)      | 20,750                              |

Note: The mentioned ASR value is as on 31<sup>st</sup> March 2024

**KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)**, the Valuer for the Project, hereby declares that:

- We are fully competent to undertake the valuation.
- We are independent and have prepared the report on a fair and unbiased basis; and
- We have valued the Project based on the valuation standards as specified under sub-regulation 10 of regulation 21 of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014



**Name:** Sachin Gulaty FRICS FIV FIIA,

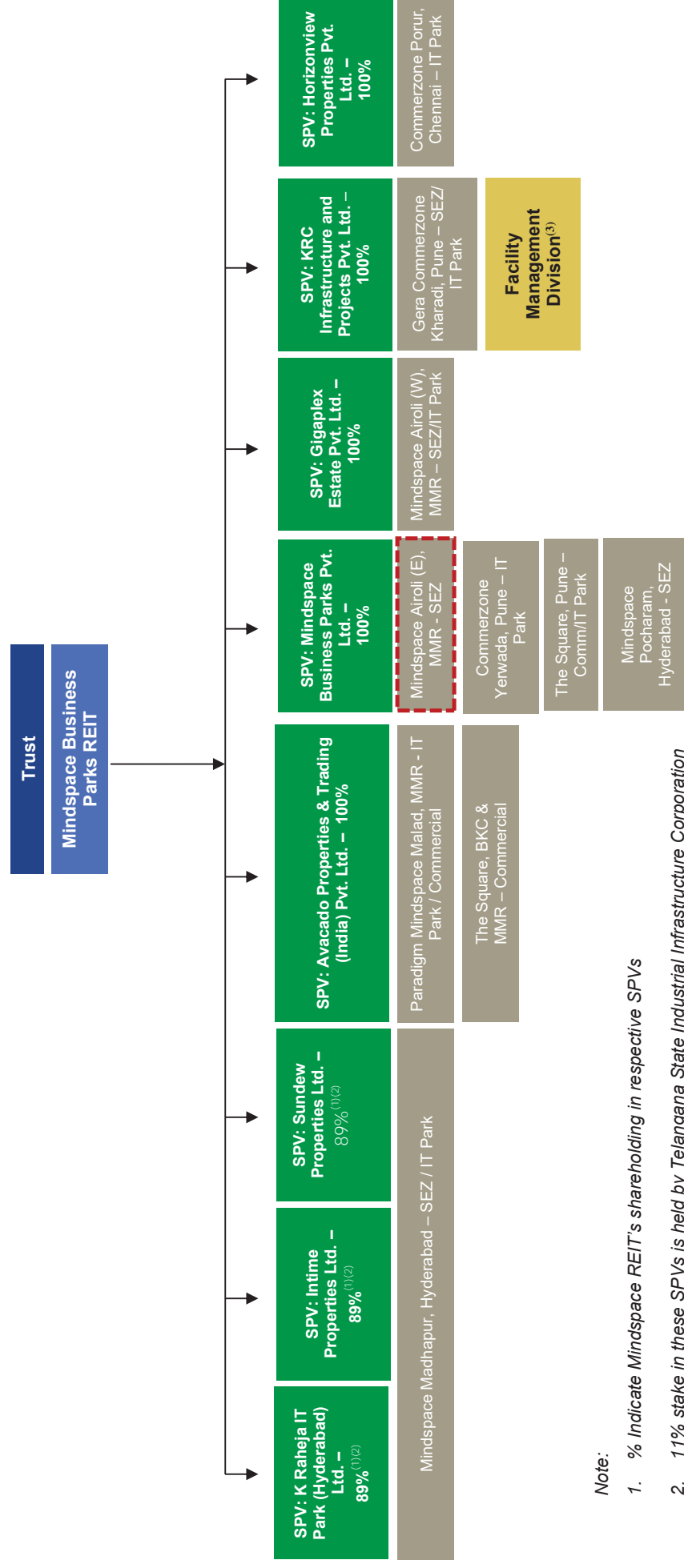
**Designation:** Director

**Valuer Registration No.:** IBBI/RV/02/2021/14284

**Address:** 5<sup>th</sup> Floor, India Accelerator, The Iconic Corenthum, Sector 62, NOIDA – 201309. Uttar Pradesh. INDIA.

**E-Mail ID:** sachin.gulaty@k-zen.in

## Annexure - 1 Ownership Structure of the Project

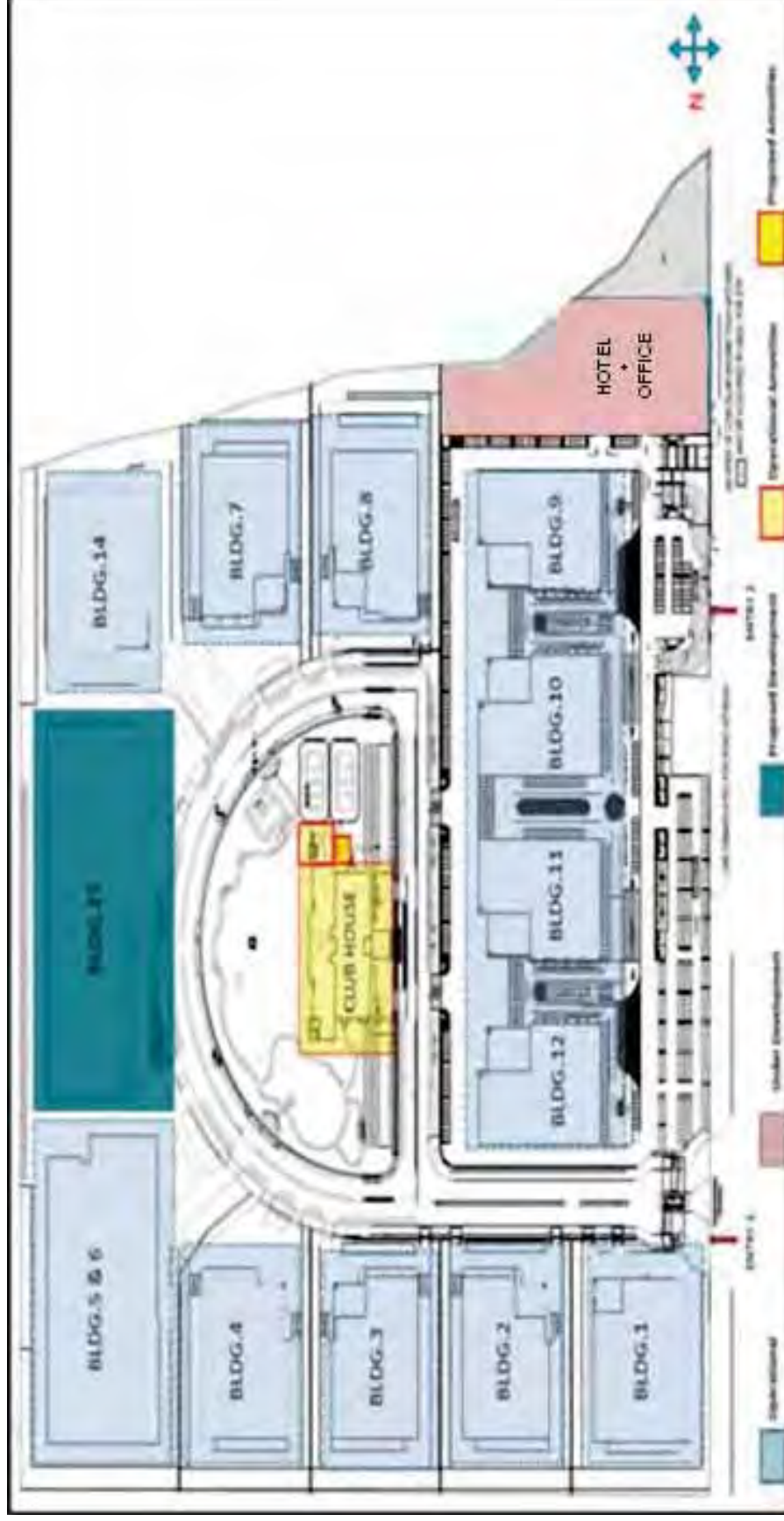


*Note:*

1. % Indicate Mindspace REIT's shareholding in respective SPVs
2. 11% stake in these SPVs is held by Telangana State Industrial Infrastructure Corporation Limited.
3. Facility Management Division is housed in KRC Infrastructure and Protects Pvt. Ltd.

## Annexure - 2 Layout Plan of the Project

Completed, Under Construction, and Future Development Buildings:



### Annexure - 3

#### Statement of Key Assets within the Project

| Complex Building              | Name       | B1                          | B2                              | B3                              | B4                              | B5 & B6                         | B7 | B8                          |
|-------------------------------|------------|-----------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|----|-----------------------------|
| Floor                         | No. / Name | B1                          | B2                              | B3                              | B4                              | B5 & B6                         | B7 | B8                          |
| Warm Shell / Bare shell       | Nos        | G+3P+8                      | G+3P+8                          | G+3P+8                          | G+3P+8                          | G+2P+8                          |    | G+7                         |
| Air Cooled Chiller            | TR         | 250                         | 300                             | 250                             | 350                             | 2x 350                          | NA | 322                         |
| Water Cooled Chiller          | TR         | 1 x 275, 2 x 325            | 2 x 250, 1 x 300                | 2 x 250, 1 x 300                | 3 x 300                         | 3 x 600                         | NA | 2 x 280                     |
| No of Elevators / Make        | No/ Make   | 7-Thyssenkrupp              | 7-Thyssenkrupp                  | 7-Thyssenkrupp                  | 7-Thyssenkrupp                  | 7-Thyssenkrupp, 7 Olis          |    | 7-Thyssenkrupp              |
| No of DG / Capacity           | No. / KVA  | 4 X 1010                    | 4 X 1010                        | 2 X 1010                        | 4 X 1010                        | 4 X 2000                        |    | 2 X 1010, 2 x 750           |
| No of Transformers / Capacity | No. / KVA  | 2 x 2000                    | 2 x 2000                        | 2 x 2000                        | 2 x 2000                        | 4 x 2000                        | NA | 2 x 1500                    |
| Booster Pump                  | KW / Make  | 2 x 11, Kirloskar Brothers  | 11, Kirloskar Brothers          | 2 x 12, Kirloskar Brothers      | 11, Kirloskar Brothers          | 2 x 11, Kirloskar Brothers      |    | 11, Kirloskar Brothers      |
| Jockey Pump                   | KW / Make  | 2 x 5.5, Kirloskar Brothers | 2 x 180 LPM, Kirloskar Brothers | 2 x 180 LPM, Kirloskar Brothers | 2 x 180 LPM, Kirloskar Brothers | 2 x 180 LPM, Kirloskar Brothers |    | 2 x 1.1, Kirloskar Brothers |
| Fire Diesel Pump              | KW / Make  | 167, Kirloskar Brothers     | 167, Kirloskar Brothers         | 167, Kirloskar Brothers         | 167, Kirloskar Brothers         | 167, Kirloskar Brothers         |    | 167, Kirloskar Brothers     |
| Hydrant Pump                  | KW / Make  | 125 brothers                | 125 brothers                    | 110, brothers                   | 125 brothers                    | 125 brothers                    |    | 110, brothers               |
| Sprinkle Pump                 | KW / Make  | 125 brothers                | 104 brothers                    | 110, Greaves                    | 125 Greaves                     | 125 Crompton Greaves            |    | 110, Crompton Greaves       |
| STP Rating                    | KLD        | 150                         | 160                             | 220                             | 320                             | 750                             |    | 160                         |

| Complex                       | Name       | B9                | B10               | B11               | B12              | B14               |               |
|-------------------------------|------------|-------------------|-------------------|-------------------|------------------|-------------------|---------------|
| Building                      | No. / Name |                   |                   |                   |                  |                   | Club House    |
| Floor                         | Nos        | G+1P+8            | G+1P+8            | G+1P+8            | G+1P+8           | G+1P+8            | G+1           |
| Warm Shell / Bare shell       |            | Warm shell        | Warm shell        | Warm shell        | Warm shell       | Warm shell        | Warm shell    |
| Air Cooled Chiller            | TR         | 350               | 350               | 305               | 350              | 300               | NA            |
| Water Cooled Chiller          | TR         | 2 x 450           | 2 x 450           | 3 x 316           | 2 x 560          | 3 x 300           | NA            |
| No of Elevators /Make         | No/ Make   | 7- Thyssenkrupp   | 7- Thyssenkrupp   | 7- Thyssenkrupp   | 7- Thyssenkrupp  | 7- Thyssenkrupp   | NA            |
| No of DG / Capacity           | No. / KVA  | 4 X 1010          | 4 X 1010          | 4 X 1010          | 4 X 1010         | 3 X 1010          | NA            |
| No of Transformers / Capacity | No/ KVA    | 2 x 2000          | 2 x 2000          | 2 x 2000          | 2 x 2000         | 2 x 2000          | NA            |
| Booster Pump                  | KW / Make  | 12, Brothers      | 12, Brothers      | 12, Brothers      | 12, Brothers     | 12, Brothers      | 12, Brothers  |
| Jockey Pump                   | KW / Make  | 2 x 5.5, Brothers | 2 x 5.5, Brothers | 2 x 5.5, Brothers | 2 x 15, Brothers | 2 x 5.5, Brothers | 9.3, Brothers |
| Fire Diesel Pump              | KW / Make  | 167, Brothers     | 167, Brothers     | 167, Brothers     | 167, Brothers    | 167, Brothers     |               |
| Hydrant Pump                  | KW / Make  | 125 brothers      | 125 brothers      | 125 brothers      | 125 brothers     | 110, brothers     | 37, brothers  |
| Sprinkle Pump                 | KW / Make  | 125 brothers      | 125 brothers      | 125 brothers      | 125 brothers     | 110, brothers     | 37, brothers  |
| STP Rating                    | KLD        | 150               | 150               | 150               | 150              | 220               | Nil           |

Source: Client 31<sup>st</sup> March 2024



**Annexure - 4**

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**Approvals and NOCs Received for the Project**

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List of one-time sanctions / approvals which are obtained or pending.

**Approvals Received**

- a) Building Approvals for all existing buildings and amendments thereof
- b) Full Occupancy Certificates received for all the existing/operational buildings
- c) Environmental clearance for development
- d) One-time Fire NOC and Form B for completed buildings
- e) Height clearance NOC from AAI
- f) Tree cutting NOCs
- g) SEZ Notification
- h) SPA and Fire approval received from MIDC
- i) Consent to Operate for Building 1, Building 2, Building 3, Building 4, Building 5, Building 6, Building 7, Building 8, Building 9, Building 10, Building 11, Building 12, Building 14
- j) Approved plan for Retail + Kiosk
- k) Consent to establish
- l) Club house Consent to establish received
- m) Property cards for entire plot
- n) Form B

**Approvals Pending**

- a) Application for partial denotification of upto 2.21 Ha
- b) Applied for plan sanction for mixed use Building (Office + Hotel)

## Annexure - 5

### Ready Reckoner Rate Applicable for the Project

ASR Value as on 31<sup>st</sup> March 2024

**नोंदणी व मुद्रांक विभाग, महाराष्ट्र शासन**  
**वाजारमूल्य दर पत्रक**

Home
Valuation Rules
User Manual
Close
Feedback

Year: 2023-2024
Language: English

Selected District: ठाणे

Select Taluka: ठाणे

Select Village: माठावे नाव - ऐरोली

Search By: ☐ Survey No. ☒ Location

| Select     | उपविभाग   | सूची नमून | निवासी सदनिका | ऑफिस  | दुकाने | औद्योगिक | एकक (Sq./) |
|------------|---|-----------|---------------|-------|--------|----------|------------|
| Survey No. | 1/54-2-विधे,विचवली,ऐरोली भाग,महाराष्ट्र औद्योगिक विकास महामंडळाचे अखत्यारीतील रहिवासी वापर भूखंड  | 33800     | 0             | 0     | 0      | 0        | चौ मीटर    |
| Survey No. | 1/54-3-विधे,विचवली,ऐरोली भाग,महाराष्ट्र औद्योगिक विकास महामंडळाचे अखत्यारीतील व्यावारी वापर भूखंड | 64900     | 0             | 0     | 0      | 0        | चौ मीटर    |
| Survey No. | 1/54-ऐरोली नोंद दिवे (उत्तर भाग)  | 20800     | 51400         | 62400 | 75600  | 82400    | चौ मीटर    |
| Survey No. | 1/55-ऐरोली नोंद रबाळे (पश्चिम भाग)  | 10600     | 45000         | 51800 | 56200  | 51800    | चौ मीटर    |
| Survey No. | 1/56-ऐरोली नोंद गोठवली (उत्तर भाग)  | 13600     | 41000         | 49600 | 60400  | 49600    | चौ मीटर    |

Source: IGR Maharashtra

#### MIDC Land Rates

Regional Office: Thane 1

Industrial Area: Airoli Knowledge Park

Search

**Airoli Knowledge Park**

[Basic Information](#)
[City Information](#)
[Location Details](#)
[Contact Us](#)

[Clients](#)
[Infrastructure](#)
[Plots/Sheds Available](#)
[Industrial Maps](#)

**Objective :**

**Industry Category : Growth Center**

**Land Rates**

|                               |         |
|-------------------------------|---------|
| Industrial Plots per sq. mtr  | : 20750 |
| Commercial Plots per sq. mtr  | : 62250 |
| Residential Plots per sq. mtr | : NA    |

**NOTE :**

- MIDC reserves the right to revise the rates without prior notice.
- If the plot is facing State Highway/National Highway or the service road parallel to highways, then 15% additional premium will have to be paid.
- If the plot is having the more frontage than the standard size, then additional frontage charges will have to be paid for the excess frontage per running meter decided by the corporation time to time.
- If the plot is situated at the junction as stated at
  - 1) above or having the excess frontage as stated at
  - 2) above, in that case the additional premium will have to be recovered which will be on higher side.

## Annexure - 6 Cash Flow Profile

**Table 7.9 Discounted Cash Flow of Completed Project – Office Building (B1, B2, B3, B4, B5 & 6, B7, B8, B9, B10, B11, B12, B14 and Club House) (INR million)**

| Sl. No. | Particulars                           | 1-Apr-23<br>31-Mar-24<br>Y0 | 1-Apr-24<br>31-Mar-25<br>Y1 | 1-Apr-25<br>31-Mar-26<br>Y2 | 1-Apr-26<br>31-Mar-27<br>Y3 | 1-Apr-27<br>31-Mar-28<br>Y4 | 1-Apr-28<br>31-Mar-29<br>Y5 | 1-Apr-29<br>31-Mar-30<br>Y6 | 1-Apr-30<br>31-Mar-31<br>Y7 | 1-Apr-31<br>31-Mar-32<br>Y8 | 1-Apr-32<br>31-Mar-33<br>Y9 | 1-Apr-33<br>31-Mar-34<br>Y10 | 1-Apr-34<br>31-Mar-35<br>Y11 |
|---------|---------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------------|------------------------------|
|         | Development / Construction Phasing    |                             |                             |                             |                             |                             |                             |                             |                             |                             |                             |                              |                              |
|         | Total Development Cost to be Incurred |                             |                             |                             |                             |                             |                             |                             |                             |                             |                             |                              |                              |
|         | Leasable Area                         |                             | 4,774,580.61                |                             |                             |                             |                             |                             |                             |                             |                             |                              |                              |
| A       | Base Rental                           |                             | 2,939.30                    | 3,506.14                    | 3,809.09                    | 4,048.63                    | 4,196.99                    | 4,274.18                    | 4,536.56                    | 4,745.03                    | 5,012.03                    | 5,161.56                     | 5,423.33                     |
| B       | Car Parking Income                    |                             | 7.65                        | 7.67                        | 7.67                        | 7.68                        | 7.15                        | 6.97                        | 8.00                        | 10.98                       | 11.47                       | 11.97                        | 12.53                        |
| C       | Fit-out rentals / tenant improvements |                             | 10.15                       | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                            | -                            |
| D       | Facility Rentals                      |                             | 2,957.11                    | 3,513.81                    | 3,816.76                    | 4,056.31                    | 4,204.14                    | 4,281.15                    | 4,544.57                    | 4,756.01                    | 5,023.50                    | 5,173.53                     | 5,435.86                     |
| E       | Maintenance services Income           |                             | 591.77                      | 680.49                      | 726.59                      | 765.32                      | 803.58                      | 843.76                      | 885.95                      | 930.25                      | 976.76                      | 1,025.60                     | 1,076.88                     |
| F       | Other Operating Income                |                             | 29.39                       | 35.06                       | 38.09                       | 40.49                       | 41.97                       | 42.74                       | 45.37                       | 47.45                       | 50.12                       | 51.62                        | 54.23                        |
| G       | Revenue from Operations               |                             | 3,578.27                    | 4,229.36                    | 4,581.44                    | 4,862.11                    | 5,049.69                    | 5,167.65                    | 5,475.88                    | 5,733.70                    | 6,060.38                    | 6,250.74                     | 6,566.97                     |
|         | Direct Operating Expenses             |                             |                             |                             |                             |                             |                             |                             |                             |                             |                             |                              |                              |
| H       | Maintenance services Expenses         |                             |                             |                             |                             |                             |                             |                             |                             |                             |                             |                              |                              |
| I       | Property Tax                          |                             | 528.50                      | 554.92                      | 582.67                      | 611.80                      | 642.39                      | 674.51                      | 708.24                      | 743.65                      | 780.83                      | 819.87                       | 860.87                       |
| J       | Insurance Premium                     |                             | 16.17                       | 16.65                       | 17.15                       | 17.67                       | 18.20                       | 18.74                       | 19.30                       | 19.88                       | 20.48                       | 21.09                        | 21.73                        |
| K       | Net Operating Income (NOI)            |                             | 2,940.22                    | 3,561.59                    | 3,882.54                    | 4,130.59                    | 4,283.99                    | 4,366.13                    | 4,636.83                    | 4,855.31                    | 5,130.76                    | 5,287.92                     | 5,558.87                     |
|         | Add: Terminal Cash Flow               |                             |                             |                             |                             |                             |                             |                             |                             |                             |                             |                              |                              |
|         | Indirect Operating Expenses           |                             |                             |                             |                             |                             |                             |                             |                             |                             |                             |                              |                              |
| L       | Brokerage Fees                        |                             | 130.10                      | 132.34                      | 44.51                       | 45.76                       | 64.39                       | 110.62                      | 35.07                       | 77.69                       | 53.11                       | 163.13                       | -                            |
| M       | Property Management Fee               |                             | 104.53                      | 124.21                      | 134.92                      | 143.39                      | 148.61                      | 151.34                      | 160.65                      | 168.12                      | 177.58                      | 182.88                       | 192.15                       |
| N       | Other operational expenses            |                             | 58.94                       | 70.28                       | 76.34                       | 81.13                       | 84.08                       | 85.62                       | 90.89                       | 95.12                       | 100.47                      | 103.47                       | 108.72                       |
| O       | Net Cashflows                         |                             | 2,486.64                    | 3,234.76                    | 3,626.77                    | 3,860.32                    | 3,986.90                    | 4,018.55                    | 4,350.22                    | 4,514.38                    | 4,799.61                    | 73,629.43                    | -                            |

Note: We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes.

Table 7.10 Discounted Cash Flow of Future Development – Building B15 (INR million)

|         |                                       | 1-April-23 | 1-Apr-24  | 1-Apr-25   | 1-Apr-26   | 1-Apr-27  | 1-Apr-28  | 1-Apr-29  | 1-Apr-30  | 1-Apr-31  | 1-Apr-32  | 1-Apr-33  | 1-Apr-34  |
|---------|---------------------------------------|------------|-----------|------------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Sl. No. | Particulars                           | 31-Mar-24  | 31-Mar-25 | 31-Mar-26  | 31-Mar-27  | 31-Mar-28 | 31-Mar-29 | 31-Mar-30 | 31-Mar-31 | 31-Mar-32 | 31-Mar-33 | 31-Mar-34 | 31-Mar-35 |
|         |                                       | Y0         | Y1        | Y2         | Y3         | Y4        | Y5        | Y6        | Y7        | Y8        | Y9        | Y10       | Y11       |
|         | Development / Construction Phasing    |            |           |            |            |           |           |           |           |           |           |           |           |
|         | Total Development Cost to be Incurred | -          | 929.00    | 1,816.00   | 1,814.00   | 456.00    | -         | -         | -         | -         | -         | -         | -         |
|         | Leasable Area                         | 800,000.00 |           |            |            |           |           |           |           |           |           |           |           |
| A       | Base Rental                           |            | -         | -          | -          | -         | 292.63    | 695.03    | 757.16    | 791.23    | 826.83    | 864.04    | 902.92    |
| B       | Facility Rentals                      |            | -         | -          | -          | -         | 292.63    | 695.03    | 757.16    | 791.23    | 826.83    | 864.04    | 902.92    |
| C       | Maintenance services Income           |            | -         | -          | -          | -         | 72.47     | 132.54    | 148.44    | 155.87    | 163.66    | 171.84    | 180.43    |
| D       | Other Operating Income                |            | -         | -          | -          | -         | 2.93      | 6.95      | 7.57      | 7.91      | 8.27      | 8.64      | 9.03      |
| E       | Revenue from Operations               |            | -         | -          | -          | -         | 368.03    | 834.52    | 913.17    | 955.01    | 998.76    | 1,044.53  | 1,092.39  |
|         | Direct Operating Expenses             |            | -         | -          | -          | -         | -         | -         | -         | -         | -         | -         | -         |
| F       | Maintenance services Expenses         |            | -         | -          | -          | 38.44     | 74.00     | 105.95    | 118.67    | 124.60    | 130.83    | 137.37    | 144.24    |
| G       | Property Tax                          |            | -         | -          | -          | 12.82     | 17.61     | 18.14     | 18.68     | 19.25     | 19.82     | 20.42     | 21.03     |
| H       | Insurance Premium                     |            | -         | -          | -          | 2.22      | 3.05      | 3.14      | 3.23      | 3.33      | 3.43      | 3.53      | 3.64      |
| I       | Net Operating Income (NOI)            |            | -         | -          | -          | (53.49)   | 273.37    | 707.29    | 772.59    | 807.83    | 844.68    | 883.20    | 923.48    |
| J       | Add: Terminal Cash Flow               |            | -         | -          | -          | -         | -         | -         | -         | -         | -         | 11,428.02 | -         |
| K       | Indirect Operating Expenses           |            | -         | -          | -          | -         | -         | -         | -         | -         | -         | -         | -         |
|         | Brokerage Fees                        |            | -         | -          | -          | -         | 160.64    | -         | -         | -         | -         | -         | -         |
|         | Property Management Fee               |            | -         | -          | -          | -         | 10.34     | 24.57     | 26.77     | 27.97     | 29.23     | 30.54     | 31.92     |
| L       | Other operational expenses            |            | -         | -          | -          | -         | 5.85      | 13.90     | 15.14     | 15.82     | 16.54     | 17.28     | 18.06     |
| M       | Net Cashflows                         | -          | (929.00)  | (1,816.00) | (1,814.00) | (585.98)  | 96.53     | 668.82    | 730.68    | 764.04    | 798.91    | 12,263.40 | -         |

Note: We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes.

Table 7.11 Discounted Cash Flow of Under Construction – High Street Retail (INR million)

| Sl. No. | Particulars                           | 1-April-23<br>31-Mar-24 | 1-Apr-24<br>31-Mar-25 | 1-Apr-25<br>31-Mar-26 | 1-Apr-26<br>31-Mar-27 | 1-Apr-27<br>31-Mar-28 | 1-Apr-28<br>31-Mar-29 | 1-Apr-29<br>31-Mar-30 | 1-Apr-30<br>31-Mar-31 | 1-Apr-31<br>31-Mar-32 | 1-Apr-32<br>31-Mar-33 | 1-Apr-33<br>31-Mar-34 | 1-Apr-34<br>31-Mar-35 |
|---------|---------------------------------------|-------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|         | Development / Construction Phasing    |                         |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|         | Total Development Cost to be Incurred | -                       | 115.41                | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
|         | Leasable Area                         | 45,907.80               |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| A       | Base Rental                           |                         |                       | 22.91                 | 37.88                 | 39.58                 | 41.36                 | 43.22                 | 45.17                 | 47.20                 | 49.32                 | 51.73                 | 56.39                 |
| B       | Facility Rentals                      |                         |                       | 22.91                 | 37.88                 | 39.58                 | 41.36                 | 43.22                 | 45.17                 | 47.20                 | 49.32                 | 51.73                 | 56.39                 |
| C       | Maintenance services income           |                         |                       | 3.37                  | 5.69                  | 7.36                  | 7.73                  | 8.11                  | 8.52                  | 8.94                  | 9.39                  | 9.86                  | 10.35                 |
| D       | Other Operating Income                |                         |                       | 0.23                  | 0.38                  | 0.40                  | 0.23                  | 0.43                  | 0.45                  | 0.47                  | 0.49                  | 0.52                  | 0.56                  |
| E       | Revenue from Operations               |                         |                       | 26.50                 | 43.95                 | 47.33                 | 49.50                 | 51.77                 | 54.14                 | 56.62                 | 59.21                 | 62.11                 | 67.31                 |
|         | Direct Operating Expenses             |                         |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| F       | Maintenance services Expenses         |                         | 0.64                  | 3.00                  | 4.55                  | 5.88                  | 6.18                  | 6.49                  | 6.81                  | 7.15                  | 7.51                  | 7.88                  | 8.28                  |
| G       | Property Tax                          |                         | 0.22                  | 0.92                  | 0.95                  | 0.98                  | 1.01                  | 1.04                  | 1.07                  | 1.10                  | 1.14                  | 1.17                  | 1.21                  |
| H       | Insurance Premium                     |                         | 0.04                  | 0.16                  | 0.16                  | 0.17                  | 0.17                  | 0.18                  | 0.19                  | 0.19                  | 0.20                  | 0.20                  | 0.21                  |
| I       | Net Operating Income (NOI)            |                         | (0.90)                | 22.41                 | 38.28                 | 40.30                 | 42.14                 | 44.06                 | 46.07                 | 48.17                 | 50.37                 | 52.85                 | 57.61                 |
| J       | Add: Terminal Cash Flow               |                         |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | 712.98                | -                     |
| K       | Indirect Operating Expenses           |                         |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
|         | Brokerage Fees                        |                         | 4.05                  | 2.13                  | -                     | -                     | -                     | -                     | -                     | -                     | -                     | 4.71                  | -                     |
|         | Property Management Fee               |                         | -                     | 0.81                  | 1.34                  | 1.40                  | 1.46                  | 1.53                  | 1.60                  | 1.67                  | 1.74                  | 1.83                  | 1.99                  |
| L       | Other operational expenses            |                         | -                     | 0.46                  | 0.76                  | 0.79                  | 0.83                  | 0.86                  | 0.90                  | 0.94                  | 0.99                  | 1.03                  | 1.13                  |
| M       | Net Cashflows                         | -                       | (120.36)              | 19.02                 | 36.18                 | 38.11                 | 39.85                 | 41.67                 | 43.57                 | 45.56                 | 47.64                 | 50.26                 | 52.91                 |

Note: We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes.

Table 7.13 Discounted Cash Flow of Under Construction – Mixed Use Building - Hotel (INR million)

| Sl. No. | Particulars                           | 1-April-23<br>31-Mar-24 | 1-Apr-24<br>31-Mar-25 | 1-Apr-25<br>31-Mar-26 | 1-Apr-26<br>31-Mar-27 | 1-Apr-27<br>31-Mar-28 | 1-Apr-28<br>31-Mar-29 | 1-Apr-29<br>31-Mar-30 | 1-Apr-30<br>31-Mar-31 | 1-Apr-31<br>31-Mar-32 | 1-Apr-32<br>31-Mar-33 | 1-Apr-33<br>31-Mar-34 | 1-Apr-34<br>31-Mar-35 |
|---------|---------------------------------------|-------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|         | Development / Construction Phasing    |                         |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|         | Total Development Cost to be Incurred | -                       | 259.52                | 196.93                | 439.17                | 787.27                | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
|         | Leasable Area                         | 268,916.00              |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| A       | Base Rental                           |                         | -                     | -                     | -                     | -                     | 97.35                 | 198.00                | 206.91                | 216.22                | 225.95                | 236.12                | 246.74                |
| B       | Facility Rentals                      |                         | -                     | -                     | -                     | -                     | 97.35                 | 198.00                | 206.91                | 216.22                | 225.95                | 236.12                | 246.74                |
| C       | Maintenance services income           |                         | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| D       | Other Operating Income                |                         | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| E       | Revenue from Operations               |                         | -                     | -                     | -                     | -                     | 97.35                 | 198.00                | 206.91                | 216.22                | 225.95                | 236.12                | 246.74                |
|         | Direct Operating Expenses             |                         | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| F       | Maintenance services Expenses         |                         | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| G       | Property Tax                          |                         | -                     | -                     | -                     | 2.87                  | 5.92                  | 6.10                  | 6.28                  | 6.47                  | 6.66                  | 6.86                  | 7.07                  |
| H       | Insurance Premium                     |                         | -                     | -                     | -                     | 0.50                  | 1.02                  | 1.06                  | 1.09                  | 1.12                  | 1.15                  | 1.19                  | 1.22                  |
| I       | Net Operating Income (NOI)            |                         | -                     | -                     | -                     | (3.37)                | 90.40                 | 190.85                | 199.54                | 208.63                | 218.13                | 228.07                | 238.45                |
| J       | Add: Terminal Cash Flow               |                         | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | 2,950.84              | -                     |
| K       | Indirect Operating Expenses           |                         | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
|         | Brokerage Fees                        |                         | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
|         | Property Management Fee               |                         | -                     | -                     | -                     | -                     | 3.41                  | 6.93                  | 7.24                  | 7.57                  | 7.91                  | 8.26                  | 8.64                  |
| L       | Other operational expenses            |                         | -                     | -                     | -                     | -                     | 1.95                  | 3.96                  | 4.14                  | 4.32                  | 4.52                  | 4.72                  | 4.93                  |
| M       | Net Cashflows                         | -                       | (259.52)              | (196.93)              | (439.17)              | (790.64)              | 85.05                 | 179.96                | 188.16                | 196.74                | 205.71                | 216.92                | 228.11                |

Note: We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes.

Table 7.14 Discounted Cash Flow of Under Construction – Mixed Use Building - Office (INR million)

|                                       | 1-April-23      | 1-Apr-24        | 1-Apr-25        | 1-Apr-26        | 1-Apr-27        | 1-Apr-28        | 1-Apr-29        | 1-Apr-30        | 1-Apr-31        | 1-Apr-32        | 1-Apr-33         | 1-Apr-34         |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|------------------|
| Sl. No.                               | 31-Mar-24<br>Y0 | 31-Mar-25<br>Y1 | 31-Mar-26<br>Y2 | 31-Mar-27<br>Y3 | 31-Mar-28<br>Y4 | 31-Mar-29<br>Y5 | 31-Mar-30<br>Y6 | 31-Mar-31<br>Y7 | 31-Mar-32<br>Y8 | 31-Mar-33<br>Y9 | 31-Mar-34<br>Y10 | 31-Mar-35<br>Y11 |
| Particulars                           |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                  |                  |
| Development / Construction Phasing    |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                  |                  |
| Total Development Cost to be Incurred |                 | 401.17          | 751.04          | 1,231.04        | 1,076.87        | -               | -               | -               | -               | -               | -                | -                |
| Leasable Area                         | 530,716.00      |                 |                 |                 |                 |                 |                 |                 |                 |                 |                  |                  |
| A Base Rental                         |                 |                 |                 |                 | 114.18          | 423.34          | 482.93          | 504.66          | 527.37          | 551.10          | 575.90           | 601.82           |
| B Facility Rentals                    |                 |                 |                 |                 | 114.18          | 423.34          | 482.93          | 504.66          | 527.37          | 551.10          | 575.90           | 601.82           |
| C Maintenance services income         |                 |                 |                 |                 | 19.53           | 66.99           | 93.79           | 98.48           | 103.40          | 108.57          | 114.00           | 119.70           |
| D Other Operating Income              |                 |                 |                 |                 | 1.14            | 4.23            | 4.83            | 5.05            | 5.27            | 5.51            | 5.76             | 6.02             |
| E Revenue from Operations             |                 |                 |                 |                 | 134.85          | 494.57          | 581.55          | 608.19          | 636.05          | 665.19          | 695.66           | 727.54           |
| Direct Operating Expenses             |                 |                 |                 |                 | -               | -               | -               | -               | -               | -               | -                | -                |
| F Maintenance services Expenses       |                 |                 |                 |                 | 34.00           | 53.55           | 74.98           | 78.72           | 82.66           | 86.79           | 91.13            | 95.69            |
| G Property Tax                        |                 |                 |                 |                 | 11.34           | 11.68           | 12.03           | 12.40           | 12.77           | 13.15           | 13.54            | 13.95            |
| H Insurance Premium                   |                 |                 |                 |                 | 1.96            | 2.02            | 2.08            | 2.15            | 2.21            | 2.28            | 2.34             | 2.42             |
| I Net Operating Income (NOI)          |                 |                 |                 |                 | 87.54           | 427.31          | 492.46          | 514.92          | 538.41          | 562.97          | 588.64           | 615.48           |
| J Add: Terminal Cash Flow             |                 |                 |                 |                 | -               | -               | -               | -               | -               | -               | 7,616.59         | -                |
| K Indirect Operating Expenses         |                 |                 |                 |                 | -               | -               | -               | -               | -               | -               | -                | -                |
| Brokerage Fees                        |                 |                 |                 |                 | 121.79          | 31.97           | -               | -               | -               | -               | -                | -                |
| Property Management Fee               |                 |                 |                 |                 | 4.04            | 14.97           | 17.07           | 17.84           | 18.64           | 19.48           | 20.36            | 21.27            |
| Other operational expenses            |                 |                 |                 |                 | 2.28            | 8.47            | 9.66            | 10.09           | 10.55           | 11.02           | 11.52            | 12.04            |
| L Net Cashflows                       |                 | (401.17)        | (751.04)        | (1,231.04)      | (1,117.44)      | 371.91          | 465.73          | 486.99          | 509.22          | 532.46          | 8,173.36         | -                |
| M                                     | -               |                 |                 |                 |                 |                 |                 |                 |                 |                 |                  |                  |

Note: We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes.

Table 7.15 Cash Flow Projections of Power Distribution Services

|               | 1-Apr-24  | 1-Apr-25  | 1-Apr-26  | 1-Apr-27  | 1-Apr-28  | 1-Apr-29  | 1-Apr-30  | 1-Apr-31  | 1-Apr-32 |
|---------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------|
|               | 31-Mar-25 | 31-Mar-26 | 31-Mar-27 | 31-Mar-28 | 31-Mar-29 | 31-Mar-30 | 31-Mar-31 | 31-Mar-32 | 3-Nov-32 |
| Particulars   |           |           |           |           |           |           |           |           |          |
| Unit          |           |           |           |           |           |           |           |           |          |
| Revenue       | 703.46    | 432.28    | 488.48    | 554.19    | 630.95    | 684.26    | 717.04    | 751.77    | 464.44   |
| Expense       | 437.33    | 381.38    | 442.16    | 512.66    | 594.44    | 651.36    | 686.68    | 723.95    | 452.60   |
| Planned Capex | 0.20      |           |           |           |           |           |           |           |          |
| Net Cashflow  | 265.93    | 50.90     | 46.31     | 41.53     | 36.52     | 32.90     | 30.36     | 27.82     | 11.83    |



## Annexure - 7 Material Litigations

### (i) **Title litigation and irregularities:**

1. A complaint was filed by Maharashtra Pollution Control Board (MPCB) before the Judicial Magistrate, First Class, Belapur- District - Thane (Criminal Case No. 995 of 2022) under Sections 15 and 16 of the Environment (Protection) Act, 1986 read with the Environment Impact Assessment Notification, 2006 against MBPPL for carrying out expansion activity at Mindspace Airoli East project without obtaining prior environmental clearance. The matter is currently pending.

### (ii) **Criminal Matters:**

There are no pending criminal matters against Mindspace Airoli East.

### (iii) **Regulatory actions:**

1. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 ("**Income Tax Act**") MBPPL and others ("**Parties**"). Pursuant to the Warrant, the Income Tax Department carried out a search on November 30, 2017. The search covered various matters for which notices were already issued from time to time. The search was concluded on December 6, 2017 at the office and residence of the Parties. Pursuant to the search, the Income Tax Department issued notices to each of the Parties under Section 153A of the Income Tax Act directing them to prepare and furnish true and correct returns of total income for assessment years ("**AY**") from 2008-2009, 2012-13 to 2017-18 within a stipulated timeline from the date of service of the notices and these returns have been furnished before the Income Tax Department. Further, the Income Tax Department issued notices under Section 142(1)/143(2) of the Income Tax Act for assessment years 2008-2009, 2012-13 to 2017-2018/2018-19, to the Parties seeking certain information. These details have been furnished before the Income Tax Department by the Parties from time to time.
2. MBPPL filed appeals before the CIT(A) against the order for AY 2012-13 to AY 2017-18 and against order for AY 2018-19. MBPPL made an application under the VsV for AY 2012-13, AY 2013-14 & AY 2014-15. MBPPL received final order for AY 2012-13, accepting the VsV Application. The appeal for AY 2015-16 and 2016-17 were disposed by the CIT(A) in favour of MBPPL with direction to the assessing officer. The appeal for AY 2012-13 was dismissed by the CIT(A) in view of VsV order for the said year. VsV application for AY 2013-14 was rejected and the final order under VsV for AY 2014-15 is currently pending. The appeal for AY 2013-14 was disposed by the CIT(A) against MBPPL and an appeal has been filed before the ITAT against the same. Appeal filed before ITAT for AY 2013-14 has been withdrawn by MBPPL. The Income Tax Department filed an appeal for AY 2015-16 and AY 2016-17 before ITAT against the order of the CIT(A) and the same were disposed by the ITAT in favour of MBPPL. MBPPL received a notice under section 148 for assessment year 2014-15. MBPPL filed return of income under protest in response to the said notice for assessment year 2014-15 and also sought reasons for reopening the assessment. MBPPL received reasons for reopening and response against the same has been submitted objecting to the reopening of assessment. The Income Tax Department passed an order rejecting the objections filed. MBPPL filed a writ petition with the Bombay High Court against the notice under section 148 and rejection order. Bombay High Court has passed the order quashing the notice under section 148. Subsequently, Supreme Court has upheld the validity of the notice. MBPPL received notice u/s 148A(b) and response against the same has been submitted objecting to the reopening of assessment. The Income Tax Department passed an order under section 148A(d) rejecting the objections filed and served notice under section 148 of the Income Tax Act. The return of income was filed under protest in response to the said notice. MBPPL has filed Writ Petition before Bombay High Court against the notice u/s 148 and order u/s 148A(d).

3. Maharashtra State Electricity Distribution Company Limited (“MSEDCL”) filed a petition dated October 16, 2018 against Maharashtra State Load Despatch Centre, wherein electricity distribution companies in Maharashtra including, MBPPL and Gigaplex (which hold electricity distribution licenses) and others, were impleaded as parties, before Maharashtra Electricity Regulatory Commission (“MERC”) seeking payment of alleged past dues, removal of anomalies and directions regarding over-drawal of electricity. Through its final common order dated September 26, 2019, MERC partly allowed MSEDCL’s prayer against which MSEDCL and one of the electricity distributions companies have filed separate appeals before the Appellate Tribunal for Electricity (“APTEL”). Pursuant to an order dated December 18, 2019, the APTEL instructed that notices be issued to respondents in the appeal, including Gigaplex and MBPPL. By an order dated September 15, 2020, interim applications for condonation of delay in filing the appeals were allowed. By an order dated September 14, 2022, the APTEL directed that the matter is already at the stage of hearing and that the appeals be included in the “List of Finals of Court - I” to be taken up from the list, in their turn. The appeals are pending before the APTEL.

**(iv) Material civil / commercial litigation:**

1. Kharghar Vikhroli Transmission Private Limited (“KVTP”) has filed a petition before Maharashtra Electricity Regulatory Commission, Mumbai (“MERC”) against Maharashtra State Electricity Transmission Company Limited (“MSETCL”) and others (including Gigaplex and MBPPL as respondents) under the applicable provisions of the Electricity Act, 2003 read with the transmission service agreement dated August 14, 2019 (“TSA”) entered between KVTP, MSETCL, MBPPL, Gigaplex and certain other companies including distribution companies seeking, inter-alia, compensation/relief for increased cost of the project during construction period due to the ‘change in law’ event being increase in the acquisition price of shares of KVTP (including the purchase cost of Vikhroli land). The total additional cost of the project claimed by KVTP is ₹ 717.00 million along with 9.35% on compounded interest basis. The liability of Gigaplex is 0.05% i.e. the percentage share computed based on allocated transmission capacity rights as mentioned in the TSA. The MERC by its order dated August 2, 2022, partly allowed the petition granting KVTP the additional cost of the project of ₹ 717.00 million without the carrying cost, in accordance with Article 12 of the TSA. KVTP will be entitled to recover the impact of change in law after declaring the date of commissioning of the project in accordance with the provisions of the TSA without any carrying cost. KVTP and MSEDCL have filed separate Appeals (Appeal No. 385 of 2022 and Appeal No. 393 of 2022 respectively) (together, “Appeals”) before the Appellate Tribunal for Electricity at New Delhi (“APTEL”) against the MERC Order dated August 2, 2022. By an order dated March 31, 2023 in Appeal No. 385 of 2022, and by its order dated May 18, 2023 in Appeal No. 393 of 2023, the APTEL directed Appeals to be included in the “List of Finals of Court - II”, once pleadings are completed. These appeals are pending before the APTEL.
2. Kharghar Vikhroli Transmission Private Limited (“KVTP”) has filed a petition before Maharashtra Electricity Regulatory Commission, Mumbai (“MERC”) against Maharashtra State Electricity Transmission Company Limited (“MSETCL”) and others (including Gigaplex and MBPPL as respondents) under the applicable provisions of the Electricity Act, 2003 read with the transmission service agreement dated August 14, 2019 (“TSA”) entered between KVTP, MSETCL, MBPPL, Gigaplex and certain other companies including distribution companies seeking, inter-alia, compensation/relief for increased cost of the project during construction period due to the ‘change in law’ event being increase in the acquisition price of shares of KVTP (including the purchase cost of Vikhroli land). The total additional cost of the project claimed by KVTP is ₹ 717.00 million along with 9.35% on compounded interest basis. The liability of Gigaplex is 0.05% i.e. the percentage share computed based on allocated transmission capacity rights as mentioned in the TSA. The MERC by its order dated August 2, 2022, partly allowed the petition granting KVTP the additional cost of the project of ₹ 717.00 million without the carrying cost, in accordance with Article 12 of the TSA. KVTP will be entitled to recover the impact of change in law after declaring the date of commissioning of the project in accordance with the provisions of the TSA without any carrying cost. KVTP and MSEDCL have filed separate Appeals (Appeal No. 385 of 2022 and Appeal No. 393 of 2022 respectively) (together, “Appeals”) before the Appellate Tribunal for Electricity at New Delhi (“APTEL”) against the MERC Order dated

August 2, 2022. By an order dated March 31, 2023 in Appeal No. 385 of 2022, and by its order dated May 18, 2023 in Appeal No. 393 of 2023, the APTEL directed Appeals to be included in the "List of Finals of Court - II", once pleadings are completed. These appeals are pending before the APTEL.

3. Gigaplex, KRC Infra and MBPPL ("**KRC DISCOMs**") had filed a petition dated December 16, 2021 before the Maharashtra Electricity Regulatory Commission, Mumbai ("**MERC**") under Section 86 (1) (f) of the Electricity Act, 2003 ("**EA, 2003**") seeking approval for additional power purchase cost incurred over the period from October 11, 2021 to October 31, 2021 on account of reasons beyond the control of the KRC DISCOMs. The MERC impleaded (i) M/s Kreate Energy India Pvt Ltd ("**KEIPL**"), (ii) Maharashtra State Load Despatch Centre; and (iii) Lloyds Metals and Energy Limited as Respondents in this matter. By an order dated November 8, 2022, the MERC partly allowed the petition, and directed KEIPL to pay ₹ 19.60 million to KRC DISCOMs within 15 days from the date of the order as compensation for increased power purchase expenses on account of illegal diversion of contracted power to third party. Further, the MERC directed the KRC DISCOMs to adjust such compensation amount in upcoming FAC computation as rebate in power purchase expenses. KEIPL filed an appeal (against the order in the Case No 1/MP of 2022 dated November 8, 2022 ("**Impugned Order**") before the Appellate Tribunal for Electricity at New Delhi ("**APTEL**") seeking stay on the Impugned Order dated November 8, 2022 (Appeal No. 428 of 2022). Hearing in the matter was held on 8th and 9th December 2022. By interim order dated December 22, 2022, APTEL granted stay of the Impugned Order under appeal, subject to fulfilment of the following conditions: (a) KEIPL shall, within three weeks from December 22, 2022, pay KRC DISCOMs ₹ 1.16 million; and (b) KEIPL shall in addition, within three weeks from December 22, 2022, furnish an unconditional bank guarantee from a Nationalised Bank in favour of the MERC, for an amount of ₹ 17.93 million and the bank guarantee, so furnished, shall be kept alive and in force during the pendency of the appeal and (c) the order further requires KEIPL to file an affidavit of compliance, of the aforesaid directions, with the Registry within four weeks from December 22, 2022. By an order dated January 17, 2023, the APTEL has recorded that a compliance affidavit had been filed by KEIPL in Appeal No. 428 of 2022, stating that the earlier order of the Tribunal, in IA No. 1951 of 2022 dated December 22, 2022 which required KEIPL to remit ₹ 1.16 million to the KRC DISCOMs and to furnish an unconditional bank guarantee in favour of MERC for a sum of ₹ 17.93 million has been complied with. By an order dated May 1, 2023, the APTEL directed to re-include the Appeal in the "List of Finals" after pleadings are completed. The matter is pending before the APTEL.
4. Lloyds Metals & Energy Ltd (LMEL) has filed an fresh Appeal before the APTEL against the MERC Order dated November 8, 2022 in Case No. 1/MP/ of 2022. Next date of hearing is on January 01, 2024. Hearing of application seeking permission to bring on additional documents was held on April 4, 2024. The Appellant proposed to bring on record certain emails and the same is not opposed by KRC Discoms. The Hon'ble APTEL noted that the pleadings are completed and added the appeal to the list of finals.
5. Gigaplex, KRC Infra and MBPPL ("**KRC DISCOMs**") had filed a petition before the MERC under Section 86 (1) f of the EA, 2003 against KEIPL for adjudication of dispute between KRC DISCOMs and KEIPL. KRC DISCOMs had entered into a power purchase agreement dated May 27, 2021 (PPA) with KEIPL for supply of power up to 14 MW, for the period from July 2021 to June 2022. However, KEIPL did not supply power to the KRC DISCOMs during the period from April to June 2022. During this period KRC DISCOMs had to procure the power from the other available sources at market rates. This resulted into additional power purchase cost ₹ 101 million to be incurred by KRC DISCOMs on account of material breach of the PPA by KEIPL. Therefore, the KRC DISCOMs have filed this petition (Case No. 162 of 2022) before the MERC seeking compensation of the entire additional power purchase cost incurred by them for the period from April 2022 to June 2022 due to KEIPL's failure to supply power under PPA. The first hearing in this matter was held on November 11, 2022. As directed in the Order dated November 11, 2022, KEIPL has filed its reply and the KRC DISCOMs have filed their rejoinder to the reply of KEIPL. Pursuant to final e-hearing held by MERC on August 1, 2023 and MERC has reserved the case for its order. By an Order dated September 27, 2023 MERC allowed the petition and directed KEIPL to pay ₹101 million with carrying cost to KRC DISCOMs within one month as compensation for increased power purchase expenses on account of non-performance of contract by KEIPL. KRC DISCOMs have been directed to pay late payment surcharge on the March 2022 bill presented by KEIPL as per the PPA.4

The Maharashtra Electricity Regulatory Commission, Mumbai ("**MERC**") issued the Mid Term Review ("**MTR**") Order for Gigaplex. The MERC in the said order dated March 31, 2023 has disallowed the deferment of tariff recovery proposed by Gigaplex in its petition. Gigaplex filed an appeal before the Appellate Tribunal for Electricity at New Delhi ("**APTEL**") against the MERC MTR order dated March 31, 2023. By way of order dated August 8, 2023, the APTEL directed to include the Appeal No 529 of 2023 in the "List of Finals" after completion of pleadings. Gigaplex is in process to filing the rejoinder. Gigaplex proposed to allow MSEDL tariff as recovery strategy and also agreed to forego the carrying cost on the regulatory asset if created using MSEDCL Tariff..The appeal is pending before APTEL.

Table 7.16: Summary of pending tax litigation

| ASSESSMENT YEAR | SIGNIFICANT ISSUE IN DISPUTE   | AUTHORITY - RAISING ISSUE | AUTHORITY - PASSING ORDER | APPEAL PREFERRED BY | AUTHORITY - ISSUE PENDING BEFORE | NEXT DATE OF HEARING IF APPLICABLE | EXPOSURE - TAX, INTEREST AND PENALTY |
|-----------------|--|---------------------------|---------------------------|---------------------|----------------------------------|------------------------------------|--------------------------------------|
| MBPPL           |  |                           |                           |                     |                                  |                                    |                                      |
| 2014-15         | Rental Income assessed under the head IHP instead of Business.   | Assessing Officer         | Assessing Officer         | Company             | CIT(A)                           | Not available                      | -                                    |
| 2017-18         | Rental Income assessed under the head IHP instead of Business & no speaking order on the losses & unabsorbed depreciation of demerged undertaking  | Assessing Officer         | Assessing Officer         | Company             | CIT(A)                           | Not available                      | -                                    |
| 2018-19         | Depreciation to be Computed on assets from the year in which income from such asset is taxed under the head PGBP & Disallowance of Interest on TDS | Assessing Officer         | Assessing Officer         | Company             | CIT(A)                           | Not available                      | -                                    |

Note: Direct Tax litigations are reported at the SPV level

Table 7.17: Indirect Tax Litigation

| SR.NO | ENTITY                                   | TAX TYPE    | ASSET   | AUTHORITY PENDING  | TAX DEMAND (IN 'MN) | INTEREST (QUANTIFIED) | PENALTY (QUANTIFIED) | ISSUE IN BRIEF   | PERIOD                  | INTEREST       | PENALTY        |
|-------|--|-------------|---|--|---------------------|-----------------------|----------------------|--|-------------------------|----------------|----------------|
| 1     | Mindspace Business Parks Private Limited | Service Tax | Mindspace Airoli (E), Commerzone Yervada, The Square Signature Business Chamber Nagar Road Pune, Mindspace Pocharam | Reply to SCN filed with Commissioner of Central Excise & Service Tax, Pune | 33.39               | -                     | -                    | Service tax on reimbursement of electricity and allied charges | April 2008 to June 2017 | as applicable  | as applicable  |
| 2     | Mindspace Business Parks Private Limited | Service Tax |   | Reply to SCN filed with Commissioner of Central Excise & Service Tax, Pune | 5.83                | -                     | -                    |  |                         | as applicable  | as applicable  |
| 3     | Mindspace Business Parks Private Limited | Service Tax |   | Reply to SCN filed with Commissioner of Central Excise & Service Tax, Pune | 35.45               | -                     | -                    |  |                         | as applicable  | as applicable  |
| 4     | Mindspace Business Parks Private Limited | Service Tax |   | Reply to SCN filed with Commissioner of Service Tax, Pune                  | 7.24                | -                     | -                    |  |                         | as applicable  | as applicable  |
| 5     | Mindspace Business Parks Private Limited | Service Tax |   | Reply to SCN filed with Commissioner of Service Tax, Pune                  | 5.35                | -                     | -                    |  |                         | as applicable  | as applicable  |
| 6     | Mindspace Business Parks Private Limited | Service Tax |   | Reply to SCN filed with Assistant Commissioner, Central Tax (GST), Pune    | 4.76                | -                     | -                    |  |                         | as applicable  | as applicable  |
| 7     | Mindspace Business Parks                 | Customs     |   | CESTAT   | 11.06               | -                     | -                    | Refund claim filed for excess payment of Customs duty          | Aug-16                  | not applicable | not applicable |



|  |                 |  |  |  |  |  |  |  |  |   |  |  |  |  |
|--|-----------------|--|--|--|--|--|--|--|--|---|--|--|--|--|
|  | Private Limited |  |  |  |  |  |  |  |  | at the time of debonding from STPI Scheme |  |  |  |  |
|--|-----------------|--|--|--|--|--|--|--|--|---|--|--|--|--|

## Annexure - 8

### Caveats and Limitations

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1. The Valuation Report (hereafter referred to as the 'Report') covers specific markets and situations that are highlighted in the Report based on independent market report prepared by JLL and does not entail any comprehensive analysis of the market and the industry given the nature of the scope of the assignment.
2. The opinions expressed in the Report are subject to the limitations expressed below.
  - a) The valuation method adopted is based on the Valuer's expertise and knowledge considering the forecasts on demand, supply and pricing as undertaken by JLL as part of an independent market / industry research and considered to be relevant and reasonable at that point of time. The Report and the opinions therein do not constitute any recommendation to K Raheja Corp. Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP) (or the 'Client') or its affiliates and subsidiaries or its customers or any other party to adopt a particular course of action. The use of the Report at a later date may invalidate the assumptions and bases on which these opinions have been expressed and is not recommended as an input to any financial decision.
  - b) It should be noted that the valuation is based upon the facts and evidence available at the time of conduct of the valuation and applicable on the date of valuation. It is therefore recommended that these valuations be periodically reviewed.
  - c) Changes in socio-economic and political conditions could result in a substantially different situation than those presented herein. The Valuer assumes no responsibility for changes in such external conditions.
  - d) The Valuer has considered the independent market report prepared by JLL and macro understanding of the market through readily available information in public domain. Hence, no direct link is sought to be established between the macro-level understandings on the market with the assumptions estimated for the analysis herein.
  - e) The services provided is limited to valuation of the Project primarily comprising Land and Building and any part thereof and does not constitute any audit, survey, due diligence, tax related services etc. Accordingly, no opinion has been expressed on the financial information of the business of any party, including the Client and its affiliates and subsidiaries. The Report is prepared solely for the purpose stated and should not be used for any other purpose.
  - f) While the information included in the Report is accurate and reliable to the best of the knowledge of the Valuer, no representations or warranties, expressed or implied, as to the completeness of such information is being made. The Valuer shall not undertake any obligation to update or supplement any information contained in the Report save as provided for in the Agreement.
  - g) Apart from the sources already mentioned in the report, the Valuer has relied on readily available public information for the purpose of preparing this report.
3. The Report reflects matters as they currently exist. Any changes thereon may materially affect the information contained in the Report.
4. All assumptions made in order to determine the valuation of the Project is based on information or opinions as current. In the course of the analysis, the Valuer has relied on information or opinions, both written and verbal, as obtained from the Client as well as from third parties provided with, including limited information on the market, financial and operating data, which has been accepted as accurate in bona-fide belief. No responsibility is assumed for technical or specialised information furnished by the third-party organizations and this is believed bona-fide to be reliable.

5. No investigation of the title of the assets has been made and owners' claims to the assets is assumed to be valid unless anything contrary is mentioned in the main report. No consideration is given to liens or encumbrances, which may be against the Project or assets. Therefore, no responsibility is assumed for matters of a legal nature.
6. Review of tenants' ability and willingness to continually pay lease rents as per their respective contractual terms is not within the scope of work of Valuer. Valuer has assumed that all tenants' will be able to pay their rents on time as and when demanded as per their contractual terms and that no arrears exist with respect to any tenancy.
7. The Valuer's total aggregate liability to the Client including that of any third-party claims, in contract, tort including negligence or breach of statutory duty, misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the services is limited to an aggregate sum as agreed in the LOE (Letter of Engagement). The Valuer shall not be liable for any pure economic loss, loss of profit, loss of business, depletion of goodwill, in each case whether direct or indirect or consequential or any claims for consequential loss compensation whatsoever which, arise out of or in connection with services provided under this engagement.
8. The Client including its agents, affiliates and employees, must not use, reproduce or divulge to any third party any information it receives from the Valuer for any purpose except set out herein.
9. This engagement shall be governed by and construed in accordance with Indian laws and any dispute arising out of or in connection with the engagement, including the interpretation thereof, shall be submitted to the exclusive jurisdiction of courts in New Delhi.

# Valuation Report

## Mindspace Airoli West, Mumbai Region

Maharashtra, India

Submitted To:

K. Raheja Corp. Investment Managers Private  
Limited (formerly known as K Raheja Corp  
Investment Managers LLP)

(acting as the Manager to Mindspace Business Parks  
REIT)

Date of Valuation:

31-Mar-2024

Date of Report:

24-Apr-2024



Prepared By:

**KZEN VALTECH PRIVATE LIMITED**

**IBBI/RV-E/05/2022/164**

## EXECUTIVE SUMMARY

| Property Name     | Mindspace Airoli West, Navi Mumbai, Maharashtra, India  |                         |               |                         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |   |         |    |  |           |
|-------------------|---|-------------------------|---------------|-------------------------|----|--|---------|----|--|---------|----|--|---------|----|--|---------|----|--|---------|----|--|---------|----|---|---------|----|--|-----------|
| Property Address  | Special Economic Zone, Plot No. IT-5, Airoli Knowledge Park, TTC Industrial Area, Villages Airoli and Dighe, Thane 400710   |                         |               |                         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |   |         |    |  |           |
| Land Area         | ~ 50.0 Acres  |                         |               |                         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |   |         |    |  |           |
| Brief Description | <p>The property is located in Airoli West in the Thane Belapur micro market of MMR region along the Airoli Knowledge Park Road. It is located at a distance of about 2.0 km from Dighe Railway Station and 3.8 km from the Airoli Railway Station.</p> <p>Completed Buildings- Office Building (B1, B2, B3, B4, B5, B6, B9), Data Centre Building (B10) and Centre Court</p> <p>The property is developed as Grade A, IT SEZ and Non-SEZ Park with eight(8) office and data centre buildings (B1, B2, B3, B4, B5, B6, B9 &amp; B10) out of which five(5) of them are SEZ buildings whereas Building 1 (B1), Building 9 (B9) &amp; Building 10 (B10) are non-SEZ buildings. Floors of Building 5 are now demarcated as non-processing area (NPA) within SEZ. It also includes one(1) centre court (which is owned by Mindspace REIT via its SPV) is considered for valuation collectively comprising of 4,951,132 sq. ft. of total leasable area.</p> <p>Under construction – Data Centre Building (B8)</p> <p>Area under construction comprises of one (1) Non-SEZ data center building (B8) (which is owned by Mindspace REIT via its SPV) is considered for valuation comprising of 315,110 sq. ft. of total leasable area. The under construction Building B8 is expected to be completed by Q4 FY25.</p> <p>Future Development - Land</p> <p>The property also includes ~6.42 acres and ~1.96 acres of land earmarked for future development.</p> <p>The property is owned entirely by Gigaplex Estate Private Limited ("GEPL") in which 100% interest is held by Mindspace Real Estate Investment Trust (REIT).</p> <p>The property has good frontage along the access road with one(1) main entrance and the rest of the properties are accessible via separate secured gate. The property is surrounded by commercial office spaces followed by residential and industrial developments in the vicinity.</p> <p>Gigaplex Estate Private Limited has also invested in the infrastructure to facilitate the distribution of the power to the customers (occupiers and operators within the subject properties). It procures power from Power generators/traders supplying to the grid and then distribute it to the end consumers within the property. It is not allowed to expand the power distribution outside the limits of the SEZ.</p> |                         |               |                         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |   |         |    |  |           |
| Asset Details     | <p>Leasable area details as shared by the Client is given below:</p> <table><tr><th>Sl. No.</th><th>Building Name</th><th>Leasable Area (sq. ft.)</th></tr><tr><td>1.</td><td>Building 1 - Office Building Completed</td><td>420,175</td></tr><tr><td>2.</td><td>Building 2 - Office Building Completed</td><td>721,112</td></tr><tr><td>3.</td><td>Building 3 - Office Building Completed</td><td>756,226</td></tr><tr><td>4.</td><td>Building 4 - Office Building Completed</td><td>834,747</td></tr><tr><td>5.</td><td>Building 5 - Office Building Completed</td><td>416,094</td></tr><tr><td>6.</td><td>Building 6 - Office Building Completed</td><td>391,777</td></tr><tr><td>7.</td><td>Building 8 - Data Centre Under Construction</td><td>315,110</td></tr><tr><td>8.</td><td>Building 9 - Office Building Completed</td><td>1,095,094</td></tr></table>  | Sl. No.                 | Building Name | Leasable Area (sq. ft.) | 1. | Building 1 - Office Building Completed | 420,175 | 2. | Building 2 - Office Building Completed | 721,112 | 3. | Building 3 - Office Building Completed | 756,226 | 4. | Building 4 - Office Building Completed | 834,747 | 5. | Building 5 - Office Building Completed | 416,094 | 6. | Building 6 - Office Building Completed | 391,777 | 7. | Building 8 - Data Centre Under Construction | 315,110 | 8. | Building 9 - Office Building Completed | 1,095,094 |
| Sl. No.           | Building Name   | Leasable Area (sq. ft.) |               |                         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |   |         |    |  |           |
| 1.                | Building 1 - Office Building Completed  | 420,175                 |               |                         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |   |         |    |  |           |
| 2.                | Building 2 - Office Building Completed  | 721,112                 |               |                         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |   |         |    |  |           |
| 3.                | Building 3 - Office Building Completed  | 756,226                 |               |                         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |   |         |    |  |           |
| 4.                | Building 4 - Office Building Completed  | 834,747                 |               |                         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |   |         |    |  |           |
| 5.                | Building 5 - Office Building Completed  | 416,094                 |               |                         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |   |         |    |  |           |
| 6.                | Building 6 - Office Building Completed  | 391,777                 |               |                         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |   |         |    |  |           |
| 7.                | Building 8 - Data Centre Under Construction   | 315,110                 |               |                         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |   |         |    |  |           |
| 8.                | Building 9 - Office Building Completed  | 1,095,094               |               |                         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |  |         |    |   |         |    |  |           |

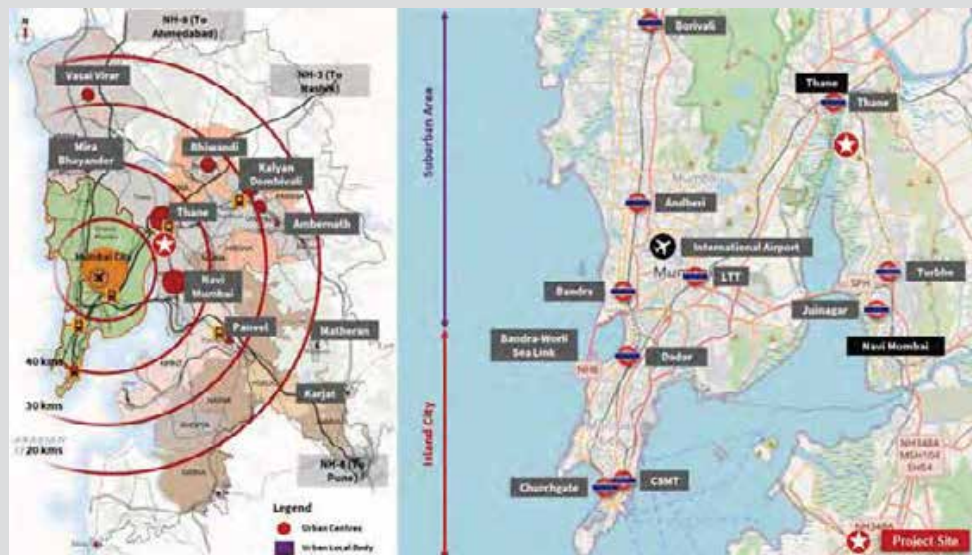
|     |                                     |           |
|-----|-------------------------------------|-----------|
| 9.  | Building 10 - Data Centre Completed | 315,110   |
| 10. | Centre Court – Completed            | 796       |
|     | Total Leasable Area                 | 5,266,242 |

Based on-site inspection, it was found that all the office blocks, centre court and one data centre (Building B10) are completed and fully operational. The construction of data centre building B8 is underway and is scheduled to be completed by Q4 FY25.

Details of the Project in terms of Land Earmarked for Future Development:

| Sl. No. | Land Parcels                             | Land Area (Acres.) |
|---------|--|--------------------|
| 1.      | Land Parcel 1 – (For future development) | 6.42               |
| 2.      | Land Parcel 2 – (For future development) | 1.96               |
|         | Total Land Area                          | 8.38               |

Location Map



Key Assumption

The table below summarizes key valuation assumptions used in the estimate.

| Particulars                | Description  |
|----------------------------|--|
| Asset Specific Information |  |
| Nature of Asset            | Commercial / Office with Amenities   |
| Current Status             | Office Buildings (B1, B2, B3, B4, B5, B6, B9), Data Centre (Building B10) and Centre Court are Completed and Operational.<br>Data Center Building (B8) is under-construction and is scheduled to be completed by Q4 FY25.<br>The Property also includes two (2) land parcels for future development of 6.42 acres and 1.96 acres respectively. |
| Total Leasable Area        | 5,266,242 sq. ft.  |



|  |   |                              |                         |            |                    |                            |
|--|---|------------------------------|-------------------------|------------|--------------------|----------------------------|
| Asset Details  | Sl. No.   | Building Name                | Leasable Area (sq. ft.) | Usage Type | Status             | Age of the Building        |
|  | 1.  | Building 1 - Office Building | 420,175                 | Non-SEZ    | Completed          | 10 years 6 months          |
|  | 2.  | Building 2 - Office Building | 721,112                 | SEZ        | Completed          | 7 years 6 months           |
|  | 3.  | Building 3 - Office Building | 756,226                 | SEZ        | Completed          | 7 years 2 months           |
|  | 4.  | Building 4 - Office Building | 834,747                 | SEZ        | Completed          | 5 years 9 months           |
|  | 5.  | Building 5 - Office Building | 416,094                 | SEZ        | Completed          | 9 years 8 months           |
|  | 6.  | Building 6 - Office Building | 391,777                 | SEZ        | Completed          | 8 years 6 months           |
|  | 7.  | Building 8 - Data Centre     | 315,110                 | Non-SEZ    | Under Construction | To be completed by Q4 FY25 |
|  | 8.  | Building 9 - Office Building | 1,095,094               | Non-SEZ    | Completed          | 2 years 9 months           |
|  | 9.  | Building 10 - Data Centre    | 315,110                 | Non-SEZ    | Completed          | 1 year 3 months            |
|  | 10.   | Centre Court                 | 796                     | Non-SEZ    | Completed          | 5 years and 8 months       |
|  |   | Total Leasable Area          | 5,266,242               |            |                    |                            |
|  | Gigaplex Estate Private Limited has also invested in the infrastructure to facilitate the distribution of the power to the customers (occupiers and operators within the subject properties). Details of the Project in terms of Land Earmarked for Future Development: |                              |                         |            |                    |                            |
| Sl. No.  | Land Parcels  |                              |                         |            | Land Area (Acres.) |                            |
| 1.   | Land Parcel 1 – (For future development)  |                              |                         |            | 6.42               |                            |
| 2.   | Land Parcel 2 – (For future development)  |                              |                         |            | 1.96               |                            |
|  | Total Land Area   |                              |                         |            | 8.38               |                            |
| In addition to the above, the undivided rights, title and interest in the following assets are also part of the Project. |   |                              |                         |            |                    |                            |

|   |  |
|---|--|
|   | <ul style="list-style-type: none"> <li>■ Amenities</li> <li>■ Total utility areas and internal roads.</li> <li>■ Total open spaces.</li> </ul>   |
| Revenue Assumptions                                 |  |
| In-Place Rent                                       | INR 59.6 per sq. ft. per Month   |
| Market / Marginal Rent                              | Office Building - INR 58.9 per sq. ft. per Month<br>Data Center - INR 79.8 per sq. ft. per Month   |
| Parking Rent  | INR 2,100 per CPS per Month  |
| Financial Assumptions - Buildings                   |  |
| Exit Cap Rate                                       | 8.00%  |
| Discount Rate / WACC                                | Completed Buildings:<br>All Office Buildings (B1, B2, B3, B4, B5, B6, B9, Centre Court) & Data Centre Building (B10) – 11.75%<br>Under-construction:<br>Data Centre Building (B8) – 13.00% |
| Financial Assumptions - Power Distribution Services |  |
| Discount Rate / WACC                                | 10.5%  |
| License End Date                                    | 12 <sup>th</sup> June 2038   |

## Market Value

| Component  | Market Value as on          | In Figures (INR Mn) | In Words   |
|--|-----------------------------|---------------------|--|
| Total Market Value (Completed / Operational, including power distribution business of Gigaplex Estate Private Limited) | 31 <sup>st</sup> March 2024 | 44,929.59           | INR Forty-Four Billion Nine Hundred Twenty-Nine Million Five Hundred Ninety Thousand Only. |
| Total Market Value (Under construction / future development building and future development land parcel)               | 31 <sup>st</sup> March 2024 | 3,091.19            | INR Three Billion Ninety-One Million One Hundred Ninety Thousand Only                      |
| Total Value  |                             | 48,020.78           | INR Forty-Eight Billion Twenty Million Seven Hundred Eighty Thousand Only                  |

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## **LIST OF ABBREVIATIONS**

|           |   |
|-----------|---|
| CBD       | Central Business District                                       |
| CY        | Current Year  |
| INR       | Indian Rupees   |
| IT / ITES | Information Technology / IT enabled Services                    |
| IVSC      | International Valuation Standards Committee                     |
| JLL       | Jones Lang LaSalle Property Consultants (India) Private Limited |
| km        | Kilometre   |
| NH        | National Highway  |
| PBD       | Peripheral Business District                                    |
| REIT      | Real Estate Investment Trust                                    |
| RICS      | Royal Institution of Chartered Surveyors                        |
| SBD       | Secondary Business District                                     |
| SEZ       | Special Economic Zone   |

|        |              |
|--------|--------------|
| sq. ft | square feet  |
| sq. m  | square metre |

### **CONVERSION OF UNITS**

|          |                  |
|----------|------------------|
| 1 acre   | 43559.66 sq. ft. |
| 1 acre   | 4046.9 sq. m.    |
| 1 sq. m. | 1.196 sq. yards  |
| 1 sq. m. | 10.764 sq. ft.   |
| 1 meter  | 1.0936 yards     |
| 1 meter  | 3.28 ft.         |
| 1 cent   | 435.6 sq. ft.    |

# 1 INTRODUCTION

---

## 1.1 INSTRUCTIONS

K Raheja Corp. Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP) (hereinafter referred to as the 'Client'), in its capacity as Manager of the Mindspace Business Parks REIT (Mindspace REIT), has appointed KZEN VALTECH PRIVATE LIMITED, Registered Valuer Entity with Insolvency and Bankruptcy Board of India ("IBBI") bearing registration no. IBBI/RV-E/05/2022/164 (hereinafter referred to as the 'Valuer') to carry out an independent estimate of Market Value of commercial / office properties located in Chennai, Hyderabad, Mumbai and Pune along with incidental or ancillary activities including a facility management business and power distribution facility, vide Engagement Letter dated 27 March 2023. The Client intends to seek independent estimate of Market Value for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchange.

This Valuation Report has Market Value of a commercial / office project located named '**Mindspace Airoli West' (B1, B2, B3, B4, B5, B6, B8, B9, B10, and Centre Court)** located in **Airoli, Navi Mumbai, Maharashtra, India** (hereinafter referred to as the 'Project').

## 1.2 PURPOSE OF VALUATION

The purpose of this valuation is to estimate the value of the Project as part of the portfolio of Mindspace REIT for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended together with clarifications, guidelines and notifications thereunder in the Indian stock exchange and for accounting purpose.

In addition, other documents in relation to the regulatory filings such as publicity material, research reports, presentations and press releases will also be prepared, wherein copies, summary or extracts of the Valuation Report are intended to be included.

## 1.3 RELIANT PARTIES

The reliance on the Valuation Report prepared as part of this engagement is extended to the Manager, REIT and other parties including the trustee of REIT, debenture trustee(s), stock exchanges, unitholders of REIT, Securities and Exchange Board of India ('SEBI'), credit rating agencies, lenders of the REIT and/or its special purpose vehicles or any other person within or outside India as the Manager may deem fit for the purpose as highlighted in this report (valuation). The Valuer, however, would extend no liability to such reliant parties save and except for gross and willful negligence.

The valuation exercise is conducted strictly and only for the use of the parties as stated above who need to rely on such valuation ('Reliant Party') and for the Purpose specifically stated. The Client shall make all reliant parties aware of the terms and conditions of the engagement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 1.4 VALUER'S CAPABILITY

**KZEN VALTECH PRIVATE LIMITED**, bearing Registered Valuer Entity number IBBI/RV-E/05/2022/164 with IBBI has been appointed as the Valuer for providing opinions on market value of the respective Subject Properties.



Mr. Sachin Gulaty, Director, KZEN VALTECH PRIVATE LIMITED, is registered as a valuer with IBBI for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 13 August 2021. He qualified for the degree of Bachelor of Architecture from School of Planning and Architecture, New Delhi in 1997, and qualified for the degree of master's in planning with specialization in Urban Planning from School of Planning and Architecture, New Delhi in 2002. He, subsequently, undertook distance learning from SVKM's Narsee Monjee Institute of Management Studies ("NMIMS") Global Access – School for Continuing Education, qualified for the two-years Post Graduate Diploma in Banking & Financial Management and was awarded this Post Graduate Diploma in July 2018.

Mr. Gulaty has more than 26 years of experience, including one and a half years of post-graduate education, spread over domains of architecture, urban planning, urban infrastructure, real estate advisory, and real estate asset valuation. He was the National Head of Valuations for Jones Lang LaSalle Property Consultants (India) Private Limited ("JLL India"), a leading International Property Consulting firm in India, from 2010 to 2021. Prior to this role, Mr. Gulaty gained practical experience in providing architecture services, town and city planning, and research related to regulatory studies and urban governance covering urban infrastructure such as water supply, sanitation, solid waste management, and urban transport, among other aspects. In the early part of his career, he worked with renowned architectural services firm, Kuldip Singh & Associates, and The Energy and Resources Institute ("TERI"). His last employment was with JLL as Senior Director and National Head for Valuations.

As the National Head of Valuations at JLL India, he led numerous valuation exercises for multiple financial institutions, private equity/real estate funds, corporates, industrial houses, government departments, and developers across multiple real estate asset classes of commercial, retail, residential, industrial, healthcare, and hospitality, among others. Clientele served by him across his entire career till date, under various employments, includes Brookfield, GIC, Qatar Investment Authority, JP Morgan, BlackRock, CapitalLand, Citibank, Standard Chartered Bank, Yes Bank, Kotak Mahindra, Maruti Suzuki, Indiabulls, Dubai Port World, World Bank, DLF, RMZ, Shriram Properties, DIPAM, NHAI, NBCC, AAI, and RLDA, among others.

Mr. Gulaty, who carries IBBI Registration Number: IBBI/RV/02/2021/14284, is enrolled with the Institute of Valuers Registered Valuers Foundation ("IOVRVF"), is a Fellow of Royal Institution of Chartered Surveyors ("RICS"), Fellow and Lifetime Member of Institute of Valuers, India ("IOV"), admitted as an Arbitrator (India) on the RICS Panel of Dispute Resolvers & Expert Witnesses, and features in the global list of RICS Trained Assessors, has prepared and signed this report on behalf of RV-E.

## 1.5 INDEPENDENCE, CONFLICT OF INTEREST AND VALUER'S INTEREST

The Valuer confirms that there are no conflicts of interest in so far as discharging his duties as a valuer for the Project is concerned. The Valuer has undertaken the valuation exercise without the presence of any bias, coercion, or undue influence of any party, whether directly connected to the valuation assignment. There has not been any professional association with the Client or the Project in past five years from his engagement as the Valuer.

The Valuer certifies that he/she does not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the Project (including the parties with whom the Client is dealing, including the lender or selling agent, if any) and accepts instructions to value the Project only from the Client.

## 1.6 ASSUMPTIONS, DEPARTURES AND RESERVATIONS

This Valuation Report has been prepared on the basis of the assumptions within the instructions (Key Assumptions, Qualifications, limitations and Disclosures) detailed after this section of this report. The development mix, built up area, land area and lease details such as lease rent, lease commencement and lease end date, lock-in period, escalation terms, etc. pertaining to the Project is based on the appropriate relevant documents, which has been provided by the Client and the same has been adopted for the purpose of this valuation.

## 1.7 INSPECTION OF THE PROJECT

The Project was inspected on 27 March 2024 by the Valuer in the presence of Client-nominated representative and subsequently no site visits have been conducted. No measurement or building survey has been carried out as part of the valuation exercise. The Valuer has relied entirely on the site areas provided by the Client, which has been assumed to be correct. Based on the discussions with the Client, it has been assumed that no material change in the condition of the property has taken place except for the progress of construction work in accordance with the information shared.

## 1.8 GENERAL COMMENT

A valuation is a prediction of price, not a guarantee. By necessity, it requires the Valuer to make subjective judgments that, even if logical and appropriate, may differ from those made by a purchaser, or another valuer. Historically it has been considered that valuers may properly conclude within a range of possible values.

The purpose of the valuation does not alter the approach to the valuation.

Property values can change substantially, even over short periods of time, and thus the valuation of the Project herein could differ significantly if the date of valuation was to change.

This report should not be relied upon for any other purpose other than for which this valuation exercise has been undertaken.

## 1.9 CONFIDENTIALITY

The contents of this Valuation Report are intended for the specific purpose stated. Consequently, and in accordance with current practice, no responsibility is accepted to any other party in respect of the whole or any part of its contents- except as maybe required in connection with the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, under the applicable law.

## 1.10 AUTHORITY

The Client acknowledges and agrees that the valuation exercise undertaken (including, without limitation, the Reports itself and the contents thereof) is solely for the purpose set out in Section 1.2 herein. If Client desires to use the Report in any offering or other investment material for purpose other than as mentioned in the Section 1.2 herein, then (a) with Valuer will require, and the Client must provide or cause to be provided, an indemnification agreement in his favor, given by parties reasonably satisfactory to him, and (b) the Client will obtain his consent to the references in such materials to the Report.

## 1.11 LIMITATION OF LIABILITY

The Valuer has provided the services exercising due care and skill but does not accept any legal liability arising from negligence or otherwise to any person in relation to possible

environmental site contamination or any failure to comply with environmental legislation which may affect the value of the properties. Further, the Valuer shall not accept liability for any errors, misstatements, omissions in the report caused due to false, misleading or incomplete information or documentation provided to him by the Instructing Party.

The Valuer's maximum aggregate liability for claims arising out of or in connection with the Valuation, under this engagement shall not exceed the professional indemnity insurance obtained by him. As on the date of this report, the professional indemnity insurance maintained by the Valuer is for Indian Rupees Fifty Million.

In the event that the Manager, the sponsors, the trustee, the REIT, or other intermediaries appointed by the Manager and / or REIT or its SPVs be subject to any claim ('Claim Parties') in connection with, arising out of or attributable to the Report, the Claim Parties will be entitled to require the Valuer to be a necessary party/respondent to such claim and he shall not object to his inclusion as a necessary party/ respondent. In all such cases, the Manager, on behalf of the REIT, agrees to reimburse/ refund to the Valuer, the actual cost (which shall include legal fees and external counsel's fee) incurred by them while becoming a necessary party/respondent. If the Valuer does not cooperate to be named as a party/respondent to such claims in providing adequate/successful defense in defending such claims, the Claim Parties jointly or severally will be entitled to initiate a separate claim against the Valuer in this regard.

The Valuer will neither be responsible for any legal due diligence, title search, and physical measurements nor undertake any verification/ validation of the zoning regulations/ development controls with any government departments/authorities, among other aspects., etc.

## **1.12 DISCLOSURE AND PUBLICATION**

The Valuer must not disclose the contents of this Valuation Report to a third party in any way, except as allowed under the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars. As per the terms and regulation 2(1) of the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars, it may be noted that the Valuation report is prepared in accordance with said REIT regulations.

## **1.13 ANTI-BRIBERY AND ANTI-CORRUPTION**

The Valuer represents, warrants and undertakes that:

The Valuer is familiar with applicable Anti-Corruption Laws under this Agreement including but not limited to Prevention of Corruption Act 1988 and will ensure that neither it nor any of its officers, directors, shareholders, employees and agents or any other person acting under its implied or express authority will engage in any activity, practice or conduct which would constitute an offence under, or expose or potentially expose either Party to any direct or indirect liability, under Applicable Anti-Corruption Laws;

It is further agreed that breach of any of the above undertakings shall be deemed to be a material breach of the Agreement and in case the Valuer is insisted upon or asserted by Client to violate any of the above said undertakings including Anti-Corruption regulations in any form or manner, on pretext of business relationship or otherwise, the Valuer shall have a discretionary right to terminate this Agreement without any liability or obligation on his part.

Such termination of this Agreement shall not in any way prejudice the rights and obligations (including payment for the services delivered under this Agreement) already accrued to the Valuer, prior to such termination.

## KEY ASSUMPTIONS, QUALIFICATIONS, LIMITATIONS AND DISCLAIMERS

|    |   |   |
|----|---|---|
| 1. | Type of Estimate                              | The scope of the assignment covers only estimating Market Value of a specified property and not a business valuation for either the Client or any of their subsidiaries or associated companies, etc. The estimate is based on extent of data/information provided by the Client and estimate has limited coverage wherever full data/information is not made available by the Client.  |
| 2. | Legal Due-Diligence                           | Legal due diligence for establishing clarity of title, ownership, encumbrances if any, notices or disputes if any, among other legal-related issues are not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.  |
| 3. | Information Provided by the Client and Others | The Valuer has relied on the information provided by the Client and the same has been assumed to be correct and has been used in the valuation. Where it is stated that another party has supplied information to the Valuer, this information is believed to be reliable. The Valuer cannot accept any responsibility for accuracy and non-reliability of such information.  |
| 4. | Regulatory Due-Diligence                      | Regulatory due diligence is not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.  |
| 5. | Project Status, Schedule and Project Costing  | Assessment of the Project Status and Schedule is based on the information provided by the Client and does not consider any unforeseeable developments which could impact the same in the future. The estimate <u>does account</u> for any capital expenses incurred by the Client on the existing and/or ongoing development works in the Project. Auditing the project figures is not part of the scope of work under this assignment. In all likelihood, an independent auditing agency would be covering this aspect, details of which can be obtained from the Client.  |
| 6. | Market Conditions and Trends                  | The Valuer has taken into consideration the general conditions in the market with respect to broad demand and supply while carrying out the valuation. The Valuer has compared other comparable properties on the basis of many factors and as far as possible tried to remove / account for the differences in type, location and quality of the properties.   |
| 7. | Information on Leases and Sales Performance   | The Valuer has relied on the rent roll including lease terms & conditions of the existing and pre-committed leases, as given by the Client. The Valuer has not verified individual lease agreements and the Valuer has relied on all information provided to him by the Client, upon which the Valuer will rely, is complete and correct. The Valuer has relied on pre-leasing details to the extent data/information made available by the Client.   |
| 8. | Site Investigations and Illustrations         | The Valuer has carried out the site visits and based on the information made available by the Client and the estimate is carried out considering that the Project Site is a contiguous land parcel and is free from any encroachments and encumbrances as on the date of valuation. The Valuer has not carried out any structural survey nor tested the building services. No geographical or geo-physical survey was carried out. No environmental assessment has been carried out. Any sketch, plan or map in the report is included to assist reader while visualizing the Project and assume no responsibility in connection with such matters. |
| 9. | Project Cost Estimates                        | Project Cost Estimates used in the estimate is as given by the Client. Project progress including capital expenditure progress reported is based on the cost incurred data as shared by the Client. The Valuer has reviewed the Project Cost estimates and/or cost incurred data to broadly ascertain their correctness on a normative basis while relying on the same as shared by the Client.   |

|     |  |  |
|-----|--|--|
| 10. | Environmental Compliance                   | The Valuer assumed that the Project Site / Project is not contaminated and is not adversely affected by any existing or proposed environmental law and any processes which are carried out on the Project Site are regulated by environmental legislation and are Project Site licensed by the appropriate authorities.  |
| 11. | Present Ground Conditions                  | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present, which might adversely affect the current or future occupation, development of the Project. The estimate assumes that the Project Site is free from rot, infestation, structural or latent defect and no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the property and comments made in the property details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.  |
| 12. | Town Planning and Statutory Considerations | The Valuer has not made formal search but has generally relied on readily available information to general public. Valuation Report is on current use/ current state basis of the property and the Valuer has not considered any Government proposals for road widening or compulsory purchase/ acquisition, or any other statute in force that might affect the Project.  |
| 13. | Future Market Development and Prospects    | The Valuer has not accounted any future market development and prospects to the extent information known to the Valuer as on the date of valuation. The Valuer does not warrant that such statements are accurate or correct.  |
| 14. | Disclaimer                                 | <p>The estimate of Market Value is based on documents/information shared by the Client. The Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Project.</p> <p>The Valuer has relied on the measurements and information provided at all times, whether from public and private sources, and has ensured to the best of their ability the correctness and the validity of the same, by cross checking from various sources. Whilst every effort has been taken to provide authentic data and analysis, the Valuer, and/or any of their associated companies and/or their employees are not responsible for any loss, major or minor incurred on the basis of the information and analyses provided, nor are liable to any damages in any form or shape.</p> <p>Given the confidential nature of real estate transactions, transaction details for most properties, which are privately actually transacted, are not in the public domain. Consequently, there is reliance on information from market sources, which may not be completely accurate. Thus, information has been crosschecked independently from other market sources to ascertain the broad credibility of information being provided by the market sources. This assignment has been done on best effort and knowledge basis.</p> <p>For ease and simplicity of representation, certain figures may have been rounded.</p> |

## 2 VALUATION APPROACH AND METHODOLOGY

### 2.1 VALUATION STANDARDS ADOPTED

This Report is prepared in accordance and compliance with:

1. Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time ("**SEBI Regulations 2014**"), including Regulation 21 Sub-Regulation (3) and mandatory minimum disclosures as specified in Schedule V of these SEBI Regulation 2014,
2. Companies (Registered Valuers and Valuation) Rules, 2017 as amended from time to time ("**Valuer Rules 2017**"), including reporting requirements as specified in Rule 18 to these rules,
3. International Valuation Standards 2022 ("**IVS 2022**") as set out by International Valuation Standards Committee ("**IVSC**") and adopted by Royal Institution of Chartered Surveyors ("**RICS**") presented in the RICS Valuation Standards and Guidelines 2022 ("**RICS Red Book 2022**"), subject to variation to meet local established law, custom, practice, and market conditions.

### 2.2 BASIS OF VALUATION

Basis of valuation of the Project is **Market Value** as defined by IVSC and adopted by Royal Institution of Chartered Surveyors (RICS) to be:

*"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".*

### 2.3 APPROACH AND METHODOLOGY

The purpose of this valuation exercise is to estimate the Market Value of the Project, which is a real estate asset. Market Value of the real estate asset can be estimated using different methodologies.

**Income Approach:** Under this valuation approach, the income generating potential of the real estate asset is estimated while opining on its market value. This approach is typically adopted for assets that are income-generating (completed and operational with multiple tenancies, multiple strata units that can be sold with phased/milestone-based revenue collections, among others). For income-generating assets with single/multiple tenancies, the discounted cash flow entailing term and reversion method is most commonly adopted.

**Market Approach:** Under this valuation approach, the price that an asset could fetch in an open market is estimated. This approach is typically adopted for homogeneous assets in their micro-market and are typically traded on a unit basis. The most commonly adopted valuation method under this valuation approach is the Listed Transaction / Listed Quoted Instances Method, also commonly known as the Direct Comparison or the Comparable Sales/Quoted Instances Method.

**Cost Approach:** Under this valuation approach, the cost required to create an asset of similar or equal utility is estimated. This valuation approach is typically adopted for real estate assets that can be clearly broken down into constituent elements, namely land and built structures. The most commonly adopted valuation method under this valuation approach is the Physical Method, also commonly known as Land and Building Method, which typically entails estimation of the underlying land value (while normally adopting the Market Approach) and the built structures (while adopting the Depreciated Replacement Cost Method) separately.



The table below presents different valuation methodologies and their brief description.

**Table 2.1: Different Valuation Methodologies and Description**

| Sl. No. | Valuation Methodology                      | Description   |
|---------|--|---|
| 1.      | Comparable Sales / Quoted Instances Method | This method is based on comparing the subject property directly with other comparable property transaction (actually been sold in the vicinity or are offered for sale). Efforts would be made to collect transacted instances. In case of non-availability of transacted instances in the micro-market, the opinion will be offered based on the available asking/quoted instances in the market with appropriate adjustments for margin for negotiation. Given the homogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative and quantitative differences that may affect the price likely to be achieved by the property under consideration. These adjustments are typically made in the form of premium and/or discount factors for various property attributes, which affect the value. This method demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This method is a fair estimate of the prevailing prices. |
| 2.      | Depreciated Replacement Cost Method        | Replacement cost method is based on the construction cost of assets. The cost to be estimated is the cost of construction as per the construction status at the valuation date. This is based on the inspection of the facility and inputs provided by the Client; however, no structural survey will be conducted. Appropriate depreciation rates will be applied based on schedules given under the Indian Companies Act. This is generally used for estimating the Market Value of only the buildings  |
| 3.      | Discounted Cash Flow Method                | This method is based on the present value of the future receivable net income from the current operational leases / revenues. The current revenues and the future achievable revenues derived from the operational project components of the Project Site would be adjusted for the outgoing expenses to derive 10-year cash flows. The same is then discounted at an appropriate discounting rate linked with risk adjusted discounting factor to estimate the market value for the operational project components. This method is sometimes referred to as 'Rent Roll method as well.   |

#### Approach and Methodology Adopted for Estimating Market Value of the Project

Based on a detailed review of the leases for the Project, the Valuer has noted that a large number of leases of the Project were executed at rent prevalent at the time of signing of such leases or at a discount to prevailing market rental (for a few anchor tenants). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, demand-supply dynamics, quality of spaces, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some properties or submarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to estimate the intrinsic value of the property under review.

Considering the objective of this exercise and the nature of asset involved (completed, operational & under-construction commercial / office space, (other than the land portions of future development portion which has been valued using Comparable Sales / Quoted Instances Method under 'Market Approach' and power distribution services which has been valued using Discount Cash Flow Method under 'Income Approach'), the value is estimated using the 'Discounted Cash Flow Method' (basis term and rent reversion) under 'Income Approach'.

## 3 VALUATION ASSUMPTIONS AND INPUTS

### 3.1 INVESTIGATION, NATURE AND SOURCE OF INFORMATION

The Valuer undertook physical visits of the Project wherein the buildings and related assets were visually inspected to assess the condition of the buildings and the apparent state of its maintenance/upkeep.

Information related to state and structure of the relevant real estate market for the Project was sourced from the industry and market report prepared by Jones Lang LaSalle Property Consultants (India) Private Limited ('JLL'), who were appointed by the Client to undertake market research and portfolio analysis of the properties part of the Mindspace REIT.

Project related information referred to for the valuation exercise have been provided by the Client unless otherwise mentioned. The Valuer has assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, the Valuer has independently revalidated the information by reviewing the originals as provided by the Client.

In addition, the Valuer relied on the following information and documents shared by the Client with respect to the Project:

- Title certificates prepared by the Legal Counsel of the Client covering the type of ownership interest enjoyed and information on ongoing litigation.
- Architect's certificates dated mentioning site areas and property areas.
- Relevant approval documents from competent authorities regarding occupancy, operations and fire safety.
- Lease agreements and commercial clauses thereof for top five tenants on a sample basis
- Masterplan/ Development plan applicable in the jurisdiction of the Project
- Management representation regarding the following:
  - Major repairs undertaken and proposed in the Project.
  - Statement of assets
  - Revenue pendency if any
  - Options or Rights of Pre-emption and any other encumbrances concerning or affecting the property.
  - List of material litigations

### 3.2 CAPITALIZATION RATE

The capitalization rate adopted for valuing the assets has been based on various factors such as:

- Historical entry yields (going in cap rates) for commercial / office asset transactions across various key markets in India, which have steadily shown a downward trend over last 7 - 8 years from 10.5%-11.5% to about 7.5%-8.5% in 2023.
- The increased appetite for income generating assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- The demand supply situation in the respective city and expected dynamics of demand leading supply - given entry challenges such as land availability, higher initial cost outlays etc. developers are expected to focus on fully built to suit or semi-speculative projects (with key tenants tied in prior to launch of construction).
- Inflation (and interest rates) expected to be maintained in check with interventions from the Reserve Bank of India, in case of significant change.
- Liquidity associated with REIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer).

***Based on the above factors, the Valuer has adopted an exit cap rate of 8.00% for the Project, for the purposes of estimating the Market Value, considering the 1 year forward net operating income after 10 years, is utilized for the purpose of calculation of exit value / terminal cash flow.***

### 3.3 DISCOUNT RATE

This discount rate used for discounting the available cash flows represents Cost of equity (the opportunity cost for shareholders) and Cost of Debt (the opportunity cost for creditors), weighted by their respective contribution to the total capital of the company (WACC). The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived using the below formula:

$$\text{Cost of equity} = \text{Risk Free Rate (Rf)} + \text{Beta } (\beta) * (\text{Market Return (Rm)} - \text{Risk Free Rate (Rf)})$$

The cost of debt for completed commercial / office blocks has been considered based on prevalent financing rates for Grade A commercial / office parks in the city. The weightages accorded to equity and debt are derived through benchmarking the Project Site against similar portfolios/properties in the market. For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC) which is derived to be 11.75% for the completed portion of the project.

Owing to the various risks pertaining to the under-construction / future development properties, we have considered a risk premium over the discount rate for completed properties to arrive at a discount rate for under-construction / future development properties. The Valuer has considered a risk premium of 125bps, to derive the WACC of 13% for under-construction / future development properties.

These derived discount rates were found to be aligned with the expectations of investors investing in similar assets.

## 4 VALUATION CERTIFICATE

| Property Name                        | Mindspace Airoli West, Navi Mumbai, Maharashtra, India  |  |            |                     |    |                  |  |    |                           |  |    |                             |                            |    |              |  |
|--------------------------------------|---|--|------------|---------------------|----|------------------|--|----|---------------------------|--|----|-----------------------------|----------------------------|----|--------------|--|
| Property Address                     | Special Economic Zone, Plot No. IT-5, Airoli Knowledge Park, TTC Industrial Area, Villages Airoli and Dighe, Thane 400710   |  |            |                     |    |                  |  |    |                           |  |    |                             |                            |    |              |  |
| Land Area                            | ~ 50.0 Acres  |  |            |                     |    |                  |  |    |                           |  |    |                             |                            |    |              |  |
| Brief Description                    | <p>The property is located in Airoli West in the Thane-Belpaur Road micro market of MMR region along the Airoli Knowledge Park Road. It is located at a distance of about 2.0 km from Dighe Railway Station and 3.8 km from the Airoli Railway Station.</p> <p>Completed Buildings- Office Building (B1, B2, B3, B4, B5, B6, B9), Data Centre Building (B10) and Centre Court</p> <p>The property is developed as Grade A, IT SEZ and Non-SEZ Park with eight (8) buildings (B1, B2, B3, B4, B5, B6, B9 &amp; B10) out of which five (5) of them are SEZ buildings whereas Building 1 (B1), Building 9 (B9) &amp; Building 10 (B10) are non-SEZ buildings. It also includes one (1) centre court (which is owned by Mindspace REIT via its SPV) is considered for valuation.</p> <p>Under construction– Data Centre Building (B8)</p> <p>Area under construction comprises of one (1) Non-SEZ data center building (B8) (which is owned by Mindspace REIT via its SPV) is considered for valuation.</p> <p>Future Development - Land</p> <p>The property also includes ~6.42 and ~1.96 acres of land earmarked for future development.</p> <p>The property is owned entirely by Mindspace REIT, and it also includes power distribution services of for SEZ clients of the project.</p> <p>The property has good frontage along the access road with one (1) main entrance and the rest of the properties are accessible via separate secured gate. The property is surrounded by commercial office spaces followed by residential and industrial developments in the vicinity.</p> <p>Gigaplex Estate Private Limited has also invested in the infrastructure to facilitate the distribution of the power to the customers (occupiers and operators within the subject properties). It procures power from Power generators/traders supplying to the grid and then distribute it to the end consumers within the property. It is not allowed to expand the power distribution outside the limits of the SEZ.</p> |  |            |                     |    |                  |  |    |                           |  |    |                             |                            |    |              |  |
| Valuation Methods                    | <p>The estimate of Market Value is prepared using following methods:</p> <table><tr><th>Sl. No.</th><th>Asset Type</th><th>Methodology Adopted</th></tr><tr><td>1.</td><td>Completed Assets</td><td>Discounted Cash Flow Method using Rent Reversion</td></tr><tr><td>2.</td><td>Under Construction Assets</td><td>Discounted Cash Flow Method using Rent Reversion</td></tr><tr><td>3.</td><td>Power Distribution services</td><td>Discounted Cashflow Method</td></tr><tr><td>4.</td><td>Land Parcels</td><td>Comparable Sales/ Quoted Instance Method</td></tr></table>  | Sl. No.  | Asset Type | Methodology Adopted | 1. | Completed Assets | Discounted Cash Flow Method using Rent Reversion | 2. | Under Construction Assets | Discounted Cash Flow Method using Rent Reversion | 3. | Power Distribution services | Discounted Cashflow Method | 4. | Land Parcels | Comparable Sales/ Quoted Instance Method |
| Sl. No.                              | Asset Type  | Methodology Adopted                              |            |                     |    |                  |  |    |                           |  |    |                             |                            |    |              |  |
| 1.                                   | Completed Assets  | Discounted Cash Flow Method using Rent Reversion |            |                     |    |                  |  |    |                           |  |    |                             |                            |    |              |  |
| 2.                                   | Under Construction Assets   | Discounted Cash Flow Method using Rent Reversion |            |                     |    |                  |  |    |                           |  |    |                             |                            |    |              |  |
| 3.                                   | Power Distribution services   | Discounted Cashflow Method                       |            |                     |    |                  |  |    |                           |  |    |                             |                            |    |              |  |
| 4.                                   | Land Parcels  | Comparable Sales/ Quoted Instance Method         |            |                     |    |                  |  |    |                           |  |    |                             |                            |    |              |  |
| Nature of the Interest by the Client | 100% leasehold interest in the Project as informed by the Client  |  |            |                     |    |                  |  |    |                           |  |    |                             |                            |    |              |  |

|   |   |                             |  |  |
|---|---|-----------------------------|--|--|
| Purchase Price of the Project   | INR 30,700 million, as given by the Client  |                             |  |  |
| Historical Valuation of the Project in 3 Previous Years                                 | Below table summarizes historical valuation of the Project as given by the Client:                                      |                             |  |  |
|   | Sl. No.   | Date of Valuation           | Total Market Value (Completed / Operational / Future Development)) (INR Mn)* |  |
|   | 1.  | 30-Sep-2023                 | 44,443 (42,261, 2,182)   |  |
|   | 2.  | 31-Mar-2023                 | 44,865 (42,951, 1,915)   |  |
|   | 3.  | 30-Sep-2022                 | 42,921 (37,531, 5,390)   |  |
|   | 4.  | 31-Mar-2022                 | 41,134 (31,122, 7,013)   |  |
|   | 5.  | 30-Sep-2021                 | 39,105 (31,692, 7,413)   |  |
|   | 6.  | 31-Mar-2021                 | 36,474 (28,720, 7,754)   |  |
|   | 7.  | 30-Sep-2020                 | 35,145 (29,178, 5,967)   |  |
|   | 8.  | 31-Mar-2020                 | 35,205 (29,645, 5,561)   |  |
| *Includes valuation for power distribution business of Gigaplex Estate Private Limited. |   |                             |  |  |
| Ready Reckoner Rate   | Built-up Area (Office) – INR 62,400 per sq mt<br>Land Area – INR 20,750 per sq mt                                       |                             |  |  |
| Date of Valuation   | 31-March-2024   |                             |  |  |
| Date of Inspection  | 27-March-2024   |                             |  |  |
| Market Value  | Component   | Market Value as on          | In Figures (INR Mn)  | In Words   |
|   | Total Market Value (Completed / Operational, including power distribution business of Gigaplex Estate Private Limited.) | 31 <sup>st</sup> March 2024 | 44,929.59  | INR Forty-Four Billion Nine Hundred Twenty-Nine Million Five Hundred Ninety Thousand Only. |
|   | Total Market Value (Under construction building and future development land parcel)                                     | 31 <sup>st</sup> March 2024 | 3,091.19   | INR Three Billion Ninety-One Million One Hundred Ninety Thousand Only                      |
|   | Total Value   |                             | 48,020.78  | INR Forty-Eight Billion Twenty Million Seven Hundred Eighty Thousand Only                  |
| Matters Affecting the Property and its Value  | Please refer to Chapter 7 of this Valuation Report  |                             |  |  |

|  |  |
|--|--|
| Assumptions, Disclaimers, Limitations and Qualifications | This Valuation Report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report, which are made in conjunction with those included within the Assumptions, Limitations & Qualifications section located within this report. Reliance on this report and extension of Valuer's liability is conditional upon the reader's acknowledgement and understanding of these statements. This Valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party, who may use or rely on the whole or any part of the content of this Valuation Report. The Valuer has no pecuniary interest that would conflict with the proper valuation of the Project |
| Prepared by  | KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)<br>Represented through its Director.<br>Mr. Sachin Gulaty FRICS FIV FIIA<br>IBBI/RV/02/2021/14284   |



**Name:** Sachin Gulaty FRICS FIV FIIA

**Designation:** Director

**Valuer Registration No.:** IBBI/RV/02/2021/14284



## 5 PROJECT SITE AND PROJECT ANALYSIS

### 5.1 DETAILS OF THE PROJECT SITE AND/OR PROJECT

The table below presents details of the Project Site and/or Project.

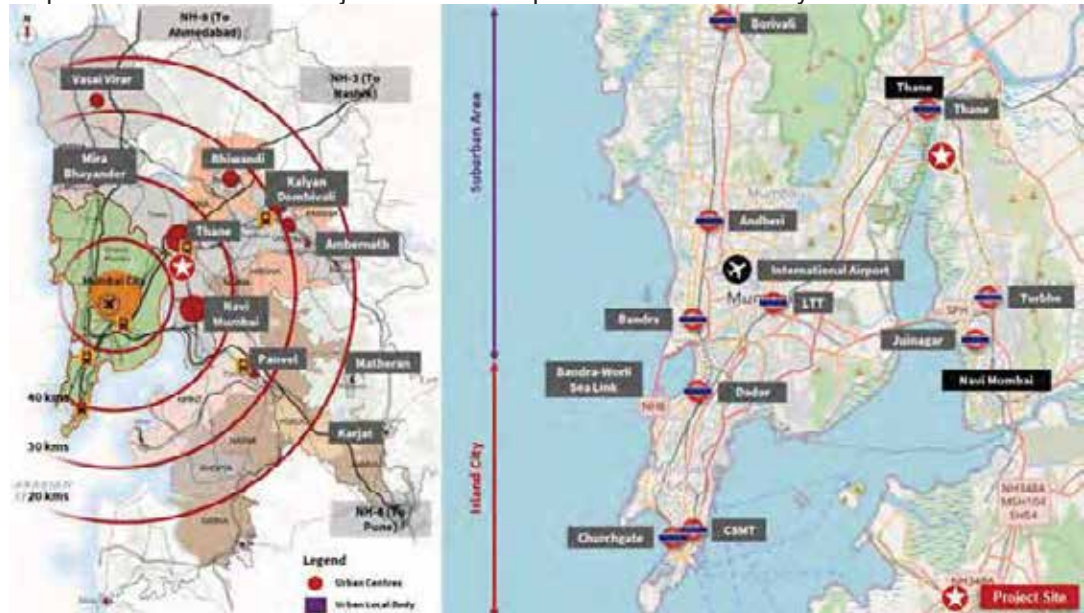
Table 5.1: Details of the Project Site and/or Project

| DETAILS OF PROPERTY                                     |   |
|---|---|
| Property Name   | Mindspace Airoli West, Navi Mumbai, Maharashtra, India  |
| Property Address  | Special Economic Zone, Plot No. IT-5, Airoli Knowledge Park, TTC Industrial Area, Villages Airoli and Dighe, Thane 400710 |
| Land Area   | ~ 50.0 Acres  |
| Block-Wise Break-Up of Leasable Area and Current Status | Block wise Leasable area and details are mentioned above in Executive summary.  |
| Access  | Accessible through Airoli Knowledge Park Road   |
| Frontage  | Excellent frontage along Airoli Knowledge Park Road   |
| Shape and Visibility                                    | Regular in shape. Relatively flat terrain. Excellent visibility from Airoli Knowledge Park Road                           |
| Approval Status   | List of approvals are specified in annexure   |
| INFRASTRUCTURE  |   |
| Water Supply, Sewerage & Drainage                       | Available within the Project  |
| Power & Telecommunication                               | Available within the Project  |

### 5.2 LOCATION OF THE PROJECT

The property is strategically located in the Thane-Belpaur Road micro market of MMR region along the Airoli Knowledge Park Road which connects to Thane Belapur Road. It is located at a distance of about 2.0 km from Dighe Railway Station and 3.8 km from the Airoli Railway Station. It is also situated near to the upcoming Navi Mumbai International Airport. The following map presents the location of the Project with respect to the city.

Map 5.1: Location of the Project Site with respect to the Mumbai City



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The distance of the Project from major landmarks in the city is given in the table below.

Table 5.2: Distances of the Project from Major Landmarks in the City

| Location / Landmark               | Approximate Distance from Project Site (km) |
|-----------------------------------|---|
| Navi Mumbai International Airport | 24.0  |
| Airoli Railway Station            | 3.8   |
| Dighe Railway Station             | 2.0   |
| Mindspace Airoli East             | 3.2   |
| Airoli Circle                     | 3.4   |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### 5.3 DESCRIPTION OF THE PROJECT AND ITS SURROUNDINGS

The property is developed as Grade A, IT SEZ and Non-SEZ Park with eight(8) buildings (B1, B2, B3, B4, B5, B6, B9 & B10) out of which five(5) of them are IT SEZ buildings whereas Building 1 (B1), Building 9 (B9) & Building 10 (B10) are IT Non-SEZ buildings. It also includes one(1) centre court. Under construction includes IT Non-SEZ data centre building (B8) and 8.38 acres of land parcels under future development. The topography of the project features terrain that is relatively flat and has a regular shape. It has excellent frontage along the access road.

At the IT Park, there are three food courts which are currently in operation. These can be found on the ground and first floors of buildings 2, 3, and 4 and on 4<sup>th</sup> floor of building 9. Additionally, there are three private dining rooms (PDRs) available to employees, each of which can accommodate between 10 and 15 people. The park also provides day-care services for employees.

The property is surrounded by commercial office spaces followed by residential and industrial developments in the vicinity. The following map presents location of the Project and its surroundings.

### Map 5.2: Location of Project and its Surrounding Developments



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The Project has good accessibility due to its location along the Airoli Knowledge Park Road which connects to Thane Belapur Road and thereby improves connectivity to Thane, Navi Mumbai and other regions of Mumbai City. Upcoming Navi Mumbai International Airport is expected to further enhance the connectivity of Project with other parts of the country and improve travel time in the future.

The map on the following page presents the conceptual Layout Plan of the Project as shared by the Client.

Map 5.3: Conceptual Layout Plan for the Project

Source: Client, 31<sup>st</sup> March 2024

The table below presents the boundary/edge conditions of the Project Site.

Table 5.3: Project Site and its Site Boundaries

|       |                            |
|-------|----------------------------|
| North | MIDC Ground                |
| South | MSEB – Substation          |
| West  | Airoli Knowledge Park Road |
| East  | Dighe Railway Station      |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The Project is surrounded by commercial office spaces followed by residential and industrial developments in the vicinity. Grade A commercial / office developments and mid-scale residential developments are also present in the micro-market.

## 5.4 DESCRIPTION OF THE PROJECT

The table on the following page presents key asset specific information.

**Table 5.4: Key Asset Specific Information of the Completed Project**

| Particulars   | Description  |
|---|--|
| Name of the Entity  | Gigaplex Estate Private Limited  |
| Interest owned by Mindspace REIT  | Project is wholly owned by Gigaplex Estate Private Limited which is 100% owned and controlled by the Mindspace REIT <sup>1/</sup>  |
| Land extent of Project (including completed, under construction and future development) | ~ 50.0 acres   |
| Asset Type  | IT SEZ and Non-SEZ Park  |
| Sub-Market  | Thane-Belapur Road   |
| Approved and Existing Usage   | IT SEZ and Non-SEZ Park  |
| Current Status  | Office Buildings (B1, B2, B3, B4, B5, B6, B9), Data Centre (Building B10) and Centre Court are Completed and Operational. Client has obtained occupation certificate for entire office building(B1,B2,B3,B4,B5,B6 & B9) and data center building (B10) .   |
| Approvals Status  | List of approvals are specified in annexure  |
| Freehold/Leasehold  | The Project Site land is leasehold (admeasuring 202,300 sq. mtrs. in Airoli, Navi Mumbai) leased from Maharashtra Industrial Development Corporation ('MIDC'). The lease is valid for a term of 95 years from 1st June, 2007, and shall expire on 31st May, 2102. Further, the company has right to renew the lease for a period of 95 years upon the terms and conditions therein including payment of premium. Since the purpose and obligations associated with the lease have been fulfilled, the likelihood of the lease getting cancelled or not renewed at the end of the tenure is very low. Therefore, no adjustments need to be made to the legal tenure of the underlying land's ownership. |
| Leasable Area   | ~ 5.0 million sq. ft.  |
| Occupied Area   | ~ 3.5 million sq. ft.  |
| Committed Area  | ~ 4.0 million sq. ft.  |
| Occupancy <sup>3/</sup>   | 70.1%  |
| Committed Occupancy <sup>4/</sup>   | 80.0%  |
| Number of Tenants   | 55   |

<sup>1/</sup> Refer company structure set out in Annexure 1

<sup>2/</sup> Client has obtained occupation certificate for entire office building(B1,B2,B3,B4,B5,B6 & B9) and data center building (B10) .

<sup>3/</sup> Occupancy refers to proportion of area leased, which is actively occupied by the tenants/occupiers

<sup>4/</sup> Committed occupancy also includes area, which has been pre-leased to tenants/occupier.

<sup>5/</sup> From date of receipt of first part OC



**Table 5.5: Key Asset Specific Information for Under Construction**

| Particulars                       | Description  |
|-----------------------------------|--|
| Name of the Entity                | Gigaplex Estate Private Limited  |
| Interest owned by Mindspace REIT  | Project is wholly owned by Gigaplex Estate Private Limited which is 100% owned and controlled by the Mindspace REIT <sup>1/</sup>  |
| Asset Type                        | Non-SEZ Building   |
| Sub-Market                        | Thane-Belapur  |
| Approved and Existing Usage       | IT Non-SEZ   |
| Current Status                    | The under construction building B8 is expected to be completed by Q4 FY25  |
| Approvals Status                  | List of approvals are specified in annexure  |
| Freehold/Leasehold                | The Project Site land is leasehold (admeasuring 202,300 sq. mtrs. in Airoli, Navi Mumbai) leased from Maharashtra Industrial Development Corporation ('MIDC'). The lease is valid for a term of 95 years from 1st June, 2007, and shall expire on 31st May, 2102. Further, the company has right to renew the lease for a period of 95 years upon the terms and conditions therein including payment of premium. Since the purpose and obligations associated with the lease have been fulfilled, the likelihood of the lease getting cancelled or not renewed at the end of the tenure is very low. Therefore, no adjustments need to be made to the legal tenure of the underlying land's ownership. |
| Leasable Area                     | 0.3 Mn sq.ft   |
| Occupied Area                     | Not applicable as the building in under-construction   |
| Committed Area                    | 0.3 Mn sq.ft   |
| Occupancy <sup>3/</sup>           | Not applicable as the building in under-construction   |
| Committed Occupancy <sup>4/</sup> | 100%   |
| Number of Tenants <sup>5/</sup>   | 1  |

<sup>1/</sup> Refer company structure set out in Annexure 1

<sup>2/</sup> Occupancy certificate yet to be received for under construction data centre building (B8).

<sup>3/</sup> Occupancy refers to proportion of area leased, which is actively occupied by the tenants/occupiers

<sup>4/</sup> Committed occupancy also includes area, which has been pre-leased to tenants/occupiers

<sup>5/</sup> The under-construction area is pre committed to a single tenant.

**Table 5.6: Key Asset Specific Information for Future Development**

| Sl. No. | Land Parcels                             | Land Area (Acres.) |
|---------|--|--------------------|
| 1.      | Land Parcel 1 – (For future development) | 6.42               |
| 2.      | Land Parcel 2 – (For future development) | 1.96               |
|         | Total Land Area                          | 8.38               |

Source: Client, March 2024

## 5.5 PROJECT INSPECTION

The Project is part of a larger campus development spread across ~ 50 Acres of land parcel. The topography of the project features terrain that is relatively flat and has a regular shape. The project comprises of eight (8) buildings (B1, B2, B3, B4, B5, B6, B9 & B10) out of which five (5) of them are SEZ buildings whereas Building 1(B1), Building 9 (B9) & Building 10 (B10) are non-SEZ buildings. It also includes one (1) centre court. All Office Blocks and the Centre

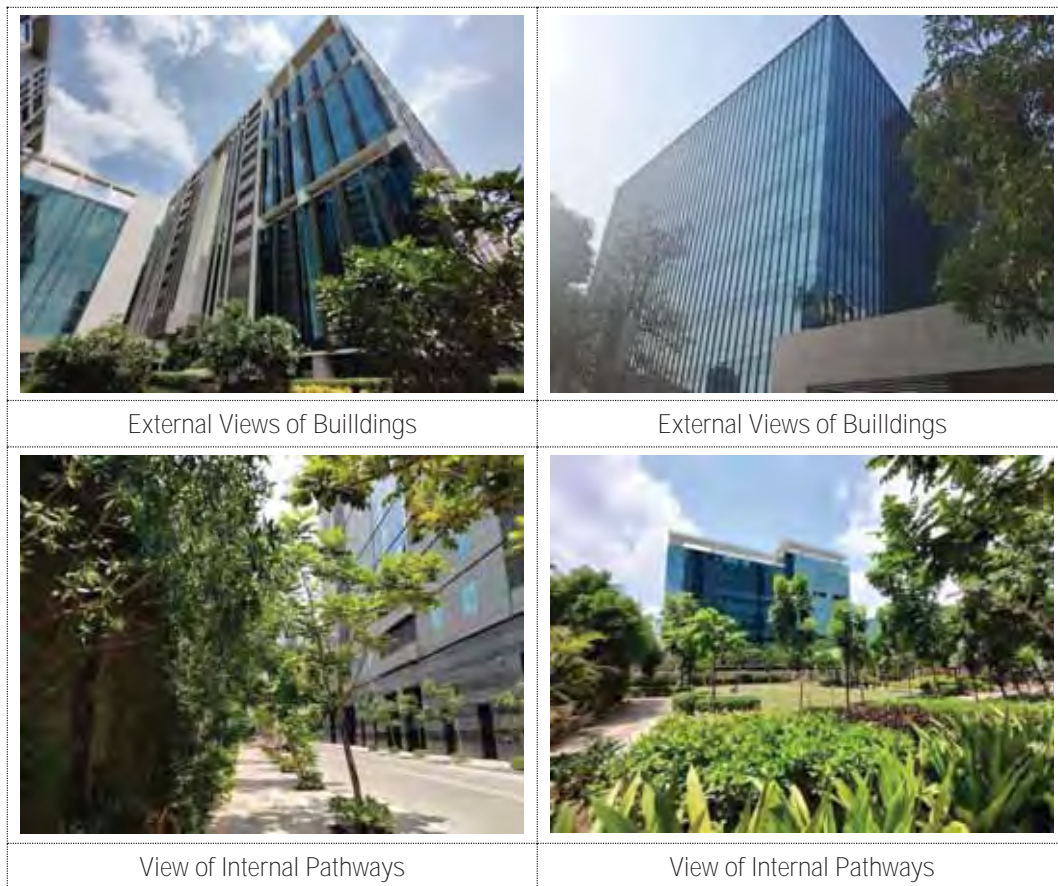








Court are completed and operational. The project also includes two (2) Land Parcels for future development of ~6.42 acres and ~1.96 acres. Area under construction comprises of Non-SEZ data center building B8 as on the date of inspection by the Valuer. The Project was inspected by the Valuer on 27 March 2024.

The inspection comprised visual inspection of operational buildings comprising the property and visits to key utility areas like LT Electric Room, Pump Room, HVAC installations, Power Back up, STP. The common areas within the buildings were visited on a sample basis as the areas under tenant occupation had access restriction.

The visual inspection of the buildings did not reveal any cause of concern with no visible signs of any disrepair or ill maintenance within the operational buildings. The utility areas also appeared well maintained, visually. No instances of any major logging or water accumulation were observed during the inspections. The inspections did not comprise any structural survey, technical/engineering review or safety audit and the assessment of the condition of the building, its utilities and campus infrastructure are based completely on visual survey.

Some of the photographs of the Project and surroundings are given below.



|   |  |
|---|--|
|    |    |
| Internal Views of Buildings   | Internal Views of Buildings  |
|   |   |
| View of Under Construction Building   | View of Under Construction Building  |
|  |  |
| View of Access Road   | View of Access Road  |

## 5.6 OTHER RELEVANT INFORMATION RELATED TO THE PROJECT

### **Site Services and Finishes**

The visual inspection was done for all the buildings including common areas and key utility areas such as LT Electric Room, Pump Room, STP, Chillers, HVAC Installations etc. As per the visual survey there was no concern related to finishes and site services. The campus is well maintained with proper landscaping in common areas.

### **Condition and Repairs**

The visual inspection was done for all the buildings including common areas and key utility areas such as LT Electric Room, Pump Room, STP, HVAC Installations etc. The inspection of key utility areas was done on a sample basis, and it did not reveal any cause of concern or ill maintenance in the operational building.

Below mentioned properties are undergoing upgradation / further development the budget and cost incurred details for the same are as follows:

#### **For Completed Project –**

Office Building (B1, B2, B3, B4, B5 B6, B9), Data Centre Building (B10) and Centre Court. The project has received full occupancy certificate. However, there is CAPEX (Upgrade cost) to the tune of approx. INR 178 million which shall be completed by Q4 FY25. Till date major repairs / upgrades / improvements to the tune of INR 200 million have been incurred.

#### **For Under Construction–**

Data Centre Building (B8) – approx. INR 1,025 million CAPEX (Construction cost, project support services and approval cost) is to be incurred while the construction of the building (B8) is expected to be completed as specified earlier in the report.

### **Environmental Considerations**

The Valuer has not carried out any investigations or tests or been supplied with any information from the Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the subject or any other land (including any ground water).

For the purpose of assessing the vulnerability of the Project to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Mumbai where the Project is located falls in Seismic Zone III with moderate risk. The city faces low risk in terms of high winds or cyclones too. The Project is not likely to face any higher risk than the overall risk profile of the city. No hazardous activity was noted in the vicinity of the Project, which may expose it for any induced disaster.

The Project is located at a relatively higher elevation compared to its immediate surroundings, indicating low risk of flooding and perennial water logging.

### **Option or Pre-Emption Rights and Encumbrances**

Unless disclosed and recorded by the Client, the Project is considered to possess a good and marketable title and is free from any unusually onerous encumbrances with no option or pre-emption rights in relation to the assets except for those created in favor of the lenders, based on the information given in the Title Reports prepared by Saraf and Partners (hereinafter collectively referred to as 'Legal Counsel'). The Valuer has not checked and verified the title of the Project.

### **Revenue Pendencies**

On the basis of the Title Reports prepared by the Legal Counsel and discussion with the Client, there are no revenue pendencies including local authority taxes associated with the Project or any compounding charges. No independent verification of this has been made from revenue authorities and reliance has been made on the Client information for the same.

### **Material Litigation**

Based on discussions with the Client and Title Reports shared, there are no material litigation including tax disputes other than the litigation disclosed to the Valuer (which are specified in Annexure 7), relating to the Project or any compounding charges.

## **5.7 TENANCY ANALYSIS**

### **Tenant Profile**

As on 31<sup>st</sup> March 2024, Project Site has 55 tenants (for office & data centre facility) which include companies like Accenture Services Pvt. Ltd., Princeton Digital Group India Management Pt. Ltd., HDFC Bank Limited, etc. The Project Site's top 10 tenant accounts for ~64.4% of the Gross Rental income.

The top 10 Tenants as per Leasable areas is listed below: -

**Table 5.6: Top 10 Tenants as per Leasable areas\***

| Sl. No. | Tenant  | Leasable Area (Sq Ft) |
|---------|---|-----------------------|
| 1       | HDFC Bank Limited   | 646,073               |
| 2       | Accenture Services Pvt. Ltd. (Accenture Solutions Pvt. Ltd.)      | 389,740               |
| 3       | Princeton Digital Group India Management Pt. Ltd.                 | 315,110               |
| 4       | Axis Bank Ltd   | 208,158               |
| 5       | GeP Solutions Pvt. Ltd  | 200,679               |
| 6       | UBS Business Solutions (I) Pvt. Ltd                               | 197,940               |
| 7       | Jacobs Engineering India Private Limited (Worley India Pvt. Ltd.) | 196,476               |
| 8       | Here Solutions India Private Limited                              | 194,213               |
| 9       | IDFC First Bank Ltd   | 189,716               |
| 10      | Tablespace Technologies Pvt. Ltd.                                 | 160,230               |
|         | Total   | 2,698,335             |

\* Includes contracted areas for which rent may start at a future date

Top 10 Tenants as per Gross Rents are listed below: -

**Table 5.7: Tenants as per Gross Rentals\***

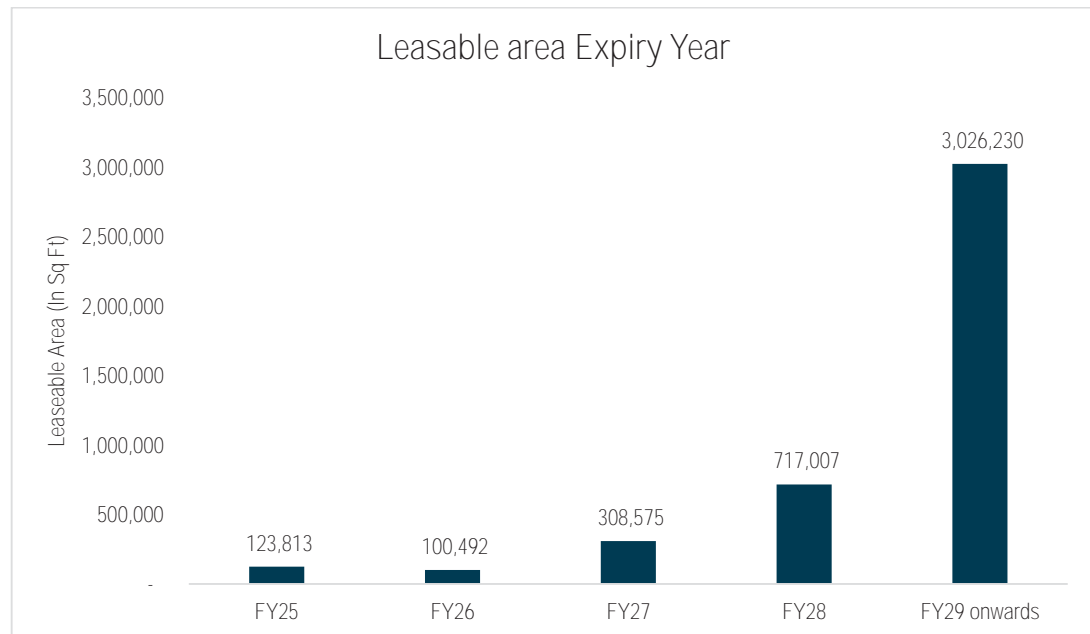
| Sl. No. | Tenant  | Share of Gross Rentals |
|---------|---|------------------------|
| 1       | Accenture Services Pvt. Ltd. (Accenture Solutions Pvt. Ltd.)      | 10.8%                  |
| 2       | Princeton Digital Group India Management Pt. Ltd.                 | 10.5%                  |
| 3       | UBS Business Solutions (I) Pvt. Ltd                               | 6.3%                   |
| 4       | Jacobs Engineering India Private Limited (Worley India Pvt. Ltd.) | 5.8%                   |

|    |                                      |       |
|----|--------------------------------------|-------|
| 5  | Here Solutions India Private Limited | 5.7%  |
| 6  | IDFC First Bank Ltd                  | 5.3%  |
| 7  | HDFC Bank Limited                    | 5.2%  |
| 8  | GeP Solutions Pvt. Ltd               | 5.2%  |
| 9  | Axis Bank Ltd                        | 4.9%  |
| 10 | Dow Chemical International Pvt. Ltd. | 4.6%  |
|    | Total                                | 64.4% |

\* Includes contracted areas for which rent may start at a future date

### **Lease Expiry Analysis**

The WALE of the property is 8.5 years based on area as shared by client, with 23.7% of occupied area expiring between year FY 2025 and year FY 2028 as shown in the chart below:



### **Escalation Analysis**

The leases of the Project Site have typically seen rental escalation of 5% every year or 15% every 3 years.

## **5.8 POWER DISTRIBUTION SERVICES**

In accordance with Section 14 (b) of the Electricity Act, 2003 read with Section 4(1) of the SEZ Act, 2005, entities that own and operate SEZ Parks are considered Deemed Distribution Licensee for supplying electricity to consumers within the SEZ area. Pursuant to the above regulations, Gigaplex Estate Private Limited also has the license to distribute power within the Project Site. The SPV has invested in the infrastructure to facilitate the distribution of the power to the customers (occupiers and operators within the subject properties). It procures power from Power generators supplying to the grid and then distribute it to the end consumers within the Project Site. The SPV is not allowed to expand the power distribution outside the limits of the SEZ, i.e., the Project Site in this case.



## 6 MARKET SCAN OF THE CITY AND THE MICRO-MARKET

### 6.1 INTRODUCTION

The valuation exercise takes into account the market performance and various other indicators that are relied upon the industry report which has been prepared by Jones Lang LaSalle India Property Consultants, who are appointed as an independent consultant by the Client.

### 6.2 CITY OVERVIEW

Mumbai, the financial capital of India, is a bustling metropolis that boasts a vibrant economy and is one of the key industrial hubs of India. Situated on the Western coast of the country, the city serves as a centre for commerce, trade, and finance. It houses the headquarters of numerous multinational corporations, top financial institutions, and major Indian companies. Additionally, it is home to Asia's oldest stock exchange – the Bombay Stock Exchange. Its strategic location, well-developed infrastructure, and connectivity through air, road, and rail networks make it a preferred destination for businesses. The city's robust economy is fuelled by various sectors, including finance, banking, information technology, manufacturing, entertainment, media, and services. Mumbai contributes ~5-6% to the overall GDP of the country and is also the top contributor to the country's exchequer, accounting for nearly 1/3rd of India's overall direct tax collections.

Mumbai's real estate market holds the distinction of being one of the most expensive markets in India. The capital value and rents in prime office submarkets rank among the highest in the country. However, despite these high costs, the market continues to exhibit strong activity levels. The office real estate market in Mumbai ranks as the third largest in India in terms of Grade A office stock, surpassed only by Bengaluru and Delhi NCR. The city's ability to cater to a diverse range of industries, attract top talent, and provide excellent business support services ensures that Mumbai continues to attract domestic as well as international businesses looking to establish or expand their presence in India.

### 6.3 INFRASTRUCTURE INITIATIVES

#### Existing infrastructure

| Existing Project                                 | Completion timeline | Details  | Key impact zones   |
|--|---------------------|--|--|
| Bandra Worli Sea Link                            | 2009                | 5.6 km long, 8-lane wide bridge that links Bandra with South Mumbai. | SBD Central, BKC & Annex and BKC Outskirts                     |
| Sea Link to Bandra Kurla Complex (BKC) Connector | 2021                | 604 meter long, two-lane flyover                                     | BKC & Annex and BKC Outskirts                                  |
| BKC – Eastern Express Highway Connector          | 2019                | 1.6 km connector from G Block of BKC to the EEH                      | BKC & Annex, BKC Outskirts and Eastern Suburbs                 |
| Western Express Highway (WEH)                    | 2002                | North-south 8-10 lane arterial road of 25.33 km                      | BKC & Annex, BKC Outskirts, Western Suburbs and Malad-Goregaon |



|  |      |  |   |
|--|------|--|---|
| Eastern Express Highway (EEH)  | 2003 | 23.55 km city express highway  | BKC & Annex, BKC Outskirts and Eastern Suburbs  |
| Eastern Freeway  | 2013 | 16.8 km long controlled-access highway   | CBD, SBD Central and Eastern Suburbs  |
| JVLR (Jogeshwari Vikhroli Link Road)   | 1994 | 10.6 km long 6 lane road connecting the WEH and EEH  | Western and Eastern Suburbs and Malad-Goregaon  |
| SCLR (Santacruz Chembur Link Road)   | 2014 | 6.45-kilometre-long (4.01 mi) arterial road connecting WEH and EEH   | BKC Outskirts, and Eastern suburbs  |
| Ghodbunder Road  | NA   | Key arterial road connected to the Western Express Highway at Ghodbunder and the Eastern Express Highway at Majiwada | Thane   |
| Thane Belapur Road   | NA   | Major road connecting Thane and Navi Mumbai. The road has been widened to a total of 6 lanes                         | Thane and Thane-Belapur Road  |
| Mumbai – Pune Expressway   | 2002 | 6-lane wide tolled expressway spanning a distance of 94.5 km   | Thane-Belapur Road, Navi Mumbai Others  |
| Western Line (Suburban Railway)  | 1867 | Consists of 37 stations from Dahanu Road to Churchgate railway station.  | CBD, BKC & Annex, BKC Outskirts, SBD Central, Western Suburbs, Malad-Goregaon         |
| Central Line (Suburban Railway)  | 1853 | Consists of 24 stations from Chhatrapati Shivaji Maharaj Terminus to Kalyan  | CBD, SBD Central, BKC & Annex, BKC Outskirts, Western Suburbs, Eastern Suburbs, Thane |
| Harbour Line (Suburban Railway)  | 1910 | The Harbour line is a branch line of the Mumbai Suburban Railway   | CBD, SBD Central, Thane-Belapur Road and Navi Mumbai Others                           |
| Monorail Line 1 (Jacob Circle – Wadala)  | 2014 | 20.21 km line and is fully elevated  | SBD Central   |
| Chhatrapati Shivaji Maharaj International Airport  | 1942 | It has two operating terminals spread over 750 hectares handling 950 aircraft per day.                               | Western Suburbs, Malad-Goregaon   |
| Mumbai Coastal Road Project (Partial opening of Phase 1 connecting Worli & Marine Drive) | 2024 | Partial opening of 4.5 km stretch from Worli to Marine Drive was opened to traffic.                                  | CBD, SBD Central  |

### **Upcoming infrastructure**

Submarket of Thane-Belapur Road and Navi Mumbai Others will benefit from the proposed Navi Mumbai International Airport. A proposed airport would positively impact the real estate market in Navi Mumbai by improving the area's commercial value, mainly through generating employment opportunities. Furthermore, it will also ease the burden on Mumbai's Chhatrapati Shivaji International Airport (CSIA) which accounts for over 25% of the entire air traffic in India.

Submarkets like CBD, SBD Central, Western Suburbs and Malad-Goregaon will benefit from the coastal road project. It will help improve the connectivity and reduce commuting time by 70%. Further, it will create easy access to the commercial hotspots of South Mumbai. Most importantly, it will decongest the expressway and local railways. This will lead to an uptick in the housing demand in the nearby suburbs and boost property prices

| Upcoming Project                                     | Completion timeline | Details   | Key impact zones  |
|--|---------------------|---|---|
| Mumbai Coastal Road Project (Phase 1)                | 2024                | 8-lane project of 10.58 km from Princess Street flyover to Worli end of Bandra Worli Sea Link. Comprises of twin tunnels each 3.45 km long equipped with the latest technology. | CBD, BKC & Annex, BKC Outskirts, SBD Central, Western Suburbs, Malad-Goregaon |
| Navi Mumbai International Airport                    | 2025                | It will be connected with Navi Mumbai Metro's Line 1 and with the proposed Mumbai Metro's Line 8 (Gold Line).   | Thane-Belapur Road and Navi Mumbai Others                                     |
| Goregaon Mulund Link Road                            | 2028                | 12-km long road infrastructure project that will connect Mulund directly to Goregaon. Construction in 4 phases  | Malad-Goregaon and Eastern Suburbs  |
| Suburban corridor between Panvel-Karjat on CR        | 2025                | 5 stations of Panvel, Chikale, Mahape, Chowk and Karjat and will pass through 58 bridges  | Thane-Belapur Road and Navi Mumbai Others                                     |
| Suburban corridor link between Airoli-Kalwa on CR    | 2024                | 8 kms long elevated link between Airoli and Kalwa is crucial for decongesting Thane station in future.  | Thane-Belapur Road, Navi Mumbai Others and Thane                              |
| Quadrupling of Virar-Dahanu road on WR               | 2025                | 8 new stations and several new structures, like station buildings at Virar, Vaitarna, Saphale, Kelve Road, Palghar, Umroli, Boisar and Wangaon-Dahanu road                      | Malad-Goregaon  |
| Extension of Harbour Line between Goregaon- Borivali | 2026                | 3-km elevated stretch over Malad to extend the existing harbour line  | Malad-Goregaon  |

**Mumbai - Map of existing and upcoming infrastructure**

Source: Real Estate Market Research & Analysis: JLL, 31<sup>st</sup> March 2024

**Existing Metro Rail Lines**

| Existing Project                        | Completion timeline | Details   | Key impact zones                   |
|---|---------------------|---|------------------------------------|
| Metro Blue Line 1 (Versova – Ghatkopar) | 2014                | 11.40 km line is fully elevated and consists of 12 stations | Malad-Goregaon and Eastern Suburbs |
| Metro Red Line 7                        | 2022                | Dahisar – Andheri – CSMIA T1                                | Western Suburbs and Malad-Goregaon |
| Metro Yellow line 2A                    | 2022                | Dahisar – Andheri West                                      | Western Suburbs and Malad-Goregaon |

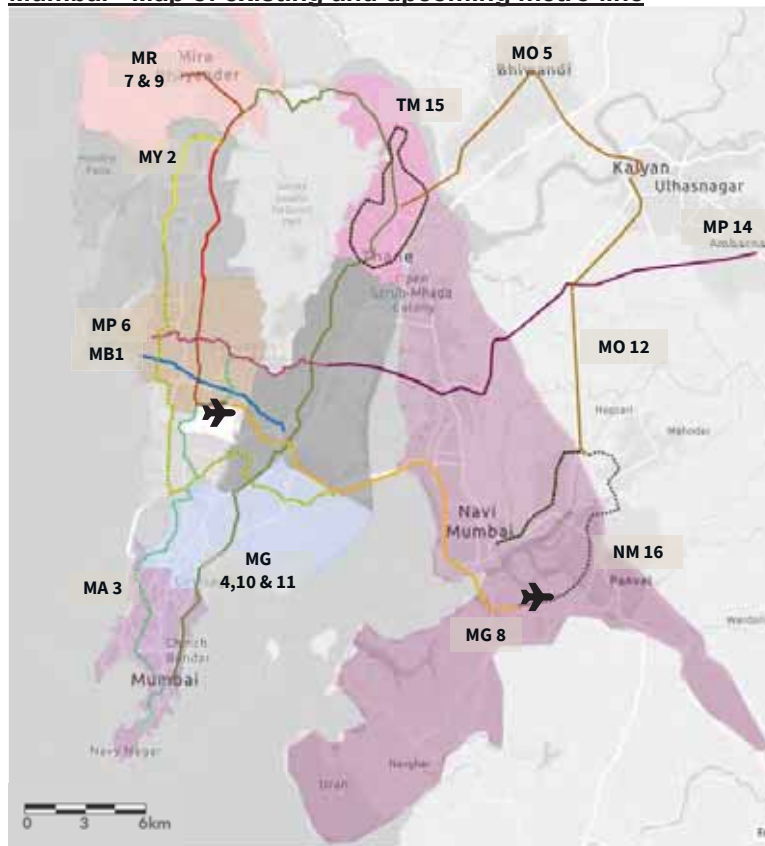
**Upcoming Metro Lines - Mumbai**

Completion of all the upcoming metro lines will benefit all the micro-markets of the city such as CBD, SBD BKC, SBD Central, Western Suburbs, Malad-Goregaon, Eastern Suburbs, Thane, and Navi Mumbai. The proposed metro aims to connect the areas that are not connected by the existing railway and enable commuters to reach the station within 500 m to 1 km. Residential developments in micro markets of Thane and Navi Mumbai will receive a boost, due to improved connectivity with the commercial hubs in the Western Suburbs and Malad-Goregaon

| Upcoming Project              |            | Completion timeline | Details                               | Key impact zones   |
|-------------------------------|------------|---------------------|---------------------------------------|--|
| Metro Aqua line 3 (Phase 1)   | MA 3       | 2024                | Colaba-Bandra-SEEPZ                   | CBD and SBD Central, BKC & Annex, BKC Outskirts, Western Suburbs           |
| Metro Green Line 4            | MG 4,10,11 | 2025                | Wadala – Kasarvadavali – Gaimukh      | Eastern Suburbs and Thane  |
| Metro Orange Line 5           | MO 5       | 2025                | Thane – Bhiwandi – Kalyan             | Thane  |
| Metro Pink Line 6             | MP 6       | 2026                | Lokhandwala – Jogeshwari – Kanjurmarg | Western and Eastern Suburbs,   |
| Metro Gold Line 8             | MG 8       | 2026                | CSMIA T2 – NMIA (indicative)          | Western Suburbs, Thane-Belapur Road, Navi Mumbai Others and Malad-Goregaon |
| Metro Red Line 9              | MR 7 & 9   | 2025                | Dahisar – Mira Bhayandar              | Dahisar, Mira Road, Bhayandar  |
| Metro Green Line 10           | MG 4,10,11 | 2025                | Gaimukh – Shivaji Chowk (Mira Road)   | Thane  |
| Metro Green Line 11           | MG 4,10,11 | 2030                | Wadala – CSMT                         | SBD Central and CBD  |
| Metro Orange Line 12          | MO 12      | 2027                | Kalyan – Dombivali – Taloja           | Navi Mumbai Others   |
| Metro Magenta Line 14         | MM 14      | 2027                | Vikhroli – Badlapur (indicative)      | Eastern Suburbs and Thane  |
| Thane Metro                   | TM 15      | 2026                | Raila Devi – New Thane (indicative)   | Thane  |
| Navi Mumbai Metro Phase 2 & 3 | NM 16      | 2026-27             | Belapur – NMIA Taloja – Khandeshwar   | Thane-Belapur Road and Navi Mumbai Others                                  |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### **Mumbai - Map of existing and upcoming metro line**



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

## 6.4 MUMBAI - OFFICE SUBMARKETS

| Submarket          | Locations  |  |
|--------------------|--|--|
| CBD                | Nariman Point, Churchgate, Fort, Ballard Estate, Cuffe Parade        |  |
| SBD Central        | Lower Parel, Dadar, Worli, Prabhadevi, Parel, Mahalaxmi              |  |
| BKC & Annex        | BKC  |  |
| BKC Outskirts      | Kalina, Kurla, Bandra East, Santacruz East                           |  |
| Western Suburbs    | Andheri East, Jogeshwari, Andheri West                               |  |
| Malad-Goregaon     | Goregaon, Malad, Borivali  |  |
| Eastern Suburbs    | Powai, LBS Marg, Ghatkopar, Vikhroli, Mulund, Sion                   |  |
| Thane              | Wagle Estate, Ghodbunder Road  |  |
| Thane-Belapur Road | Airoli, Mahape, Khoparkhairane, Turbhe, Juinagar, Nerul, CBD Belapur |  |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### City Market Trends

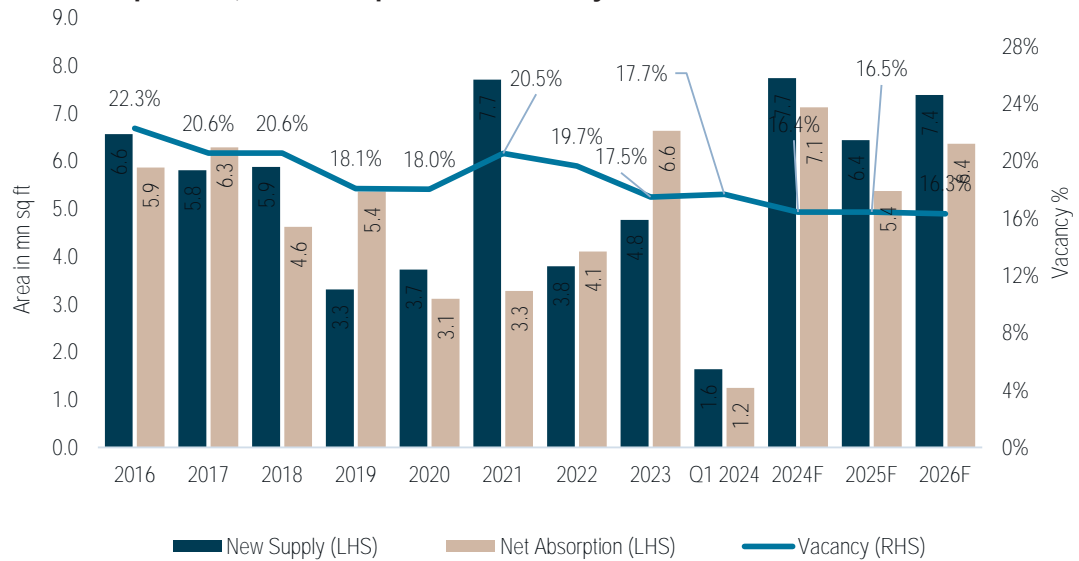
| Submarket          | Total Stock (Mn sq ft) | Net Absorption (mn sq ft) |                        |                        | Vacancy % |                        |                        |
|--------------------|------------------------|---------------------------|------------------------|------------------------|-----------|------------------------|------------------------|
|                    |                        | Q1 2024                   | Q4 2023 (Q-O-Q Change) | Q1 2023 (Y-O-Y Change) | Q1 2024   | Q4 2023 (Q-O-Q Change) | Q1 2023 (Y-O-Y Change) |
| Overall            | 130.4                  | 1.25                      | -61.0%                 | 23.2%                  | 17.7%     | 20 bps                 | -130 bps               |
| CBD                | 5.0                    | 0.01                      | 23.6%                  | -62.1%                 | 8.8%      | -30 bps                | -80 bps                |
| SBD Central        | 18.4                   | 0.08                      | -85.1%                 | -77.0%                 | 24.1%     | -40 bps                | -150 bps               |
| BKC & Annex        | 10.2                   | 0.02                      | -144.3%                | -34.8%                 | 7.3%      | -20 bps                | -130 bps               |
| BKC Outskirts      | 6.4                    | 0.17                      | 169.5%                 | 63.4%                  | 13.5%     | 20 bps                 | -140 pbs               |
| Western Suburbs    | 20.6                   | 0.21                      | 63.0%                  | 77.7%                  | 16.8%     | -90 bps                | -60 bps                |
| Malad-Goregaon     | 19.9                   | 0.32                      | -78.1%                 | 2280.2%                | 16.4%     | 330 bps                | -210 bps               |
| Eastern Suburbs    | 15.7                   | 0.22                      | -27.0%                 | 238.3%                 | 10.9%     | 140 bps                | -440 bps               |
| Thane              | 9.7                    | 0.09                      | -30.7%                 | 1073.3%                | 19.8%     | 280 bps                | 260 bps                |
| Thane-Belapur Road | 20.3                   | 0.11                      | -81.6%                 | -60.5%                 | 18.9%     | -60 bps                | -430 bps               |
| Navi Mumbai Others | 4.2                    | 0.01                      | 0.0%                   | -60.1%                 | 57.2%     | -20 bps                | -190 bps               |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024



## Supply, Demand Trend

### Total Completions, Net Absorption and Vacancy Rate



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

## Leasing Activity

The city's office leasing activity stood at 2.1 million sq ft in Q1 2024, representing an increase of 40.4% compared to Q1 2023. Importantly, this was the strongest ever first quarter leasing performance compared to all previous Q1 performances. Leasing was driven by increased space take up from BFSI occupiers who accounted for ~44% of the overall activity, followed by the real estate and construction segment, which accounted for ~14%. During the quarter, the Malad-Goregaon submarket witnessed the highest traction with a share of 29.0% in leasing activity. Eastern Suburbs and Western Suburbs followed with respective shares of 20.3% and 15.8%.

Leasing activity was dominated by the strong performance of domestic firms, which accounted for 78% of the overall leasing activity. The trend of end-user deals in managed office spaces continued during the quarter. All major pre-commitments remained intact. Office space leasing activity during the quarter was mostly driven by large to medium-sized deals.

In recent times, the city witnessed increased demand by the occupiers from data centres, medical technology, health analytics, online education, gaming, pharma, and FMCG sectors. We expect vacancy levels to remain rangebound in the medium term.

## Vacancy

New supply during the quarter outpaced net absorption leading to a 20 bps q-o-q rise in vacancy levels to 17.7%. However, at a submarket level, vacancy levels decreased in all but three submarkets of BKC Outskirts, Malad-Goregaon and Thane. On a y-o-y basis, vacancy has decreased by 130 bps.

## New Supply

A supply of 1.6 million sq ft came on stream in 1Q24, largely driven by a couple of large-sized projects in the Malad-Goregaon and Thane sub-markets. The BKC Outskirts sub-market also recorded a supply of 0.1 million sq ft. The pace of the construction activity remains at optimum levels. Some of the key projects that became operational during the quarter were Oberoi

Commerz 3 Phase 2 (0.7 million) in Goregaon, 63 GMA (0.4 million) in Goregaon, and Centrum Business Square (0.4 million) in Thane.

By the end of 2026, overall stock is expected to see an addition of around 20 million sq ft of Grade A space, with Eastern Suburbs, Thane-Belapur Road and Western Suburbs combining to account for 74% of the future supply.

### **Outlook**

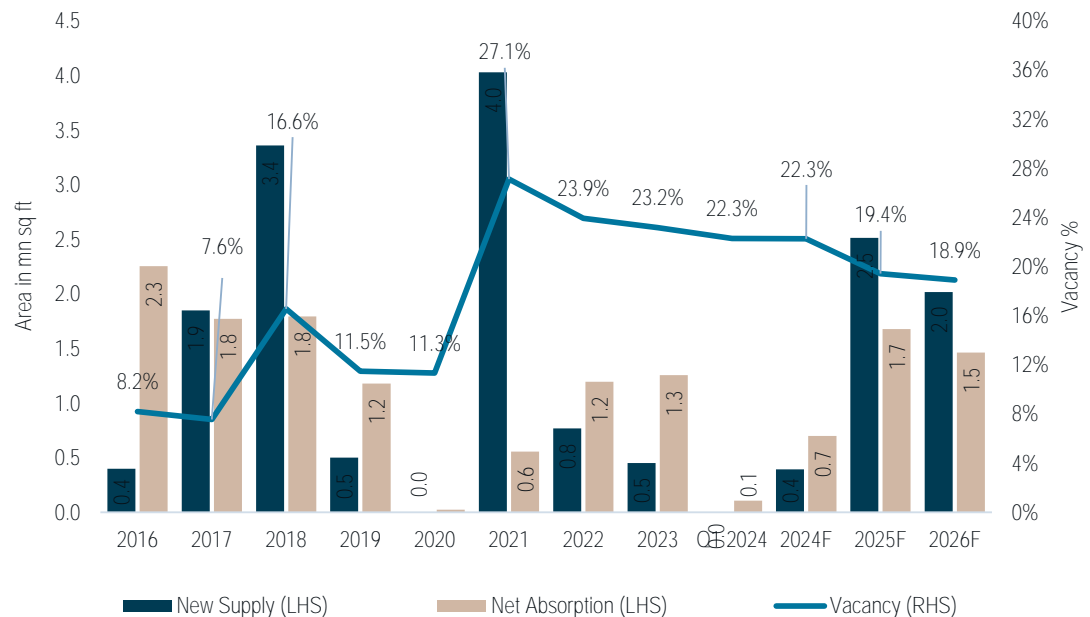
A total of nearly 7.5-8.0 million sq ft of office space is scheduled to be completed by end-2024. An optimum pace of construction activity is expected to continue in 2024. Total net absorption in 2024 is expected to be around 6.5-7.5 million sq ft as quality projects will continue to witness healthy demand from occupiers. Demand is expected to be driven by the BFSI, Consulting, and manufacturing sectors. As absorption outpaces supply, vacancy levels are expected to go down by 2024-end. Capital values are expected to rise faster than rents due to rising investor interest, leading to a compression of yields in key submarkets for quality assets.

## **6.5 MICRO MARKET: THANE-BELAPUR ROAD**

The Mindspace Airoli West project lies in the Thane-Belapur Road micro market.

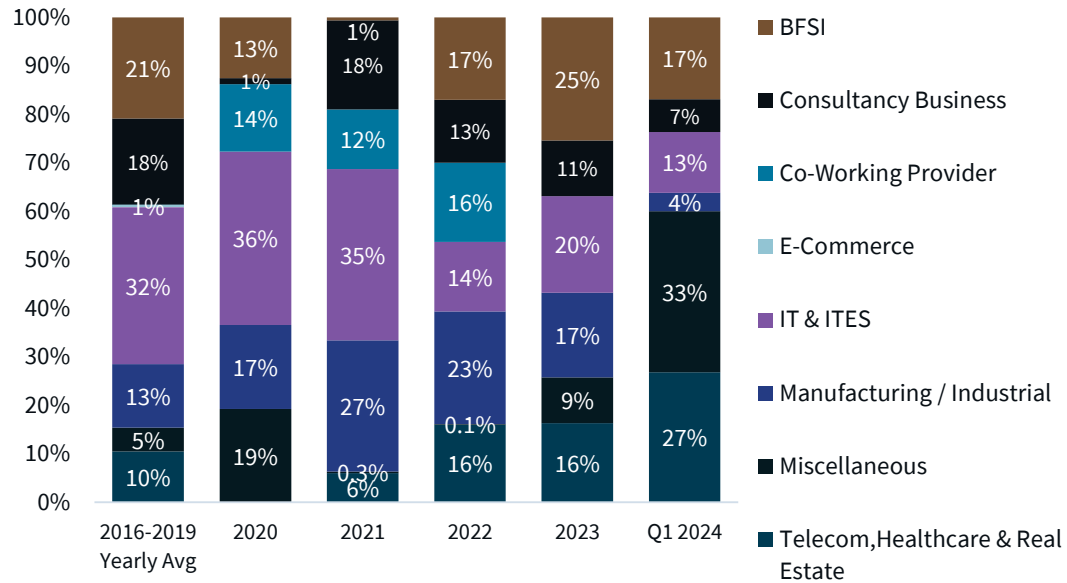
### **Supply, Demand Trend**

#### **Total Completions, Net Absorption and Vacancy Rate**



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### Occupier share in gross leasing activity



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### Leasing Activity

The submarket witnessed a leasing activity of 185,898 sq ft in Q1 2024, down by 26.2% y-o-y. Most of the absorption came from space take-ups in the projects completed in the past 3 years. Inventurus Knowledge Solutions leased 44,533 sq ft in Mindspace Airoli, Sriram Finance Limited leased 31,408 sq ft in Q Parc and IndusInd Bank leased 27,084 sq ft in International Infotech Park. Thane-Belapur Road is one of the most favoured submarkets amongst IT/ITeS occupiers as it offers a good supply of quality space with large floor plates, ideal for consolidating and expanding within the campus.

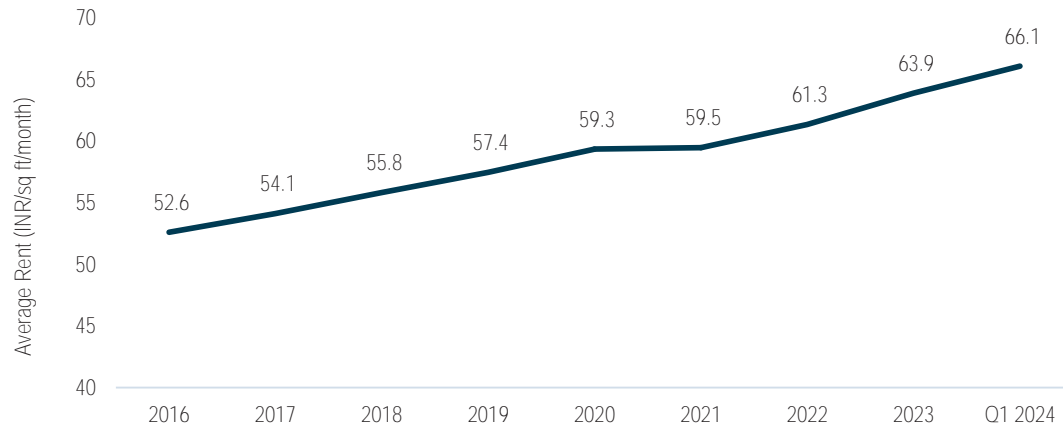
### Supply

No new supply addition was recorded during the quarter, keeping the stock unchanged at 20.3 million sq ft. Thane-Belapur Road is still the largest submarket in the city, accounting for a 15.6% share of the total city Grade A office stock.

### Vacancy

The vacancy rate declined by 50 bps q-o-q to 18.9% despite the net absorption keeping pace with new supply addition. However, good-quality projects by prominent developers continued to exhibit single-digit vacancies.

## Rents



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

**Note:** Mindspace REIT micro markets, the rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 10% depending upon negotiations, final structuring of the lease agreement and other parameters.

The average rent in the submarket stood at INR 66.1 per sq ft per month in Q1 2024, registering a q-o-q increase of 3.4%. Thane-Belapur Road remains a much more affordable alternative than Thane for IT/ITeS occupiers. Prominent projects, such as Mindspace REIT Airoli, Gigaplex, and Loma IT Park, were seeing deal closures in the range of INR 58–62 per sq ft per month.

## Prominent Lease Transactions within the Micro-Market

Below are some of the lease transactions witnessed in the micro-market.

| Sl. No. | Occupier Name                                  | Name of the Building                 | Location           | Area Leased (sq. ft.) | Lease Rentals (INR per sq. ft. per Month) | Transacted Period |
|---------|--|--------------------------------------|--------------------|-----------------------|---|-------------------|
| 1       | HMM Shipping India Private Limited             | Rupa Renaissance                     | Thane-Belapur Road | 18,100                | 60  | Q1 2024           |
| 2       | Furgo Survey India Private Limited             | Rupa Renaissance                     | Thane-Belapur Road | 21,990                | 56  | Q1 2024           |
| 3       | Xplore Tech Services Private Limited           | Rupa Solitaire                       | Thane-Belapur Road | 23,348                | 60  | Q1 2024           |
| 4       | Lenskart Eytech Private Limited                | Rupa Renaissance                     | Thane-Belapur Road | 16,600                | 79  | Q1 2024           |
| 5       | Inventurus Knowledge Solutions Private Limited | Mindspace Airoli East Building 5 & 6 | Thane-Belapur Road | 44,533                | 64  | Q1 2024           |
| 6       | RSM Astute Consulting Private Limited          | Rupa Renaissance                     | Thane-Belapur Road | 12,500                | 73  | Q1 2024           |

|   |                         |                |                    |        |    |         |
|---|-------------------------|----------------|--------------------|--------|----|---------|
| 7 | Shriram Finance Limited | Q Parc Phase 2 | Thane-Belapur Road | 31,408 | 63 | Q1 2024 |
|---|-------------------------|----------------|--------------------|--------|----|---------|

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The lease transactions in the Thane-Belapur Road micro market are recorded in the range of INR 50 – 80 per sq. ft per month. The lease transactions in Airoli West location where the Project is located are in the range of INR 55 to 65 per sq. ft per month. Market rent for Mindspace Airoli West Project has been considered in line with the achievable market rent for completed buildings at INR 55 per sq. ft per month.

### **Investment Activities within the Micro Market**

The city has witnessed few institutional office transactions of varying size. It is observed that the transaction value is based on the nature of the development, the micro market location, Project, leases prevailing etc.

### **Investment Activities within the Country**

The table below present details of few large sale transactions in major cities in India. Net yield for these transactions is arrived based on the Capital Value at which the property was transacted and rentals applicable for the same property during transaction. The net yield for such large transactions is witnessed in the range of 7.75% to 9.50%.

#### **List of transactions / deals in major cities recent past**

| Sl. No | City      | Property Name             | Location      | Micro Market  | Leasable Area (sq. ft.) | Capital Value (INR per sq. ft.) | Net Yield     | Transacted Period |
|--------|-----------|---------------------------|---------------|---------------|-------------------------|---------------------------------|---------------|-------------------|
| 1      | Mumbai    | One BKC                   | BKC, Mumbai   | BKC & Annex   | ~700,000                | 35,000-36,000                   | 8.00% - 8.25% | 2019              |
| 2      | Mumbai    | Equinox Business Park     | Kurla, Mumbai | BKC Outskirts | ~1,250,000              | 19,000 - 20,000                 | 8.25% - 8.50% | 2018              |
| 3      | Mumbai    | Express Towers            | Nariman Point | CBD           | ~472,377                | 40000 - 43,000                  | 7.25% - 7.75% | 2021              |
| 4      | Chennai   | Sandhya Infocity          | Navalur       | PBD OMR       | ~1,418,174              | 5,500 – 6,000                   | 8.00% - 8.50% | 2021              |
| 5      | Chennai   | Global Infocity           | Perungudi     | SBD OMR       | ~2,700,000              | 8,500 – 9,000                   | 7.75% - 8.00% | 2018              |
| 6      | Chennai   | One India bulls Park      | Ambattur      | PBD West      | ~1,900,000              | 4,500 – 5,000                   | 8.00% - 8.50% | 2018              |
| 7      | Hyderabad | Phoenix aVance Building 6 | HITEC City    | PBD West      | ~640,000                | 7,500 - 8,000                   | 9.00% – 9.50% | 2021              |
| 8      | Hyderabad | Phoenix Aquila Tower A    | Gachibowli    | PBD West      | ~1,180,000              | 8,200 - ,8700                   | 8.00% - 8.25% | 2021              |
| 9      | Hyderabad | Waverock                  | Gachibowli    | PBD West      | ~2,350,000              | 7,200 - 7,700                   | 8.00% - 8.25% | 2017              |
| 10     | Pune      | E Park 2                  | Kharadi       | SBD East      | ~180,000                | 7,000-9,000                     | 7.75% - 8.00% | 2022              |
| 11     | Pune      | WTC Tower A               | Kharadi       | SBD East      | ~28,342                 | 10,000-11,500                   | 7.50% - 8.00% | 2019              |
| 12     | Bengaluru | Prestige RMZ Star Tech    | Bangalore     | SBD East      | ~1,370,000              | -                               | 7.60% - 7.80% | 2022              |
| 13     | Bengaluru | Embassy Tech Village      | Bangalore     | SBD East      | ~9,100,000              | 9,500 – 11,000                  | 8.00% - 8.25% | 2020              |

| Sl. No | City             | Property Name              | Location                       | Micro Market                 | Leasable Area (sq. ft.)                                    | Capital Value (INR per sq. ft.)                        | Net Yield   | Transacted Period |
|--------|------------------|----------------------------|--------------------------------|------------------------------|--|--|---|-------------------|
| 14     | Gurgaon          | One Horizon Centre         | Gurgaon                        | SBD East                     | ~421,134   | 22,000 – 24,000  | 8.00% - 8.25%   | 2020              |
| 15     | Mumbai           | Godrej BKC                 | BKC                            | BKC & Annex                  | ~200,000   | 40,000 – 45,000  | 8.00 – 8.50%  | 2023              |
| 16     | Mumbai & Gurgaon | Downtown Powai & Candor G1 | Powai & Sohna Road             | Eastern Suburbs & Sohna Road | ~2,700,000 + ~3,700,000                                    | Enterprise value INR 11,225                            | 7.90-8.20%  | 2023              |
| 17     | Chennai          | Embassy Splendid TechZone  | Pallavaram - Thoraipakkam Road | PBD OMR                      | ~1,400,000 (Completed) +1,600,000 (UC)+2,00,000 (Proposed) | Enterprise value INR 1,269 Cr. (61% economic interest) | 8.50% on the completed portion 10% on the u/c portion | 2024              |

Source: Real Estate Market Research & Analysis; JLL, March 2024

Project Site is **Mindspace Airoli West** which is one of the known developments for IT/ITeS companies located in the Thane-Belapur Road micro market at Airoli in Navi Mumbai City. The Project is a part of **Mindspace Business Parks REIT** (Mindspace REIT) portfolio. The location has excellent connectivity to residential locations and social infrastructure too.

The project offers Grade A, IT SEZ and non-SEZ space with good amenities and facilities. There are prominent clients in the larger campus. and is a preferred office space in this micro market due to the quality of buildings, ease of connectivity and nature of campus development. Considering the past transactions in the city and Project attributes in terms of size, occupancy profile, micro market trend etc. the cap rate has been arrived for the Project.

The Cap Rate applied to arrive at the terminal value of the property is 8.00%.

### **Outlook**

Over the next three years, the Thane-Belapur Road submarket is likely to add about 4.9 million sq ft of Grade A supply. As a result of this continuous infusion of supply into the submarket, rents are expected to remain stable or rise marginally, driven by a few marquee projects. Tech occupiers along with occupiers from the manufacturing segment and managed flex players are likely to be the mainstay of demand in this submarket.



## 7 MARKET VALUE ESTIMATE

### 7.1 ADOPTED PROCEDURE

The market practice in most commercial/ office developments involves contracting tenants / occupiers in the form of pre-commitments at sub-market rent to increase attractiveness of the property to prospective tenants - typically extended to anchor tenants. Additionally, there are instances of tenants paying above-market rent for certain properties as well (primarily owing to market conditions at the time of contracting the lease). In order to arrive at a unit value for these tenancies, the Valuer has considered the impact of such sub/above market rents on the valuation of the Project.

For the purpose of this valuation exercise, the Valuer has analyzed the tenancy details provided by the Client, to identify variances vis-à-vis prevailing market/marginal rent. Each lease is assessed separately for below aspects, for the rent over a 10-year time horizon:

- The rent rolls (and the corresponding lease deeds on a sample basis) were reviewed to identify tenancy characteristics for the asset. As part of the rent roll review, major tenancy agreements belonging to top 5 tenants were reviewed on a sample basis.
- Title certificates, architect certificates and other related documents as mentioned in relevant sections of the report were reviewed for validation of area details, ownership interests of the Project.
- Physical site inspections were undertaken to assess the status of the Project.

#### 7.1.1 Cash Flow Projections

The cash flows for the Project has been projected separately for each lease, to arrive at their respective value estimates.

Net Operating Income (NOI) has primarily been used to arrive at the value of the Project. The projected future cash flows from the Project are based on existing lease terms for the operational leases till the expiry of the leases or re-negotiation, whichever is earlier, following which, the lease terms have been aligned with market rents achievable by the Project.

For vacant area and under-construction/future development area, the achievable market rent-led cash flows are projected factoring appropriate lease-up timeframe for vacant/under-construction/future development area. These cash flows have been projected for 10-year duration from the date of valuation and for 11th year (for estimation of terminal value based on NOI). These future cash flows are then discounted to present-day value (valuation date) at an appropriate discount rate. Each lease is assessed separately for below aspects, for the rent over a 10-year time horizon:

- Projecting the rental income for identified tenancies up to the period of lease expiry, lock-in expiry, escalation milestones, etc. whichever is applicable. In the event of unleased spaces, market-led rent is adopted with suitable lease-up time.
- Generating a market led rental income stream for identified tenancies for the time period similar to the cash flows drawn in the aforementioned step.
- Computing the monthly income based on rent projected above and translating the same to quarterly income (for the next 10 years and 11th year is considered for calculation of terminal value).

Further, to arrive at the total value of the leased spaces (from base rentals), appropriate revenues and operational expenses are projected on quarterly basis. Some of such adjustments on revenue and operational expenses are presented in the table on the following page:

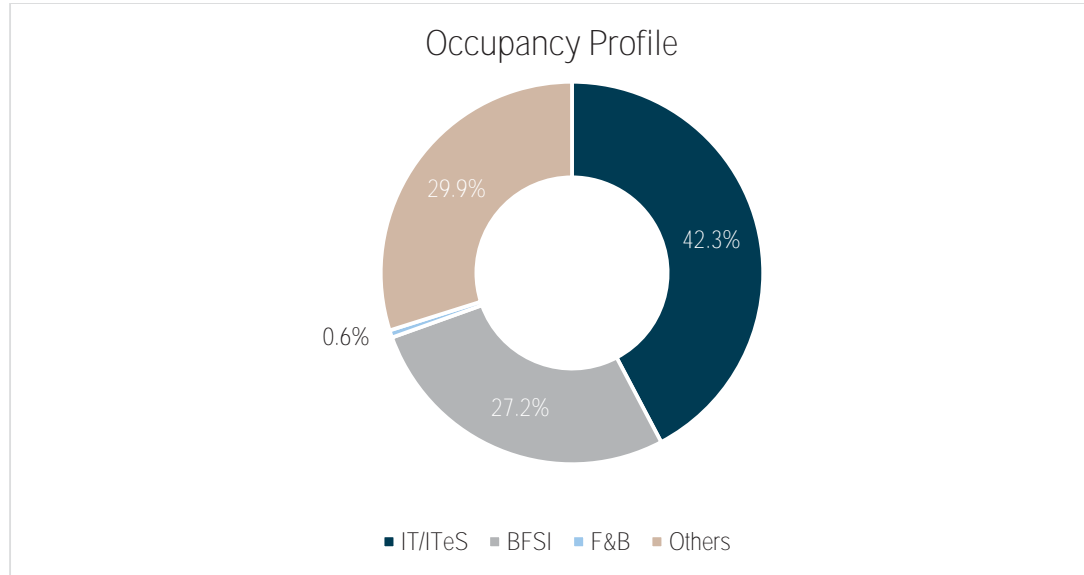
**Table 7.1: Adjustments on Revenues and Operational Expenses**

| Parameters                           | Description / Basis  |
|--------------------------------------|--|
| Parking Income                       | Based on income inputs provided by Client for the leased spaces and market assumption taken for vacant spaces  |
| Miscellaneous Income                 | Based on income inputs provided by Client for the Project  |
| Insurance                            | Based on insurance outflow (if any) provided by Client   |
| Annual Lease Rental / Property Taxes | Based on annual lease rental / property tax assessed for the Project as provided by Client   |
| Asset Management Fee                 | Considered as a recurring expense (in case of an external management team) as a percentage of the lease rental income as per the agreement between respective assets and its asset manager.  |
| Margin on CAM                        | Based on the operational revenues and expenses of the respective assets to understand the recurring, non-recurring, recoverable and non-recoverable expenses and accordingly modelled the common area maintenance income and operational expenses for the asset. |
| Revenue Escalation                   | Based on market-led annual escalation on the market rent   |
| Rent Free Period                     | Based on the trend prevalent in the submarket, appropriate rent-free periods from lease commencement date (for future / new leases) are considered   |
| Brokerage                            | Based on prevalent market dynamics, brokerage for future / new leases are considered   |
| Fit-Out Income                       | Based on fit-out rent (if any) provided by Client till lease expiry of applicable leases (same is not capitalized)   |
| Transaction Cost on Exit             | Considered as a percentage of the terminal value after aforesaid adjustments   |

**7.1.2 Absorption/ Leasing Velocity and Occupancy Profile**

Occupancy profile of the project is as follows: -

- ~42.3% of the space is taken by IT/ITeS sector.
- ~29.9% taken by Others (Professional Services, Healthcare & Pharma, Co-Working).
- ~27.2% by BFSI.
- A small area ~ 0.6% by F & B.



### 7.1.3 Key Assumptions and Inputs

The table below presents key assumptions and/or inputs used in the cash flow configuration used for providing Valuation of the Project.

**Table 7.2: Key Assumptions Used in the Estimate of Operational / Completed Blocks**

| Parameters                                    | Assumptions / Inputs  | Remarks / Basis   |
|---|---|---|
| Cash Flow Period                              |   |   |
| Valuation Date                                | 31-March-2024   | As per workings   |
| Cash Flow Period                              | 10 years  | As per workings   |
| Cash Flow Exit Period                         | 31-March-2034   | As per workings   |
| Asset Details                                 |   |   |
| Total Leasable Area                           | Refer Table 5.4   | As per the information provided by the Client   |
| Leased Area                                   | Refer Table 5.4   | As per the information provided by the Client   |
| Vacant Area / Vacancy                         | 990,125 sq. ft. (~20%)  | As per the information provided by the Client   |
| Vacancy Allowance                             | 2.0 %   | As per market benchmarks for large scale Grade A office projects. .   |
| Area to be Leased                             | 990,125 sq. ft. (~20%)  | As per the information provided by the Client   |
| Rent Free Period for Existing Lease Rollovers | 2 months  | As prevalent in the micro-market for Grade A properties, the rent free period for existing lease rollovers is two months. |
| Rent Free Period for New Leases               | <ul style="list-style-type: none"> <li>Office and Center Court- 4 months</li> </ul> | As prevalent in the micro-market for Grade A properties, the rent free period for new leases varies between 3-6 months.   |

| Parameters   | Assumptions / Inputs   | Remarks / Basis   |
|--|--|---|
| Estimated Leasing Period   | Not Applicable for this property   |   |
| Construction Related Assumptions   |  |   |
| Approx. Construction Cost to be incurred                                 | ■ INR 190 Mn   | As per the information provided by the Client   |
| Estimated Completion Date for Incurring the Expenditure                  | As specified in section 5.6  | As per the information provided by the Client   |
| Estimates of already carried out major repairs / improvements / upgrades | INR 200 Mn   | As per the information provided by the Client.  |
| Revenue Assumptions  |  |   |
| Lease Rentals  | Actual rentals as per the Rent Roll including additional charges (if any)  | As per the information provided by the Client   |
| Rent Escalation  | <p>Escalation in rentals as per the Rent Roll for the validity period of the leases:</p> <ul style="list-style-type: none"> <li>■ B1,B2,B3,B4,B5, B6,B9 and Centre Court – 4.5% per annum</li> <li>■ B10 (Data Centre) – 4% per annum</li> </ul> | As prevalent in the market  |
| Market / Marginal Rent – Office for FY25                                 | <ul style="list-style-type: none"> <li>■ B1,B2,B3,B4,B5, B6,B9 and Centre Court - INR 58.9 per sq. ft. per month</li> <li>■ B10 (Data Centre) - INR 79.8 per sq. ft. per month</li> </ul>  | <p>The lease transactions in Grade A office space in the said micro market are recorded in the range of INR 55 – 65 per sq. ft. per month for last 5 years. The asking instances are observed in the range of INR 60 - 70 per sq. ft. per month. Please refer section 6.5</p> <p>Based on the market benchmarking of recent leases on aspects such as location, size of transaction, type of development etc. the achievable rent for the Project is derived.</p> |
| Market / Marginal Rent – Amenities for FY25                              | Not Applicable   |   |
| Market Rent - Car Parking Space for FY25                                 | INR 2,100.00 per CPS per month   | The Grade A offices offers car parking rates in the range of INR 1,500 – 2,500 per slot per month. Based on the market benchmarking of recent leased rates within the micro-market, the achievable car park rate for the Project Site is derived.   |
| Market / Marginal Rent - Food Court for FY25                             | INR 69.55 per sq. ft. per month  | The lease transactions of food court in Grade A IT park in the said micro market are recorded in the range of INR 65 – 75 per sq. ft. per month for last 5 years. The asking instances  |

| Parameters  | Assumptions / Inputs   | Remarks / Basis  |
|---|--|--|
|   |  | are observed in the range of INR 70 - 80 per sq. ft. per month.  |
| Market / Marginal Rent – Kiosk for FY25           | INR 337.05 per sq. ft. per month   | The lease transactions of kiosk in Grade A IT park in the said micro market are recorded in the range of INR 330 – 350 per sq. ft. per month for last 5 years. The asking instances are observed in the range of INR 340 – 360 per sq. ft. per month.  |
| Market / Marginal Rent – Terrace for FY25         | Not Applicable   |  |
| Other Income                                      | 1.0% of base rentals   | As prevalent in the market, we consider a normalized level of other income for future. Hence, we have considered other income at 1.0% of base rental income. Other income includes components from Events, Telecom Towers, Pop-ups   |
| Market Rent Growth from FY26                      | 5% per annum   | As prevalent in the market   |
| Parking Rent Growth from FY26                     | 5.0% per annum   | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5.0% per annum for the Project  |
| Lease Tenure                                      | 9 years  | As prevalent in the market   |
| Target Efficiency                                 | 76%  | Recent re-leasing suggest that the Client has leased the same premises at relatively lower efficiency and received higher rentals for the same carpet area.<br>Going forward, for leases which will expire during the next 10 years, we have considered an efficiency at 76.0% or actual, whichever is lower |
| Maintenance Services Income / CAM Income for FY25 | <ul style="list-style-type: none"> <li>Office - INR 12.36 per sq. ft. per month</li> <li>Data Centre INR 2.00 per sq. ft. per month</li> </ul> | The CAM income in the Project is in-line with market trend and is as provided by Client  |
| Operating Cost Assumptions                        |  |  |
| Brokerage - New Leases                            | <ul style="list-style-type: none"> <li>Office - 4 months on base rent</li> <li>Data Centre - 3 months on base rent</li> </ul>                  | As prevalent in the market   |

| Parameters                         | Assumptions / Inputs  | Remarks / Basis                                    |
|------------------------------------|---|--|
| Brokerage - Renewals / Release     | 2 months on base rent   | As prevalent in the market                         |
| Maintenance Services Cost for FY25 | <ul style="list-style-type: none"> <li>Office- INR 9.93 per sq. ft. per month</li> <li>Data Centre – INR 1.00 per sq. ft. per month</li> </ul>  | As shared by client and as prevalent in the market |
| Property Tax for FY25              | INR 2.04 per sq. ft. per month  | As shared by client and as prevalent in the market |
| Insurance for FY25                 | INR 0.34 per sq. ft. per month  | As shared by client and as prevalent in the market |
| Cost Escalation                    | 3.0% per Annum  | As prevalent in the market.                        |
| CAM Escalation (Income + Expense)  | 5.0% per Annum  | As prevalent in the market.                        |
| Other Assumptions                  |   |  |
| Transaction Cost on Sale           | 1.0% of Terminal Value  | As prevalent in the market                         |
| Other Operating Expenses           | 2.0% of Base Rent + Car Parking Charges if any  | As prevalent in the market                         |
| Property Management Fees           | 3.5% (Base Rent + Car Parking Charges + Fit out Rent + Other Operating Income if any)   | As prevalent in the market                         |
| Discounting Rate / WACC            | Suggestive Discount Factor: 11.75%  | Refer Section 3.3 of this report                   |
| Cap Rate for Terminal Value        | Capitalized using long-term net yield rate of 8.0% (post yield shrinkage).<br>Capitalized based on the net cash flow of the 11 <sup>th</sup> year   | Refer Section 3.2 of this report                   |
| Cash Flow Configuration            | Cash flows have been drawn on quarterly basis for a period of 10 years, considering both cash inflows and outflows. Cash flows of terminal year is then capitalized and adjusted with transaction costs, to arrive at terminal value. | Value assumptions as practiced in the market       |



**Table 7.3: Key Assumptions Used in the Estimate of Under Construction Blocks**

| Parameters                                     | Assumptions / Inputs   | Remarks / Basis  |
|--|--|--|
| Cash Flow Period                               |  |  |
| Valuation Date                                 | 31-March-2024  | As per workings  |
| Cash Flow Period                               | 10 years   | As per workings  |
| Cash Flow Exit Period                          | 31-March-2034  | As per workings  |
| Asset Details                                  |  |  |
| Total Leasable Area                            | Refer Table 5.5  | As per the information provided by the Client  |
| Leased Area                                    | Refer Table 5.5  | As per the information provided by the Client  |
| Vacant Area / Vacancy                          | 0 sq. ft. (0%)   | As per the information provided by the Client  |
| Vacancy Allowance                              | 2 %  | As per market benchmarks for large scale Grade A office projects. .  |
| Area to be Leased                              | 0 sq. ft. (~0%)  | As per the information provided by the Client  |
| Rent Free Period for Existing Lease Rollovers  | 2 months   | As prevalent in the micro-market for Grade A properties, the rent free period for existing lease rollovers is two months.  |
| Rent Free Period for New Leases                | 3 months   | As prevalent in the micro-market for Grade A properties, the rent free period for new leases is three months.  |
| Estimated Leasing Period                       | Not Applicable as the vacancy is less than stabilized vacancy  |  |
| Construction Related Assumptions               |  |  |
| Approx. Construction Cost to be incurred       | ▪ B8 (Data Centre) - INR 1,024.4 Mn  | As per the information provided by the Client  |
| Estimated Completion Date                      | Please refer to Table 5.5  | As per the information provided by the Client  |
| Revenue Assumptions                            |  |  |
| Lease Rentals                                  | Actual rentals as per the Rent Roll including additional charges (if any)                              | As per the information provided by the Client  |
| Rent Escalation                                | Escalation in rentals as per the Rent Roll for the validity period of the leases, i.e. 4.0% every year | As prevalent in the market it is observed that lease agreements are primarily at 4.0% rent escalations every year.   |
| Market / Marginal Rent – Data Centers for FY25 | Data Centre) - INR 79.8 per sq. ft. per month  | The lease transactions in Grade A Data Centre development in the said micro market are recorded in the range of INR 75 – 85 per sq. ft. per month for last 5 years. The asking |

| Parameters  | Assumptions / Inputs             | Remarks / Basis   |
|---|----------------------------------|---|
|   |                                  | instances are observed in the range of INR 80 - 90 per sq. ft. per month. Based on the market benchmarking of recent leases on aspects such as location, size of transaction, type of development etc. the achievable rent for the Project is derived.  |
| Market / Marginal Rent - Amenities                | Not Applicable                   |   |
| Market Rent - Car Parking Space                   | Not Applicable                   |   |
| Market / Marginal Rent - Food Court               | Not Applicable                   |   |
| Market / Marginal Rent - Kiosk                    | Not Applicable                   |   |
| Market / Marginal Rent – Terrace                  | Not Applicable                   |   |
| Other Income                                      | 1.0% of base rentals             |   |
| Market Rent Growth from FY26                      | 5.0% per annum                   | As prevalent in the market  |
| Parking Rent Growth from FY26                     | Not Applicable                   |   |
| Lease Tenure                                      | 40 years                         | As per the information provided by the Client   |
| Target Efficiency                                 | 76%                              | Recent re-leasing suggest that the Client has leased the same premises at relatively lower efficiency and received higher rentals for the same carpet area. Going forward, for leases which will expire during the next 10 years, we have considered an efficiency at 76.0% or actual, whichever is lower |
| Maintenance Services Income / CAM Income for FY25 | INR 2.00 per sq. ft. per month   | The CAM rate in Data Centre Development is observed to be in the range of INR 1 – 5 per sq.ft. per month. The CAM income in the Project is in-line with market trend and is as provided by Client   |
| Operating Cost Assumptions                        |                                  |   |
| Brokerage - New Leases                            | 2 months receivable on base rent | As prevalent in the market  |
| Brokerage - Renewals / Release                    | 2 months receivable on base rent | As prevalent in the market  |
| Maintenance Services Cost for FY25                | INR 1.00 per sq. ft. per month   | As shared by client and as prevalent in the market  |

| Parameters                        | Assumptions / Inputs  | Remarks / Basis                                    |
|-----------------------------------|---|--|
| Property Tax for FY25             | INR 2.04 per sq. ft. per month  | As shared by client and as prevalent in the market |
| Insurance for FY25                | INR 0.34 per sq. ft. per month  | As shared by client and as prevalent in the market |
| Cost Escalation                   | 3% per Annum  | As prevalent in the market.                        |
| CAM Escalation (Income + Expense) | 5% per Annum  | As prevalent in the market.                        |
| Other Assumptions                 |   |  |
| Transaction Cost on Sale          | 1% of Terminal Value  | As prevalent in the market                         |
| Other Operating Expenses          | 2% of Base Rent + Car Parking Charges if any  | As prevalent in the market                         |
| Property Management Fees          | 3.5% (Base Rent + Car Parking Charges + Fit out Rent + Other Operating Income if any)   | As prevalent in the market                         |
| Discounting Rate / WACC           | Suggestive Discount Factor: (for data centre building B8) – 13%   | Refer Section 3.3 of this report                   |
| Cap Rate for Terminal Value       | Capitalized using long-term net yield rate of 8.0% (post yield shrinkage).<br>Capitalized based on the net cashflows of the 11 <sup>th</sup> year   | Refer Section 3.2 of this report                   |
| Cash Flow Configuration           | Cash flows have been drawn on quarterly basis for a period of 10 years, considering both cash inflows and outflows. Cash flows of terminal year is then capitalized and adjusted with transaction costs, to arrive at terminal value. | Value assumptions as practiced in the market       |

## 7.2 VALUATION ASSUMPTIONS FOR POWER DISTRIBUTION SERVICES

### 7.2.1 Adopted Methodology

Referring to the commission's latest order for the operational facility, the cash flows from the power distribution services are projected in the following manner:

Amount of approved Gross Fixed Assets ("GFA") is considered.

Further, Net Fixed Asset (NFA) which is GFA reduced by accumulated depreciation allowed as on date is computed.

To compute the Net cashflows, mainly return on equity, interest on notational debt, recovery of depreciation, interest on working capital have been added.

Licensee is allowed to charge 14% return on equity which is 30% of GFA. In case of no actual loan, the commission allows a return on normative loan equal to 70% of GFA based on MYT regulations 2019. SLM (Straight Line Method) is considered for depreciation, as per the average rate approved by the commission. Depreciation is considered to the extent of 90% of the GFA.

Approved power procurement, operational and maintenance expenses are allowed completely pass through.

### 7.2.2 Key Assumptions and Inputs

Following are the key details as per the Commission order dated 31<sup>st</sup> March 2024:

**Table 7.4 Key Assumptions Used for Power Distribution Services**

| Particulars                                 | Unit        | Figure       |
|---|-------------|--------------|
| Gross Fixed Assets                          | INR Mn      | 313          |
| Notional Equity (30% of GFA)                | INR Mn      | 94           |
| Notional Debt as on March 2024 (70% of GFA) | INR Mn      | 219          |
| Return on Equity                            | %           | 14%          |
| Depreciation Rate                           | % Per annum | 5.3%         |
| License End Date                            | Date        | 12 June 2038 |

### 7.2.3 Key Projections for Cash Flows

Following are the key projections, as provided by the Client.

**Table 7.5 Key Projections for Power Distribution Services**

| Particulars            | Unit     | Q1 FY 2025 | Q2 FY 2025 | Q3 FY 2025 | Q4 FY 2025 |
|------------------------|----------|------------|------------|------------|------------|
| Number of units sold   | Mn units | 7.8        | 7.4        | 7.9        | 7.3        |
| Revenue from Sales     | INR Mn   | 106        | 101        | 108        | 100        |
| Power purchase expense | INR Mn   | 48         | 45         | 48         | 45         |
| O/M expenses           | INR Mn   | 8          | 9          | 9          | 9          |
| Planned Capex          | INR Mn   | 0.1        | 0.1        | 0.1        | 0.1        |

For the purpose of discounting the future cash flows Weighted Average Cost of Capital (WACC) of 10.5% has been utilized.

Following are the key projections for the purpose of projecting the future cashflows and further discounting the same to arrive at the market value for the Power Distribution Services.

**Table 7.6 Key Assumptions for Operating Parameters**

| Assumption                                 | Unit        | Details |
|--|-------------|---------|
| Power Purchase Cost (Increase % p.a. post) | % per annum | 5.0%    |
| O&M (Increase % p.a.)                      | % per annum | 7.0%    |
| Depreciation (SLM) -MERC                   | %           | 5.3%    |
| Depreciation (SLM) -Companies Act          | %           | 3.8%    |
| Transition Loss                            | %           | 0.7%    |
| Prov for Contingency (% of GB)             | %           | 0.0%    |

### 7.3 MARKET VALUE

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which the Valuer has no knowledge, the Market Value of the complete ownership interest in the Project comprising land and improvements thereon, as explained above, on the below mentioned dates, is as follows:

**Table 7.7: Market Value of the Project**

| Component  | Market Value as on | In Figures (INR Mn) | In Words   |
|--|--------------------|---------------------|--|
| Total Market Value (Completed / Operational, including power distribution business of Gigaplex Estate Private Limited) | 31st March 2024    | 44,929.59           | INR Forty-Four Billion Nine Hundred Twenty-Nine Million Five Hundred Ninety Thousand Only. |
| Total Market Value (Under construction building and future development land parcel)                                    | 31st March 2024    | 3,091.19            | INR Three Billion Ninety-One Million One Hundred Ninety Thousand Only                      |
| Total Value  |                    | 48,020.78           | INR Forty-Eight Billion Twenty Million Seven Hundred Eighty Thousand Only                  |

Note: The above-mentioned value includes proportionate undivided ownership in the Amenities, Utility Areas and Internal Roads and total open spaces of the Entire Campus

<sup>1</sup> The completed component value includes value of power distribution business

<sup>2</sup> The under-construction component value includes value of land parcels under future development (which may be considered for sale) as shown in table 7.7

With all assumptions as mentioned in this report, we are of the opinion that the Market Value of the Project Mindspace Airoli West, comprising total leasable area of 5,266,242 sq. ft. located in Navi Mumbai, Maharashtra, India as on 31<sup>st</sup> March 2024 is estimated to be **INR 48,020.78 million (INR Forty-Eight Billion Twenty Million Seven Hundred Eighty Thousand Only).**

**Table 7.8: Market Value of the Land Component**

| Component                   | Market Value as on          | In Figures (INR Mn) | In Words  |
|-----------------------------|-----------------------------|---------------------|---|
| Land for Future Development | 31 <sup>st</sup> March 2024 | 911.42              | INR Nine Hundred Eleven Million Four Hundred Twenty Thousand Only |

**Table 7.9: Ready Reckoner Rate**

| Component     | Ready Reckoner Rate (INR per sq.m) |
|---------------|------------------------------------|
| Built-Up Area | 62,400                             |
| Land Area     | 20,750                             |

**KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)**, the Valuer for the Project, hereby declares that:

- We are fully competent to undertake the valuation;
- We are independent and have prepared the report on a fair and unbiased basis; and
- We have valued the Project based on the valuation standards as specified under sub-regulation 10 of regulation 21 of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended from time to time.



-----  
**Name:** Sachin Gulaty FRICS FIV FIIA,

**Designation:** Director

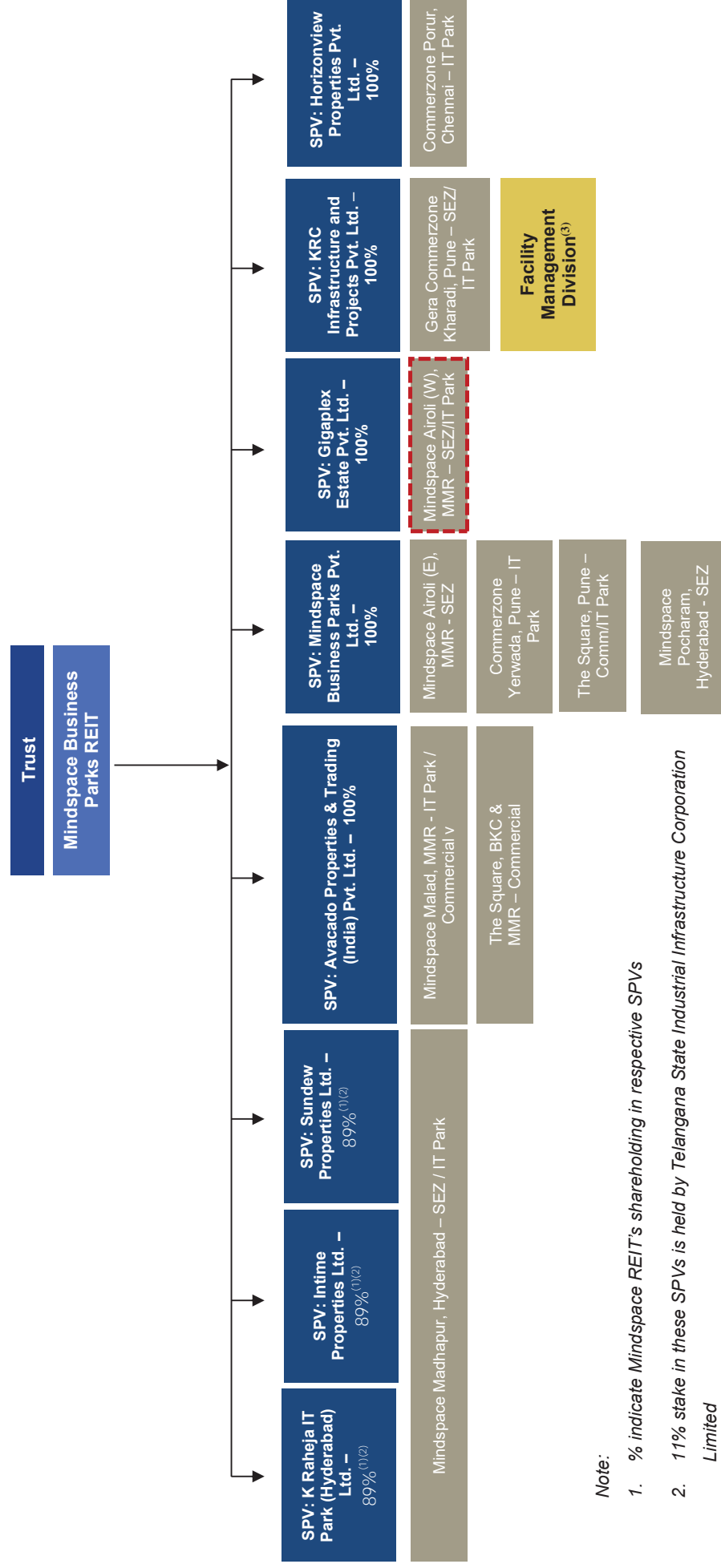
**Valuer Registration No.:** IBBI/RV/02/2021/14284

**Address:** 5<sup>th</sup> Floor, India Accelerator, The Iconic Corenthum, Sector 62, NOIDA – 201309. Uttar Pradesh. INDIA.

**E-Mail ID:** sachin.gulaty@k-zen.in

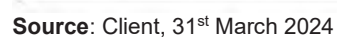


## Annexure - 1 Ownership Structure of the Project



Note:

1. % indicate Mindspace REIT's shareholding in respective SPVs
2. 11% stake in these SPVs is held by *Telangana State Industrial Infrastructure Corporation Limited*
3. *Facility Management Division* is housed in *KRC Infrastructure and Projects Pvt. Ltd*



### Annexure - 3

## Statement of Key Assets within the Project

| Building                      | No. / Name | B1                       | B2                     | B3                     | B4                       | B5                       | B6                      | B9                                       |
|-------------------------------|------------|--------------------------|------------------------|------------------------|--------------------------|--------------------------|-------------------------|--|
| Floor                         | Nos        | B+S+8F                   | B+S+P1+P2+11+T         | B+S+P1+P2+11+T         | B+S+P1+P2+12+T           | B+S+8F                   | B+S+8F                  | B+S+P1+P2+P3+16F                         |
| Warm Shell / Bare shell       |            | Warm shell               | Warm shell             | Warm shell             | Warm shell               | Warm shell               | Warm shell              | Warm shell                               |
| Air Cooled Chiller            | TR         |                          | 2 x 350                | 2 x 350                | 2 x 350                  | 350                      | 450                     | 2X350                                    |
| Water Cooled Chiller          | TR         | 2 x 500, 1x 650          | 3 x 650                | 3 x 650                | 3 x 700                  | 3 x 350                  | 2 x 555                 | 3X650                                    |
| No of Elevators / Make        | No/ Make   | 7-Fujitech               | 10- Toshiba            | 10 - Toshiba           | 12-Otis                  | 7-Fujitech               | 7-Toshiba               | 18-Hitach                                |
| No of DG / Capacity           | No. / KVA  | 3 X 1500                 | 2 X 2250, X 1700       | 2 X 2250, 1700         | 4 X 2000                 | 4 X 1010                 | 4 X 1010                | 5X1010                                   |
| No of Transformers / Capacity | No./ KVA   | 3 x 1600                 | 4 x 2000               | 4 x 2000               | 4 x 2000                 | 2 x 2000                 | 2 x 2000                | 6X2000                                   |
| FF System                     |            |                          |                        |                        |                          |                          |                         |  |
| Booster Pump                  | KW / Make  | 9.3, Kirloskar Brothers  | 11, Kirloskar Brothers | 11, Kirloskar Brothers | 11, Kirloskar Brothers   | 11, Kirloskar Brothers   | 11, Kirloskar Brothers  | 2* 9.3/ wilo                             |
| Jockey Pump                   | KW / Make  | 9.3, Kirloskar Brothers  | 7.5, Arrow Engineer    | 2 x 7.5, Wilo          | 2 x 7.5, Wilo            | 4, Kirloskar Brothers    | 9.3, Kirloskar Brothers | Low zone- 5.5Wilo, High Zone- 2* 7.5Wilo |
| Fire Diesel Pump              | KW / Make  | 62.6, Kirloskar Brothers | 178, Greves Cotton Ltd | 178, Greves Cotton Ltd | 178.8, Greves Cotton Ltd | 102, Kirloskar Brothers  | 123, Kirloskar Brothers | 2* 161.72Wilo                            |
| Hydrant Pump                  | KW / Make  | 75, Kirloskar oil Engine | 178, Arrow Engineer    | 180, Bharat Bijlee     | 180, Bharat Bijlee       | 75, Kirloskar oil Engine | 132, Kirloskar Brothers | 180/ Wilo                                |
| Sprinkle Pump                 | KW / Make  | 75, Kirloskar oil Engine | 180, Greves Cotton Ltd | 132, Bharat Bijlee     | 180, CG                  | 75, Kirloskar oil Engine | 132, Kirloskar Brothers | 180/ Wilo                                |
| STP Rating                    | KLD        | 200                      | 300                    | 300                    | 350                      | 200                      | 165                     | 650                                      |

Source: Client 31<sup>st</sup> March 2024

## **Annexure - 4**

### **Approvals and NOCs Received for the Project**

---

#### Property Inspection - Mindspace Airoli West

##### 1. Approvals Received

- a) Building Approvals for all buildings and amendments thereof
- b) Consent to Operate for Building 1, Building 2, Building 3, Building 4, Building 5, Building 6, Building 9 and Building 10
- c) Full Occupancy Certificates received for all existing/operational buildings
- d) Drainage Approvals for all buildings and the common campus area
- e) SEZ Notification
- f) NOC issued by AAI for height clearance
- g) Consent to establish (CTE) for all buildings
- h) Environmental clearances for all buildings
- i) One-time Fire NOC
- j) Total SEZ Area 16.52 from which 8.57 Ha was denotified and 0.09 Ha was added and notified resulting in 8.04 Ha of notified SEZ area
- k) Form B
- l) Renewal of CTO received for B9/B10

##### 2. Approvals Pending

- a) Application for partial denotification of upto 2.25 Ha made to Government of Maharashtra pertaining to Building 5
- b) Height Clearance for all buildings applied for revalidation

## Annexure - 5

### Ready Reckoner Rate Applicable for the Project

ASR value as on 31<sup>st</sup> March 2024

| Annual Statement of Rates           |   |                   |        |       |            |             |           |
|-------------------------------------|---|-------------------|--------|-------|------------|-------------|-----------|
| Year                                | 2023/2024   |                   |        |       |            |             |           |
| Selected District                   | Thane   |                   |        |       |            |             |           |
| Select Taluka                       | Thane   |                   |        |       |            |             |           |
| Select Village                      | Village Name : Airoli   |                   |        |       |            |             |           |
| Search By                           | <input checked="" type="radio"/> Survey no <input type="radio"/> Location |                   |        |       |            |             |           |
| Enter Survey No                     | 145   |                   |        |       |            |             | Search    |
| subdivision                         | open land   | Residential Flats | Office | shops | Industrial | Unit (Rs./) | Attribute |
| 1/54-Airoli Node Lamps (North Side) | 20800   | 53400             | 62400  | 75600 | 62400      | Sq. meter   | Survey No |

Source: IGR Maharashtra

MIDC Land Rates

Regional Office

Thane 1

Industrial Area

Airoli Knowledge Park

Search

**Airoli Knowledge Park**

[Basic Information](#)  
[Clients](#)

[City Information](#)  
[Infrastructure](#)

[Location Details](#)  
[Plots/Sheds Available](#)

[Contact Us](#)  
[Industrial Maps](#)

**Objective :**

**Industry Category : Growth Center**

**Land Rates**

|                               |         |
|-------------------------------|---------|
| Industrial Plots per sq. mtr  | : 20750 |
| Commercial Plots per sq. mtr  | : 62250 |
| Residential Plots per sq. mtr | : NA    |

**NOTE :**

- MIDC reserves the right to revise the rates without prior notice.
- If the plot is facing State Highway/National Highway or the service road parallel to highways, then 15% additional premium will have to be paid.
- If the plot is having the more frontage than the standard size, then additional frontage charges will have to be paid for the excess frontage per running meter decided by the corporation time to time.
- If the plot is situated at the junction as stated at
  - 1) above or having the excess frontage as stated at
  - 2) above, in that case the additional premium will have to be recovered which will be on higher side.

## Annexure - 6

### Cash Flow Profile

Table 7.10: Discounted Cash Flow of Completed Project - Office Building (B1, B2, B3, B4, B6, B9 and centre court)

|         |  | 1-Apr-23     | 1-Apr-24  | 1-Apr-25  | 1-Apr-26  | 1-Apr-27  | 1-Apr-28  | 1-Apr-29  | 1-Apr-30  | 1-Apr-31  | 1-Apr-32  | 1-Apr-33  | 1-Apr-34  |
|---------|--|--------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|         |  | 31-Mar-24    | 31-Mar-25 | 31-Mar-26 | 31-Mar-27 | 31-Mar-28 | 31-Mar-29 | 31-Mar-30 | 31-Mar-31 | 31-Mar-32 | 31-Mar-33 | 31-Mar-34 | 31-Mar-35 |
| Sl. No. | Particulars                                | Year 0       | Year 1    | Year 2    | Year 3    | Year 4    | Year 5    | Year 6    | Year 7    | Year 8    | Year 9    | Year 10   | Year 11   |
|         | Development / Construction Phasing         |              |           |           |           |           |           |           |           |           |           |           |           |
|         | Total Development Cost to be Incurred      | -            | 77.29     | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
|         | Leasable Area                              | 4,219,927.57 |           |           |           |           |           |           |           |           |           |           |           |
|         | Overall occupancy - Existing Leases        |              | 73.65%    | 72.22%    | 68.36%    | 56.31%    | 38.28%    | 30.92%    | 29.58%    | 25.47%    | 11.79%    | 4.81%     | 4.81%     |
|         | Overall occupancy - Leases Moved to Market |              | 7.53%     | 17.80%    | 30.25%    | 43.69%    | 61.72%    | 69.08%    | 70.42%    | 74.53%    | 88.21%    | 95.19%    | 95.19%    |
|         | Overall occupancy - of the Project         |              | 81.18%    | 90.02%    | 98.61%    | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   |
|         | Vacancy Allowance                          |              | 0.00%     | 0.00%     | 1.50%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     |
|         |  |              |           |           |           |           |           |           |           |           |           |           |           |
| A       | Base Rental                                |              | 2,327.46  | 2,733.65  | 3,061.30  | 3,296.80  | 3,434.76  | 3,654.56  | 3,835.19  | 3,972.22  | 4,113.90  | 4,370.37  | 4,658.08  |
| B       | Car Parking Income                         |              | 4.55      | 4.32      | 4.80      | 4.85      | 5.85      | 7.09      | 7.41      | 7.75      | 8.10      | 8.46      | 8.92      |
| C       | Fit-out rentals/ tenant improvements       |              | 96.18     | 91.53     | 91.53     | 91.53     | 91.53     | 91.53     | 91.53     | 85.14     | 10.82     | -         | -         |
| D       | Facility Rentals                           |              | 2,428.19  | 2,829.50  | 3,157.63  | 3,393.18  | 3,532.13  | 3,753.19  | 3,934.14  | 4,065.11  | 4,132.81  | 4,378.83  | 4,667.00  |
| E       | Maintenance services income                |              | 533.53    | 621.22    | 703.66    | 745.62    | 782.90    | 822.04    | 863.15    | 906.30    | 951.62    | 999.20    | 1,049.16  |



|   |                               |   |          |          |          |          |          |          |          |          |          |           |          |
|---|-------------------------------|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|----------|
| F | Other Operating Income        |   | 23.27    | 27.34    | 30.61    | 32.97    | 34.35    | 36.55    | 38.35    | 39.72    | 41.14    | 43.70     | 46.58    |
| G | Revenue from Operations       |   | 2,984.99 | 3,478.06 | 3,891.91 | 4,171.77 | 4,349.38 | 4,611.77 | 4,835.64 | 5,011.14 | 5,125.57 | 5,421.73  | 5,762.74 |
|   | Direct Operating Expenses     |   | -        | -        | -        | -        | -        | -        | -        | -        | -        | -         | -        |
| H | Maintenance services Expenses |   | 528.11   | 554.51   | 582.24   | 611.35   | 641.92   | 674.01   | 707.71   | 743.10   | 780.26   | 819.27    | 860.23   |
| I | Property Tax                  |   | 103.53   | 106.64   | 109.84   | 113.13   | 116.53   | 120.02   | 123.62   | 127.33   | 131.15   | 135.09    | 139.14   |
| J | Insurance Premium             |   | 17.30    | 17.82    | 18.36    | 18.91    | 19.48    | 20.06    | 20.66    | 21.28    | 21.92    | 22.58     | 23.25    |
| K | Net Operating Income (NOI)    |   | 2,336.05 | 2,799.09 | 3,181.47 | 3,428.37 | 3,571.46 | 3,797.68 | 3,983.64 | 4,119.43 | 4,192.25 | 4,444.80  | 4,740.11 |
|   | Add: Terminal Cash Flow       |   | -        | -        | -        | -        | -        | -        | -        | -        | -        | 58,658.89 | -        |
|   | Indirect Operating Expenses   |   | -        | -        | -        | -        | -        | -        | -        | -        | -        | -         | -        |
| L | Brokerage Fees                |   | 97.70    | 58.56    | 39.47    | 89.58    | 78.08    | 27.53    | 14.20    | 51.93    | 104.53   | 87.35     | -        |
| M | Property Management Fee       |   | 85.80    | 99.99    | 111.59   | 119.92   | 124.83   | 132.64   | 139.04   | 143.67   | 146.09   | 154.79    | 164.98   |
| N | Other operational expenses    |   | 46.64    | 54.76    | 61.32    | 66.03    | 68.81    | 73.23    | 76.85    | 79.60    | 82.44    | 87.58     | 93.34    |
|   |                               |   | -        | -        | -        | -        | -        | -        | -        | -        | -        | -         | -        |
| O | Net Cashflows                 | - | 2,028.62 | 2,585.78 | 2,969.09 | 3,152.84 | 3,299.74 | 3,564.28 | 3,753.55 | 3,844.23 | 3,859.18 | 62,773.97 | -        |

Note: We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes.

Table 7.11: Discounted Cash Flow of Completed Project – Office Building (B5)

|         |  | 1-Apr-23   | 1-Apr-24  | 1-Apr-25  | 1-Apr-26  | 1-Apr-27  | 1-Apr-28  | 1-Apr-29  | 1-Apr-30  | 1-Apr-31  | 1-Apr-32  | 1-Apr-33  | 1-Apr-34  |
|---------|--|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|         |  | 31-Mar-24  | 31-Mar-25 | 31-Mar-26 | 31-Mar-27 | 31-Mar-28 | 31-Mar-29 | 31-Mar-30 | 31-Mar-31 | 31-Mar-32 | 31-Mar-33 | 31-Mar-34 | 31-Mar-35 |
| Sl. No. | Particulars                                | Year 0     | Year 1    | Year 2    | Year 3    | Year 4    | Year 5    | Year 6    | Year 7    | Year 8    | Year 9    | Year 10   | Year 11   |
|         |  |            |           |           |           |           |           |           |           |           |           |           |           |
|         | Development / Construction Phasing         |            |           |           |           |           |           |           |           |           |           |           |           |
|         | Total Development Cost to be Incurred      | -          | 123.34    | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
|         | Leasable Area                              | 416,094.00 |           |           |           |           |           |           |           |           |           |           |           |
|         | Overall occupancy - Existing Leases        |            | 91.67%    | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 66.67%    |
|         | Overall occupancy - Leases Moved to Market |            | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 33.33%    |
|         | Overall occupancy - of the Project         |            | 91.67%    | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   |
|         | Vacancy Allowance                          |            | 1.50%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     |
|         |  |            |           |           |           |           |           |           |           |           |           |           |           |
| A       | Base Rental                                |            | 79.92     | 257.75    | 275.74    | 275.74    | 296.42    | 317.10    | 317.10    | 340.88    | 364.66    | 364.66    | 399.46    |
| B       | Car Parking Income                         |            | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| C       | Fit-out rentals/ tenant improvements       |            | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| D       | Facility Rentals                           |            | 79.92     | 257.75    | 275.74    | 275.74    | 296.42    | 317.10    | 317.10    | 340.88    | 364.66    | 364.66    | 399.46    |
| E       | Maintenance services income                |            | 58.43     | 66.68     | 70.02     | 73.52     | 77.20     | 81.06     | 85.11     | 89.36     | 93.83     | 98.52     | 103.45    |
| F       | Other Operating Income                     |            | 0.80      | 2.58      | 2.76      | 2.76      | 2.96      | 3.17      | 3.17      | 3.41      | 3.65      | 3.65      | 3.99      |
| G       | Revenue from Operations                    |            | 139.16    | 327.01    | 348.51    | 352.01    | 376.58    | 401.32    | 405.37    | 433.65    | 462.14    | 466.83    | 506.91    |
|         | Direct Operating Expenses                  |            | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |

|   |                               |   |         |        |        |        |        |        |        |        |        |          |        |
|---|-------------------------------|---|---------|--------|--------|--------|--------|--------|--------|--------|--------|----------|--------|
| H | Maintenance services Expenses |   | 52.07   | 54.68  | 57.41  | 60.28  | 63.29  | 66.46  | 69.78  | 73.27  | 76.93  | 80.78    | 84.82  |
| I | Property Tax                  |   | 10.21   | 10.52  | 10.83  | 11.16  | 11.49  | 11.84  | 12.19  | 12.56  | 12.93  | 13.32    | 13.72  |
| J | Insurance Premium             |   | 1.71    | 1.76   | 1.81   | 1.86   | 1.92   | 1.98   | 2.04   | 2.10   | 2.16   | 2.23     | 2.29   |
| K | Net Operating Income (NOI)    |   | 75.17   | 260.06 | 278.46 | 278.71 | 299.87 | 321.05 | 321.36 | 345.72 | 370.11 | 370.50   | 406.07 |
|   | Add: Terminal Cash Flow       |   | -       | -      | -      | -      | -      | -      | -      | -      | -      | 5,025.13 | -      |
|   | Indirect Operating Expenses   |   | -       | -      | -      | -      | -      | -      | -      | -      | -      | -        | -      |
| L | Brokerage Fees                |   | -       | -      | -      | -      | -      | -      | -      | -      | -      | -        | -      |
| M | Property Management Fee       |   | 2.83    | 9.11   | 9.75   | 9.75   | 10.48  | 11.21  | 11.21  | 12.05  | 12.89  | 12.89    | 14.12  |
| N | Other operational expenses    |   | 1.60    | 5.16   | 5.51   | 5.51   | 5.93   | 6.34   | 6.34   | 6.82   | 7.29   | 7.29     | 7.99   |
|   |                               |   | -       | -      | -      | -      | -      | -      | -      | -      | -      | -        | -      |
| O | Net Cashflows                 | - | (52.59) | 245.80 | 263.20 | 263.45 | 283.46 | 303.50 | 303.81 | 326.85 | 349.92 | 5,375.45 | -      |

Note: We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes.

Table 7.12: Discounted Cash Flow of Under Construction – Data Centre Building (B8)

|         |  | 1-Apr-23   | 1-Apr-24  | 1-Apr-25  | 1-Apr-26  | 1-Apr-27  | 1-Apr-28  | 1-Apr-29  | 1-Apr-30  | 1-Apr-31  | 1-Apr-32  | 1-Apr-33  | 1-Apr-34  |
|---------|--|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|         |  | 31-Mar-24  | 31-Mar-25 | 31-Mar-26 | 31-Mar-27 | 31-Mar-28 | 31-Mar-29 | 31-Mar-30 | 31-Mar-31 | 31-Mar-32 | 31-Mar-33 | 31-Mar-34 | 31-Mar-35 |
| Sl. No. | Particulars                                | Year 0     | Year 1    | Year 2    | Year 3    | Year 4    | Year 5    | Year 6    | Year 7    | Year 8    | Year 9    | Year 10   | Year 11   |
|         |  |            |           |           |           |           |           |           |           |           |           |           |           |
|         | Development / Construction Phasing         |            |           |           |           |           |           |           |           |           |           |           |           |
|         | Total Development Cost to be Incurred      | -          | 735.35    | 289.02    | -         | -         | -         | -         | -         | -         | -         | -         | -         |
|         | Leasable Area                              | 315,110.00 |           |           |           |           |           |           |           |           |           |           |           |
|         | Overall occupancy - Existing Leases        |            | 39.72%    | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   |
|         | Overall occupancy - Leases Moved to Market |            | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     |
|         | Overall occupancy - of the Project         |            | 39.72%    | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   |
|         | Vacancy Allowance                          |            | 0.50%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     |
|         |  |            |           |           |           |           |           |           |           |           |           |           |           |
| A       | Base Rental                                |            | 115.50    | 293.17    | 304.89    | 317.09    | 329.77    | 342.96    | 356.68    | 370.95    | 385.79    | 401.22    | 417.27    |
| B       | Car Parking Income                         |            | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| C       | Fit-out rentals/ tenant improvements       |            | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| D       | Facility Rentals                           |            | 115.50    | 293.17    | 304.89    | 317.09    | 329.77    | 342.96    | 356.68    | 370.95    | 385.79    | 401.22    | 417.27    |
| E       | Maintenance services income                |            | 3.11      | 6.13      | 5.36      | 7.88      | 9.46      | 9.93      | 10.43     | 10.95     | 11.50     | 12.07     | 12.68     |
| F       | Other Operating Income                     |            | 1.15      | 2.93      | 3.05      | 3.17      | 3.30      | 3.43      | 3.57      | 3.71      | 3.86      | 4.01      | 4.17      |
| G       | Revenue from Operations                    |            | 119.77    | 302.23    | 313.30    | 328.14    | 342.53    | 356.33    | 370.68    | 385.61    | 401.14    | 417.30    | 434.12    |
|         | Direct Operating Expenses                  |            | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |

|   |                               |   |          |        |        |        |        |        |        |        |        |          |        |
|---|-------------------------------|---|----------|--------|--------|--------|--------|--------|--------|--------|--------|----------|--------|
| H | Maintenance services Expenses |   | -        | 1.04   | 2.74   | 4.02   | 4.83   | 5.07   | 5.32   | 5.59   | 5.87   | 6.16     | 6.47   |
| I | Property Tax                  |   | -        | 3.98   | 8.20   | 8.45   | 8.70   | 8.96   | 9.23   | 9.51   | 9.79   | 10.09    | 10.39  |
| J | Insurance Premium             |   | -        | 0.67   | 1.37   | 1.41   | 1.45   | 1.50   | 1.54   | 1.59   | 1.64   | 1.69     | 1.74   |
| K | Net Operating Income (NOI)    |   | 119.77   | 296.54 | 301.00 | 314.26 | 327.55 | 340.80 | 354.58 | 368.93 | 383.85 | 399.37   | 415.52 |
|   | Add: Terminal Cash Flow       |   | -        | -      | -      | -      | -      | -      | -      | -      | -      | 5,142.10 | -      |
|   | Indirect Operating Expenses   |   | -        | -      | -      | -      | -      | -      | -      | -      | -      | -        | -      |
| L | Brokerage Fees                |   | -        | -      | -      | -      | -      | -      | -      | -      | -      | -        | -      |
| M | Property Management Fee       |   | 4.08     | 10.36  | 10.78  | 11.21  | 11.66  | 12.12  | 12.61  | 13.11  | 13.64  | 14.18    | 14.75  |
| N | Other operational expenses    |   | 2.31     | 5.86   | 6.10   | 6.34   | 6.60   | 6.86   | 7.13   | 7.42   | 7.72   | 8.02     | 8.35   |
|   |                               |   | -        | -      | -      | -      | -      | -      | -      | -      | -      | -        | -      |
| O | Net Cashflows                 | - | (621.98) | (8.70) | 284.12 | 296.71 | 309.30 | 321.81 | 334.84 | 348.39 | 362.49 | 5,519.26 | -      |

Note: We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes.

Table 7.13: Discounted Cash Flow of Completed Project - Data Centre Building (B10)

|        |  | 1-Apr-23   | 1-Apr-24  | 1-Apr-25  | 1-Apr-26  | 1-Apr-27  | 1-Apr-28  | 1-Apr-29  | 1-Apr-30  | 1-Apr-31  | 1-Apr-32  | 1-Apr-33  | 1-Apr-34  |
|--------|--|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|        |  | 31-Mar-24  | 31-Mar-25 | 31-Mar-26 | 31-Mar-27 | 31-Mar-28 | 31-Mar-29 | 31-Mar-30 | 31-Mar-31 | 31-Mar-32 | 31-Mar-33 | 31-Mar-34 | 31-Mar-35 |
| Sl. No | Particulars                                | Year 0     | Year 1    | Year 2    | Year 3    | Year 4    | Year 5    | Year 6    | Year 7    | Year 8    | Year 9    | Year 10   | Year 11   |
|        |  |            |           |           |           |           |           |           |           |           |           |           |           |
|        | Development / Construction Phasing         |            |           |           |           |           |           |           |           |           |           |           |           |
|        | Total Development Cost to be Incurred      | -          | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
|        | Leasable Area                              | 315,110.00 |           |           |           |           |           |           |           |           |           |           |           |
|        | Overall occupancy - Existing Leases        |            | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   |
|        | Overall occupancy - Leases Moved to Market |            | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     |
|        | Overall occupancy - of the Project         |            | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   |
|        | Vacancy Allowance                          |            | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 2.00%     |
|        |  |            |           |           |           |           |           |           |           |           |           |           |           |
| A      | Base Rental                                |            | 287.64    | 299.15    | 311.12    | 323.56    | 336.50    | 349.96    | 363.96    | 378.52    | 393.66    | 409.41    | 417.27    |
| B      | Car Parking Income                         |            | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| C      | Fit-out rentals/ tenant improvements       |            | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| D      | Facility Rentals                           |            | 287.64    | 299.15    | 311.12    | 323.56    | 336.50    | 349.96    | 363.96    | 378.52    | 393.66    | 409.41    | 417.27    |
| E      | Maintenance services income                |            | 7.94      | 8.34      | 8.75      | 9.19      | 9.65      | 10.13     | 10.64     | 11.17     | 11.73     | 12.32     | 12.68     |
| F      | Other Operating Income                     |            | 2.88      | 2.99      | 3.11      | 3.24      | 3.37      | 3.50      | 3.64      | 3.79      | 3.94      | 4.09      | 4.17      |
| G      | Revenue from Operations                    |            | 298.46    | 310.48    | 322.98    | 335.99    | 349.52    | 363.60    | 378.24    | 393.48    | 409.33    | 425.82    | 434.12    |
|        | Direct Operating Expenses                  |            | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |



|   |                               |   |        |        |        |        |        |        |        |        |        |          |        |
|---|-------------------------------|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|----------|--------|
| H | Maintenance services Expenses |   | 3.97   | 4.17   | 4.38   | 4.60   | 4.83   | 5.07   | 5.32   | 5.59   | 5.87   | 6.16     | 6.47   |
| I | Property Tax                  |   | 7.73   | 7.96   | 8.20   | 8.45   | 8.70   | 8.96   | 9.23   | 9.51   | 9.79   | 10.09    | 10.39  |
| J | Insurance Premium             |   | 1.29   | 1.33   | 1.37   | 1.41   | 1.45   | 1.50   | 1.54   | 1.59   | 1.64   | 1.69     | 1.74   |
| K | Net Operating Income (NOI)    |   | 285.47 | 297.02 | 309.03 | 321.53 | 334.54 | 348.07 | 362.15 | 376.79 | 392.03 | 407.89   | 415.52 |
|   | Add: Terminal Cash Flow       |   | -      | -      | -      | -      | -      | -      | -      | -      | -      | 5,142.10 | -      |
|   | Indirect Operating Expenses   |   | -      | -      | -      | -      | -      | -      | -      | -      | -      | -        | -      |
| L | Brokerage Fees                |   | -      | -      | -      | -      | -      | -      | -      | -      | -      | -        | -      |
| M | Property Management Fee       |   | 10.17  | 10.57  | 11.00  | 11.44  | 11.90  | 12.37  | 12.87  | 13.38  | 13.92  | 14.47    | 14.75  |
| N | Other operational expenses    |   | 5.75   | 5.98   | 6.22   | 6.47   | 6.73   | 7.00   | 7.28   | 7.57   | 7.87   | 8.19     | 8.35   |
|   |                               |   | -      | -      | -      | -      | -      | -      | -      | -      | -      | -        | -      |
| O | Net Cashflows                 | - | 269.55 | 280.46 | 291.81 | 303.62 | 315.91 | 328.70 | 342.00 | 355.84 | 370.24 | 5,527.32 | -      |

Note: We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes.

**Table 7.14 Comparable Sales/ Quoted Instances Method (Comparative Matrix for Value Estimate for 1.96 acres of land earmarked for future development)**

| Attribute Ranking   | Project Site   | Transacted Instance 1 (T1)  | P/D   | Transacted Instance 2 (T2)  | P/D   |
|---|--|---|-------|---|-------|
| Location and Proximity to Development & Neighbourhood Profile                 | Located along Airoli Knowledge Park Road, Digha – Airoli West, TTC Industrial Area, Airoli, Navi Mumbai, Maharashtra 400708. Neighbourhood majorly comprises of Commercial and Residential developments. | Located off Thane Belapur Road, Digha Naka, Navi Mumbai, Maharashtra 400708. Neighbourhood majorly comprises of Industrial and Commercial developments. | 0.0%  | Located off Thane Belapur Road, Airoli, Navi Mumbai, Maharashtra 400708. Neighbourhood majorly comprises of Industrial and Commercial developments. | 0.0%  |
| Size of the Land Parcel (Acres)   | 1.96   | 6.50  | 2.5%  | 6.02  | 2.5%  |
| Land Use and Zoning   | Leasehold.   | Leasehold.  | 0.0%  | Leasehold.  | 0.0%  |
| Availability of Similar Land Parcels  | Low Availability in the micro market.  | Low Availability in the micro market.   | 0.0%  | Low Availability in the micro market.   | 0.0%  |
| Site Development  | Vacant Plot of land  | Vacant Plot of land   | 0.0%  | Vacant Plot of land   | 0.0%  |
| Visibility and Frontage along the access road                                 | Average Visibility & Frontage along access road  | Good Visibility & Frontage along access road  | -5.0% | Good Visibility & Frontage along access road  | -5.0% |
| Accessibility to the Property   | Good Access from Airoli Knowledge Park Road  | Good Access from Digha MIDC road which directly connects to Thane Belapur Road.   | 0.0%  | Access from Internal MIDC Road  | 0.0%  |
| General Attributes - Contiguity, Topography, Shape, HT Line, Open Drain, etc. | Property has flat terrain, contiguous in nature and regular in shape.  | Property has flat terrain, contiguous in nature and regular in shape.   | 0.0%  | Property has flat terrain, contiguous in nature and regular in shape.   | -5.0% |
| Price Appreciation / Margin for Negotiation                                   |  | Transacted (Q1, 2021)   | 15.0% | Transacted (Q1, 2023)   | 5.0%  |
| Transacted/Asking Value (INR per acre of Land Area)                           |  | 210,000,000   |       | 231,011,721   |       |
| Total Adjustment  |  |   | 12.5% |   | -2.5% |
| Adjusted Price per Unit (INR per acre)  |  | 236,250,000   |       | 225,236,428   |       |

P - Premium, D – Discount

| Instances  | Transaction / Quoted Price<br>(INR per acre) | Price Adjustments<br>(Percent) | Adjusted<br>Pricing<br>(INR per<br>acre) | Weightage (Percent) | Achievable<br>Pricing for<br>the Project<br>Site (INR<br>per acre) |
|--|--|--------------------------------|--|---------------------|--|
| Asking Instance 1 (A1)   | 210,000,000                                  | 12.5%                          | 236,250,000                              | 50.0%               | 118,125,000  |
| Asking Instance 2 (A2)   | 231,011,721                                  | -2.5%                          | 225,236,428                              | 50.0%               | 112,618,214  |
| Achievable Unit Pricing for the Project Site on 'as is where is' basis (INR per acre and area)                         |  |                                |  |                     | 230,743,214  |
| Say the Achievable Unit Pricing for the Project Site 'as is where is' basis (INR per acre. of land area) - Rounded off |  |                                |  |                     | 230,700,000  |

Table 7.15 Summary Valuation Analysis (Land Parcel 1 ~1.96 acres)

| Particular                                       | Values |
|--|--------|
| Total Area of the Land Parcel (acre)             | 1.96   |
| Unit Value of Land Parcel (INR Million per acre) | 230.7  |
| Discount for Limited Usage                       | 40%    |
| Unit Value of Land Parcel (INR Million per acre) | 138.42 |
| Deduct: Amenity Plot Area (acres)                | -      |
| Total Land Area (Net of Amenity Plot Area)       | 1.96   |
| Total Value of the Land Parcel (INR Million)     | 271.30 |

**Table 7.16 Comparable Sales/ Quoted Instances Method (Comparative Matrix for Value Estimate for 6.42 acres of land earmarked for future development)**

| Attribute Ranking   | Project Site   | Transacted Instance 1 (T1)  | P/D   | Transacted Instance 2(T2)   | P/D   |
|---|--|---|-------|---|-------|
| Location and Proximity to Development & Neighbourhood Profile                 | Located along Airoli Knowledge Park Road, Digha – Airoli West, TTC Industrial Area, Airoli, Navi Mumbai, Maharashtra 400708. Neighbourhood majorly comprises of Commercial and Residential developments. | Located off Thane Belapur Road, Digha Naka, Navi Mumbai, Maharashtra 400708. Neighbourhood majorly comprises of Industrial and Commercial developments. | 0.0%  | Located off Thane Belapur Road, Airoli, Navi Mumbai, Maharashtra 400708. Neighbourhood majorly comprises of Industrial and Commercial developments. | 0.0%  |
| Size of the Land Parcel (Acres)   | 6.42   | 6.50  | 0.0%  | 6.02  | 0.0%  |
| Land Use and Zoning   | Leasehold.   | Leasehold.  | 0.0%  | Leasehold.  | 0.0%  |
| Availability of Similar Land Parcels  | Low Availability in the micro market.  | Low Availability in the micro market.   | 0.0%  | Low Availability in the micro market.   | 0.0%  |
| Site Development  | Vacant Plot of land  | Vacant Plot of land   | 0.0%  | Vacant Plot of land   | 0.0%  |
| Visibility and Frontage along the access road                                 | Average Visibility & Frontage along internal mindspace road  | Good Visibility & Frontage along access road  | -5.0% | Good Visibility & Frontage along access road  | -5.0% |
| Accessibility to the Property   | Access from Internal Mindspace Road  | Good Access from Digha MIDC road which directly connects to Thane Belapur Road.   | -5.0% | Access from Internal MIDC Road  | 0.0%  |
| General Attributes - Contiguity, Topography, Shape, HT Line, Open Drain, etc. | Property has flat terrain, contiguous in nature and irregular in shape. In proximity to railway line.  | Property has flat terrain, contiguous in nature and regular in shape.   | -5.0% | Property has flat terrain, contiguous in nature and regular in shape.   | -5.0% |
| Price Appreciation / Margin for Negotiation                                   |  | Transacted (Q1, 2021)   | 15.0% | Transacted (Q1, 2023)   | 5.0%  |
| Transacted/Asking Value (INR per acre of Land Area)                           |  | 210,000,000   |       | 231,011,721   |       |
| Total Adjustment  |  |   | 0.0%  |   | -5.0% |
| Adjusted Price per Unit (INR per acre)  |  | 210,000,000   |       | 219,461,135   |       |

P - Premium, D – Discount

| Instances  | Transaction / Quoted Price<br>(INR per acre) | Price Adjustments<br>(Percent) | Adjusted<br>Pricing<br>(INR per<br>acre) | Weightage (Percent) | Achievable<br>Pricing for<br>the Project<br>Site (INR<br>per acre) |
|--|--|--------------------------------|--|---------------------|--|
| Asking Instance 1 (A1)   | 210,000,000                                  | 0.0%                           | 210,000,000                              | 50.0%               | 105,000,000  |
| Asking Instance 2 (A2)   | 231,011,721                                  | -5.0%                          | 219,461,135                              | 50.0%               | 109,730,567  |
| Achievable Unit Pricing for the Project Site on 'as is where is' basis (INR per acre and area)                         |  |                                |  | 100.0%              | 214,730,567  |
| Say the Achievable Unit Pricing for the Project Site 'as is where is' basis (INR per acre. of land area) - Rounded off |  |                                |  |                     | 214,700,000  |

Table 7.17 Summary Valuation Analysis (Land Parcel 2 ~ 6.42 acres)

| Particular                                       | Values |
|--|--------|
| Total Area of the Land Parcel (acre)             | 6.42   |
| Unit Value of Land Parcel (INR Million per acre) | 214.7  |
| Discount for Limited Usage                       | 40%    |
| Unit Value of Land Parcel (INR Million per acre) | 128.8  |
| Total Value of the Land Parcel (INR Million)     | 827.0  |

Table 7.189 Cash Flow Projections of Power Distribution Services

|               |             | 1-Apr-24  | 1-Apr-25  | 1-Apr-26  | 1-Apr-27  | 1-Apr-28  | 1-Apr-29  | 1-Apr-30  | 1-Apr-31  | 1-Apr-32  | 1-Apr-33  | 1-Apr-34  | 1-Apr-35  | 1-Apr-36  | 1-Apr-37  | 1-Apr-38  |
|---------------|-------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|               |             | 31-Mar-25 | 31-Mar-26 | 31-Mar-27 | 31-Mar-28 | 31-Mar-29 | 31-Mar-30 | 31-Mar-31 | 31-Mar-32 | 31-Mar-33 | 31-Mar-34 | 31-Mar-35 | 31-Mar-36 | 31-Mar-37 | 31-Mar-38 | 12-Jun-38 |
| Particulars   | Unit        |           |           |           |           |           |           |           |           |           |           |           |           |           |           |           |
| Revenue       | INR Million | 415.57    | 241.50    | 271.12    | 305.72    | 346.09    | 393.17    | 448.02    | 509.17    | 542.67    | 568.73    | 596.62    | 627.26    | 659.70    | 693.96    | 147.91    |
| Expense       | INR Million | 221.08    | 195.43    | 226.57    | 262.68    | 304.57    | 353.16    | 409.52    | 472.17    | 507.19    | 534.77    | 563.87    | 594.60    | 627.04    | 661.29    | 139.75    |
| Planned Capex | INR Million | 0.20      |           |           |           |           |           |           |           |           |           |           |           |           |           |           |
| EBITDA        | INR Million | 194.29    | 46.06     | 44.55     | 43.04     | 41.52     | 40.01     | 38.50     | 36.99     | 35.48     | 33.96     | 32.75     | 32.66     | 32.66     | 32.67     | 8.16      |



## Annexure - 7

### Material Litigations

#### (i) **Title litigation and irregularities**

1. Baburam Ramkishan Yadav ("**Baburam**"), president of Universal Education Society ("**UES**"), filed a suit and injunction application before the Court of Civil Judge (J.D.) Vashi at C.B.D. ("**Civil Court Vashi**") seeking injunction restraining Gigaplex from encroaching upon land admeasuring approximately 500 square meters on which a school is operated by UES ("Suit Property"), which is in the Mindspace Airoli West admeasuring approximately 202,300 square meters ("Larger Land"). The matter is currently pending.

Gigaplex denied the claims *inter alia* stating that Gigaplex is a lessee of MIDC in respect of the Larger Land, and that Baburam has illegally encroached upon about 250 square meters on the eastern boundary of the Larger Land. By its order dated August 20, 2018, the Vashi Civil Court rejected Baburam's injunction application ("**Order**"). Baburam has challenged the Order before the Court of District Judge Thane which has been shifted to Belapur Court. The suit and appeal filed by Baburam are currently pending before the relevant courts in Belapur.

Gigaplex filed a suit against UES and MIDC before the Court of Civil Judge (Senior Division) Thane at Thane ("**Civil Court Thane**"), *inter alia* for possession of 569.80 square metres or such area as may be found in unauthorized occupation of UES, damages of ₹ 10.80 million, mesne profits of ₹ 0.30 million per month till the recovery of possession and injunction to restrain Baburam from further trespassing on the land at Mindspace Airoli West. Subsequently, Gigaplex also filed an injunction application before the Civil Court Thane seeking, *inter alia*, a temporary injunction to restrain Universal Education Society, its trustees, office bearers etc. from trespassing and encroaching the Suit Property and the adjacent plot of land leased by MIDC to Gigaplex. In an interim application for injunction filed by Gigaplex, a status quo order was passed on July 26, 2019 by the Civil Court Thane. The status quo was continued by the Civil Court Thane till the final decision in the matter, through its order dated March 5, 2020, disposing of the injunction application. The suit was transferred to the Civil Court at Belapur and is currently pending.

Baburam also filed a complaint before Rabale police station, Navi Mumbai, against a security guard in charge of Gigaplex for allegedly threatening him and damaging of a display board at the Suit Property. Baburam also issued a letter addressing the Commissioner of Navi Mumbai, the Police Commissioner of Navi Mumbai, the Chief Minister of Maharashtra and others, for harassment by security personnel of Gigaplex in the Suit Property. No action has been taken against Gigaplex in this regard.

#### (ii) **Criminal matters**

Nil.

#### (iii) **Regulatory actions**

1. The Joint Director of Industries, Government of Maharashtra ("**JDI**") had issued a letter of intent dated July 26, 2007 ("**LOI**") to B. Raheja Builders Private Limited (now, Gigaplex Estate Private Limited) for establishing and registering an IT software unit for 'Software Development'. Subsequent to the letter from JDI, MIDC, by its letter dated June 30, 2009, intimated Gigaplex to register as an IT Park, being a private developer. Thereafter, the JDI, by its letter dated May 16, 2016 ("**JDI Letter**"), sought clarification from Gigaplex in relation to non-registration of the IT software unit within the stipulated timeline and sought to initiate action against Gigaplex under the IT/ITES policy. Gigaplex was in the process of completing the endorsement of the lease deed dated November 1, 2007 executed with MIDC in relation

to the Mindspace Airoli West project, for payment of stamp duty, which remained with the relevant revenue authorities for endorsement, for submission to JDI. The lease deed was endorsed by the revenue authorities on September 11, 2019. By its letter dated October 9, 2019 to the JDI, Gigaplex has responded to the JDI Letter *inter alia* stating that (a) the land was granted by MIDC under lease deed dated November 1, 2007 for proposed I.T. software unit (Software Development), but due to recession and other reasons, the erstwhile management of B. Raheja Builders Pvt. Ltd. decided to pursue development as private IT Park (instead of software development) with due approval of the Director Industry, IT, pursuant to the NOC issued by MIDC; (b) accordingly, Gigaplex has developed the land as private IT Park; and (c) Gigaplex also voluntarily approached the stamp authorities and paid the full stamp duty and registration fees in relation to the lease deed, and (d) the development of private IT Park was undertaken with due approval of Director of Industry (IT), Maharashtra and no benefit was received by it under the IT/ITES policy. No further correspondence has been received.

The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 against Avacado, Gigaplex, KRIT, MBPPL, Chalet Hotels, Genext, Inorbit Malls, KRCPL, KRPL, Shoppers Stop and others ("**Parties**"). Pursuant to the Warrant, the Income Tax Department carried out a search on November 30, 2017. The search covered various matters for which notices were already issued from time to time. The search was concluded on December 6, 2017 at the office and residence of the Parties. Pursuant to the search, the Income Tax Department issued notices to each of the Parties under Section 153A of the Income Tax Act directing them to prepare and furnish true and correct returns of total income for assessment years ("**AY**") from 2008-2009, 2012-13 to 2017-18 within a stipulated timeline from the date of service of the notices and these returns have been furnished before the Income Tax Department. Further, the Income Tax Department issued notices under Section 142(1)/143(2) of the Income Tax Act for assessment years 2008-2009, 2012-13 to 2017-2018/2018-19, to the Parties seeking certain information. These details have been furnished before the Income Tax Department by the Parties from time to time. Post the Warrant, the assessment proceedings under section 153A of the Income Tax Act were initiated for AY 2012-13 to AY 2018-19. The assessment under section 143(3) read with section 153A of the Income Tax Act for AY 2012-13 to AY 2017-2018 and under Section 143(3) of the Income Tax Act, for AY 2018-2019 were completed. Gigaplex filed appeals before the CIT(A) against the order for AY 2012-13 to AY 2017-18 and against the order for AY 2018-19. The appeal for AY 2016-17 and AY 2017-18 were disposed by the CIT(A) in favour of Gigaplex. The appeals for AY 2014-15 and AY 2015-16 were disposed by the CIT(A) against Gigaplex and an appeal has been filed before the ITAT for the same. The same has been disposed by ITAT against Gigaplex. The Income Tax Department filed an appeal for AY 2016-17 and AY 2017-18 before ITAT against the order of the CIT(A) and the same were disposed by the ITAT in favour of Gigaplex. The Income Tax Department has filed an appeal before the High Court against the order of the ITAT for AY 2016-17 and AY 2017-18. The matter is currently pending.

2. Maharashtra State Electricity Distribution Company Limited ("**MSEDCL**") filed a petition dated October 16, 2018 against Maharashtra State Load Despatch Centre, wherein electricity distribution companies in Maharashtra including, MBPPL and Gigaplex (which hold electricity distribution licenses) and others, were impleaded as parties, before Maharashtra Electricity Regulatory Commission ("**MERC**") seeking payment of alleged past dues, removal of anomalies and directions regarding over-drawal of electricity. Through its final common order dated September 26, 2019, MERC partly allowed MSEDCL's prayer against which MSEDCL and one of the electricity distributions companies have filed separate appeals before the Appellate Tribunal for Electricity ("**APTEL**"). Pursuant to an order dated December 18, 2019, the APTEL instructed that notices be issued to respondents in the appeal, including Gigaplex and MBPPL. By an order dated September 15, 2020, interim applications for condonation of delay in filing the appeals were allowed. By an order dated September 14, 2022, the APTEL directed that the matter is already at the stage of hearing and that the appeals be included in

the “*List of Finals of Court - I*” to be taken up from the list, in their turn. The appeals are pending before the APTEL.

3. The Joint District Registrar (Class I) and Collector of Stamps, Thane City, Thane (“**Lower Authority**”) imposed a penalty of ₹ 87.65 million on Gigaplex under Section 39 of the Maharashtra Stamp Act, 1958 (“**MSA**”) vide its letter dated August 12, 2022, and December 8, 2022. Gigaplex had sought partial denotification from IT/ITES SEZ into regular IT/ITES Park in relation to plot no. IT-5, Airoli Knowledge Park, TTC Industrial Estate, Village Airoli and Digha, District Thane in 2016. The deficit stamp duty on the transaction amounting to ₹ 39.8 million and registration fee of ₹ 0.02 million was submitted on December 9, 2016 but the penalty under Section 39 of the MSA from the date of execution of the document at the rate of 2% per month amounting to ₹ 87.65 million is still pending for payment. Being aggrieved by the letter dated December 8, 2022, Gigaplex has filed an Appeal Case No. 29/2023 under section 53(1A) of the Maharashtra Stamp Act before the Inspector General of Registration and Controller of Stamps, Maharashtra State, Pune (“**IGR&CS**”) with a prayer to issue directions to the Lower Authority to grant a no dues certificate for this partial de-notification. By its order dated March 13, 2023, IGR&CS observed that while the Lower Authority had imposed penalty as per Section 39 of the MSA, it failed to follow the procedure given therein and therefore the letter dated December 8, 2022 needs to be set aside. The IGR&CS held that it has no jurisdiction to entertain the said Appeal being premature, and directed the Lower Authority to follow the process contemplated under Section 39 of the MSA at the earliest. The matter has been resolved, without payment of penalty and NOC dated August 25, 2023 has been issued for partial denotification of Gigaplex SEZ.

**(iv) Material civil/commercial litigation**

1. Kharghar Vikhroli Transmission Private Limited (“**KVTPL**”) has filed a petition before Maharashtra Electricity Regulatory Commission, Mumbai (“**MERC**”) against Maharashtra State Electricity Transmission Company Limited (“**MSETCL**”) and others (including Gigaplex and MBPPL as respondents) under the applicable provisions of the Electricity Act, 2003 read with the transmission service agreement dated August 14, 2019 (“**TSA**”) entered between KVTPL, MSETCL, MBPPL, Gigaplex and certain other companies including distribution companies seeking, inter-alia, compensation/relief for increased cost of the project during construction period due to the ‘change in law’ event being increase in the acquisition price of shares of KVTPL (including the purchase cost of Vikhroli land). The total additional cost of the project claimed by KVTPL is ₹ 717.00 million along with 9.35% on compounded interest basis. The liability of Gigaplex is 0.05% i.e. the percentage share computed based on allocated transmission capacity rights as mentioned in the TSA. The MERC by its order dated August 2, 2022, partly allowed the petition granting KVTPL the additional cost of the project of ₹ 717.00 million without the carrying cost, in accordance with Article 12 of the TSA. KVTPL will be entitled to recover the impact of change in law after declaring the date of commissioning of the project in accordance with the provisions of the TSA without any carrying cost. KVTPL and MSEDCL have filed separate Appeals (Appeal No. 385 of 2022 and Appeal No. 393 of 2022 respectively) (together, “**Appeals**”) before the Appellate Tribunal for Electricity at New Delhi (“**APTEL**”) against the MERC Order dated August 2, 2022. By an order dated March 31, 2023 in Appeal No. 385 of 2022, and by its order dated May 18, 2023 in Appeal No. 393 of 2023, the APTEL directed Appeals to be included in the “*List of Finals of Court - II*”, once pleadings are completed. These appeals are pending before the APTEL.
2. Gigaplex, KRC Infra and MBPPL (“**KRC DISCOMs**”) had filed a petition dated December 16, 2021 before the Maharashtra Electricity Regulatory Commission, Mumbai (“**MERC**”) under Section 86 (1) (f) of the Electricity Act, 2003 (“**EA, 2003**”) seeking approval for additional power purchase cost incurred over the period from October 11, 2021 to October 31, 2021 on account of reasons beyond the control of the KRC DISCOMs. The MERC impleaded (i) M/s Kreate Energy India Pvt Ltd (“**KEIPL**”), (ii) Maharashtra State Load Despatch Centre; and (iii) Lloyds Metals and Energy Limited as Respondents in this matter. By an order dated November 8, 2022, the MERC partly allowed the petition, and directed KEIPL to pay ₹ 19.60 million to KRC

DISCOMs within 15 days from the date of the order as compensation for increased power purchase expenses on account of illegal diversion of contracted power to third party. Further, the MERC directed the KRC DISCOMs to adjust such compensation amount in upcoming FAC computation as rebate in power purchase expenses. KEIPL filed an appeal (against the order in the Case No 1/MP of 2022 dated November 8, 2022 ("**Impugned Order**") before the Appellate Tribunal for Electricity at New Delhi ("**APTEL**") seeking stay on the Impugned Order dated November 8, 2022 (Appeal No. 428 of 2022). Hearing in the matter was held on 8<sup>th</sup> and 9<sup>th</sup> December 2022. By interim order dated December 22, 2022, APTEL granted stay of the Impugned Order under appeal, subject to fulfilment of the following conditions: (a) KEIPL shall, within three weeks from December 22, 2022, pay KRC DISCOMs ₹ 1.16 million; and (b) KEIPL shall in addition, within three weeks from December 22, 2022, furnish an unconditional bank guarantee from a Nationalised Bank in favour of the MERC, for an amount of ₹ 17.93 million and the bank guarantee, so furnished, shall be kept alive and in force during the pendency of the appeal and (c) the order further requires KEIPL to file an affidavit of compliance, of the aforesaid directions, with the Registry within four weeks from December 22, 2022. By an order dated January 17, 2023, the APTEL has recorded that a compliance affidavit had been filed by KEIPL in Appeal No. 428 of 2022, stating that the earlier order of the Tribunal, in IA No. 1951 of 2022 dated December 22, 2022 which required KEIPL to remit ₹ 1.16 million to the KRC DISCOMs and to furnish an unconditional bank guarantee in favour of MERC for a sum of ₹ 17.93 million has been complied with. By an order dated May 1, 2023, the APTEL directed to re-include the Appeal in the "*List of Finals*" after pleadings are completed. The matter is pending before the APTEL.

3. Lloyds Metals & Energy Ltd (LMEL) has filed an fresh Appeal before the APTEL against the MERC Order dated November 8, 2022 in Case No. 1/MP/ of 2022. Hearing of application seeking permission to bring on additional documents was held on April 4, 2024. The Appellant proposed to bring on record certain emails and the same is not opposed by KRC Discoms. The Hon'ble APTEL noted that the pleadings are completed and added the appeal to the list of finals.
4. Gigaplex, KRC Infra and MBPPL ("**KRC DISCOMs**") had filed a petition before the MERC under Section 86 (1) f of the EA, 2003 against KEIPL for adjudication of dispute between KRC DISCOMs and KEIPL. KRC DISCOMs had entered into a power purchase agreement dated May 27, 2021 (PPA) with KEIPL for supply of power up to 14 MW, for the period from July 2021 to June 2022. However, KEIPL did not supply power to the KRC DISCOMs during the period from April to June 2022. During this period KRC DISCOMs had to procure the power from the other available sources at market rates. This resulted into additional power purchase cost ₹ 101 million to be incurred by KRC DISCOMs on account of material breach of the PPA by KEIPL. Therefore, the KRC DISCOMs have filed this petition (Case No. 162 of 2022) before the MERC seeking compensation of the entire additional power purchase cost incurred by them for the period from April 2022 to June 2022 due to KEIPL's failure to supply power under PPA. The first hearing in this matter was held on November 11, 2022. As directed in the Order dated November 11, 2022, KEIPL has filed its reply and the KRC DISCOMs have filed their rejoinder to the reply of KEIPL. Pursuant to final e-hearing held by MERC on August 1, 2023 and MERC has reserved the case for its order. By an Order dated September 27, 2023 MERC allowed the petition and directed KEIPL to pay ₹101 million with carrying cost to KRC DISCOMs within one month as compensation for increased power purchase expenses on account of non-performance of contract by KEIPL. KRC DISCOMs have been directed to pay late payment surcharge on the March 2022 bill presented by KEIPL as per the PPA.4. KEIPL has filed a review petition before the MERC on November 9, 2023 for review of the MERC Order dated September 27, 2023.
4. The Maharashtra Electricity Regulatory Commission, Mumbai ("**MERC**") issued the Mid Term Review ("**MTR**") Order for Gigaplex. The MERC in the said order dated March 31, 2023 has disallowed the deferment of tariff recovery proposed by Gigaplex in its petition. Gigaplex filed an appeal before the Appellate Tribunal for Electricity at New Delhi ("**APTEL**") against the

MERC MTR order dated March 31, 2023. By way of order dated August 8, 2023, the APTEL directed to include the Appeal No 529 of 2023 in the “List of Finals” after completion of pleadings. Gigaplex has filed its rejoinder to the reply filed by MERC . Gigaplex proposed to allow MSEDL tariff as recovery strategy and also agreed to forego the carrying cost on the regulatory asset if created using MSEDCL Tariff. The appeal is pending before APTEL

5. Gigaplex received a demand notice dated December 11, 2023 from Maharashtra Industrial Development Corporation (“**MIDC**”) for recovery of differential premium of ₹ 527.74 million for the change in its shareholding on account of acquisition of shares of Gigaplex by the Mindspace REIT in August 2020. Gigaplex responded to the demand notice on January 2, 2024, objecting to the same. MIDC has decided to refer the matter to Advocate General of Government of Maharashtra for his opinion Gigaplex has submitted a Bank Guarantee dated February 22, 2024 for ₹ 527.74 million to MIDC. The matter is currently pending.

**Table 7.20: Summary of Pending Tax Litigations**

| ASSESSMENT YEAR | SIGNIFICANT ISSUE IN DISPUTE   | AUTHORITY - RAISING ISSUE | AUTHORITY - PASSING ORDER | APPEAL PREFERRED BY | AUTHORITY - ISSUE PENDING BEFORE | NEXT DATE OF HEARING IF APPLICABLE | EXPOSURE - TAX, INTEREST AND PENALTY |
|-----------------|--|---------------------------|---------------------------|---------------------|----------------------------------|------------------------------------|--------------------------------------|
| GIGAPLEX        |  |                           |                           |                     |                                  |                                    |                                      |
| 2018-19         | Interest Amount Reduced in CWIP & Depreciation to be Computed on assets from the year in which income from such asset is taxed under the head PGBP                               | Assessing Officer         | Assessing Officer         | Company             | CIT(A)                           | Not available                      | -                                    |
| 2016-17         | Rental Income assessed under the head IHP instead of Business & Depreciation to be Computed on assets from the year in which income from such asset is taxed under the head PGBP | Assessing Officer         | ITAT                      | Dept.               | High Court                       | Not available                      | -                                    |
| 2017-18         | Rental Income assessed under the head IHP instead of Business & Depreciation to be Computed on assets from the year in which income from such asset is taxed under the head PGBP | Assessing Officer         | ITAT                      | Dept.               | High Court                       | Not available                      | -                                    |

Note: Direct tax litigations are at the SPV level.



## Annexure - 8

### Caveats and Limitations

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1. The Valuation Report (hereafter referred to as the 'Report') covers specific markets and situations that are highlighted in the Report based on independent market report prepared by JLL and does not entail any comprehensive analysis of the market and the industry given the nature of the scope of the assignment.
2. The opinions expressed in the Report are subject to the limitations expressed below.
  - a) The valuation method adopted is based on the Valuer's expertise and knowledge considering the forecasts on demand, supply and pricing as undertaken by JLL as part of an independent market/ industry research and considered to be relevant and reasonable at that point of time. The Report and the opinions therein do not constitute any recommendation to K Raheja Corp Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP) (or the 'Client') or its affiliates and subsidiaries or its customers or any other party to adopt a particular course of action. The use of the Report at a later date may invalidate the assumptions and bases on which these opinions have been expressed and is not recommended as an input to any financial decision.
  - b) It should be noted that the valuation is based upon the facts and evidence available at the time of conduct of the valuation and applicable on the date of valuation. It is therefore recommended that these valuations be periodically reviewed.
  - c) Changes in socio-economic and political conditions could result in a substantially different situation than those presented herein. The Valuer assumes no responsibility for changes in such external conditions.
  - d) The Valuer has considered the independent market report prepared by JLL and macro understanding of the market through readily available information in public domain. Hence, no direct link is sought to be established between the macro-level understandings on the market with the assumptions estimated for the analysis herein.
  - e) The services provided is limited to valuation of the Project primarily comprising Land and Building and any part thereof and does not constitute any audit, survey, due diligence, tax related services etc. Accordingly, no opinion has been expressed on the financial information of the business of any party, including the Client and its affiliates and subsidiaries. The Report is prepared solely for the purpose stated and should not be used for any other purpose.
  - f) While the information included in the Report is accurate and reliable to the best of the knowledge of the Valuer, no representations or warranties, expressed or implied, as to the completeness of such information is being made. The Valuer shall not undertake any obligation to update or supplement any information contained in the Report save as provided for in the Agreement.
  - g) Apart from the sources already mentioned in the report, the Valuer has relied on readily available public information for the purpose of preparing this report.
3. The Report reflects matters as they currently exist. Any changes thereon may materially affect the information contained in the Report.
4. All assumptions made in order to determine the valuation of the Project is based on information or opinions as current. In the course of the analysis, the Valuer has relied on information or opinions, both written and verbal, as obtained from the Client as well as from third parties provided with, including limited information on the market, financial and operating data, which has been

accepted as accurate in bona-fide belief. No responsibility is assumed for technical or specialised information furnished by the third-party organizations and this is believed bona-fide to be reliable.

5. No investigation of the title of the assets has been made and owners' claims to the assets is assumed to be valid unless anything contrary is mentioned in the main report. No consideration is given to liens or encumbrances, which may be against the Project or assets. Therefore, no responsibility is assumed for matters of a legal nature.
6. Review of tenants' ability and willingness to continually pay lease rents as per their respective contractual terms is not within the scope of work of Valuer. Valuer has assumed that all tenants' will be able to pay their rents on time as and when demanded as per their contractual terms and that no arrears exist with respect to any tenancy.
7. The Valuer's total aggregate liability to the Client including that of any third party claims, in contract, tort including negligence or breach of statutory duty, misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the services is limited to an aggregate sum as agreed in the LOE (Letter of Engagement). The Valuer shall not be liable for any pure economic loss, loss of profit, loss of business, depletion of goodwill, in each case whether direct or indirect or consequential or any claims for consequential loss compensation whatsoever which, arise out of or in connection with services provided under this engagement.
8. The Client including its agents, affiliates and employees, must not use, reproduce or divulge to any third party any information it receives from the Valuer for any purpose except set out herein.
9. This engagement shall be governed by and construed in accordance with Indian laws and any dispute arising out of or in connection with the engagement, including the interpretation thereof, shall be submitted to the exclusive jurisdiction of courts in New Delhi.

# Valuation Report

## Paradigm Mindspace Malad, Mumbai

Maharashtra, India

Submitted To:

K. Raheja Corp. Investment Managers Private  
Limited (formerly known as K Raheja Corp  
Investment Managers LLP)

(acting as Manager to Mindspace Business Parks REIT)

Date of Valuation:

31-March-2024

Date of Report:

24-April-2024



Prepared By:

KZEN VALTECH PRIVATE LIMITED

IBBI/RV-E/05/2022/164

## EXECUTIVE SUMMARY

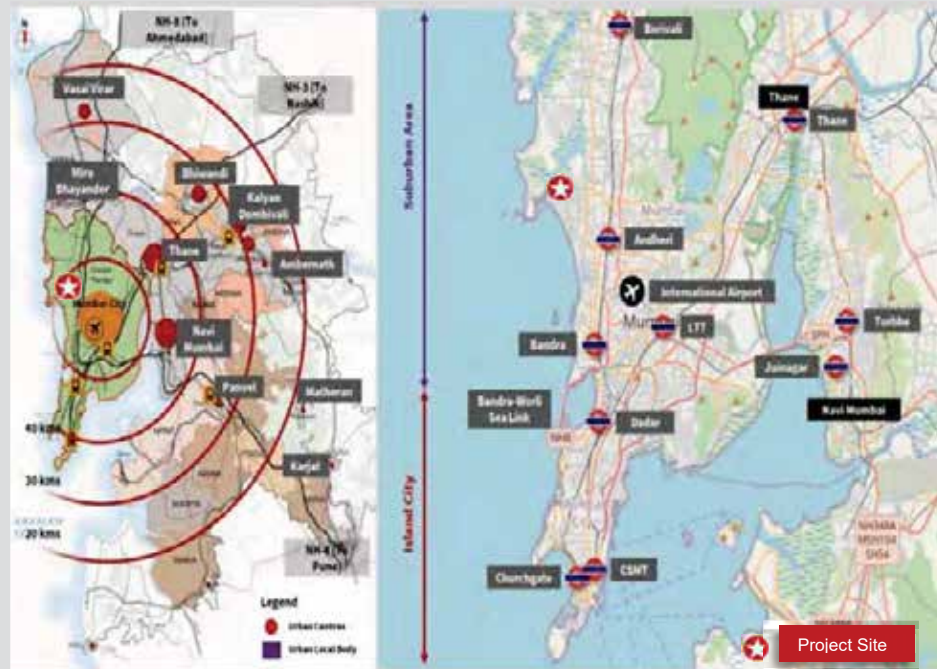
|                   |   |
|-------------------|---|
| Property Name     | Paradigm Mindspace Malad, Mumbai, Maharashtra, India  |
| Property Address  | Paradigm S. No. 1406A/18, Mindspace, Link Road, Malad, (West), Mumbai 400064  |
| Land Area         | ~4.2 acres  |
| Brief Description | <p>The property is located in the north-western part, in the Western Suburbs micro market of Mumbai City off the New Link Road. It is located at a distance of about 2.0 km from the Malad Suburban Railway Station, about 4.0 km from the Western Express Highway and about 2 km from Inorbit Mall Malad.</p> <p>The property is developed as Grade A IT Park with two wings 1) Wing A comprising of 385,111 sq. ft of leasable area and 2) Wing B comprising of 368,171 sq. ft of leasable area. The main entrance to the Project Site is from Zakeria Road. Further, the IT building is also facilitated with a separate gate which is accessible from Zakeria Road.</p> <p>The property is surrounded by mixed use development comprising residential, retail, and commercial developments.</p> |

Asset Details Leasable area details as shared by the Client is given below:

| Sl. | Building Name            | Leasable Area (sq. ft.) |
|-----|--------------------------|-------------------------|
| 1.  | Paradigm A – IT Building | 385,111                 |
| 2.  | Paradigm B – IT Building | 368,171                 |
|     | Total Leasable Area      | 753,282                 |

Based on the site inspection, IT Building is fully completed and operational.

Location Map



Key Assumptions

The table below summarizes key valuation assumptions used in the estimate.

|              | Particulars   | Description  |              |           |                   |  |  |         |               |                            |            |        |                 |    |                          |         |              |           |                   |    |                          |         |              |           |                   |
|--------------|---|--|--------------|-----------|-------------------|--|--|---------|---------------|----------------------------|------------|--------|-----------------|----|--------------------------|---------|--------------|-----------|-------------------|----|--------------------------|---------|--------------|-----------|-------------------|
|              | Asset Specific Information  |  |              |           |                   |  |  |         |               |                            |            |        |                 |    |                          |         |              |           |                   |    |                          |         |              |           |                   |
|              | Nature of Asset   | IT (Non SEZ)   |              |           |                   |  |  |         |               |                            |            |        |                 |    |                          |         |              |           |                   |    |                          |         |              |           |                   |
|              | Current Status  | Completed and Operational  |              |           |                   |  |  |         |               |                            |            |        |                 |    |                          |         |              |           |                   |    |                          |         |              |           |                   |
|              | Total Leasable Area   | 753,282 sq. ft   |              |           |                   |  |  |         |               |                            |            |        |                 |    |                          |         |              |           |                   |    |                          |         |              |           |                   |
|              | Asset Details   | <table><tr><th>Sl. No.</th><th>Building Name</th><th>Leasable Area (In sq. ft.)</th><th>Usage Type</th><th>Status</th><th>Age of Building</th></tr><tr><td>1.</td><td>Paradigm A – IT Building</td><td>385,111</td><td>IT Non – SEZ</td><td>Completed</td><td>19 Years 7 Months</td></tr><tr><td>2.</td><td>Paradigm B – IT Building</td><td>368,171</td><td>IT Non – SEZ</td><td>Completed</td><td>19 Years 7 Months</td></tr></table> <p>In addition to the above, the undivided rights, title and interest in the following assets are also part of the Project.</p> <ul style="list-style-type: none"><li>▪ Amenities</li><li>▪ Total utility areas and internal roads</li><li>▪ Total open spaces</li></ul> |              |           |                   |  |  | Sl. No. | Building Name | Leasable Area (In sq. ft.) | Usage Type | Status | Age of Building | 1. | Paradigm A – IT Building | 385,111 | IT Non – SEZ | Completed | 19 Years 7 Months | 2. | Paradigm B – IT Building | 368,171 | IT Non – SEZ | Completed | 19 Years 7 Months |
| Sl. No.      | Building Name   | Leasable Area (In sq. ft.)   | Usage Type   | Status    | Age of Building   |  |  |         |               |                            |            |        |                 |    |                          |         |              |           |                   |    |                          |         |              |           |                   |
| 1.           | Paradigm A – IT Building  | 385,111  | IT Non – SEZ | Completed | 19 Years 7 Months |  |  |         |               |                            |            |        |                 |    |                          |         |              |           |                   |    |                          |         |              |           |                   |
| 2.           | Paradigm B – IT Building  | 368,171  | IT Non – SEZ | Completed | 19 Years 7 Months |  |  |         |               |                            |            |        |                 |    |                          |         |              |           |                   |    |                          |         |              |           |                   |
|              | Revenue Assumptions   |  |              |           |                   |  |  |         |               |                            |            |        |                 |    |                          |         |              |           |                   |    |                          |         |              |           |                   |
|              | In-Place Rent   | INR 100.1 per sq. ft per month   |              |           |                   |  |  |         |               |                            |            |        |                 |    |                          |         |              |           |                   |    |                          |         |              |           |                   |
|              | Market / Marginal Rent  | INR 96.6 per sq. ft. per Month   |              |           |                   |  |  |         |               |                            |            |        |                 |    |                          |         |              |           |                   |    |                          |         |              |           |                   |
|              | Parking Rent  | INR 5,250 per CPS per month  |              |           |                   |  |  |         |               |                            |            |        |                 |    |                          |         |              |           |                   |    |                          |         |              |           |                   |
|              | Financial Assumptions   |  |              |           |                   |  |  |         |               |                            |            |        |                 |    |                          |         |              |           |                   |    |                          |         |              |           |                   |
|              | Exit Cap Rate   | 8.00%  |              |           |                   |  |  |         |               |                            |            |        |                 |    |                          |         |              |           |                   |    |                          |         |              |           |                   |
|              | Discount Rate / WACC  | 11.75%   |              |           |                   |  |  |         |               |                            |            |        |                 |    |                          |         |              |           |                   |    |                          |         |              |           |                   |
| Market Value | For Completed Project: Total Market Value - INR 11,328.74 million (INR Eleven Billion Three Hundred Twenty-Eight Million Seven Hundred and Forty Thousand Only) |  |              |           |                   |  |  |         |               |                            |            |        |                 |    |                          |         |              |           |                   |    |                          |         |              |           |                   |

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## **LIST OF ABBREVIATIONS**

|           |   |
|-----------|---|
| CBD       | Central Business District                                       |
| IT / ITES | Information Technology / IT enabled Services                    |
| IVSC      | International Valuation Standards Committee                     |
| JLL       | Jones Lang LaSalle Property Consultants (India) Private Limited |
| km        | Kilometre   |
| NH        | National Highway  |
| PBD       | Peripheral Business District                                    |
| REIT      | Real Estate Investment Trust                                    |
| RICS      | Royal Institution of Chartered Surveyors                        |
| SBD       | Secondary Business District                                     |
| SEZ       | Special Economic Zone   |
| sq. ft    | square feet   |
| sq. m     | square metre  |

## **CONVERSION OF UNITS**

|         |                 |
|---------|-----------------|
| 1 acre  | 43559.66 sq. ft |
| 1 acre  | 4046.9 sq. m    |
| 1 sq. m | 1.196 sq. yards |
| 1 sq. m | 10.764 sq. ft   |
| 1 metre | 1.0936 yards    |
| 1 metre | 3.28 ft         |
| 1 cent  | 435.6 sq. ft    |

# 1 INTRODUCTION

---

## 1.1 INSTRUCTIONS

K. Raheja Corp. Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP) (hereinafter referred to as the 'Client'), in its capacity as Manager of the Mindspace Business Parks REIT (Mindspace REIT), has appointed KZEN VALTECH PRIVATE LIMITED, Registered Valuer Entity with Insolvency and Bankruptcy Board of India ("IBBI") bearing registration no. IBBI/RV-E/05/2022/164 (hereinafter referred to as the 'Valuer') to carry out an independent estimate of Market Value of commercial / office properties located in Chennai, Hyderabad, Mumbai and Pune along with incidental or ancillary activities including a facility management business and power distribution facility, vide Engagement Letter dated 27 March 2023. The Client intends to seek independent estimate of Market Value for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchange.

This Valuation Report has Market Value of a commercial / office project named '**Paradigm Mindspace Malad (Paradigm A and B buildings)**' located in **Malad, Mumbai**, Maharashtra, India (hereinafter referred to as the 'Project').

## 1.2 PURPOSE OF VALUATION

The purpose of this valuation is to estimate the value of the Project as part of the portfolio of Mindspace REIT for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended together with clarifications, guidelines and notifications thereunder in the Indian stock exchange and for accounting purpose.

In addition, other documents in relation to the regulatory filings such as publicity material, research reports, presentations and press releases will also be prepared, wherein copies, summary or extracts of the Valuation Report are intended to be included.

## 1.3 RELIANT PARTIES

The reliance on the Valuation Report prepared as part of this engagement is extended to the Manager, REIT and other parties including the trustee of REIT, debenture trustee(s), stock exchanges, unitholders of REIT, Securities and Exchange Board of India ('SEBI'), credit rating agencies, lenders of the REIT and / or its special purpose vehicles or any other person within or outside India as the Manager may deem fit for the purpose as highlighted in this report (valuation). The Valuer, however, would extend no liability to such reliant parties save and except for gross and willful negligence.

The valuation exercise is conducted strictly and only for the use of the parties as stated above who need to rely on such valuation ('Reliant Party') and for the Purpose specifically stated. The Client shall make all reliant parties aware of the terms and conditions of the engagement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 1.4 VALUER'S CAPABILITY

**KZEN VALTECH PRIVATE LIMITED**, bearing Registered Valuer Entity number IBBI/RV-E/05/2022/164 with IBBI has been appointed as the Valuer for providing opinions on market value of the respective Subject Properties.

Mr. Sachin Gulaty, Director, KZEN VALTECH PRIVATE LIMITED, is registered as a valuer with IBBI for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 13 August 2021. He qualified for the degree of Bachelor of Architecture from School of Planning and Architecture, New Delhi in 1997, and qualified for the degree of Master's in Planning with specialization in Urban Planning from School of Planning and Architecture, New Delhi in 2002. He, subsequently, undertook distance learning from SVKM's Narsee Monjee Institute of Management Studies ("NMIMS") Global Access – School for Continuing Education, qualified for the two-years Post Graduate Diploma in Banking & Financial Management and was awarded this Post Graduate Diploma in July 2018.

Mr. Gulaty has more than 26 years of experience, including one and a half years of post-graduate education, spread over domains of architecture, urban planning, urban infrastructure, real estate advisory, and real estate asset valuation. He was the National Head of Valuations for Jones Lang LaSalle Property Consultants (India) Private Limited ("JLL India"), a leading International Property Consulting firm in India, from 2010 to 2021. Prior to this role, Mr. Gulaty gained practical experience in providing architecture services, town and city planning, and research related to regulatory studies and urban governance covering urban infrastructure such as water supply, sanitation, solid waste management, and urban transport, among other aspects. In the early part of his career, he worked with renowned architectural services firm, Kuldip Singh & Associates, and The Energy and Resources Institute ("TERI"). His last employment was with JLL as Senior Director and National Head for Valuations.

As the National Head of Valuations at JLL India, he led numerous valuation exercises for multiple financial institutions, private equity/real estate funds, corporates, industrial houses, government departments, and developers across multiple real estate asset classes of commercial, retail, residential, industrial, healthcare, and hospitality, among others. Clientele served by him across his entire career till date, under various employments, includes Brookfield, GIC, Qatar Investment Authority, JP Morgan, BlackRock, CapitalLand, Citibank, Standard Chartered Bank, Yes Bank, Kotak Mahindra, Maruti Suzuki, Indiabulls, Dubai Port World, World Bank, DLF, RMZ, Shriram Properties, DIPAM, NHAI, NBCC, AAI, and RLDA, among others.

Mr. Gulaty, who carries IBBI Registration Number: IBBI/RV/02/2021/14284, is enrolled with the Institute of Valuers Registered Valuers Foundation ("IOVRVF"), is a Fellow of Royal Institution of Chartered Surveyors ("RICS"), Fellow and Lifetime Member of Institute of Valuers, India ("IOV"), admitted as an Arbitrator (India) on the RICS Panel of Dispute Resolvers & Expert Witnesses, and features in the global list of RICS Trained Assessors, has prepared and signed this report on behalf of RV-E.

## 1.5 INDEPENDENCE, CONFLICT OF INTEREST AND VALUER'S INTEREST

The Valuer confirms that there are no conflicts of interest in so far as discharging his duties as a valuer for the Project is concerned. The Valuer has undertaken the valuation exercise without the presence of any bias, coercion, or undue influence of any party, whether directly connected to the valuation assignment. There has not been any professional association with the Client or the Project in past five years from his engagement as the Valuer, except as valuer under the SEBI (REIT) Regulations, 2014.

The Valuer certifies that he / she does not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the Project (including the parties with whom the Client is dealing, including the lender or selling agent, if any) and accepts instructions to value the Project only from the Client.

## 1.6 ASSUMPTIONS, DEPARTURES AND RESERVATIONS

This Valuation Report has been prepared on the basis of the assumptions within the instructions (Key Assumptions, Qualifications, limitations and Disclosures) detailed after this section of this report. The development mix, built up area, land area and lease details such as lease rent, lease commencement and lease end date, lock-in period, escalation terms, etc. pertaining to the Project is based on the appropriate relevant documents, which has been provided by the Client and the same has been adopted for the purpose of this valuation.

## **1.7 INSPECTION OF THE PROJECT**

The Project was inspected on 28 March 2024 by the Valuer in the presence of Client-nominated representative and subsequently no site visits have been conducted. No measurement or building survey has been carried out as part of the valuation exercise. The Valuer has relied entirely on the site areas provided by the Client, which has been assumed to be correct. Based on the discussions with the Client, it has been assumed that no material change in the condition of the property has taken place except for the progress of construction work in accordance with the information shared.

## **1.8 GENERAL COMMENT**

A valuation is an estimation of price, not a guarantee. By necessity, it requires the Valuer to make subjective judgments that, even if logical and appropriate, may differ from those made by a purchaser, or another valuer. Historically it has been considered that valuers may properly conclude within a range of possible values.

The purpose of the valuation does not alter the approach to the valuation.

Property values can change substantially, even over short periods of time, and thus the valuation of the Project herein could differ significantly if the date of valuation was to change.

This report should not be relied upon for any other purpose other than for which this valuation exercise has been undertaken.

## **1.9 CONFIDENTIALITY**

The contents of this Valuation Report are intended for the specific purpose stated. Consequently, and in accordance with current practice, no responsibility is accepted to any other party in respect of the whole or any part of its contents - except as maybe required in connection with the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, under the applicable law.

## **1.10 AUTHORITY**

The Client acknowledges and agrees that the valuation exercise undertaken (including, without limitation, the Reports itself and the contents thereof) is solely for the purpose set out in Section 1.2 herein. If Client desires to use the Report in any offering or other investment material for purpose other than as mentioned in the Section 1.2 herein, then (a) with Valuer will require, and the Client must provide or cause to be provided, an indemnification agreement in his favor, given by parties reasonably satisfactory to him, and (b) the Client will obtain his consent to the references in such materials to the Report.

## **1.11 LIMITATION OF LIABILITY**

The Valuer has provided the services exercising due care and skill but does not accept any legal liability arising from negligence or otherwise to any person in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the properties. Further, the Valuer shall not accept liability for any

errors, misstatements, omissions in the report caused due to false, misleading or incomplete information or documentation provided to him by the Instructing Party.

The Valuer's maximum aggregate liability for claims arising out of or in connection with the Valuation, under this engagement shall not exceed the professional indemnity insurance obtained by him. As on the date of this report, the professional indemnity insurance maintained by the Valuer is for Indian Rupees Fifty Million.

In the event that the Manager, the sponsors, the trustee, the REIT, or other intermediaries appointed by the Manager and / or REIT or its SPVs be subject to any claim ('Claim Parties') in connection with, arising out of or attributable to the Report, the Claim Parties will be entitled to require the Valuer to be a necessary party / respondent to such claim and he shall not object to his inclusion as a necessary party / respondent. In all such cases, the Manager, on behalf of the REIT, agrees to reimburse / refund to the Valuer, the actual cost (which shall include legal fees and external counsel's fee) incurred by them while becoming a necessary party / respondent. If the Valuer does not cooperate to be named as a party / respondent to such claims in providing adequate / successful defense in defending such claims, the Claim Parties jointly or severally will be entitled to initiate a separate claim against the Valuer in this regard.

The Valuer will neither be responsible for any legal due diligence, title search, and physical measurements nor undertake any verification / validation of the zoning regulations / development controls with any government departments / authorities, among other aspects., etc.

## **1.12 DISCLOSURE AND PUBLICATION**

The Valuer must not disclose the contents of this Valuation Report to a third party in any way, except as allowed under the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars. As per the terms and regulation 2(1) of the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars, it may be noted that the Valuation report is prepared in accordance with said REIT regulations.

## **1.13 ANTI-BRIBERY AND ANTI-CORRUPTION**

The Valuer represents, warrants and undertakes that:

The Valuer is familiar with applicable Anti-Corruption Laws under this Agreement including but not limited to Prevention of Corruption Act 1988 and will ensure that neither it nor any of its officers, directors, shareholders, employees and agents or any other person acting under its implied or express authority will engage in any activity, practice or conduct which would constitute an offence under, or expose or potentially expose either Party to any direct or indirect liability, under Applicable Anti-Corruption Laws;

It is further agreed that breach of any of the above undertakings shall be deemed to be a material breach of the Agreement and in case the Valuer is insisted upon or asserted by Client to violate any of the above said undertakings including Anti-Corruption regulations in any form or manner, on pretext of business relationship or otherwise, the Valuer shall have a discretionary right to terminate this Agreement without any liability or obligation on his part.

Such termination of this Agreement shall not in any way prejudice the rights and obligations (including payment for the services delivered under this Agreement) already accrued to the Valuer, prior to such termination.

## KEY ASSUMPTIONS, QUALIFICATIONS, LIMITATIONS AND DISCLAIMERS

|    |   |   |
|----|---|---|
| 1. | Type of Estimate                              | The scope of the assignment covers only estimating Market Value of a specified property and not a business valuation for either the Client or any of their subsidiaries or associated companies, etc. The estimate is based on extent of data/information provided by the Client and estimate has limited coverage wherever full data/information is not made available by the Client.  |
| 2. | Legal Due-Diligence                           | Legal due diligence for establishing clarity of title, ownership, encumbrances if any, notices or disputes if any, among other legal-related issues are not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.  |
| 3. | Information Provided by the Client and Others | The Valuer has relied on the information provided by the Client and the same has been assumed to be correct and has been used in the valuation. Where it is stated that another party has supplied information to the Valuer, this information is believed to be reliable. The Valuer cannot accept any responsibility for accuracy and non-reliability of such information.  |
| 4. | Regulatory Due-Diligence                      | Regulatory due diligence is not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.  |
| 5. | Project Status, Schedule and Project Costing  | Estimate of the Project Status and Schedule is based on the information provided by the Client and does not consider any unforeseeable developments which could impact the same in the future. The estimate <u>does account</u> for any capital expenses incurred by the Client on the existing and / or ongoing development works in the Project. Auditing the project figures is not part of the scope of work under this assignment. In all likelihood, an independent auditing agency would be covering this aspect, details of which can be obtained from the Client.  |
| 6. | Market Conditions and Trends                  | The Valuer has taken into consideration the general conditions in the market with respect to broad demand and supply while carrying out the valuation. The Valuer has compared other comparable properties on the basis of many factors and as far as possible tried to remove / account for the differences in type, location and quality of the properties.   |
| 7. | Information on Leases and Sales Performance   | The Valuer has relied on the rent roll including lease terms & conditions of the existing and pre-committed leases, as given by the Client. The Valuer has not verified individual lease agreements and the Valuer has relied on all information provided to him by the Client, upon which the Valuer will rely, is complete and correct. The Valuer has relied on pre-leasing details to the extent data/information made available by the Client.   |
| 8. | Site Investigations and Illustrations         | The Valuer has carried out the site visits and based on the information made available by the Client and the estimate is carried out considering that the Project Site is a contiguous land parcel and is free from any encroachments and encumbrances as on the date of valuation. The Valuer has not carried out any structural survey nor tested the building services. No geographical or geo-physical survey was carried out. No environmental Estimate has been carried out. Any sketch, plan or map in the report is included to assist reader while visualizing the Project and assume no responsibility in connection with such matters. |
| 9. | Project Cost Estimates                        | Project Cost Estimates used in the estimate is as given by the Client. Project progress including capital expenditure progress reported is based on the cost incurred data as shared by the Client. The Valuer has reviewed the Project Cost estimates and / or cost incurred data to broadly ascertain their correctness on a normative basis while relying on the same as shared by the Client.   |



|     |  |  |
|-----|--|--|
| 10. | Environmental Compliance                   | The Valuer assumed that the Project Site / Project is not contaminated and is not adversely affected by any existing or proposed environmental law and any processes which are carried out on the Project Site are regulated by environmental legislation and are Project Site licensed by the appropriate authorities.  |
| 11. | Present Ground Conditions                  | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present, which might adversely affect the current or future occupation, development of the Project. The estimate assumes that the Project Site is free from rot, infestation, structural or latent defect and no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the property and comments made in the property details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.  |
| 12. | Town Planning and Statutory Considerations | The Valuer has not made formal search but has generally relied on readily available information to general public. Valuation Report is on current use/ current state basis of the property and the Valuer has not considered any Government proposals for road widening or compulsory purchase/ acquisition, or any other statute in force that might affect the Project.  |
| 13. | Future Market Development and Prospects    | The Valuer has not accounted any future market development and prospects to the extent information known to the Valuer as on the date of valuation. The Valuer does not warrant that such statements are accurate or correct.  |
| 14. | Disclaimer                                 | <p>The estimate of Market Value is based on documents / information shared by the Client. The Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Project.</p> <p>The Valuer has relied on the measurements and information provided at all times, whether from public and private sources, and has ensured to the best of their ability the correctness and the validity of the same, by cross checking from various sources. Whilst every effort has been taken to provide authentic data and analysis, the Valuer, and/or any of their associated companies and / or their employees are not responsible for any loss, major or minor incurred on the basis of the information and analyses provided, nor are liable to any damages in any form or shape.</p> <p>Given the confidential nature of real estate transactions, transaction details for most properties, which are privately actually transacted, are not in the public domain. Consequently, there is reliance on information from market sources, which may not be completely accurate. Thus, information has been crosschecked independently from other market sources to ascertain the broad credibility of information being provided by the market sources. This assignment has been done on best effort and knowledge basis.</p> <p>For ease and simplicity of representation, certain figures may have been rounded.</p> |

## 2 VALUATION APPROACH AND METHODOLOGY

### 2.1 VALUATION STANDARDS ADOPTED

This Report is prepared in accordance and compliance with:

1. Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time ("**SEBI Regulations 2014**"), including Regulation 21 Sub-Regulation (3) and mandatory minimum disclosures as specified in Schedule V of these SEBI Regulation 2014,
2. Companies (Registered Valuers and Valuation) Rules, 2017 as amended from time to time ("**Valuer Rules 2017**"), including reporting requirements as specified in Rule 18 to these rules,

International Valuation Standards 2022 ("**IVS 2022**") as set out by International Valuation Standards Committee ("**IVSC**") and adopted by Royal Institution of Chartered Surveyors ("**RICS**") presented in the RICS Valuation Standards and Guidelines 2022 ("**RICS Red Book 2022**"), subject to variation to meet local established law, custom, practice, and market conditions.

### 2.2 BASIS OF VALUATION

Basis of valuation of the Project is **Market Value** as defined by IVSC and adopted by Royal Institution of Chartered Surveyors (RICS) to be: *"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion"*.

### 2.3 APPROACH AND METHODOLOGY

The purpose of this valuation exercise is to estimate the Market Value of the Project, which is a real estate asset. Market Value of the real estate asset can be estimated using different approaches and methodologies.

**Income Approach:** Under this valuation approach, the income generating potential of the real estate asset is estimated while opining on its market value. This approach is typically adopted for assets that are income-generating (completed and operational with multiple tenancies, multiple strata units that can be sold with phased/milestone-based revenue collections, among others). For income-generating assets with single/multiple tenancies, the discounted cash flow entailing term and reversion method is most commonly adopted.

**Market Approach:** Under this valuation approach, the price that an asset could fetch in an open market is estimated. This approach is typically adopted for homogeneous assets in their micro-market and are typically traded on a unit basis. The most commonly adopted valuation method under this valuation approach is the Listed Transaction / Listed Quoted Instances Method, also commonly known as the Direct Comparison or the Comparable Sales/Quoted Instances Method.

**Cost Approach:** Under this valuation approach, the cost required to create an asset of similar or equal utility is estimated. This valuation approach is typically adopted for real estate assets that can be clearly broken down into constituent elements, namely land and built structures. The most commonly adopted valuation method under this valuation approach is the Physical Method, also commonly known as Land and Building Method, which typically entails estimation of the underlying land value (while normally adopting the Market Approach) and the built structures (while adopting the Depreciated Replacement Cost Method) separately.

The table below presents different valuation methodologies and their brief description.

**Table 2.1: Different Valuation Methodologies and Description**

| Sl. | Valuation Methodology                      | Description   |
|-----|--|---|
| 1.  | Comparable Sales / Quoted Instances Method | This method is based on comparing the subject property directly with other comparable property transaction (actually been sold in the vicinity or are offered for sale). Efforts would be made to collect transacted instances. In case of non-availability of transacted instances in the micro-market, the opinion will be offered based on the available asking/quoted instances in the market with appropriate adjustments for margin for negotiation. Given the homogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative and quantitative differences that may affect the price likely to be achieved by the property under consideration. These adjustments are typically made in the form of premium and/or discount factors for various property attributes, which affect the value. This method demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This method is a fair estimate of the prevailing prices. |
| 2.  | Depreciated Replacement Cost Method        | Replacement cost method is based on the construction cost of assets. The cost to be estimated is the cost of construction as per the construction status at the valuation date. This is based on the inspection of the facility and inputs provided by the Client; however, no structural survey will be conducted. Appropriate depreciation rates will be applied based on schedules given under the Indian Companies Act. This is generally used for estimating the Market Value of only the buildings  |
| 3.  | Discounted Cash Flow Method                | This method is based on the present value of the future receivable net income from the current operational leases / revenues. The current revenues and the future achievable revenues derived from the operational project components of the Project Site would be adjusted for the outgoing expenses to derive 10-year cash flows. The same is then discounted at an appropriate discounting rate linked with risk adjusted discounting factor to estimate the market value for the operational project components. This method is sometimes referred to as 'Rent Roll method as well.   |

#### Approach and Methodology Adopted for Estimating Market Value of the Project

Based on a detailed review of the leases for the Project, the Valuer has noted that a large number of leases of the Project were executed at rent prevalent at the time of signing of such leases or at a discount to prevailing market rental (for a few anchor tenants). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, demand-supply dynamics, quality of spaces, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some properties or submarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to estimate the intrinsic value of the property under review.

Considering the objective of this exercise and the nature of asset involved, completed & operational commercial, office space, the value is estimated using the 'Discounted Cash Flow Method' (basis term and rent reversion) under 'Income Approach'.

## 3 VALUATION ASSUMPTIONS AND INPUTS

### 3.1 INVESTIGATION, NATURE AND SOURCE OF INFORMATION

The Valuer undertook physical visits of the Project wherein the buildings and related assets were visually inspected to assess the condition of the buildings and the apparent state of its maintenance / upkeep.

Information related to state and structure of the relevant real estate market for the Project was sourced from the industry and market report prepared by Jones Lang LaSalle Property Consultants (India) Private Limited ('JLL'), who were appointed by the Client to undertake market research and portfolio analysis of the properties part of the Mindspace REIT.

Project related information referred to for the valuation exercise have been provided by the Client unless otherwise mentioned. The Valuer has assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, the Valuer has independently revalidated the information by reviewing the originals as provided by the Client.

In addition, the Valuer relied on the following information and documents shared by the Client with respect to the Project:

- Title certificates prepared by the Legal Counsel of the Client covering the type of ownership interest enjoyed and information on ongoing litigation.
- Architect's certificates dated mentioning site areas and property areas
- Relevant approval documents from competent authorities regarding occupancy, operations and fire safety.
- Lease agreements and commercial clauses thereof for top five tenants on a sample basis
- Masterplan / Development plan applicable in the jurisdiction of the Project
- Management representation regarding the following:
  - Major repairs undertaken and proposed in the Project
  - Statement of assets
  - Revenue pendency if any
  - Options or Rights of Pre-emption and any other encumbrances concerning or affecting the property.
  - List of material litigations

### 3.2 CAPITALIZATION RATE

The capitalization rate adopted for valuing the assets has been based on various factors such as:

- Historical entry yields (going in cap rates) for commercial / office asset transactions across various key markets in India, which have steadily shown a downward trend over last 7 - 8 years from 10.5% - 11.5% to about 7.5% - 8.5% in 2023.
- The increased appetite for income generating assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- The demand supply situation in the respective city and expected dynamics of demand leading supply - given entry challenges such as land availability, higher initial cost outlays etc. developers are expected to focus on fully built to suit or semi-speculative projects (with key tenants tied in prior to launch of construction).
- Inflation (and interest rates) expected to be maintained in check with interventions from the Reserve Bank of India, in case of significant change.
- Liquidity associated with REIT listed / public listings (multiplicity of buyers and relatively lower budgets per buyer).

***Based on the above factors, the Valuer has adopted an exit cap rate of 8.00% for the Project, for the purposes of estimating the Market Value, considering the 1 year forward net operating income after 10 years, is utilized for the purpose of calculation of exit value / terminal cash flow.***

### 3.3 DISCOUNT RATE

This discount rate used for discounting the available cash flows represents Cost of equity (the opportunity cost for shareholders) and Cost of Debt (the opportunity cost for creditors), weighted by their respective contribution to the total capital of the company (WACC). The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived using the below formula:

$$\text{Cost of equity} = \text{Risk Free Rate (Rf)} + \text{Beta } (\beta) * (\text{Market Return (Rm)} - \text{Risk Free Rate (Rf)})$$

The cost of debt for completed commercial / office blocks has been considered based on prevalent financing rates for Grade A commercial / office parks in the city. The weightages accorded to equity and debt are derived through benchmarking the subject property against similar portfolios/properties in the market. For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC) which is derived to be 11.75% for the completed portion of the project.

Owing to the various risks pertaining to the under-construction / future development properties, we have considered a risk premium over the discount rate for completed properties to arrive at a discount rate for under-construction / future development properties. The Valuer has considered a risk premium of 125bps, to derive the WACC of 13.00% for under construction / future development properties.

These derived discount rates were found to be aligned with the expectations of investors investing in similar assets.

## 4 VALUATION CERTIFICATE

| Property Name   | Paradigm Mindspace Malad, Mumbai, Maharashtra, India   |  |                   |                       |    |                  |  |    |             |                    |    |             |                    |    |             |                    |    |             |                   |    |             |                   |    |             |                   |    |             |                   |
|---|--|--|-------------------|-----------------------|----|------------------|--|----|-------------|--------------------|----|-------------|--------------------|----|-------------|--------------------|----|-------------|-------------------|----|-------------|-------------------|----|-------------|-------------------|----|-------------|-------------------|
| Property Address  | Paradigm S. No. 1406A\18, Mindspace, Link Road, Malad, (West), Mumbai 400064   |  |                   |                       |    |                  |  |    |             |                    |    |             |                    |    |             |                    |    |             |                   |    |             |                   |    |             |                   |    |             |                   |
| Land Area   | ~4.2 acres   |  |                   |                       |    |                  |  |    |             |                    |    |             |                    |    |             |                    |    |             |                   |    |             |                   |    |             |                   |    |             |                   |
| Brief Description                                       | <p>The property is located in the north-western part, in the Western Suburbs micro market of Mumbai City off the New Link Road. It is located at a distance of about 2.0 km from the Malad Suburban Railway Station, about 4.0 km from the Western Express Highway and about 2 km from Inorbit Mall Malad.</p> <p>The property is developed as Grade A IT Park with two wings 1) Wing A and 2) Wing B. The main entrance to the Project Site is from Zakeria Road. Further, the IT building is also facilitated with a separate gate which is accessible from Zakeria Road.</p> <p>The property is surrounded by mixed use development comprising residential, retail and commercial developments.</p>   |  |                   |                       |    |                  |  |    |             |                    |    |             |                    |    |             |                    |    |             |                   |    |             |                   |    |             |                   |    |             |                   |
| Valuation Methods                                       | <p>The estimate of Market Value is prepared using following methods:</p> <table><tr><th>Sl. No.</th><th>Asset Type</th><th>Methodology Adopted</th></tr><tr><td>1.</td><td>Completed Assets</td><td>Discounted Cash Flow Method using Rent Reversion</td></tr></table>   | Sl. No.  | Asset Type        | Methodology Adopted   | 1. | Completed Assets | Discounted Cash Flow Method using Rent Reversion |    |             |                    |    |             |                    |    |             |                    |    |             |                   |    |             |                   |    |             |                   |    |             |                   |
| Sl. No.   | Asset Type   | Methodology Adopted                              |                   |                       |    |                  |  |    |             |                    |    |             |                    |    |             |                    |    |             |                   |    |             |                   |    |             |                   |    |             |                   |
| 1.  | Completed Assets   | Discounted Cash Flow Method using Rent Reversion |                   |                       |    |                  |  |    |             |                    |    |             |                    |    |             |                    |    |             |                   |    |             |                   |    |             |                   |    |             |                   |
| Nature of the Interest by the Client                    | 100% freehold interest in the Project as informed by the Client  |  |                   |                       |    |                  |  |    |             |                    |    |             |                    |    |             |                    |    |             |                   |    |             |                   |    |             |                   |    |             |                   |
| Purchase Price of the Project                           | INR 8,205 million, as given by the Client  |  |                   |                       |    |                  |  |    |             |                    |    |             |                    |    |             |                    |    |             |                   |    |             |                   |    |             |                   |    |             |                   |
| Historical Valuation of the Project in 3 Previous Years | <p>Below table summarizes historical valuation of the Project as given by the Client:</p> <table><tr><th>Sl. No.</th><th>Date of Valuation</th><th>Market Value (INR Mn)</th></tr><tr><td>1.</td><td>30-Sep-2023</td><td>10,938 (Completed)</td></tr><tr><td>2.</td><td>31-Mar-2023</td><td>10,582 (Completed)</td></tr><tr><td>3.</td><td>30-Sep-2022</td><td>10,218 (Completed)</td></tr><tr><td>4.</td><td>31-Mar-2022</td><td>10,136 (Completed)</td></tr><tr><td>5.</td><td>30-Sep-2021</td><td>9,881 (Completed)</td></tr><tr><td>6.</td><td>31-Mar-2021</td><td>9,569 (Completed)</td></tr><tr><td>7.</td><td>30-Sep-2020</td><td>9,311 (Completed)</td></tr><tr><td>8.</td><td>31-Mar-2020</td><td>9,409 (Completed)</td></tr></table> | Sl. No.  | Date of Valuation | Market Value (INR Mn) | 1. | 30-Sep-2023      | 10,938 (Completed)                               | 2. | 31-Mar-2023 | 10,582 (Completed) | 3. | 30-Sep-2022 | 10,218 (Completed) | 4. | 31-Mar-2022 | 10,136 (Completed) | 5. | 30-Sep-2021 | 9,881 (Completed) | 6. | 31-Mar-2021 | 9,569 (Completed) | 7. | 30-Sep-2020 | 9,311 (Completed) | 8. | 31-Mar-2020 | 9,409 (Completed) |
| Sl. No.   | Date of Valuation  | Market Value (INR Mn)                            |                   |                       |    |                  |  |    |             |                    |    |             |                    |    |             |                    |    |             |                   |    |             |                   |    |             |                   |    |             |                   |
| 1.  | 30-Sep-2023  | 10,938 (Completed)                               |                   |                       |    |                  |  |    |             |                    |    |             |                    |    |             |                    |    |             |                   |    |             |                   |    |             |                   |    |             |                   |
| 2.  | 31-Mar-2023  | 10,582 (Completed)                               |                   |                       |    |                  |  |    |             |                    |    |             |                    |    |             |                    |    |             |                   |    |             |                   |    |             |                   |    |             |                   |
| 3.  | 30-Sep-2022  | 10,218 (Completed)                               |                   |                       |    |                  |  |    |             |                    |    |             |                    |    |             |                    |    |             |                   |    |             |                   |    |             |                   |    |             |                   |
| 4.  | 31-Mar-2022  | 10,136 (Completed)                               |                   |                       |    |                  |  |    |             |                    |    |             |                    |    |             |                    |    |             |                   |    |             |                   |    |             |                   |    |             |                   |
| 5.  | 30-Sep-2021  | 9,881 (Completed)                                |                   |                       |    |                  |  |    |             |                    |    |             |                    |    |             |                    |    |             |                   |    |             |                   |    |             |                   |    |             |                   |
| 6.  | 31-Mar-2021  | 9,569 (Completed)                                |                   |                       |    |                  |  |    |             |                    |    |             |                    |    |             |                    |    |             |                   |    |             |                   |    |             |                   |    |             |                   |
| 7.  | 30-Sep-2020  | 9,311 (Completed)                                |                   |                       |    |                  |  |    |             |                    |    |             |                    |    |             |                    |    |             |                   |    |             |                   |    |             |                   |    |             |                   |
| 8.  | 31-Mar-2020  | 9,409 (Completed)                                |                   |                       |    |                  |  |    |             |                    |    |             |                    |    |             |                    |    |             |                   |    |             |                   |    |             |                   |    |             |                   |
| Ready Reckoner Rate                                     | <p>Built-up Area (Office) – INR 201,260 per sq. m</p> <p>Land Area – INR 80,060 per sq. m</p>  |  |                   |                       |    |                  |  |    |             |                    |    |             |                    |    |             |                    |    |             |                   |    |             |                   |    |             |                   |    |             |                   |



|  |  |                             |                     |   |
|--|--|-----------------------------|---------------------|---|
| Date of Valuation  | 31-Mar-2024  |                             |                     |   |
| Date of Inspection                                       | 28-Mar-2024  |                             |                     |   |
| Market Value as on 31-Mar-2024                           | Component  | Market Value as on          | In Figures (INR Mn) | In Words  |
|  | Total Market Value   | 31 <sup>st</sup> March 2024 | 11,328.74           | INR Eleven Billion Three Hundred Twenty-Eight Million Seven Hundred and Forty Thousand Only |
|  | Total Value  |                             | 11,328.74           | INR Eleven Billion Three Hundred Twenty-Eight Million Seven Hundred and Forty Thousand Only |
| Matters Affecting the Property and its Value             | Please refer to Chapter 7 of this Valuation Report   |                             |                     |   |
| Assumptions, Disclaimers, Limitations and Qualifications | This Valuation Report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report, which are made in conjunction with those included within the Assumptions, Limitations & Qualifications section located within this report. Reliance on this report and extension of Valuer's liability is conditional upon the reader's acknowledgement and understanding of these statements. This Valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party, who may use or rely on the whole or any part of the content of this Valuation Report. The Valuer has no pecuniary interest that would conflict with the proper valuation of the Project |                             |                     |   |
| Prepared by  | KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)<br>Represented through its Director<br>Mr. Sachin Gulaty FRICS FIV FIIA<br>IBBI/RV/02/2021/14284  |                             |                     |   |



**Name:** Sachin Gulaty FRICS FIV FIIA  
**Designation:** Director  
**Valuer Registration No.:** IBBI/RV/02/2021/14284

## 5 PROJECT SITE AND PROJECT ANALYSIS

### 5.1 DETAILS OF THE PROJECT SITE AND / OR PROJECT

The table below presents details of the Project Site and/or Project

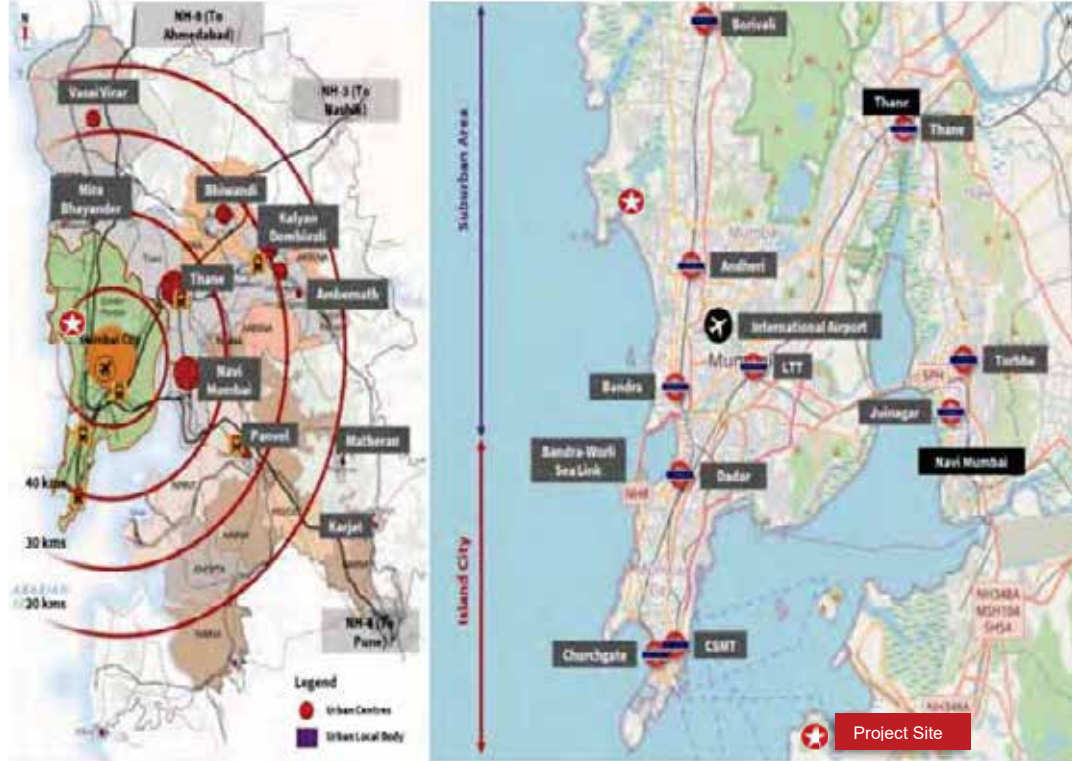
Table 5.1: Details of the Project Site and/ or Project

| DETAILS OF PROPERTY                                     |  |
|---|--|
| Property Name   | Paradigm Mindspace Malad, Mumbai, Maharashtra, India   |
| Property Address  | Paradigm S. No. 1406A\18, Mindspace, Link Road, Malad, (West), Mumbai 400064   |
| Land Area   | ~4.2 acres   |
| Block-Wise Break-Up of Leasable Area and Current Status | Block-Wise Leasable Area details are mentioned in the Executive Summary  |
| Access  | Accessible through approx. 15m wide Zakeria Road   |
| Frontage  | Approximately 160 m. frontage along Zakeria Road   |
| Shape and Visibility                                    | The topography of the project features terrain that is relatively flat and is regular in shape. It has excellent visibility from Zakeria Road. |
| Approval Status   | List of approvals are specified in annexure.   |
| INFRASTRUCTURE  |  |
| Water Supply, Sewerage & Drainage                       | Available within the Project   |
| Power & Telecommunication                               | Available within the Project   |

### 5.2 LOCATION OF THE PROJECT

The property is located in the north-western part, in the Western Suburbs micro market of Mumbai City off the New Link Road. It is located at a distance of about 2.0 km from the Malad Suburban Railway Station, about 4.0 km from the Western Express Highway and about 2 km from Inorbit Mall Malad. The map on the following page presents the location of the Project with respect to the city.

Map 5.1: Location of the Project Site with respect to Mumbai City



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The distance of the Project from major landmarks in the city is given in the table below.

Table 5.2: Distances of the Project from Major Landmarks in the City

| Location / Landmark            | Approximate Distance from Project Site (km) |
|--------------------------------|---|
| Malad Suburban Railway Station | 2.0   |
| Mumbai International Airport   | 15.5  |
| Western Express Highway        | 4.0   |
| Inorbit Mall Malad             | 2.0   |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

## 5.3 DESCRIPTION OF THE PROJECT AND ITS SURROUNDINGS

The Project is developed as commercial / office space off New Link Road in Malad. The Project is surrounded by mixed use developments comprising residential, retail and commercial asset classes. The Project is spread across 4.2 acres of land. The Project has good frontage along the access road and has two (2) entrances. The topography of the project features terrain that is relatively flat and is regular in shape. The map on the following page presents location of the Project and its surroundings.

Map 5.2: Location of the Project and its Surrounding Developments



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The Project Site is located in the Western Suburbs micro market. This micro market is conveniently located between the southern belt and peripheral western belt and is well connected to various locations through Western Express Highway. With the development of upcoming and proposed infrastructure projects like the Western Coastal Road, metro lines starting from Dahisar and connecting Andheri and Santacruz Electronics Export Processing Zone (SEEPZ) to Nariman Point, etc. the connectivity is expected to be enhanced in the near future.

The map below presents the conceptual Layout Plan of the Project as shared by the Client.

Map 5.3: Conceptual Layout Plan for the Project



Source: Client, 31<sup>st</sup> March 2024

The table below presents the boundary / edge conditions of the Project Site.

**Table 5.3: Project Site and its Site Boundaries**

|       |                        |
|-------|------------------------|
| North | Zakeria Road           |
| South | Mindspace Garden       |
| West  | MDP Road               |
| East  | Commercial development |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The Project is predominantly surrounded by commercial, residential and hospitality developments in the vicinity. Grade A commercial / office developments and premium residential developments are also present in the micro market.

## 5.4 DESCRIPTION OF THE PROJECT

The table below presents key asset specific information.

**Table 5.4: Key Asset Specific Information of the Project**

| Particulars                      | Description  |
|----------------------------------|--|
| Name of the Entity               | Avocado Properties and Trading (India) Private Limited   |
| Interest owned by Mindspace REIT | Project Site is wholly owned by Avocado Properties and Trading (India) Private Limited which is 100% owned and controlled by the Mindspace REIT <sup>1</sup> |
| Land Extent of Project           | ~4.2 acres   |
| Asset Type                       | IT Park with Non SEZ buildings   |
| Sub-Market                       | Western Suburbs  |
| Approved and Existing Usage      | IT Non SEZ   |
| Current Status                   | IT Building – Completed and Operational  |
| Approvals Status                 | List of approvals are specified in Annexure 4  |
| Freehold / Leasehold             | The underlying land is taken on freehold basis   |
| Leasable Area                    | 0.75 million sq. ft  |
| Occupied Area                    | 0.75 million sq. ft  |
| Committed Area                   | 0.75 million sq. ft  |
| Occupancy <sup>3</sup>           | 99.6%  |
| Committed Occupancy <sup>4</sup> | 99.6%  |
| Number of Tenants                | 11   |

<sup>1</sup> Refer company structure set out in Annexure 1

<sup>2</sup> Client has obtained occupation certificate for entire leasable area measuring 0.7 million sq. ft.

<sup>3</sup> Occupancy refers to proportion of area leased, which is actively occupied by the tenants / occupiers.

<sup>4</sup> Committed occupancy also includes area, which has been pre-leased to tenants / occupiers

## 5.5 PROJECT INSPECTION

The Project is part of a larger campus spread across two (2) buildings (Paradigm A and B). All building blocks are completed and operational and are Non SEZ buildings, as on the date of inspection by the Valuer. The Project was inspected by the Valuer on 28 March 2024.



The inspection comprised visual inspection of operational buildings comprising the property and visits to key utility areas like LT Electric Room, Pump Room, HVAC installations, Power Back up, STP. The common areas within the buildings were visited on a sample basis as the areas under tenant occupation had access restriction.

The visual inspection of the buildings revealed ongoing repair and maintenance work in both the buildings. The utility areas appeared well maintained, visually. No instances of any major logging or water accumulation were observed during the inspections. The inspections did not comprise any structural survey, technical / engineering review or safety audit and the Estimate of the condition of the building, its utilities and campus infrastructure are based completely on visual survey.

Some photographs of the Project and surroundings are presented in the next pages.

|   |  |
|---|--|
|    |    |
| External Views of Builldings  | External Views of Builldings   |
|  |  |
| Internal Views of Builldings  | Internal Views of Builldings   |
|  |  |
| View of Parking   | View of Parking  |





## 5.6 OTHER RELEVANT INFORMATION RELATED TO THE PROJECT

### Developable Area of the Project

The total site area of the project is ~4.2 acres with total leasable area of 0.75 mn sq. ft under two (2) buildings (Paradigm A & B)

### Site Services and Finishes

The visual inspection was done for all the buildings including common areas and key utility areas such as LT Electric Room, Pump Room, STP, Chillers, HVAC Installations etc. As per the visual survey there was no concern related to finishes and site services. The campus is well maintained with proper landscaping in common areas.

### Condition and Repairs

The visual inspection was done for all the buildings including common areas and key utility areas such as LT Electric Room, Pump Room, STP, Chillers, HVAC Installations etc. Maintenance and repair work is ongoing for both the buildings.

Below mentioned properties are undergoing upgradation / further development the budget and cost incurred details for the same are as follows:

The Project has approx. 0.75 mn sq. ft leasable area under two buildings and is fully completed and operational. Thus, no pending cost to complete is factored as of date of valuation for the Project. However, there is upgrade CAPEX to the tune of approx. INR 81.25 million which shall be completed by Q4 FY25.

### **Environmental Considerations**

The Valuer has not carried out any investigations or tests or been supplied with any information from the Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the subject or any other land (including any ground water). For the purpose of estimating the vulnerability of the Project to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Mumbai where the Project is located falls in Seismic Zone III with moderate risk. The city faces low risk in terms of high winds or cyclones too. The Project is not likely to face any higher risk than the overall risk profile of the city. No hazardous activity was noted in the vicinity of the Project, which may expose it for any induced disaster. The Project is located at a relatively higher elevation compared to its immediate surroundings, indicating low risk of flooding and perennial water logging.

### **Option or Pre-Emption Rights and Encumbrances**

Unless disclosed and recorded by the Client, the Project is considered to possess a good and marketable title and is free from any unusually onerous encumbrances with no option or pre-emption rights in relation to the assets except for those created in favor of the lenders, based on the information given in the Title Reports prepared by Hariani & Co. (hereinafter collectively referred to as 'Legal Counsel'). The Valuer has not checked and verified the title of the Project.

### **Revenue Pendencies**

On the basis of the Title Reports prepared by the Legal Counsel and discussion with the Client, there are no revenue pendencies including local authority taxes associated with the Project or any compounding charges. No independent verification of this has been made from revenue authorities and reliance has been made on the Client information for the same.

### **Material Litigation**

Based on discussions with the Client and Title Reports shared, there are no material litigation including tax disputes other than the litigation disclosed to the Valuer (which are specified in Annexure 7), relating to the Project or any compounding charges.

## **5.7 TENANCY ANALYSIS**

### **Tenant Profile of Top 10 Tenants**

As on 31<sup>st</sup> March 2024, the Project has 11 tenants (for office space) which include J P Morgan, Tech Mahindra, Smartworks, Firstsource Solutions, etc. The Project's top 10 tenants account for ~99% of the Gross Rental income. The top 10 Tenants as per Leasable areas is listed below: -

Table 5.5: Top 10 Tenants as per Leasable areas\*

| Sl. No. | Tenants                               | Leasable Area (sq. ft.) |
|---------|---------------------------------------|-------------------------|
| 1       | J.P Morgan Services India Pvt. Ltd.   | 255,326                 |
| 2       | Firstsource Solutions Ltd             | 171,780                 |
| 3       | Smartworks Coworking Spaces Pvt. Ltd. | 100,086                 |
| 4       | Tech Mahindra                         | 82,000                  |
| 5       | Convergys India Services Pvt. Ltd.    | 50,055                  |
| 6       | Travelex India Pvt. Ltd.              | 31,000                  |
| 7       | NY VFXWAALA LLP                       | 20,862                  |
| 8       | Concentrix Services India Pvt Ltd     | 17,351                  |

| Sl. No. | Tenants                                | Leasable Area (sq. ft.) |
|---------|--|-------------------------|
| 9       | MAIA Hospitality and Entertainment     | 11,262                  |
| 10      | Foodlink F&B Holdings (India) Pvt. Ltd | 5,385                   |
|         | Total                                  | 745,107                 |

\* Includes contracted areas for which rent may start at a future date

The top 10 Tenants as per Gross Rents are listed below: -

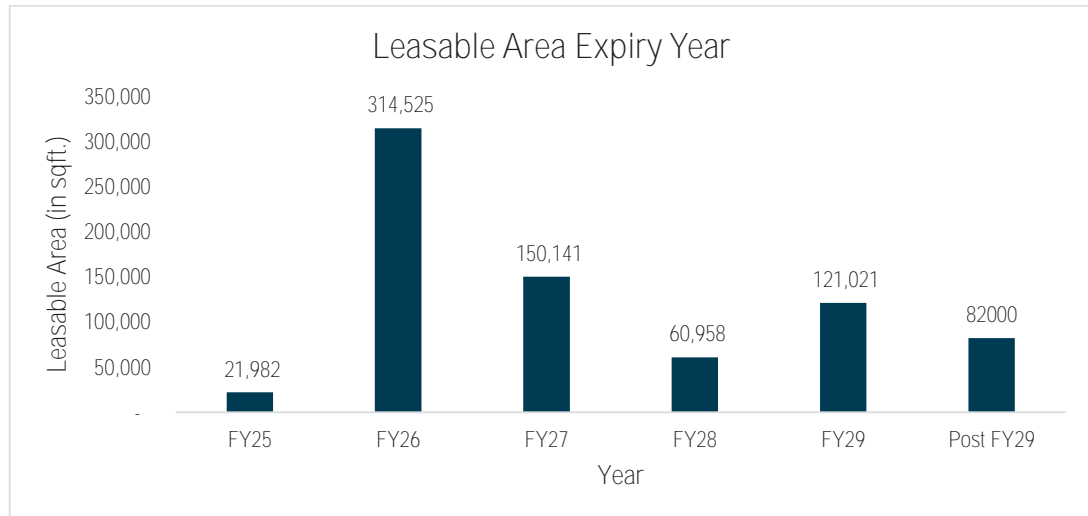
Table 5.6: Top 10 Tenants as per Gross Rentals\*

| Sl. No. | Tenants                                | Share of Gross Rentals |
|---------|--|------------------------|
| 1       | J.P Morgan Services India Pvt. Ltd.    | 37.1%                  |
| 2       | Firstsource Solutions Ltd              | 21.7%                  |
| 3       | Smartworks Coworking Spaces Pvt. Ltd.  | 12.6%                  |
| 4       | Tech Mahindra                          | 10.0%                  |
| 5       | Convergys India Services Pvt. Ltd.     | 6.2%                   |
| 6       | Travelex India Pvt. Ltd.               | 4.0%                   |
| 7       | NY VFXWAALA LLP                        | 3.1%                   |
| 8       | Concentrix Services India Pvt Ltd      | 2.1%                   |
| 9       | MAIA Hospitality and Entertainment     | 1.6%                   |
| 10      | Foodlink F&B Holdings (India) Pvt. Ltd | 0.8%                   |
|         | Total                                  | 99.3%                  |

\* Includes contracted areas for which rent may start at a future date

### **Lease Expiry Analysis**

The WALE of the property basis area is 2.9 years, with expiry details as shown in the chart below:



### **Escalation Analysis**

The leases of the Project Site have typically seen rental escalation of 5% every year or 15% every 3 years.

## 6 MARKET SCAN OF THE CITY AND THE MICRO-MARKET

### 6.1 INTRODUCTION

The valuation exercise takes into account the market performance and various other indicators that are relied upon the industry report which has been prepared by Jones Lang LaSalle India Property Consultants, who are appointed as an independent consultant by the Client.

### 6.2 CITY OVERVIEW

Mumbai, the financial capital of India, is a bustling metropolis that boasts a vibrant economy and is one of the key industrial hubs of India. Situated on the Western coast of the country, the city serves as a centre for commerce, trade, and finance. It houses the headquarters of numerous multinational corporations, top financial institutions, and major Indian companies. Additionally, it is home to Asia's oldest stock exchange – the Bombay Stock Exchange. Its strategic location, well-developed infrastructure, and connectivity through air, road, and rail networks make it a preferred destination for businesses. The city's robust economy is fuelled by various sectors, including finance, banking, information technology, manufacturing, entertainment, media, and services. Mumbai contributes ~5-6% to the overall GDP of the country and is also the top contributor to the country's exchequer, accounting for nearly 1/3rd of India's overall direct tax collections.

Mumbai's real estate market holds the distinction of being one of the most expensive markets in India. The capital value and rents in prime office submarkets rank among the highest in the country. However, despite these high costs, the market continues to exhibit strong activity levels. The office real estate market in Mumbai ranks as the third largest in India in terms of Grade A office stock, surpassed only by Bengaluru and Delhi NCR. The city's ability to cater to a diverse range of industries, attract top talent, and provide excellent business support services ensures that Mumbai continues to attract domestic as well as international businesses looking to establish or expand their presence in India.

### 6.3 INFRASTRUCTURE INITIATIVES

#### Existing infrastructure

| Existing Project                                 | Completion timeline | Details  | Key impact zones   |
|--|---------------------|--|--|
| Bandra Worli Sea Link                            | 2009                | 5.6 km long, 8-lane wide bridge that links Bandra with South Mumbai. | SBD Central, BKC & Annex and BKC Outskirts                     |
| Sea Link to Bandra Kurla Complex (BKC) Connector | 2021                | 604 meter long, two-lane flyover                                     | BKC & Annex and BKC Outskirts                                  |
| BKC – Eastern Express Highway Connector          | 2019                | 1.6 km connector from G Block of BKC to the EEH                      | BKC & Annex, BKC Outskirts and Eastern Suburbs                 |
| Western Express Highway (WEH)                    | 2002                | North-south 8-10 lane arterial road of 25.33 km                      | BKC & Annex, BKC Outskirts, Western Suburbs and Malad-Goregaon |
| Eastern Express Highway (EEH)                    | 2003                | 23.55 km city express highway  | BKC & Annex, BKC Outskirts and Eastern Suburbs                 |

|  |      |  |   |
|--|------|--|---|
| Eastern Freeway  | 2013 | 16.8 km long controlled-access highway   | CBD, SBD Central and Eastern Suburbs  |
| JVLR (Jogeshwari Vikhroli Link Road)   | 1994 | 10.6 km long 6 lane road connecting the WEH and EEH  | Western and Eastern Suburbs and Malad-Goregaon  |
| SCLR (Santacruz Chembur Link Road)   | 2014 | 6.45-kilometre-long (4.01 mi) arterial road connecting WEH and EEH   | BKC Outskirts, and Eastern suburbs  |
| Ghodbunder Road  | NA   | Key arterial road connected to the Western Express Highway at Ghodbunder and the Eastern Express Highway at Majiwada | Thane   |
| Thane Belapur Road   | NA   | Major road connecting Thane and Navi Mumbai. The road has been widened to a total of 6 lanes                         | Thane and Thane-Belapur Road  |
| Mumbai – Pune Expressway   | 2002 | 6-lane wide tolled expressway spanning a distance of 94.5 km   | Thane-Belapur Road, Navi Mumbai Others  |
| Western Line (Suburban Railway)  | 1867 | Consists of 37 stations from Dahanu Road to Churchgate railway station.  | CBD, BKC & Annex, BKC Outskirts, SBD Central, Western Suburbs, Malad-Goregaon         |
| Central Line (Suburban Railway)  | 1853 | Consists of 24 stations from Chhatrapati Shivaji Maharaj Terminus to Kalyan  | CBD, SBD Central, BKC & Annex, BKC Outskirts, Western Suburbs, Eastern Suburbs, Thane |
| Harbour Line (Suburban Railway)  | 1910 | The Harbour line is a branch line of the Mumbai Suburban Railway   | CBD, SBD Central, Thane-Belapur Road and Navi Mumbai Others                           |
| Monorail Line 1 (Jacob Circle – Wadala)  | 2014 | 20.21 km line and is fully elevated  | SBD Central   |
| Chhatrapati Shivaji Maharaj International Airport  | 1942 | It has two operating terminals spread over 750 hectares handling 950 aircraft per day.                               | Western Suburbs, Malad-Goregaon   |
| Mumbai Coastal Road Project (Partial opening of Phase 1 connecting Worli & Marine Drive) | 2024 | Partial opening of 4.5 km stretch from Worli to Marine Drive was opened to traffic.                                  | CBD, SBD Central  |

### **Upcoming infrastructure**

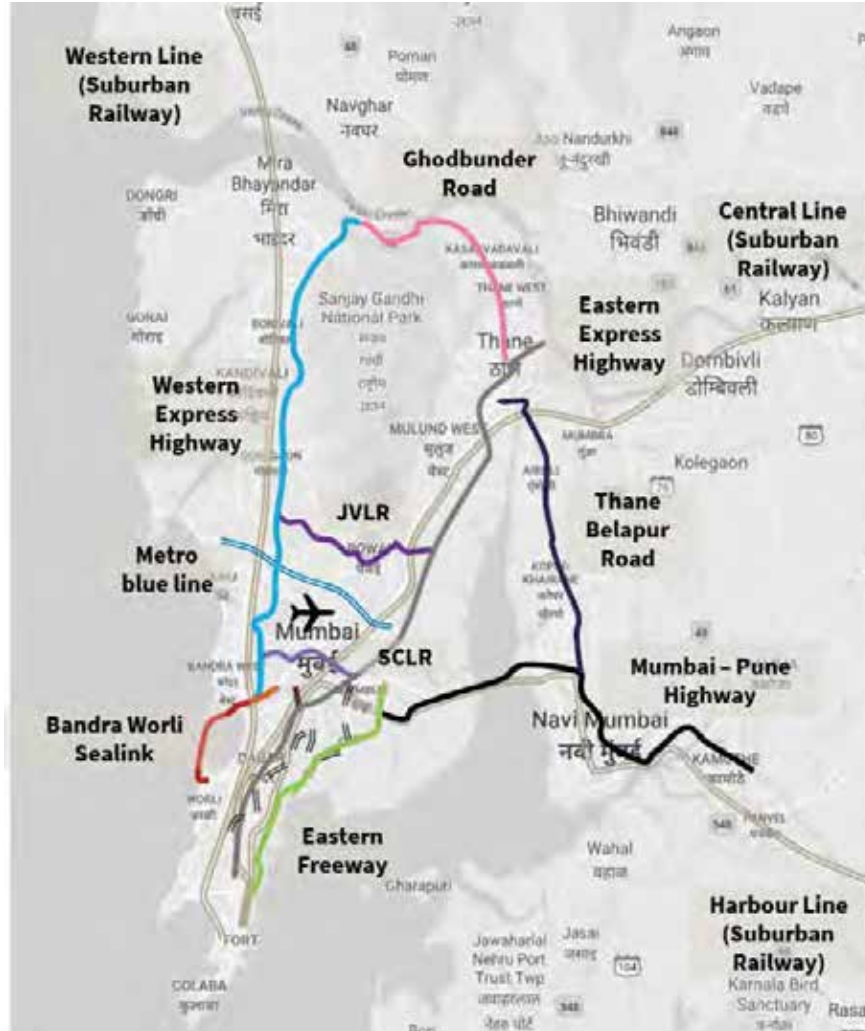
Submarket of Thane-Belapur Road and Navi Mumbai Others will benefit from the proposed Navi Mumbai International Airport. A proposed airport would positively impact the real estate market in Navi Mumbai by improving the area's commercial value, mainly through generating employment opportunities. Furthermore, it will also ease the burden on Mumbai's Chhatrapati Shivaji International Airport (CSIA) which accounts for over 25% of the entire air traffic in India.

Submarkets like CBD, SBD Central, Western Suburbs and Malad-Goregaon will benefit from the coastal road project. It will help improve the connectivity and reduce commuting time by 70%. Further, it will create easy access to the commercial hotspots of South Mumbai. Most importantly, it will decongest the expressway and local railways. This will lead to an uptick in the housing demand in the nearby suburbs and boost property prices.

| Upcoming Project                                    | Completion timeline | Details  | Key impact zones                                 |
|---|---------------------|--|--|
| Mumbai Coastal Road Project (Phase 1)               | 2024                | 8-lane project of 10.58 km from Princess Street flyover to Worli end of Bandra Worli Sea Link.   | Mumbai Coastal Road Project (Phase 1)            |
| Navi Mumbai International Airport                   | 2025                | It will be connected with Navi Mumbai Metro's Line 1 and with the proposed Mumbai Metro's Line 8 (Gold Line).  | Thane-Belapur Road and Navi Mumbai Others        |
| Goregaon Mulund Link Road                           | 2028                | 12-km long road infrastructure project that will connect Mulund directly to Goregaon. Construction in 4 phases   | Malad-Goregaon and Eastern Suburbs               |
| Suburban corridor between Panvel-Karjat on CR       | 2025                | 5 stations of Panvel, Chikale, Mohape, Chowk and Karjat and will pass through 58 bridges   | Thane-Belapur Road and Navi Mumbai Others        |
| Suburban corridor link between Airoli-Kalwa on CR   | 2024                | 8 kms long elevated link between Airoli and Kalwa is crucial for decongesting Thane station in future.   | Thane-Belapur Road, Navi Mumbai Others and Thane |
| Quadrupling of Virar-Dahanu road on WR              | 2025                | 8 new stations and several new structures, like station buildings at Virar, Vaitarna, Saphale, Kelve Road, Palghar, Umroli, Boisar and Wangaon-Dahanu road | Malad-Goregaon                                   |
| Extension of Harbour Line between Goregaon-Borivali | 2026                | 3-km elevated stretch over Malad to extend the existing harbour line   | Malad-Goregaon                                   |



### Mumbai - Map of existing and upcoming infrastructure



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### Existing Metro Rail Lines - Mumbai

| Existing Project                        | Completion timeline | Details   | Key impact zones                   |
|---|---------------------|---|------------------------------------|
| Metro Blue Line 1 (Versova – Ghatkopar) | 2014                | 11.40 km line is fully elevated and consists of 12 stations | Malad-Goregaon and Eastern Suburbs |
| Metro Red Line 7                        | 2022                | Dahisar – Andheri – CSMIA T1                                | Western Suburbs and Malad-Goregaon |
| Metro Yellow line 2A                    | 2022                | Dahisar – Andheri West                                      | Western Suburbs and Malad-Goregaon |

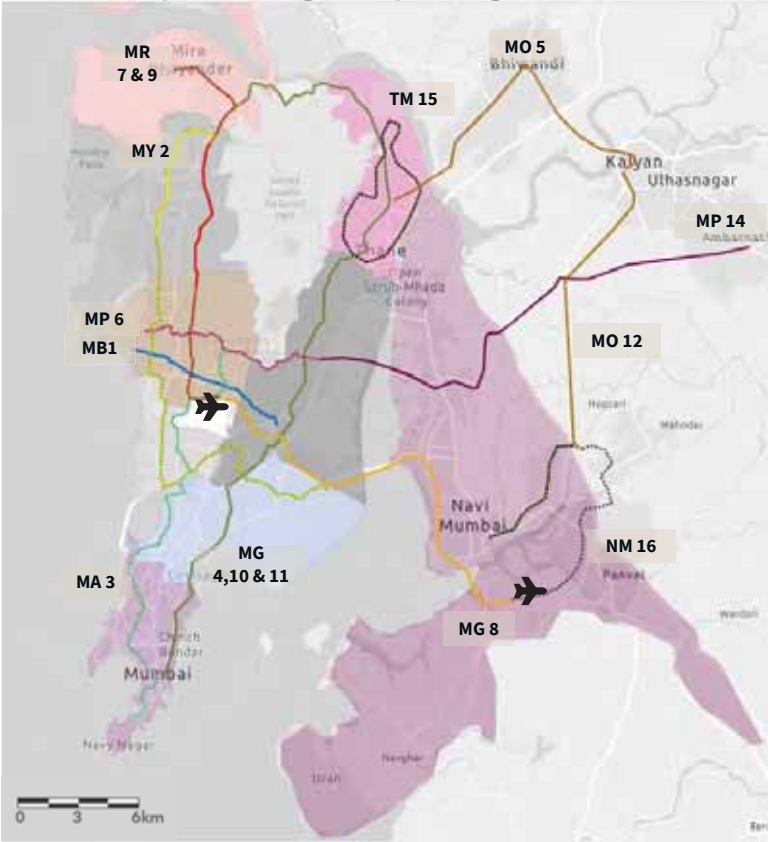
### Upcoming Metro Lines - Mumbai

Completion of all the upcoming metro lines will benefit all the micro-markets of the city such as CBD, SBD BKC, SBD Central, Western Suburbs, Malad-Goregaon, Eastern Suburbs, Thane, and Navi Mumbai. The proposed metro aims to connect the areas that are not connected by the existing railway and enable commuters to reach the station within 500 m to 1 km. Residential developments in micro markets of Thane and Navi Mumbai will receive a boost, due to improved connectivity with the commercial hubs in the Western Suburbs and Malad-Goregaon

| Upcoming Project              |            | Completion timeline | Details                               | Key impact zones   |
|-------------------------------|------------|---------------------|---------------------------------------|--|
| Metro Aqua line 3 (Phase 1)   | MA 3       | 2024                | Colaba-Bandra-SEEPZ                   | CBD and SBD Central, BKC & Annex, BKC Outskirts, Western Suburbs           |
| Metro Green Line 4            | MG 4,10,11 | 2025                | Wadala – Kasarvadavali – Gaimukh      | Eastern Suburbs and Thane  |
| Metro Orange Line 5           | MO 5       | 2025                | Thane – Bhiwandi – Kalyan             | Thane  |
| Metro Pink Line 6             | MP 6       | 2026                | Lokhandwala – Jogeshwari – Kanjurmarg | Western and Eastern Suburbs,   |
| Metro Gold Line 8             | MG 8       | 2026                | CSMIA T2 – NMIA (indicative)          | Western Suburbs, Thane-Belapur Road, Navi Mumbai Others and Malad-Goregaon |
| Metro Red Line 9              | MR 7 & 9   | 2025                | Dahisar – Mira Bhayandar              | Dahisar, Mira Road, Bhayandar  |
| Metro Green Line 10           | MG 4,10,11 | 2025                | Gaimukh – Shivaji Chowk (Mira Road)   | Thane  |
| Metro Green Line 11           | MG 4,10,11 | 2030                | Wadala – CSMT                         | SBD Central and CBD  |
| Metro Orange Line 12          | MO 12      | 2027                | Kalyan – Dombivali – Taloja           | Navi Mumbai Others   |
| Metro Magenta Line 14         | MM 14      | 2027                | Vikhroli – Badlapur (indicative)      | Eastern Suburbs and Thane  |
| Thane Metro                   | TM 15      | 2026                | Raila Devi – New Thane (indicative)   | Thane  |
|                               |            |                     |                                       |  |
| Navi Mumbai Metro Phase 2 & 3 | NM 16      | 2026-27             | Belapur – NMIA Taloja – Khandeshwar   | Thane-Belapur Road and Navi Mumbai Others                                  |


Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

Mumbai - Map of existing and upcoming metro line



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

## 6.4 MUMBAI - OFFICE SUBMARKETS

| Submarket          | Locations  |  |
|--------------------|--|--|
| CBD                | Nariman Point, Churchgate, Fort, Ballard Estate, Cuffe Parade        |  |
| SBD Central        | Lower Parel, Dadar, Worli, Prabhadevi, Parel, Mahalaxmi              |  |
| BKC & Annex        | BKC  |  |
| BKC Outskirts      | Kalina, Kurla, Bandra East, Santacruz East                           |  |
| Western Suburbs    | Andheri East, Jogeshwari, Andheri West                               |  |
| Malad-Goregaon     | Goregaon, Malad, Borivali  |  |
| Eastern Suburbs    | Powai, LBS Marg, Ghatkopar, Vikhroli, Mulund, Sion                   |  |
| Thane              | Wagle Estate, Ghodbunder Road  |  |
| Thane-Belapur Road | Airoli, Mahape, Khoparkhairane, Turbhe, Juinagar, Nerul, CBD Belapur |  |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

Gross leasing activity in Mumbai was recorded at 2.11 million sq ft in Q1 2024, a historic high compared to all previous Q1 performances. Domestic occupiers took the lead in driving demand, contributing around 78% of the total leasing activity. In terms of the occupier segment, activity was mainly driven by BFSI (44%), real estate and construction (14%), and manufacturing (9%) sectors.

### Leasing Activity

#### City Market Trends

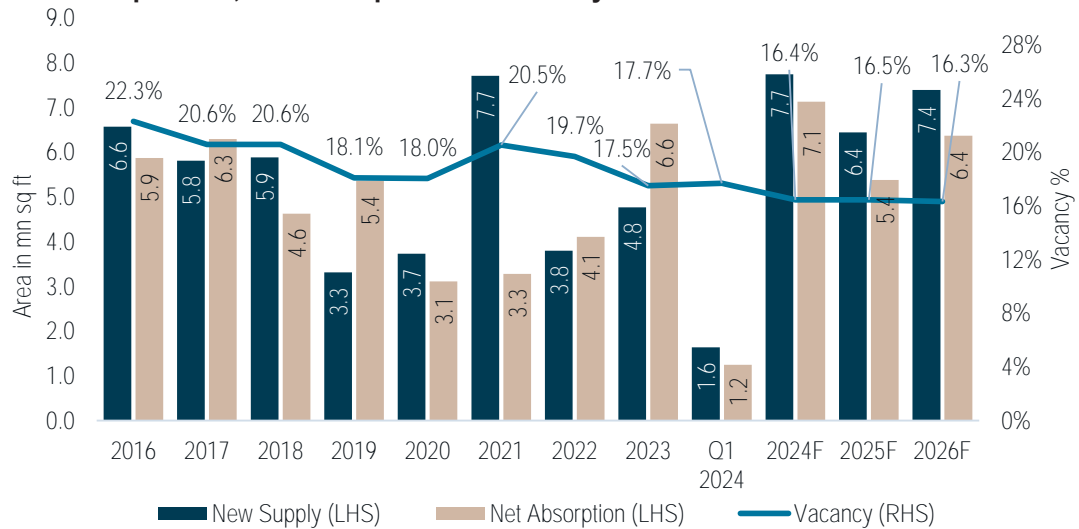
|               | Total Stock (mn sq. ft) | Net Absorption (mn sq. ft) |                        |                        | Vacancy (%) |                        |                        |
|---------------|-------------------------|----------------------------|------------------------|------------------------|-------------|------------------------|------------------------|
|               |                         | Q1 2024                    | Q4 2023 (Q-O-Q Change) | Q1 2023 (Y-O-Y Change) | Q1 2024     | Q4 2023 (Q-O-Q Change) | Q1 2023 (Y-O-Y Change) |
| Overall       | 130.4                   | 1.25                       | -61.0%                 | 23.2%                  | 17.7%       | 20 bps                 | -130 bps               |
| CBD           | 5.0                     | 0.01                       | 23.6%                  | -62.1%                 | 8.8%        | -30 bps                | -80 bps                |
| SBD Central   | 18.4                    | 0.08                       | -85.1%                 | -77.0%                 | 24.1%       | -40 bps                | -150 bps               |
| BKC & Annex   | 10.2                    | 0.02                       | -144.3%                | -34.8%                 | 7.3%        | -20 bps                | -130 bps               |
| BKC Outskirts | 6.4                     | 0.17                       | 169.5%                 | 63.4%                  | 13.5%       | 20 bps                 | -140 bps               |

|                    |      |      |        |         |       |         |          |
|--------------------|------|------|--------|---------|-------|---------|----------|
| Western Suburbs    | 20.6 | 0.21 | 63.0%  | 77.7%   | 16.8% | -90 bps | -60 bps  |
| Malad-Goregaon     | 19.9 | 0.32 | -78.1% | 2280.2% | 16.4% | 330 bps | -210 bps |
| Eastern Suburbs    | 15.7 | 0.22 | -27.0% | 238.3%  | 10.9% | 140 bps | -440 bps |
| Thane              | 9.7  | 0.09 | -30.7% | 1073.3% | 19.8% | 280 bps | 260 bps  |
| Thane-Belapur Road | 20.3 | 0.11 | -81.6% | -60.5%  | 18.9% | -60 bps | -430 bps |
| Navi Mumbai Others | 4.2  | 0.01 | 0.0%   | -60.1%  | 57.2% | -20 bps | -190 bps |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### Supply, Demand Trend

#### Total Completions, Net Absorption and Vacancy Rate



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The city's office leasing activity stood at 2.1 million sq ft in Q1 2024, representing an increase of 40.4% compared to Q1 2023. Importantly, this was the strongest ever first quarter leasing performance compared to all previous Q1 performances. Leasing was driven by increased space take up from BFSI occupiers who accounted for ~44% of the overall activity, followed by the real estate and construction segment, which accounted for ~14%. During the quarter, the Malad-Goregaon submarket witnessed the highest traction with a share of 29.0% in leasing activity. Eastern Suburbs and Western Suburbs followed with respective shares of 20.3% and 15.8%.

Leasing activity was dominated by the strong performance of domestic firms, which accounted for 78% of the overall leasing activity. The trend of end-user deals in managed office spaces continued during the quarter. All major pre-commitments remained intact. Office space leasing activity during the quarter was mostly driven by large to medium-sized deals.

In recent times, the city witnessed increased demand by the occupiers from data centres, medical technology, health analytics, online education, gaming, pharma, and FMCG sectors. We expect vacancy levels to remain rangebound in the medium term.

**Vacancy**

New supply during the quarter outpaced net absorption leading to a 20 bps q-o-q rise in vacancy levels to 17.7%. However, at a submarket level, vacancy levels decreased in all but three submarkets of BKC Outskirts, Malad-Goregaon and Thane. On a y-o-y basis, vacancy has decreased by 130 bps.

**New Supply**

A supply of 1.6 million sq ft came on stream in 1Q24, largely driven by a couple of large-sized projects in the Malad-Goregaon and Thane sub-markets. The BKC Outskirts sub-market also recorded a supply of 0.1 million sq ft. The pace of the construction activity remains at optimum levels. Some of the key projects that became operational during the quarter were Oberoi Commerz 3 Phase 2 (0.7 million) in Goregaon, 63 GMA (0.4 million) in Goregaon, and Centrum Business Square (0.4 million) in Thane.

By the end of 2026, overall stock is expected to see an addition of around 20 million sq ft of Grade A space, with Eastern Suburbs, Thane-Belapur Road and Western Suburbs combining to account for 74% of the future supply.

**Outlook**

A total of nearly 7.5-8.0 million sq ft of office space is scheduled to be completed by end-2024. An optimum pace of construction activity is expected to continue in 2024. Total net absorption in 2024 is expected to be around 6.5-7.5 million sq ft as quality projects will continue to witness healthy demand from occupiers. Demand is expected to be driven by the BFSI, Consulting, and manufacturing sectors. As absorption outpaces supply, vacancy levels are expected to go down by 2024-end. Capital values are expected to rise faster than rents due to rising investor interest, leading to a compression of yields in key submarkets for quality assets.

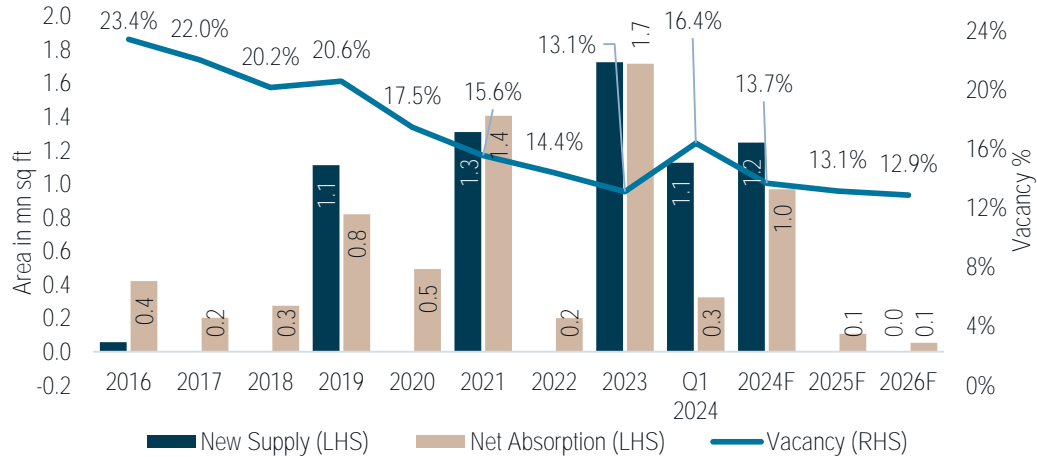


## 6.5 MICRO MARKET : WESTERN SUBURBS

The Paradigm Mindspace Malad project lies in the Western Suburbs micro market.

### Supply, Demand Trend

#### Total Completions, Net Absorption and Vacancy Rate

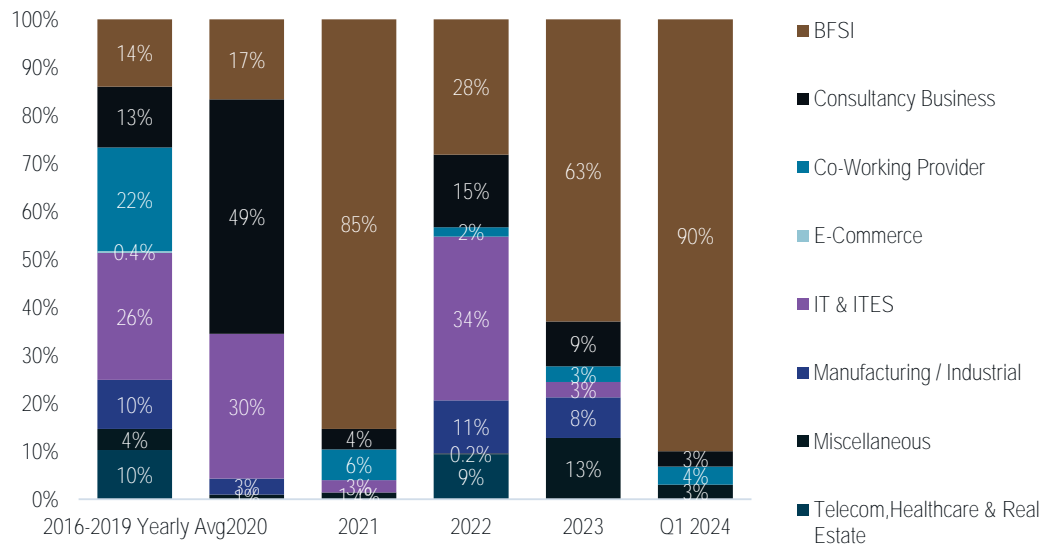


Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

Paradigm Mindspace Malad project lies in the Western Suburbs micro-market.

### Leasing Activity

#### Occupier share in gross leasing activity



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The submarket recorded leasing activity of 609,756 sq ft, 4.4x of the leasing witnessed in Q1 2023. It emerged as the primary contributor to India's overall leasing activity with a share of 29%. Leasing in the Malad-Goregaon submarket was driven by domestic BFSI occupiers who accounted for ~77% of the activity. In terms of expansion driven activity, net absorption stood at 324,893 sq ft. Moreover, in Malad-Goregaon, where there is limited availability in marquee

projects, all prominent under-construction projects usually witness high pre-commitment levels. During the quarter, some of the key transactions were - ICICI Prudential Life Insurance Company leased 251,688 sq ft in Malad Mindspace, Yes Bank leased 132,000 sq ft in R Tech Park, BA Continuum India leased 81,472 sq ft in Malad Mindspace.

The Malad-Goregaon submarket offers quality IT/ITeS buildings with large floor plates. Historically, players in the BFSI back office segment, ITeS, e-commerce and technology sectors seeking consolidation and fresh take-up have driven activity in this submarket. Due to its location, with easy connectivity to the international airport and the availability of quality space, this submarket has always been preferred by large IT firms.

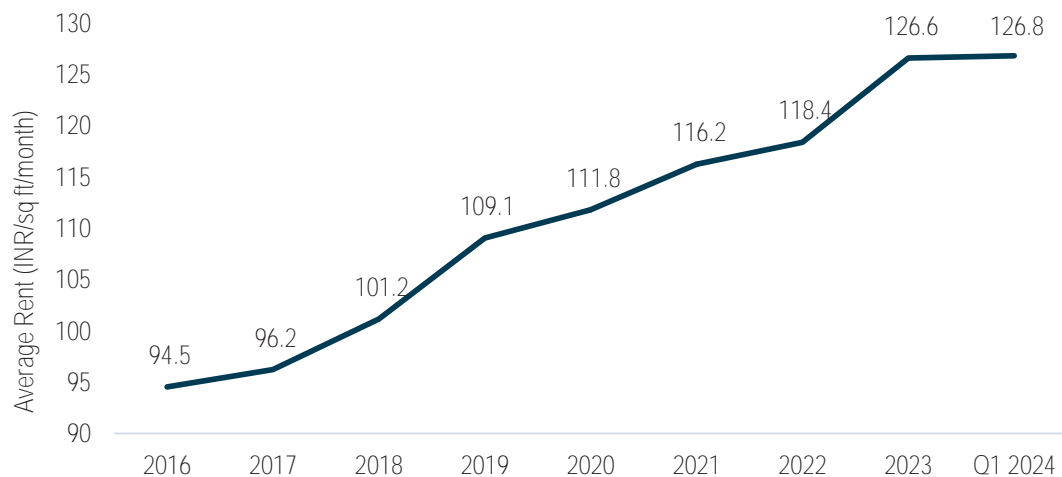
### **Supply**

Oberoai Commerz 3 Phase 2 (0.7 million) and 63 GMA (0.4 million) at Goregaon were completed during Q1 2024. With new supply of 1.1 million sq ft during the quarter, Grade A office stock increased to 19.9 million sq ft, ~15% of the overall city stock.

### **Vacancy**

With new supply of 1.1 million sq ft and no pre-commitments, the vacancy rates jumped by 330 bps to 16.4%. However, superior quality projects such as Nirlon, Nesco, and Oberoi Commerz I & II operate at single digit vacancy levels.

### **Rents**



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

*Note: Mindspace REIT micro markets, the rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 10% depending upon negotiations, final structuring of the lease agreement and other parameters.*

The average rent in the Malad-Goregaon was at INR 126.8 per sq ft per month, in Q1 2024, up 0.2% q-o-q. The Malad-Goregaon offer similar-quality buildings as the BKC and SBD Central at considerably affordable rents compared to those commanded by the SBDs. Rents for IT stock in this submarket are higher than those in the Thane and Thane-Belapur Road submarkets. The lease transactions in the Malad-Goregaon micro market are recorded in the range of INR 120 – 130 per sq. ft per month. The lease transactions in Malad where the Project is located are in the range of INR 90 to 100 per sq. ft per month.

**Prominent Lease Transactions within the Micro-Market**

Below are some of the lease transactions witnessed in the micro-market

| Sl. No. | Occupier Name                            | Name of the Building                | Location       | Area Leased (sq. ft.) | Lease Rentals (INR per sq. ft. per Month) |
|---------|--|-------------------------------------|----------------|-----------------------|---|
| 1       | Yes Bank Limited                         | R Tech Park                         | Malad-Goregaon | 132,000               | 115                                       |
| 2       | Kotak Mahindra Bank Limited              | Infinity IT Park, Mumbai Building 4 | Malad-Goregaon | 57,143                | 105                                       |
| 3       | Motilal Oswal Financial Services Limited | Interface Building 7                | Malad-Goregaon | 19,585                | 98  |
| 4       | Redbrick Offices Limited                 | Oberoi Commerz 1                    | Malad-Goregaon | 23,086                | 157                                       |
| 5       | Bajaj Finserv Direct Limited             | Mindspace Malad Eureka Towers       | Malad-Goregaon | 17,375                | 98  |
| 6       | ICICI Prudential Life Insurance Company  | Mindspace Malad Prism A             | Malad-Goregaon | 251,688               | 91.5                                      |
| 7       | BA Continuum India Private Limited       | Mindspace Malad Prism A             | Malad-Goregaon | 81,472                | 112.3                                     |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

Market rent for Paradigm Mindspace Malad Project has been considered in line with the achievable market rent for completed buildings at INR 96.6 per sq. ft per month.

**Investment Activities within the Micro Market**

The city has witnessed few institutional office transactions of varying size. It is observed that the transaction value is based on the nature of the development, the micro-market location, Project, and leases prevailing etc.

**Investment Activities within India**

The table below present details of few large sale transactions in major cities in India. Net yield for these transactions is arrived based on the Capital Value at which the property was transacted and rentals applicable for the same property during transaction. The net yield for such large transactions is witnessed in the range of 7.75% to 9.50%.

**List of transactions / deals in major cities recent past**

| Sl. No | City   | Property Name         | Location      | Micro Market  | Leasable Area (sq. ft.) | Capital Value (INR per sq. ft.) | Net Yield     | Transacted Period |
|--------|--------|-----------------------|---------------|---------------|-------------------------|---------------------------------|---------------|-------------------|
| 1      | Mumbai | One BKC               | BKC, Mumbai   | BKC & Annex   | ~700,000                | 35,000-36,000                   | 8.00% - 8.25% | 2019              |
| 2      | Mumbai | Equinox Business Park | Kurla, Mumbai | BKC Outskirts | ~1,250,000              | 19,000 - 20,000                 | 8.25% - 8.50% | 2018              |
| 3      | Mumbai | Express Towers        | Nariman Point | CBD           | ~472,377                | 40000 - 43,000                  | 7.25% - 7.75% | 2021              |

| Sl. No | City             | Property Name              | Location                       | Micro Market                 | Leasable Area (sq. ft.)                                     | Capital Value (INR per sq. ft.)                        | Net Yield   | Transacted Period |
|--------|------------------|----------------------------|--------------------------------|------------------------------|---|--|---|-------------------|
| 4      | Chennai          | Sandhya Infocity           | Navalur                        | PBD OMR                      | ~1,418,174  | 5,500 – 6,000  | 8.00% - 8.50%   | 2021              |
| 5      | Chennai          | Global Infocity            | Perungudi                      | SBD OMR                      | ~2,700,000  | 8,500 – 9,000  | 7.75% - 8.00%   | 2018              |
| 6      | Chennai          | One India bulls Park       | Ambattur                       | PBD West                     | ~1,900,000  | 4,500 – 5,000  | 8.00% - 8.50%   | 2018              |
| 7      | Hyderabad        | Phoenix aVance Building 6  | HITEC City                     | PBD West                     | ~640,000  | 7,500 - 8,000  | 9.00% – 9.50%   | 2021              |
| 8      | Hyderabad        | Phoenix Aquila Tower A     | Gachibowli                     | PBD West                     | ~1,180,000  | 8,200 - ,8700  | 8.00% - 8.25%   | 2021              |
| 9      | Hyderabad        | Waverock                   | Gachibowli                     | PBD West                     | ~2,350,000  | 7,200 - 7,700  | 8.00% - 8.25%   | 2017              |
| 10     | Pune             | E Park 2                   | Kharadi                        | SBD East                     | ~180,000  | 7,000- 9,000   | 7.75% - 8.00%   | 2022              |
| 11     | Pune             | WTC Tower A                | Kharadi                        | SBD East                     | ~28,342   | 10,000- 11,500   | 7.50% - 8.00%   | 2019              |
| 12     | Bengaluru        | Prestige RMZ Star Tech     | Bangalore                      | SBD East                     | ~1,370,000  | -  | 7.60% - 7.80%   | 2022              |
| 13     | Bengaluru        | Embassy Tech Village       | Bangalore                      | SBD East                     | ~9,100,000  | 9,500 – 11,000   | 8.00% - 8.25%   | 2020              |
| 14     | Gurgaon          | One Horizon Centre         | Gurgaon                        | SBD East                     | ~421,134  | 22,000 – 24,000  | 8.00% - 8.25%   | 2020              |
| 15     | Mumbai           | Godrej BKC                 | BKC                            | BKC & Annex                  | ~200,000  | 40,000 – 45,000  | 8.00 – 8.50%  | 2023              |
| 16     | Mumbai & Gurgaon | Downtown Powai & Candor G1 | Powai & Sohna Road             | Eastern Suburbs & Sohna Road | ~2,700,000 + ~3,700,000                                     | Enterprise value INR 11,225                            | 7.90- 8.20%   | 2023              |
| 17     | Chennai          | Embassy Splendid TechZone  | Pallavaram - Thoraipakkam Road | PBD OMR                      | ~1,400,000 (Completed) +1,600,000 (UC)+2,000,000 (Proposed) | Enterprise value INR 1,269 Cr. (61% economic interest) | 8.50% on the completed portion 10% on the u/c portion | 2024              |

Source: Real Estate Market Research & Analysis; JLL, March 2024

Project Site is Paradigm Mindspace Malad which is one of the known developments located in the Western Suburbs micro market in Mumbai city. The Project is a part of **Mindspace Business Parks REIT** (Mindspace REIT) portfolio. The location has excellent connectivity to residential locations and social infrastructure too.

The project offers Grade A, IT (Non SEZ) space spread across two wings with good amenities and facilities. There are prominent clients in the Park such as J P Morgan, Tech Mahindra, Smartworks, Firstsource Solutions, etc., and it is a preferred IT commercial development in this micro market due to the quality of buildings, ease of connectivity and nature of IT Park. Considering the past transactions in the city and Project attributes in terms of size, occupancy profile, micro market trend etc. the cap rate has been arrived for the Project.

The Cap Rate applied to arrive at the terminal value of the property is 8.00%.

### **Outlook**

Demand for this submarket is expected to be mostly driven by IT, BFSI GCCs and consulting firms. With good quality upcoming supply, the market is expected to add around 1.2 million sq ft of Grade A space to its stock over the next three years.

## 7 MARKET VALUE ESTIMATE

### 7.1 ADOPTED PROCEDURE

The market practice in most commercial / office developments involves contracting tenants / occupiers in the form of pre-commitments at sub-market rent to increase attractiveness of the property to prospective tenants - typically extended to anchor tenants. Additionally, there are instances of tenants paying above-market rent for certain properties as well (primarily owing to market conditions at the time of contracting the lease). In order to arrive at a unit value for these tenancies, the Valuer has considered the impact of such sub / above market rents on the valuation of the Project.

For the purpose of this valuation exercise, the Valuer has analyzed the tenancy details provided by the Client, to identify variances vis-à-vis prevailing market / marginal rent. Each lease is assessed separately for below aspects, for the rent over a 10-year time horizon:

- The rent rolls (and the corresponding lease deeds on a sample basis) were reviewed to identify tenancy characteristics for the asset. As part of the rent roll review, major tenancy agreements belonging to top 5 tenants were reviewed on a sample basis.
- Title certificates, architect certificates and other related documents as mentioned in relevant sections of the report were reviewed for validation of area details, ownership interests of the Project.
- Physical site inspections were undertaken to assess the status of the Project.

#### 7.1.1 CASH FLOW PROJECTIONS

The cash flows for the Project have been projected separately for each lease, to arrive at their respective value estimates.

Net Operating Income (NOI) has primarily been used to arrive at the value of the Project. The projected future cash flows from the Project are based on existing lease terms for the operational leases till the expiry of the leases or re-negotiation, whichever is earlier, following which, the lease terms have been aligned with market rents achievable by the Project.

For vacant area and under-construction/future development area, the achievable market rent-led cash flows are projected factoring appropriate lease-up timeframe for vacant / under-construction / future development area. These cash flows have been projected for 10-year duration from the date of valuation and for 11<sup>th</sup> year (for estimation of terminal value based on NOI). These future cash flows are then discounted to present-day value (valuation date) at an appropriate discount rate. Each lease is assessed separately for below aspects, for the rent over a 10 year time horizon:

- Projecting the rental income for identified tenancies up to the period of lease expiry, lock-in expiry, escalation milestones, etc. whichever is applicable. In the event of unleased spaces, market-led rent is adopted with suitable lease-up time.
- Generating a market led rental income stream for identified tenancies for the time period similar to the cash flows drawn in the aforementioned step.
- Computing the monthly income based on rent projected above and translating the same to quarterly income (for the next 10 years and 11<sup>th</sup> year is considered for calculation of terminal value).

Further, to arrive at the total value of the leased spaces (from base rentals), appropriate revenues and operational expenses are projected on quarterly basis. Some of such adjustments on revenue and operational expenses are presented in the table below:



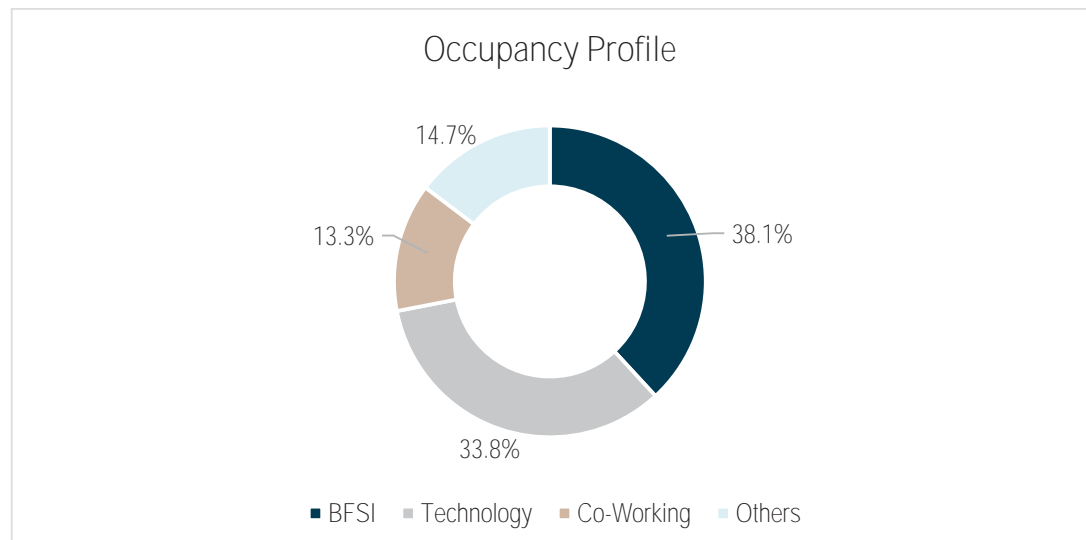
**Table 7.1: Adjustments on Revenues and Operational Expenses**

| Parameters                           | Description / Basis  |
|--------------------------------------|--|
| Parking Income                       | Based on income inputs provided by Client for the leased spaces and market assumption taken for vacant spaces  |
| Miscellaneous Income                 | Based on income inputs provided by Client for the Project  |
| Insurance                            | Based on insurance outflow (if any) provided by Client   |
| Annual Lease Rental / Property Taxes | Based on annual lease rental / property tax assessed for the Project as provided by Client   |
| Asset Management Fee                 | Considered as a recurring expense (in case of an external management team) as a percentage of the lease rental income as per the agreement between respective assets and its asset manager.  |
| Margin on CAM                        | Based on the operational revenues and expenses of the respective assets to understand the recurring, non-recurring, recoverable and non-recoverable expenses and accordingly modelled the common area maintenance income and operational expenses for the asset. |
| Revenue Escalation                   | Based on market-led annual escalation on the market rent   |
| Rent Free Period                     | Based on the trend prevalent in the submarket, appropriate rent-free periods from lease commencement date (for future / new leases) are considered   |
| Brokerage                            | Based on prevalent market dynamics, brokerage for future / new leases are considered   |
| Fit-Out Income                       | Based on fit-out rent (if any) provided by Client till lease expiry of applicable leases (same is not capitalized)   |
| Transaction Cost on Exit             | Considered as a percentage of the terminal value after aforesaid adjustments   |

### 7.1.2 ABSORPTION / LEASING VELOCITY AND OCCUPANCY PROFILE

Occupancy profile of the project is as follows:

- ~38% of the space is taken by BFSI sector.
- ~34% has been taken up by Technology
- ~13% is occupied by Co-Working Provider.
- ~15% has been occupied by Miscellaneous and Other industries



### 7.1.3 KEY ASSUMPTIONS AND INPUTS

The table below presents key assumptions and / or inputs used in the cash flow configuration used for providing Valuation of the Project.

**Table 7.2: Key Assumptions Used in the Estimate of Operational / Completed Blocks**

| Parameters                                       | Assumptions / Inputs   | Remarks / Basis  |
|--|--|--|
| Cash Flow Period                                 |  |  |
| Valuation Date                                   | 31-March-2024  | As per workings  |
| Cash Flow Period                                 | 10 years   | As per workings  |
| Cash Flow Exit Period                            | 31-March-2034  | As per workings  |
| Asset Details                                    |  |  |
| Total Leasable Area                              | Refer <b>Table 5.4</b>   | As per the information provided by the Client  |
| Leased Area                                      | Refer <b>Table 5.4</b>   | As per the information provided by the Client  |
| Vacant Area / Vacancy                            | 2,655 sq ft / 0.4%   | As per the information provided by the Client  |
| Vacancy Allowance                                | 2.0%   | As per market benchmarks for large scale Grade A office projects.  |
| Area to be Leased                                | 2,655 sq ft  | As per the information provided by the Client  |
| Rent Free Period for Existing Lease Rollovers    | 2 months   | As prevalent in the micro market   |
| Rent Free Period for New Leases                  | 3 months   | As prevalent in the micro market   |
| Construction Related Assumptions                 |  |  |
| Approx. construction cost to be incurred         | INR 81.25 mn   | As per the information provided by the Client  |
| Estimated Completion Date for incurring expenses | Q4 FY25  | As per the information provided by the Client  |
| Estimates of already carried out major repairs   | INR 184 mn   | As per the information provided by the Client.   |
| Revenue Assumptions                              |  |  |
| Lease Rentals                                    | Actual rentals as per the Rent Roll including additional charges (if any)                              | As per the information provided by the Client  |
| Rent Escalation                                  | Escalation in rentals as per the Rent Roll for the validity period of the leases i.e., 4.5% every year | As prevalent in the market it is observed that lease agreements are primarily at 4.5% rent escalations every year.   |
| Market / Marginal Rent – Office for FY25         | INR 96.6 per sq. ft. per month   | The lease transactions in Grade A office space in the said micro market are recorded in the range of INR 90 – 115 per sq. ft. per month for last 5 years. The asking |

| Parameters                                   | Assumptions / Inputs            | Remarks / Basis   |
|--|---------------------------------|---|
|  |                                 | instances are observed in the range of INR 95 – 120 per sq. ft per month. Please refer section 6.5<br>Based on the market benchmarking of recent leases on aspects such as location, size of transaction, type of development etc. the achievable rent for the Project is derived.  |
| Market / Marginal Rent – Amenities           | Not Applicable                  |   |
| Market Rent – Car Parking Space for FY25     | INR 5,250 per CPS per month     | The Grade A offices offers car parking rates in the range of INR 4,500 – 5,500 per slot per month. Based on the market benchmarking of recent leased rates within the micro-market, the achievable car park rate for the subject property is derived.   |
| Market / Marginal Rent – Food Court for FY25 | INR 115.5 per sq. ft. per month | The lease transactions of food court in Grade A, IT park in the said micro market are recorded in the range of INR 100 – 120 per sq. ft. per month for last 5 years. The asking instances are observed in the range of INR 115 – 125 per sq. ft. per month. Please refer Error! Reference source not found.<br>Based on the market benchmarking of recent leases on aspects such as location, size of transaction, type of development etc. the achievable rent for the Project is derived. |
| Market / Marginal Rent – Kiosk               | Not Applicable                  |   |
| Market / Marginal Rent – Terrace             | Not Applicable                  |   |
| Other Income                                 | 1% of base rentals              | As prevalent in the market, we consider a normalized level of other income for future. Hence, we have considered other income at 1.0% of base rental income. Other income includes components from Events, Telecom Towers, Pop-ups  |
| Market Rent Growth from FY26                 | 5.0% per annum                  | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5% per annum for the Project   |
| Parking Rent Growth from FY26                | 5.0% per annum                  | Considering the historical growth rate and the current market dynamics we have assumed a  |

| Parameters                               | Assumptions / Inputs  | Remarks / Basis  |
|--|---|--|
|  |   | market rent growth of 4.5% per annum for the Project   |
| Lease Tenure                             | 9 years   | As prevalent in the market   |
| Target Efficiency                        | 76%   | Recent re-leasing suggest that the Client has leased the same premises at relatively lower efficiency and received higher rentals for the same carpet area.<br>Going forward, for leases which will expire during the next 10 years, we have considered an efficiency at 76% or actual, whichever is lower |
| Maintenance Services Income / CAM Income | INR 11.99 per sq ft per month   | The CAM rate in Grade-A Commercial Development is observed to be in the range of INR 10 – 15 per sq. ft. per month. The CAM income in the Project is in-line with market trend and is as provided by Client  |
| Operating Cost Assumptions               |   |  |
| Brokerage – New Leases                   | 2 months receivable on base rent  | As prevalent in the market   |
| Brokerage – Renewals / Release           | 2 month receivable on base rent   | As prevalent in the market   |
| Maintenance Services Cost for FY25       | INR 9.44 per sq ft per month  | As given by the Client and as prevalent in the market  |
| Property Tax for FY25                    | INR 3.27 per sq ft per month  | As given by the Client   |
| Insurance for FY25                       | INR 0.38 per sq ft per month  | As given by the Client   |
| Cost Escalation                          | 3.0% per Annum  | As prevalent in the market.  |
| CAM Escalation (Income + Expense)        | 5.0% per Annum  | As prevalent in the market.  |
| Other Assumptions                        |   |  |
| Transaction Cost on Sale                 | 1.0% of Terminal Value  | As prevalent in the market   |
| Other Operating Expenses                 | 2.0% of Base Rent + Car Parking Charges   | As prevalent in the market.  |
| Property Management Fees                 | 3.5% (Base Rent + Car Parking Charges + Fit out Rent + Other Operating Income)  | As prevalent in the market   |
| Discounting Rate / WACC                  | Suggestive Discount Factor: 11.75%  | Refer Section 3.3 of this report   |
| Cap Rate for Terminal Value              | Capitalized using long-term net yield rate of 8.0% (post yield shrinkage).<br>Capitalized based on the net cash flow of the 11 <sup>th</sup> year | Refer Section 3.2 of this report   |
| Cash Flow Configuration                  | Cash flows have been drawn on quarterly basis for a period of 10 years, considering both cash inflows and   | Value assumptions as practiced in the market   |

| Parameters | Assumptions / Inputs  | Remarks / Basis |
|------------|---|-----------------|
|            | outflows. Cash flows of terminal year is then capitalized and adjusted with transaction costs, to arrive at terminal value. |                 |

## 7.2 MARKET VALUE

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which the Valuer has no knowledge, the Market Value of the complete ownership interest in the Project comprising land and improvements thereon, as explained above, on the below mentioned dates, is estimated to be as follows:

**Table 7.3: Market Value of the Project**

| Component                                     | Leasable Area (sq. ft.) | Market Value (INR Million) | Percentage Share |
|---|-------------------------|----------------------------|------------------|
| IT (Non SEZ) Park incl. Amenities – Completed | 753,282                 | 11,328.74                  | 100%             |

Note: The above-mentioned value includes proportionate undivided ownership in the Amenity Plot, Utility Areas and Internal Roads and total open spaces of the Entire Campus

With all assumptions as mentioned in this report, we are of the opinion that the Market Value of the Project comprising total leasable area of 753,282 sq. ft of project Paradigm Mindspace Malad (Paradigm A and B buildings), located in Malad, Mumbai, Maharashtra, India, as on 31<sup>st</sup> March 2024 is estimated to be **INR 11,328.74 million (INR Eleven Billion Three Hundred Twenty-Eight Million Seven Hundred and Forty Thousand Only)**

**Table 7.4 Ready Reckoner Rates for the Property**

| Component                  | Ready Reckoner Rate (INR per sq. m) |
|----------------------------|-------------------------------------|
| Commercial (Built-Up Area) | 201,260                             |
| Land Area (Open Plot)      | 80,060                              |

Note: The mentioned ASR value is as on 31<sup>st</sup> March 2024

**KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)**, the Valuer for the Project, hereby declares that:

- We are fully competent to undertake the valuation;
- We are independent and have prepared the report on a fair and unbiased basis; and
- We have valued the Project based on the valuation standards as specified under sub-regulation 10 of regulation 21 of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended from time to time.



**Name:** Sachin Gulaty FRICS FIV FIIA,

**Designation:** Director

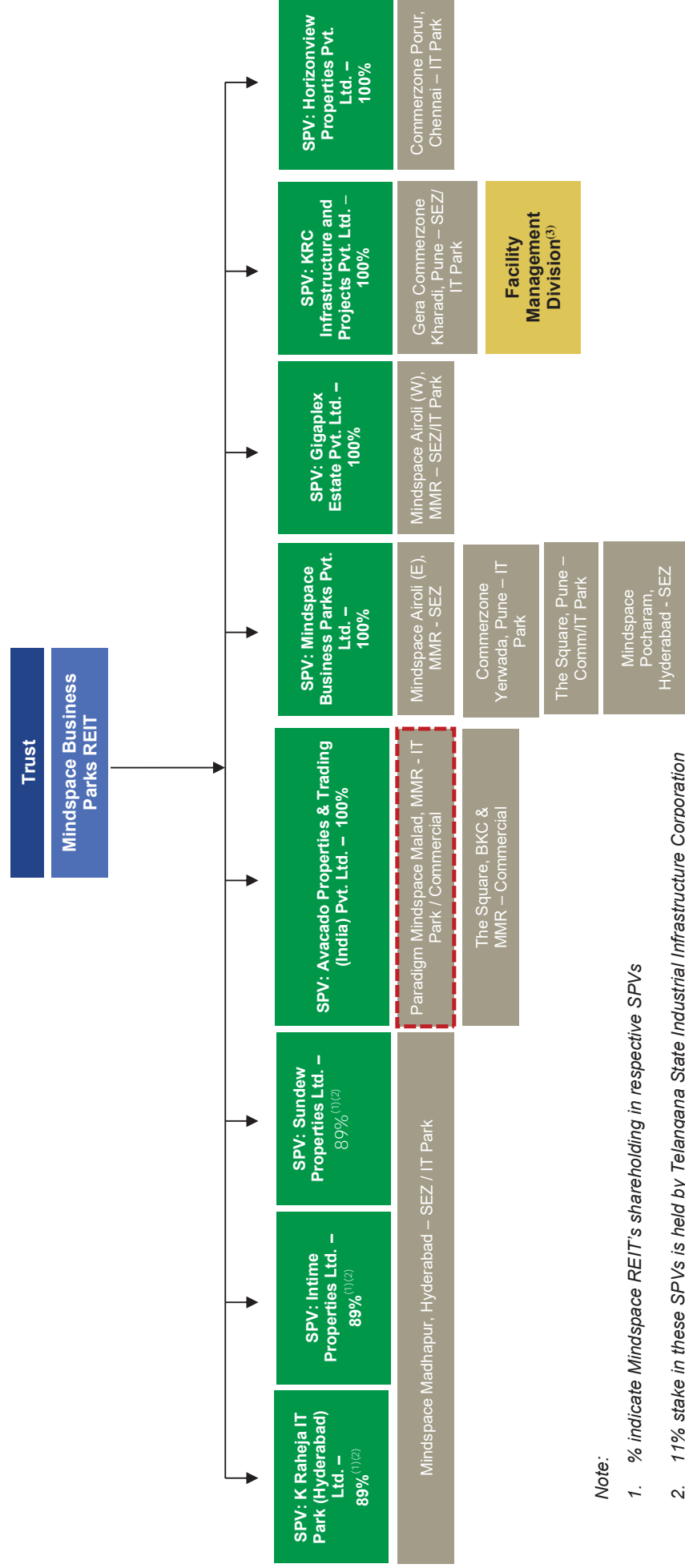
**Valuer Registration No.:** IBBI/RV/02/2021/14284

**Address:** 5<sup>th</sup> Floor, India Accelerator, The Iconic Corenthum, Sector 62, NOIDA – 201309. Uttar Pradesh. INDIA.

**E-Mail ID:** sachin.gulaty@k-zen.in



## Annexure - 1 Ownership Structure of the Project



Note:

1. % indicate Mindspace REIT's shareholding in respective SPVs
2. 11% stake in these SPVs is held by *Telangana State Industrial Infrastructure Corporation Limited*
3. *Facility Management Division is housed in KRC Infrastructure and Projects Pvt. Ltd.*

**Annexure - 2**  
**Layout Plan of the Project**



Source: Client

**Annexure - 3****Statement of Key Assets within the Project**

|                                |            |                                  |
|--------------------------------|------------|----------------------------------|
| Complex                        | Name       | Malad                            |
| Building                       | No. / Name | Paradigm                         |
| Floor                          | Nos        | B+GF+GF+9                        |
| Warm Shell / Bare Shell        |            | Only DG connected to common area |
| Air Cooled Chiller             | TR         | 3 x 100                          |
| Water Cooled Chiller           | TR         | NA                               |
| No. of Elevators / Make        | No. / Make | 16- Mitsubishi                   |
| No. of DG / Capacity           | No. / KVA  | 1 x 320, 1 x 400                 |
| No. of Transformers / Capacity | No. / KVA  | NA                               |
| Booster Pump                   | KW / Make  | 2 x 9.36 - Kirlsokar Brothers    |
| Jockey Pump                    | KW / Make  | 2 x 9.36 - Kirlsokar Brothers    |
| Fire Diesel Pump               | KW / Make  | NA                               |
| Hydrant Pump                   | KW / Make  | 37 - Kirlsokar Brothers          |
| Sprinkle Pump                  | KW / Make  | 37 - Kirlsokar Brothers          |
| STP Rating                     | KLD        | 350                              |

Source: Client

## **Annexure - 4**

### **Approvals and NOCs Received for the Project**

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#### **Approvals Received**

- Full Occupancy Certificates
- One-time fire NOC
- Form B
- Consent to Operate

#### **Approvals Pending**

- None

## Annexure - 5

### Ready Reckoner Rate Applicable for the Project

ASR Value as on 31st March 2024

**नोंदणी व मुद्रांक विभाग, महाराष्ट्र शासन**  
**बाजारमूल्य दर पत्रक**

| Home              |  | Valuation Rules |                   | User Manual    |          | Close         |              | Feedback |          |
|-------------------|--|-----------------|-------------------|----------------|----------|---------------|--------------|----------|----------|
| Year              | Annual Statement of Rates  |                 |                   |                |          |               |              |          | Language |
| 2023/2024         |  |                 |                   |                |          |               |              |          | English  |
| Selected District | मुंबई (उपनगर)  |                 |                   |                |          |               |              |          |          |
| Select Village    | मालाड ( दक्षिण ) ( बोरीवली )   |                 |                   |                |          |               |              |          |          |
| Search By         | <input type="radio"/> Survey No <input checked="" type="radio"/> Location                              |                 |                   |                |          |               |              |          |          |
| Select            | उपविभाग  | खुली<br>जमीन    | निवासी<br>सहनिवास | ऑफीस<br>दुकाने | औद्योगिक | एकाक<br>(R/L) |              |          |          |
| Survey No         | 63/297 A-गाम झिजवट संकुल-वालील मिळकती  | 93840           | 203130            | 233600         | 253910   | 203130        | चौरस<br>मीटर |          |          |
| Survey No         | 63/297-B-उत्तरेस गवळी सीमा, पूर्वेस लिंक रोड, दक्षिणेस वॉर्ड हद्द व पश्चिमेस वाडी                      | 80060           | 175010            | 201260         | 218760   | 175120        | चौरस<br>मीटर |          |          |
| Survey No         | 63/298-B-उत्तरेस मागलेदार वाडी मार्ग, पूर्वेस एस. व्ही. रोड, दक्षिणेस वॉर्ड हद्द व पश्चिमेस लिंक रोड   | 58650           | 134160            | 154280         | 193400   | 134160        | चौरस<br>मीटर |          |          |
| Survey No         | 63/299-रस्ता : स्वामी ज्ञानेश्वर रोड   | 65190           | 131230            | 191400         | 257000   | 131230        | चौरस<br>मीटर |          |          |
| Survey No         | 63/300-B-उत्तरेस मागलेदार वाडी मार्ग, पूर्वेस रेल्वे लाईन, दक्षिणेस गवळी सीमा व पश्चिमेस एस. व्ही. रोड | 86340           | 131180            | 154660         | 168100   | 131180        | चौरस<br>मीटर |          |          |

Source: IGR Maharashtra

## Annexure - 6 Cash Flow Profile

Table 7.5 Discounted Cash Flow (INR million)

| SI. No. | Particulars                                | 1-Apr-23<br>31-Mar-24 | 1-Apr-24<br>31-Mar-25 | 1-Apr-25<br>31-Mar-26 | 1-Apr-26<br>31-Mar-27 | 1-Apr-27<br>31-Mar-28 | 1-Apr-28<br>31-Mar-29 | 1-Apr-29<br>31-Mar-30 | 1-Apr-30<br>31-Mar-31 | 1-Apr-31<br>31-Mar-32 | 1-Apr-32<br>31-Mar-33 | 1-Apr-33<br>31-Mar-34 | 1-Apr-34<br>31-Mar-35 |
|---------|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|         | Development / Construction Phasing         | Y0                    | Y1                    | Y2                    | Y3                    | Y4                    | Y5                    | Y6                    | Y7                    | Y8                    | Y9                    | Y10                   | Y11                   |
|         | Total Development Cost to be Incurred      | -                     | 81.25                 | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
|         | Leasable Area                              | 753,282.00            |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|         | Overall occupancy - Existing Leases        |                       | 99.23%                | 67.59%                | 37.63%                | 32.74%                | 17.11%                | 10.89%                | 10.89%                | 10.89%                | 0.00%                 | 0.00%                 | 0.00%                 |
|         | Overall occupancy - Leases Moved to Market |                       | 0.69%                 | 32.41%                | 62.37%                | 67.26%                | 82.89%                | 89.11%                | 89.11%                | 100.00%               | 100.00%               | 100.03%               | 100.00%               |
|         | Overall occupancy - of the Project         |                       | 99.91%                | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.03%               | 100.00%               |
|         | Vacancy Allowance                          |                       | 2.00%                 | 2.00%                 | 2.00%                 | 2.00%                 | 2.00%                 | 2.00%                 | 2.00%                 | 2.00%                 | 2.00%                 | 2.00%                 | 2.00%                 |
| A       | Base Rental                                |                       | 900.15                | 858.19                | 922.96                | 983.63                | 1,011.57              | 1,088.01              | 1,137.25              | 1,188.43              | 1,238.50              | 1,319.18              | 1,395.47              |
| B       | Car Parking Income                         |                       | 6.36                  | 5.89                  | 8.08                  | 9.08                  | 9.54                  | 10.36                 | 10.83                 | 11.32                 | 11.83                 | 12.36                 | 13.20                 |
| C       | Fit-out rentals/ tenant improvements       |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| D       | Facility Rentals                           |                       | 906.51                | 864.08                | 931.05                | 992.71                | 1,021.10              | 1,098.38              | 1,148.08              | 1,199.75              | 1,250.32              | 1,331.54              | 1,408.67              |
| E       | Maintenance services income                |                       | 106.14                | 111.54                | 117.12                | 122.97                | 129.12                | 135.58                | 142.36                | 149.48                | 156.95                | 164.85                | 173.04                |
| F       | Other Operating Income                     |                       | 9.00                  | 8.58                  | 9.23                  | 9.84                  | 10.12                 | 10.88                 | 11.37                 | 11.88                 | 12.38                 | 13.19                 | 13.95                 |
| G       | Revenue from Operations                    |                       | 1,021.65              | 984.20                | 1,057.40              | 1,125.52              | 1,160.34              | 1,244.84              | 1,301.81              | 1,361.11              | 1,419.66              | 1,509.58              | 1,595.67              |
| H       | Direct Operating Expenses                  |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|         | Maintenance services Expenses              |                       | 85.35                 | 89.61                 | 94.10                 | 98.80                 | 103.74                | 108.93                | 114.37                | 120.09                | 126.10                | 132.40                | 139.02                |
| I       | Property Tax                               |                       | 29.56                 | 30.45                 | 31.36                 | 32.30                 | 33.27                 | 34.27                 | 35.29                 | 36.35                 | 37.44                 | 38.57                 | 39.72                 |
| J       | Insurance Premium                          |                       | 3.49                  | 3.59                  | 3.70                  | 3.81                  | 3.93                  | 4.04                  | 4.17                  | 4.29                  | 4.42                  | 4.55                  | 4.69                  |
| K       | Net Operating Income (NOI)                 |                       | 903.26                | 860.55                | 928.24                | 990.61                | 1,019.41              | 1,097.60              | 1,147.98              | 1,200.37              | 1,251.70              | 1,334.06              | 1,412.23              |
|         | Add: Terminal Cash Flow                    |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | 17,476.36             | -                     |
|         | Indirect Operating Expenses                |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| L       | Brokerage Fees                             |                       | 1.37                  | 70.55                 | 29.46                 | 12.54                 | 27.09                 | -                     | -                     | -                     | 26.20                 | 1.98                  | -                     |
| M       | Property Management Fee                    |                       | 32.04                 | 30.54                 | 32.91                 | 35.09                 | 36.09                 | 38.82                 | 40.58                 | 42.41                 | 44.19                 | 47.07                 | 49.79                 |
| N       | Other operational expenses                 |                       | 18.13                 | 17.28                 | 18.62                 | 19.85                 | 20.42                 | 21.97                 | 22.96                 | 23.99                 | 25.01                 | 26.63                 | 28.17                 |
| O       | Net Cash Flow                              | -                     | 770.46                | 742.17                | 847.25                | 923.12                | 935.81                | 1,036.81              | 1,084.43              | 1,133.97              | 1,156.30              | 18,734.74             | -                     |

Note: We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes.



## Annexure - 7

### Material Litigations

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#### A. Avacado

##### (i) *Title litigation and irregularities*

1. Nusli N. Wadia ("Plaintiff") filed a suit ("Suit") before the Bombay High Court ("High Court") against Ivory Properties, Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja, Inorbit Malls, Avacado and others ("Defendants") pertaining to inter alia revocation of the registered agreements for sale of certain buildings, including the registered agreements executed in favour of Avacado for acquiring buildings viz. Paradigm constructed on demarcated portion of the land located at Mindspace Malad project, and demolishing of the building Paradigm located at Mindspace Malad project. The Plaintiff's claim with regard to Avacado is restricted to its transaction relating to Paradigm building constructed on the demarcated portion of land located at Mindspace Malad project and does not extend to the equity shares of Avacado or any other assets held by Avacado.

The Suit was filed inter alia alleging certain insufficient payment to the Plaintiff, breach and non-adherence of the project agreement of 1995 entered into between the Plaintiff and Ivory Properties in respect of certain land situated at Malad West and Kanheri, including the demarcated portion of the land on which building Paradigm is constructed in Mindspace Malad project ("1995 Agreement"), and pertaining to sale of certain buildings inter alia on ground of sale of such buildings to alleged related parties. The Plaintiff sought inter alia (i) orders of declarations and permanent injunctions relating to the termination of the 1995 Agreement, (ii) the termination of some of the registered agreements and memorandums of understanding entered between the Plaintiff, Ivory Properties and purchasers in respect of some of the buildings constructed on the demarcated portions of land in Malad (including the building viz. Paradigm located at Mindspace Malad project), (iii) demolishing of such buildings and (iv) damages from Ivory Properties, Mr. Ravi C. Raheja, Mr. Neel C. Raheja and Mr. Chandru L. Raheja to the extent of ₹ 3,509.98 million along with interest. A notice of motion was also filed by the Plaintiff seeking interim and ad-interim reliefs for inter alia appointment of receiver for buildings sold by the Plaintiff and Ivory Properties to various Defendants (including Avacado), restraining Ivory Properties and other Defendants (including Avacado) from alienating, encumbering or parting with possession of the building and restraining Ivory Properties and other Defendants (including Avacado) from dealing with (including renewal of leases / licenses) or creating fresh leases / licenses in respect of the buildings, and from receiving or recovering any sum in respect thereof by way of rent, license fee or compensation for occupation, or if received or recovered be directed to deposit the said rent, license fee or compensation to the High Court. No ad-interim relief was granted to the Plaintiff.

The Defendants filed replies inter alia stating that the Suit is barred by limitation and that the transactions under the registered documents are genuine and in accordance with the 1995 Agreement and that the Plaintiff had deliberately made false and defamatory comments to cause damage to the reputation of the Defendants inter alia to pressurize Ivory Properties and its directors into meeting the Plaintiff's demands for unjustifiable amounts beyond what is payable under the 1995 Agreement. Further, Ivory Properties has also filed a counterclaim for various reliefs relating to specific performance of the 1995 Agreement and refund of ₹ 16 million with interest paid to the Plaintiff, and in the alternative for payment of estimated damages of ₹ 6,091.40 million inter alia towards loss of profit from the balance development potential and ₹ 5,000 million along with interest for compensation towards defamation.

The notice of motion for interim relief and the Suit are pending for the final hearing before the High Court.

Separately, in relation to a transaction of divestment by the KRC group of their shareholding in respect of one of its group companies, the Plaintiff, through his advocates & solicitors, had

addressed certain letters, including to KRCPL, CCI and the merchant bankers acting in that transaction. The Plaintiff had also issued caution public notice dated October 1, 2016, cautioning the public about the risks and consequences in dealing with the suit property. The allegations and averments have been responded by KRCPL and the merchant bankers and the transaction of divestment was completed.

Further, the Plaintiff, through his advocates, addressed a letter dated February 13, 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 at Paradigm Mindspace Malad. The allegations and averments made by the Plaintiff have been responded by parties concerned. No further correspondence has been received.

The Plaintiff has filed an Interim Application for amendment of the suit plaint to bring on record the facts relating to the ULC permission and DRC issued by the authorities concerned, which is pending.

**(ii) Criminal matters**

There are no pending criminal matters against Avacado.

**(iii) Regulatory actions**

1. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 ("Income Tax Act") against Avacado, Gigaplex, KRIT, MBPPL, Chalet Hotels, Genext, Inorbit Malls, KRCPL, KRPL, Shoppers Stop and others ("Parties"). Pursuant to the Warrant, the Income Tax Department carried out a search on November 30, 2017. The search covered various matters for which notices were already issued from time to time. The search was concluded on December 6, 2017 at the office and residence of the Parties. Pursuant to the search, the Income Tax Department issued notices to each of the Parties under Section 153A of the Income Tax Act directing them to prepare and furnish true and correct returns of total income for assessment years ("AY") from 2008-2009, 2012-13 to 2017-18 within a stipulated timeline from the date of service of the notices and these returns have been furnished before the Income Tax Department. Further, the Income Tax Department issued notices under Section 142(1)/143(2) of the Income Tax Act for assessment years 2008-2009, 2012-13 to 2017-2018/2018-19, to the Parties seeking certain information. These details have been furnished before the Income Tax Department by the Parties from time to time.

Avacado filed appeals for AY 2012-13 to AY 2017-18 before the Commissioner of Income Tax (Appeals) ("CIT(A)") against the order received under section 143(3) r.w.s. 153A of the Act. The same were disposed of by the CIT(A) against Avacado for AY 2012-13 to AY 2014-15 and in favour of Avacado for AY 2015-16 to AY 2017-18. Avacado made an application under the Direct Tax Vivad se Vishwas Act, 2020 ("VsV") for AY 2012-13 and AY 2014-15 and the final order was received in favour of Avacado. The Income Tax Department filed an appeal for AY 2015-16 and AY 2016-17 in Income Tax Appellate Tribunal ("ITAT") against the order of the CIT(A) and the final order is received in favour of Avacado. The Income Tax Department has filed an appeal before the Bombay High Court against the order of the ITAT for AY 2015-16 and 2016-17. Avacado filed an appeal before the ITAT against the order for AY 2013-14 which is currently pending. Avacado received a notice under section 148 for assessment year 2014-15. Avacado filed return of income under protest in response to the said notice and also sought reasons for reopening the assessment undertaken during the assessment year 2014-15. Pursuant to which, Avacado received reasons for reopening and submitted a response objecting to the reopening of assessment. The Income Tax Department passed an order rejecting the objections filed. Avacado has received notice u/s 148A(b) and response against the same has been submitted, objecting to the reopening of assessment. The Income Tax Department passed an order u/s 148A(d) rejecting the objections filed and served notice u/s 148 of the Income Tax Act. The return of income was filed under protest in response to the

said notice. Avacado has filed Writ Petition before Bombay High Court against the notice u/s 148 and order u/s 148A(d).

2. MPCB allegedly issued a show cause notice dated November 11, 2016 ("First SCN") to Avacado for alleged failure in obtaining no objection/ permission from the CGWA for extraction of ground water in respect of the Paradigm Mindspace project. MPCB served a show cause notice dated March 14, 2017 on Avacado, referring to the First SCN stating that the First SCN was issued pursuant to the directions given to MPCB and CGWB by the National Green Tribunal judgement dated January 11, 2016 and November 8, 2016 (in the matter of Asim Sarode V/s District Collector, Nanded and others, where Avacado was not a party) to jointly prepare a list of industries and infrastructure projects which require permission for extracting ground water and to issue directions for closure of such industries and infrastructure projects for whom the default persists. By letter dated April 6, 2017, Avacado responded to MPCB inter alia stating that (a) there is no requirement for Avacado to apply for or obtain NOC from CGWA, as Avacado does not appear in the list of industries and infrastructure projects which require permission for extracting ground water as published on the MPCB website; (b) Avacado does not withdraw ground water at the Paradigm Mindspace Malad project; and (c) the First SCN was not received by Avacado. No further correspondence has been received.
3. The Office of Tehsildar, Borivali ("Tehsildar") issued demand notices dated February 5, 2021 and dated March 2, 2021 under provisions of Maharashtra Land Revenue Code, 1966 to Ivory Properties and others for retrospective payment of non-agricultural tax ("NA Tax") of ₹ 52.63 million. The demand notices were issued pursuant to the letter dated February, 5, 2021 of the Collector (Mumbai Suburban Office) ("Collector"), wherein it was recorded that all urban lands in state being used for non-agriculture purpose, NA Tax assessment had been stayed for the period August 1, 2006 to July 31, 2011 till the revised guidelines were finalised as per government letter NAP0311/CR28/L5 dated August 24, 2011 and that as per Government of Maharashtra decision dated February 5, 2018, the stay was lifted. Ivory Properties vide letter dated March 30, 2021, has denied the quantification and levability of the NA Tax assessment with retrospective effect and has requested the Tehsildar not to take any coercive action, without giving a reasonable opportunity to file a reply. Ivory Properties also tendered, without prejudice, an 'on account' deposit of a sum of ₹ 3.00 million to the Office of Tehsildar, without admitting or accepting any liability. The Tehsildar had subsequently issued another demand notice dated December 15, 2021, to Ivory Properties and others for payment of NA Tax of ₹ 53.73 million. Ivory Properties vide letter dated February 25, 2022 inter alia replied that it had not accepted or admitted the liability, levability or quantification of the said amount; however to show bonafide intent, (while reserving all rights and remedies) Ivory Properties had tendered, a refundable deposit of ₹ 15 million to the Office of Tehsildar, without prejudice to all contentions on all counts. The Government of Maharashtra, Revenue and forest Department by way of its letter dated April 07, 2022, has put a stay on the NA Tax assessment until further order.

**(iv) Material civil/commercial litigation**

There are no other material civil/commercial litigation involving Avacado.

**Table 7.6: Summary of Pending Tax Litigation**

| ASSESSMENT YEAR | SIGNIFICANT ISSUE IN DISPUTE   | AUTHORITY - RAISING ISSUE | AUTHORITY - PASSING ORDER | APPEAL PREFERRED BY | AUTHORITY - ISSUE PENDING BEFORE | NEXT DATE OF HEARING IF APPLICABLE | EXPOSURE - TAX, INTEREST AND PENALTY |
|-----------------|--------------------------------|---------------------------|---------------------------|---------------------|----------------------------------|------------------------------------|--------------------------------------|
| AVACADO         |                                |                           |                           |                     |                                  |                                    |                                      |
| 2013-14         | Disallowance under section 14A | Assessing Officer         | CIT(A)                    | Company             | ITAT                             | Not available                      | 17,266,022                           |
| 2015-16         | Disallowance under section 14A | Assessing Officer         | ITAT                      | Dept                | High Court                       | Not available                      | 14,415,952                           |
| 2016-17         | Disallowance under section 14A | Assessing Officer         | ITAT                      | Dept                | High Court                       | Not available                      | 16,143,856                           |

Note: Direct tax litigations are at the SPV level.

**Table 7.7: Indirect Tax Litigation**

| SRNO | ENTITY                                       | PARK            | TAX TYPE    | AUTHORITY PENDING  | TAX DEMAND (IN 'MN) | INTEREST (QUANTIFIED) | PENALTY (QUANTIFIED) | ISSUE IN BRIEF  | PERIOD                       | INTEREST      | PENALTY       |
|------|--|-----------------|-------------|--|---------------------|-----------------------|----------------------|---|------------------------------|---------------|---------------|
| 1    | Avacado Properties & Trading (India) Pvt Ltd | Mindspace Malad | Service Tax | CESTAT   | 5.56                | -                     | -                    | Service tax on renting of immovable property services | April 2008 to March 2011     | as applicable | Waived in OIO |
| 2    | Avacado Properties & Trading (India) Pvt Ltd | Mindspace Malad | Service Tax | Reply to SCN filed with Additional Commissioner, Service Tax | 0.93                | -                     | -                    | Service tax on renting of immovable property services | April 2011 to September 2011 | as applicable | as applicable |

## Annexure - 8

### Caveats and Limitations

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1. The Valuation Report (hereafter referred to as the 'Report') covers specific markets and situations that are highlighted in the Report based on independent market report prepared by JLL and does not entail any comprehensive analysis of the market and the industry given the nature of the scope of the assignment.
2. The opinions expressed in the Report are subject to the limitations expressed below.
  - a) The valuation method adopted is based on the Valuer's expertise and knowledge considering the forecasts on demand, supply and pricing as undertaken by JLL as part of an independent market/ industry research and considered to be relevant and reasonable at that point of time. The Report and the opinions therein do not constitute any recommendation to K. Raheja Corp. Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP) (or the 'Client') or its affiliates and subsidiaries or its customers or any other party to adopt a particular course of action. The use of the Report at a later date may invalidate the assumptions and bases on which these opinions have been expressed and is not recommended as an input to any financial decision.
  - b) It should be noted that the valuation is based upon the facts and evidence available at the time of conduct of the valuation and applicable on the date of valuation. It is therefore recommended that these valuations be periodically reviewed.
  - c) Changes in socio-economic and political conditions could result in a substantially different situation than those presented herein. The Valuer assumes no responsibility for changes in such external conditions.
  - d) The Valuer has considered the independent market report prepared by JLL and macro understanding of the market through readily available information in public domain. Hence, no direct link is sought to be established between the macro-level understandings on the market with the assumptions estimated for the analysis herein.
  - e) The services provided is limited to valuation of the Project primarily comprising Land and Building and any part thereof and does not constitute any audit, survey, due diligence, tax related services etc. Accordingly, no opinion has been expressed on the financial information of the business of any party, including the Client and its affiliates and subsidiaries. The Report is prepared solely for the purpose stated and should not be used for any other purpose.
  - f) While the information included in the Report is accurate and reliable to the best of the knowledge of the Valuer, no representations or warranties, expressed or implied, as to the completeness of such information is being made. The Valuer shall not undertake any obligation to update or supplement any information contained in the Report save as provided for in the Agreement.
  - g) Apart from the sources already mentioned in the report, the Valuer has relied on readily available public information for the purpose of preparing this report.
3. The Report reflects matters as they currently exist. Any changes thereon may materially affect the information contained in the Report.
4. All assumptions made in order to determine the valuation of the Project is based on information or opinions as current. In the course of the analysis, the Valuer has relied on information or opinions, both written and verbal, as obtained from the Client as well as from third parties provided with, including limited information on the market, financial and operating data, which has been accepted as accurate in bona-fide belief. No responsibility is assumed for technical or specialised information furnished by the third-party organizations and this is believed bona-fide to be reliable.

5. No investigation of the title of the assets has been made and owners' claims to the assets is assumed to be valid unless anything contrary is mentioned in the main report. No consideration is given to liens or encumbrances, which may be against the Project or assets. Therefore, no responsibility is assumed for matters of a legal nature.
6. Review of tenants' ability and willingness to continually pay lease rents as per their respective contractual terms is not within the scope of work of Valuer. Valuer has assumed that all tenants' will be able to pay their rents on time as and when demanded as per their contractual terms and that no arrears exist with respect to any tenancy.
7. The Valuer's total aggregate liability to the Client including that of any third party claims, in contract, tort including negligence or breach of statutory duty, misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the services is limited to an aggregate sum as agreed in the LOE (Letter of Engagement). The Valuer shall not be liable for any pure economic loss, loss of profit, loss of business, depletion of goodwill, in each case whether direct or indirect or consequential or any claims for consequential loss compensation whatsoever which, arise out of or in connection with services provided under this engagement.
8. The Client including its agents, affiliates and employees, must not use, reproduce or divulge to any third party any information it receives from the Valuer for any purpose except set out herein.
9. This engagement shall be governed by and construed in accordance with Indian laws and any dispute arising out of or in connection with the engagement, including the interpretation thereof, shall be submitted to the exclusive jurisdiction of courts in New Delhi.



# Valuation Report

## The Square, BKC, Mumbai

Maharashtra, India

Submitted To:

K. Raheja Corp. Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP)

(acting as Manager to Mindspace Business Parks REIT)

Date of Valuation:

31-Mar-2024

Date of Report:

24-Apr-2024



Prepared By:

**KZEN VALTECH PRIVATE LIMITED**

**IBBI/RV-E/05/2022/164**

## EXECUTIVE SUMMARY

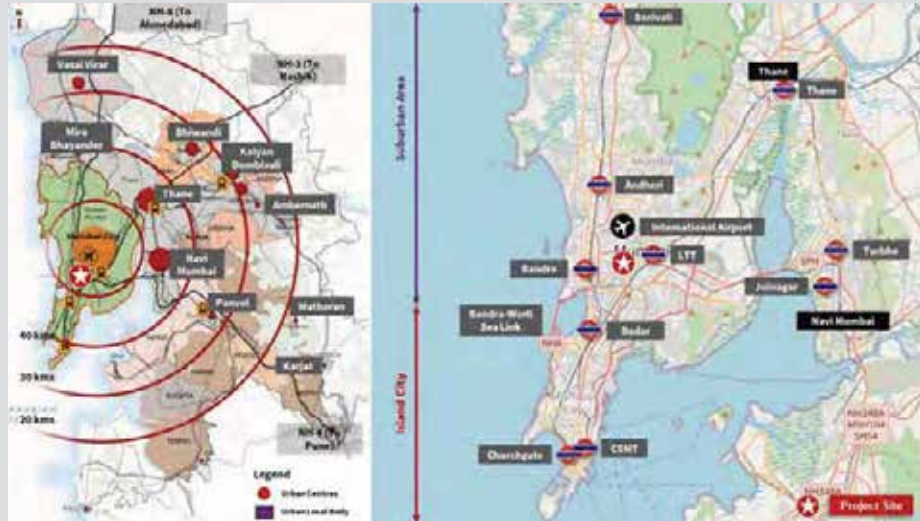
|                   |  |
|-------------------|--|
| Property Name     | The Square, BKC, Mumbai, Maharashtra, India  |
| Property Address  | Plot C-61, G Block, Bandra Kurla Complex, Bandra (E), Mumbai 400051  |
| Land Area         | ~ 0.9 Acres  |
| Brief Description | <p>The property is located in the central part, of the Secondary Business District – BKC micro market of Mumbai City along the Bandra Kurla Complex Road. It is located at a distance of about 3.6 km from the Bandra East Railway Station and about 6.8 km from Chhatrapati Shivaji Maharaj International Airport.</p> <p>The property is developed as Grade A, Commercial Non-SEZ property which comprises of 146,350 sq. ft of leasable area under a single independent office building.</p> <p>The property is owned entirely by Avocado Properties and Trading (India) Private Limited in which 100% interest is held by Mindspace Real Estate Investment Trust (REIT).</p> <p>The property has good frontage along the access road with two (2) main entrance. The property is surrounded by commercial office spaces followed by retail and hospitality developments in the vicinity.</p> |

Asset Details Leasable area details as shared by the Client is given below:

| Sl. | Building Name       | Leasable Area (sq. ft.) |
|-----|---------------------|-------------------------|
| 1.  | The Square BKC      | 146,350                 |
|     | Total Leasable Area | 146,350                 |

Based on the site inspection, all blocks are operational. There are no under-construction buildings within the property.

Location Map



Key Assumptions The table below summarizes key Valuation assumptions used in the estimate.

| Particulars                | Description                        |
|----------------------------|------------------------------------|
| Asset Specific Information |                                    |
| Nature of Asset            | Commercial / Office with Amenities |

|                      |                        |  |                         |                    |           |                     |  |         |               |                         |            |        |                     |    |                |         |                    |           |                   |
|----------------------|------------------------|--|-------------------------|--------------------|-----------|---------------------|--|---------|---------------|-------------------------|------------|--------|---------------------|----|----------------|---------|--------------------|-----------|-------------------|
|                      | Current Status         | Completed and Operational  |                         |                    |           |                     |  |         |               |                         |            |        |                     |    |                |         |                    |           |                   |
|                      | Total Leasable Area    | 146,350 sq. ft.  |                         |                    |           |                     |  |         |               |                         |            |        |                     |    |                |         |                    |           |                   |
|                      | Asset Details          | <table><tr><td>Sl. No.</td><td>Building Name</td><td>Leasable Area (sq. ft.)</td><td>Usage Type</td><td>Status</td><td>Age of the Building</td></tr><tr><td>1.</td><td>The Square BKC</td><td>146,350</td><td>Non-SEZ Commercial</td><td>Completed</td><td>24 years 8 months</td></tr></table> |                         |                    |           |                     |  | Sl. No. | Building Name | Leasable Area (sq. ft.) | Usage Type | Status | Age of the Building | 1. | The Square BKC | 146,350 | Non-SEZ Commercial | Completed | 24 years 8 months |
|                      | Sl. No.                | Building Name  | Leasable Area (sq. ft.) | Usage Type         | Status    | Age of the Building |  |         |               |                         |            |        |                     |    |                |         |                    |           |                   |
|                      | 1.                     | The Square BKC   | 146,350                 | Non-SEZ Commercial | Completed | 24 years 8 months   |  |         |               |                         |            |        |                     |    |                |         |                    |           |                   |
|                      | Revenue Assumptions    |  |                         |                    |           |                     |  |         |               |                         |            |        |                     |    |                |         |                    |           |                   |
|                      | In-Place Rent          | INR 240 per sq. ft. per Month  |                         |                    |           |                     |  |         |               |                         |            |        |                     |    |                |         |                    |           |                   |
|                      | Market / Marginal Rent | INR 289 per sq. ft. per Month  |                         |                    |           |                     |  |         |               |                         |            |        |                     |    |                |         |                    |           |                   |
|                      | Parking Rent           | Not Applicable   |                         |                    |           |                     |  |         |               |                         |            |        |                     |    |                |         |                    |           |                   |
|                      | Financial Assumptions  |  |                         |                    |           |                     |  |         |               |                         |            |        |                     |    |                |         |                    |           |                   |
| Exit Cap Rate        | 7.75%                  |  |                         |                    |           |                     |  |         |               |                         |            |        |                     |    |                |         |                    |           |                   |
| Discount Rate / WACC | 11.75%                 |  |                         |                    |           |                     |  |         |               |                         |            |        |                     |    |                |         |                    |           |                   |

|              |   |
|--------------|---|
| Market Value | For Completed & Operational Project: INR 4,917.40 million (INR Four Billion Nine Hundred Seventeen Million Four Hundred Thousand Only). |
|--------------|---|

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## **LIST OF ABBREVIATIONS**

|           |   |
|-----------|---|
| CBD       | Central Business District                                       |
| CY        | Current Year  |
| INR       | Indian Rupees   |
| IT / ITES | Information Technology / IT enabled Services                    |
| IVSC      | International Valuation Standards Committee                     |
| JLL       | Jones Lang LaSalle Property Consultants (India) Private Limited |
| km        | Kilometre   |
| NH        | National Highway  |
| PBD       | Peripheral Business District                                    |
| REIT      | Real Estate Investment Trust                                    |
| RICS      | Royal Institution of Chartered Surveyors                        |
| SBD       | Secondary Business District                                     |
| SEZ       | Special Economic Zone   |
| sq. ft    | square feet   |
| sq. m     | square metre  |

## **CONVERSION OF UNITS**

|          |                  |
|----------|------------------|
| 1 acre   | 43559.66 sq. ft. |
| 1 acre   | 4046.9 sq. m.    |
| 1 sq. m. | 1.196 sq. yards  |
| 1 sq. m. | 10.764 sq. ft.   |
| 1 meter  | 1.0936 yards     |
| 1 meter  | 3.28 ft.         |
| 1 cent   | 435.6 sq. ft.    |



# 1 INTRODUCTION

---

## 1.1 INSTRUCTIONS

K. Raheja Corp. Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP) (hereinafter referred to as the 'Client'), in its capacity as Manager of the Mindspace Business Parks REIT (Mindspace REIT), has appointed KZEN VALTECH PRIVATE LIMITED, Registered Valuer Entity with Insolvency and Bankruptcy Board of India ("IBBI") bearing registration no. IBBI/RV-E/05/2022/164 (hereinafter referred to as the 'Valuer') to carry out an independent estimate of Market Value of commercial / office properties located in Chennai, Hyderabad, Mumbai and Pune along with incidental or ancillary activities including a facility management business and power distribution facility, vide Engagement Letter dated 27 March 2023. The Client intends to seek independent estimate of Market Value for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchange.

This Valuation Report has Market Value of a commercial / office project named '**The Square**' located in **BKC, Mumbai**, Maharashtra, India (hereinafter referred to as the 'Project').

## 1.2 PURPOSE OF VALUATION

The purpose of this valuation is to estimate the value of the Project as part of the portfolio of Mindspace REIT for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended together with clarifications, guidelines and notifications thereunder in the Indian stock exchange and for accounting purpose.

In addition, other documents in relation to the regulatory filings such as publicity material, research reports, presentations and press releases will also be prepared, wherein copies, summary or extracts of the Valuation Report are intended to be included.

## 1.3 RELIANT PARTIES

The reliance on the Valuation Report prepared as part of this engagement is extended to the Manager, REIT and other parties including the trustee of REIT, debenture trustee(s), stock exchanges, unitholders of REIT, Securities and Exchange Board of India ('SEBI'), credit rating agencies, lenders of the REIT and/or its special purpose vehicles or any other person within or outside India as the Manager may deem fit for the purpose as highlighted in this report (valuation). The Valuer, however, would extend no liability to such reliant parties save and except for gross and willful negligence.

The valuation exercise is conducted strictly and only for the use of the parties as stated above who need to rely on such valuation ('Reliant Party') and for the Purpose specifically stated. The Client shall make all reliant parties aware of the terms and conditions of the engagement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 1.4 VALUER'S CAPABILITY

**KZEN VALTECH PRIVATE LIMITED**, bearing Registered Valuer Entity number IBBI/RV-E/05/2022/164 with IBBI has been appointed as the Valuer for providing opinions on market value of the respective Subject Properties.

Mr. Sachin Gulaty, Director, KZEN VALTECH PRIVATE LIMITED, is registered as a valuer with IBBI for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 13 August 2021. He qualified for the degree of Bachelor of Architecture from School of Planning and Architecture, New Delhi in 1997, and qualified for the degree of Master in Planning with specialization in Urban Planning from School of Planning and Architecture, New Delhi in 2002. He, subsequently, undertook distance learning from SVKM's Narsee Monjee Institute of Management Studies ("NMIMS") Global Access – School for Continuing Education, qualified for the two-years Post Graduate Diploma in Banking & Financial Management and was awarded this Post Graduate Diploma in July 2018.

Mr. Gulaty has more than 26 years of experience, including one and a half years of post-graduate education, spread over domains of architecture, urban planning, urban infrastructure, real estate advisory, and real estate asset valuation. He was the National Head of Valuations for Jones Lang LaSalle Property Consultants (India) Private Limited ("JLL India"), a leading International Property Consulting firm in India, from 2010 to 2021. Prior to this role, Mr. Gulaty gained practical experience in providing architecture services, town and city planning, and research related to regulatory studies and urban governance covering urban infrastructure such as water supply, sanitation, solid waste management, and urban transport, among other aspects. In the early part of his career, he worked with renowned architectural services firm, Kuldip Singh & Associates, and The Energy and Resources Institute ("TERI"). His last employment was with JLL as Senior Director and National Head for Valuations.

As the National Head of Valuations at JLL India, he led numerous valuation exercises for multiple financial institutions, private equity/real estate funds, corporates, industrial houses, government departments, and developers across multiple real estate asset classes of commercial, retail, residential, industrial, healthcare, and hospitality, among others. Clientele served by him across his entire career till date, under various employments, includes Brookfield, GIC, Qatar Investment Authority, JP Morgan, BlackRock, CapitaLand, Citibank, Standard Chartered Bank, Yes Bank, Kotak Mahindra, Maruti Suzuki, Indiabulls, Dubai Port World, World Bank, DLF, RMZ, Shriram Properties, DIPAM, NHAI, NBCC, AAI, and RLDA, among others.

Mr. Gulaty, who carries IBBI Registration Number: IBBI/RV/02/2021/14284, is enrolled with the Institute of Valuers Registered Valuers Foundation ("IOVRVF"), is a Fellow of Royal Institution of Chartered Surveyors ("RICS"), Fellow and Lifetime Member of Institute of Valuers, India ("IOV"), admitted as an Arbitrator (India) on the RICS Panel of Dispute Resolvers & Expert Witnesses, and features in the global list of RICS Trained Assessors, has prepared and signed this report on behalf of RV-E.

## 1.5 INDEPENDENCE, CONFLICT OF INTEREST AND VALUER'S INTEREST

The Valuer confirms that there are no conflicts of interest in so far as discharging his duties as a valuer for the Project is concerned. The Valuer has undertaken the valuation exercise without the presence of any bias, coercion, or undue influence of any party, whether directly connected to the valuation assignment. There has not been any professional association with the Client or the Project in past five years from his engagement as the Valuer.

The Valuer certifies that he/she does not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the Project (including the parties with whom the Client is dealing, including the lender or selling agent, if any) and accepts instructions to value the Project only from the Client.

## 1.6 ASSUMPTIONS, DEPARTURES AND RESERVATIONS

This Valuation Report has been prepared on the basis of the assumptions within the instructions (Key Assumptions, Qualifications, limitations and Disclosures) detailed after this

section of this report. The development mix, built up area, land area and lease details such as lease rent, lease commencement and lease end date, lock-in period, escalation terms, etc. pertaining to the Project is based on the appropriate relevant documents, which has been provided by the Client and the same has been adopted for the purpose of this valuation.

## **1.7 INSPECTION OF THE PROJECT**

The Project was inspected on 28 March 2024 by the Valuer in the presence of Client-nominated representative and subsequently no site visits have been conducted. No measurement or building survey has been carried out as part of the valuation exercise. The Valuer has relied entirely on the site areas provided by the Client, which has been assumed to be correct. Based on the discussions with the Client, it has been assumed that no material change in the condition of the property has taken place except for the progress of construction work in accordance with the information shared.

## **1.8 GENERAL COMMENT**

A valuation is a prediction of price, not a guarantee. By necessity, it requires the Valuer to make subjective judgments that, even if logical and appropriate, may differ from those made by a purchaser, or another valuer. Historically it has been considered that valuers may properly conclude within a range of possible values.

The purpose of the valuation does not alter the approach to the valuation.

Property values can change substantially, even over short periods of time, and thus the valuation of the Project herein could differ significantly if the date of valuation was to change.

This report should not be relied upon for any other purpose other than for which this valuation exercise has been undertaken.

## **1.9 CONFIDENTIALITY**

The contents of this Valuation Report are intended for the specific purpose stated. Consequently, and in accordance with current practice, no responsibility is accepted to any other party in respect of the whole or any part of its contents- except as maybe required in connection with the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, under the applicable law.

## **1.10 AUTHORITY**

The Client acknowledges and agrees that the valuation exercise undertaken (including, without limitation, the Reports itself and the contents thereof) is solely for the purpose set out in Section 1.2 herein. If Client desires to use the Report in any offering or other investment material for purpose other than as mentioned in the Section 1.2 herein, then (a) with Valuer will require, and the Client must provide or cause to be provided, an indemnification agreement in his favor, given by parties reasonably satisfactory to him, and (b) the Client will obtain his consent to the references in such materials to the Report.

## **1.11 LIMITATION OF LIABILITY**

The Valuer has provided the services exercising due care and skill but does not accept any legal liability arising from negligence or otherwise to any person in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the properties. Further, the Valuer shall not accept liability for any errors, misstatements, omissions in the report caused due to false, misleading or incomplete information or documentation provided to him by the Instructing Party.

The Valuer's maximum aggregate liability for claims arising out of or in connection with the Valuation, under this engagement shall not exceed the professional indemnity insurance obtained by him. As on the date of this report, the professional indemnity insurance maintained by the Valuer is for Indian Rupees Fifty Million.

In the event that the Manager, the sponsors, the trustee, the REIT, or other intermediaries appointed by the Manager and / or REIT or its SPVs be subject to any claim ('Claim Parties') in connection with, arising out of or attributable to the Report, the Claim Parties will be entitled to require the Valuer to be a necessary party/respondent to such claim and he shall not object to his inclusion as a necessary party/ respondent. In all such cases, the Manager, on behalf of the REIT, agrees to reimburse/ refund to the Valuer, the actual cost (which shall include legal fees and external counsel's fee) incurred by them while becoming a necessary party/respondent. If the Valuer does not cooperate to be named as a party/respondent to such claims in providing adequate/successful defense in defending such claims, the Claim Parties jointly or severally will be entitled to initiate a separate claim against the Valuer in this regard.

The Valuer will neither be responsible for any legal due diligence, title search, and physical measurements nor undertake any verification/ validation of the zoning regulations/ development controls with any government departments/authorities, among other aspects., etc.

## **1.12 DISCLOSURE AND PUBLICATION**

The Valuer must not disclose the contents of this Valuation Report to a third party in any way, except as allowed under the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars. As per the terms and regulation 2(1) of the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars, it may be noted that the Valuation report is prepared in accordance with said REIT regulations.

## **1.13 ANTI-BRIBERY AND ANTI-CORRUPTION**

The Valuer represents, warrants and undertakes that:

The Valuer is familiar with applicable Anti-Corruption Laws under this Agreement including but not limited to Prevention of Corruption Act 1988 and will ensure that neither it nor any of its officers, directors, shareholders, employees and agents or any other person acting under its implied or express authority will engage in any activity, practice or conduct which would constitute an offence under, or expose or potentially expose either Party to any direct or indirect liability, under Applicable Anti-Corruption Laws;

It is further agreed that breach of any of the above undertakings shall be deemed to be a material breach of the Agreement and in case the Valuer is insisted upon or asserted by Client to violate any of the above said undertakings including Anti-Corruption regulations in any form or manner, on pretext of business relationship or otherwise, the Valuer shall have a discretionary right to terminate this Agreement without any liability or obligation on his part.

Such termination of this Agreement shall not in any way prejudice the rights and obligations (including payment for the services delivered under this Agreement) already accrued to the Valuer, prior to such termination.

## KEY ASSUMPTIONS, QUALIFICATIONS, LIMITATIONS AND DISCLAIMERS

|     |   |   |
|-----|---|---|
| 1.  | Type of Estimate                              | The scope of the assignment covers only estimating Market Value of a specified property and not a business valuation for either the Client or any of their subsidiaries or associated companies, etc. The estimate is based on extent of data / information provided by the Client and estimate has limited coverage wherever full data / information is not made available by the Client.  |
| 2.  | Legal Due-Diligence                           | Legal due diligence for establishing clarity of title, ownership, encumbrances if any, notices or disputes if any, among other legal-related issues are not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.  |
| 3.  | Information Provided by the Client and Others | The Valuer has relied on the information provided by the Client and the same has been assumed to be correct and has been used in the valuation. Where it is stated that another party has supplied information to the Valuer, this information is believed to be reliable. The Valuer cannot accept any responsibility for accuracy and non-reliability of such information.  |
| 4.  | Regulatory Due-Diligence                      | Regulatory due diligence is not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.  |
| 5.  | Project Status, Schedule and Project Costing  | Estimate of the Project Status and Schedule is based on the information provided by the Client and does not consider any unforeseeable developments which could impact the same in the future. The estimate <u>does account</u> for any capital expenses incurred by the Client on the existing and / or ongoing development works in the Project. Auditing the project figures is not part of the scope of work under this assignment. In all likelihood, an independent auditing agency would be covering this aspect, details of which can be obtained from the Client.  |
| 6.  | Market Conditions and Trends                  | The Valuer has taken into consideration the general conditions in the market with respect to broad demand and supply while carrying out the valuation. The Valuer has compared other comparable properties on the basis of many factors and as far as possible tried to remove / account for the differences in type, location and quality of the properties.   |
| 7.  | Information on Leases and Sales Performance   | The Valuer has relied on the rent roll including lease terms & conditions of the existing and pre-committed leases, as given by the Client. The Valuer has not verified individual lease agreements and the Valuer has relied on all information provided to him by the Client, upon which the Valuer will rely, is complete and correct. The Valuer has relied on pre-leasing details to the extent data/information made available by the Client.   |
| 8.  | Site Investigations and Illustrations         | The Valuer has carried out the site visits and based on the information made available by the Client and the estimate is carried out considering that the Project Site is a contiguous land parcel and is free from any encroachments and encumbrances as on the date of valuation. The Valuer has not carried out any structural survey nor tested the building services. No geographical or geo-physical survey was carried out. No environmental assessment has been carried out. Any sketch, plan or map in the report is included to assist reader while visualizing the Project and assume no responsibility in connection with such matters. |
| 9.  | Project Cost Estimates                        | Project Cost Estimates used in the estimate is as given by the Client. Project progress including capital expenditure progress reported is based on the cost incurred data as shared by the Client. The Valuer has reviewed the Project Cost estimates and/or cost incurred data to broadly ascertain their correctness on a normative basis while relying on the same as shared by the Client.   |
| 10. | Environmental Compliance                      | The Valuer assumed that the Project Site / Project is not contaminated and is not adversely affected by any existing or proposed environmental law and any processes which are carried  |

|     |  |  |
|-----|--|--|
|     |  | out on the Project Site are regulated by environmental legislation and are Project Site licensed by the appropriate authorities.   |
| 11. | Present Ground Conditions                  | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present, which might adversely affect the current or future occupation, development of the Project. The estimate assumes that the Project Site is free from rot, infestation, structural or latent defect and no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the property and comments made in the property details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.  |
| 12. | Town Planning and Statutory Considerations | The Valuer has not made formal search but has generally relied on readily available information to general public. Valuation Report is on current use/ current state basis of the property and the Valuer has not considered any Government proposals for road widening or compulsory purchase/ acquisition, or any other statute in force that might affect the Project.  |
| 13. | Future Market Development and Prospects    | The Valuer has not accounted any future market development and prospects to the extent information known to the Valuer as on the date of valuation. The Valuer does not warrant that such statements are accurate or correct.  |
| 14. | Disclaimer                                 | <p>The estimate of Market Value is based on documents / information shared by the Client. The Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Project.</p> <p>The Valuer has relied on the measurements and information provided at all times, whether from public and private sources, and has ensured to the best of their ability the correctness and the validity of the same, by cross checking from various sources. Whilst every effort has been taken to provide authentic data and analysis, the Valuer, and/or any of their associated companies and/or their employees are not responsible for any loss, major or minor incurred on the basis of the information and analyses provided, nor are liable to any damages in any form or shape.</p> <p>Given the confidential nature of real estate transactions, transaction details for most properties, which are privately actually transacted, are not in the public domain. Consequently, there is reliance on information from market sources, which may not be completely accurate. Thus, information has been crosschecked independently from other market sources to ascertain the broad credibility of information being provided by the market sources. This assignment has been done on best effort and knowledge basis.</p> <p>For ease and simplicity of representation, certain figures may have been rounded.</p> |



## 2 VALUATION APPROACH AND METHODOLOGY

### 2.1 VALUATION STANDARDS ADOPTED

This Report is prepared in accordance and compliance with:

1. Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time ("**SEBI Regulations 2014**"), including Regulation 21 Sub-Regulation (3) and mandatory minimum disclosures as specified in Schedule V of these SEBI Regulation 2014,
2. Companies (Registered Valuers and Valuation) Rules, 2017 as amended from time to time ("**Valuer Rules 2017**"), including reporting requirements as specified in Rule 18 to these rules,
3. International Valuation Standards 2022 ("**IVS 2022**") as set out by International Valuation Standards Committee ("**IVSC**") and adopted by Royal Institution of Chartered Surveyors ("**RICS**") presented in the RICS Valuation Standards and Guidelines 2022 ("**RICS Red Book 2022**"), subject to variation to meet local established law, custom, practice, and market conditions.

### 2.2 BASIS OF VALUATION

Basis of valuation of the Project is **Market Value** as defined by IVSC and adopted by Royal Institution of Chartered Surveyors (RICS) to be: *"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion"*.

### 2.3 APPROACH AND METHODOLOGY

The purpose of this valuation exercise is to estimate the Market Value of the Project, which is a real estate asset. Market Value of the real estate asset can be estimated using different methodologies.

**Income Approach:** Under this valuation approach, the income generating potential of the real estate asset is estimated while opining on its market value. This approach is typically adopted for assets that are income-generating (completed and operational with multiple tenancies, multiple strata units that can be sold with phased/milestone-based revenue collections, among others). For income-generating assets with single/multiple tenancies, the discounted cash flow entailing term and reversion method is most commonly adopted.

**Market Approach:** Under this valuation approach, the price that an asset could fetch in an open market is estimated. This approach is typically adopted for homogeneous assets in their micro-market and are typically traded on a unit basis. The most commonly adopted valuation method under this valuation approach is the Listed Transaction / Listed Quoted Instances Method, also commonly known as the Direct Comparison or the Comparable Sales/Quoted Instances Method.

**Cost Approach:** Under this valuation approach, the cost required to create an asset of similar or equal utility is estimated. This valuation approach is typically adopted for real estate assets that can be clearly broken down into constituent elements, namely land and built structures. The most commonly adopted valuation method under this valuation approach is the Physical Method, also commonly known as Land and Building Method, which typically entails estimation of the underlying land value (while normally adopting the Market Approach) and the built structures (while adopting the Depreciated Replacement Cost Method) separately.

The table below presents different valuation methodologies and their brief description.

**Table 2.1: Different Valuation Methodologies and Description**

| Sl. | Valuation Methodology                      | Description   |
|-----|--|---|
| 1.  | Comparable Sales / Quoted Instances Method | This method is based on comparing the subject property directly with other comparable property transaction (actually been sold in the vicinity or are offered for sale). Efforts would be made to collect transacted instances. In case of non-availability of transacted instances in the micro-market, the opinion will be offered based on the available asking/quoted instances in the market with appropriate adjustments for margin for negotiation. Given the homogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative and quantitative differences that may affect the price likely to be achieved by the property under consideration. These adjustments are typically made in the form of premium and/or discount factors for various property attributes, which affect the value. This method demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This method is a fair estimate of the prevailing prices. |
| 2.  | Depreciated Replacement Cost Method        | Replacement cost method is based on the construction cost of assets. The cost to be estimated is the cost of construction as per the construction status at the valuation date. This is based on the inspection of the facility and inputs provided by the Client; however, no structural survey will be conducted. Appropriate depreciation rates will be applied based on schedules given under the Indian Companies Act. This is generally used for estimating the Market Value of only the buildings.   |
| 3.  | Discounted Cash Flow Method                | This method is based on the present value of the future receivable net income from the current operational leases / revenues. The current revenues and the future achievable revenues derived from the operational project components of the Project Site would be adjusted for the outgoing expenses to derive 10-year cash flows. The same is then discounted at an appropriate discounting rate linked with risk adjusted discounting factor to estimate the market value for the operational project components. This method is sometimes referred to as 'Rent Roll method as well.   |

#### Approach and Methodology Adopted for Estimating Market Value of the Project

Based on a detailed review of the leases for the Project, the Valuer has noted that a large number of leases of the Project were executed at rent prevalent at the time of signing of such leases or at a discount to prevailing market rental (for a few anchor tenants). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, demand-supply dynamics, quality of spaces, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some properties or submarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to estimate the intrinsic value of the property under review.

Considering the objective of this exercise and the nature of asset involved (completed & operational commercial / office space, the value is estimated using the 'Discounted Cash Flow Method' (basis term and rent reversion) under 'Income Approach'.

## 3 VALUATION ASSUMPTIONS AND INPUTS

### 3.1 INVESTIGATION, NATURE AND SOURCE OF INFORMATION

The Valuer undertook physical visits of the Project wherein the buildings and related assets were visually inspected to assess the condition of the buildings and the apparent state of its maintenance/upkeep.

Information related to state and structure of the relevant real estate market for the Project was sourced from the industry and market report prepared by Jones Lang LaSalle Property Consultants (India) Private Limited ('JLL'), who were appointed by the Client to undertake market research and portfolio analysis of the properties part of the Mindspace REIT.

Project related information referred to for the valuation exercise have been provided by the Client unless otherwise mentioned. The Valuer has assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, the Valuer has independently revalidated the information by reviewing the originals as provided by the Client.

In addition, the Valuer relied on the following information and documents shared by the Client with respect to the Project:

- Title certificates prepared by the Legal Counsel of the Client covering the type of ownership interest enjoyed and information on ongoing litigation.
- Architect's certificates dated mentioning site areas and property areas
- Relevant approval documents from competent authorities regarding occupancy, operations and fire safety.
- Lease agreements and commercial clauses thereof for top five tenants on a sample basis
- Masterplan/ Development plan applicable in the jurisdiction of the Project
- Management representation regarding the following:
  - Major repairs undertaken and proposed in the Project
  - Statement of assets
  - Revenue pendency if any
  - Options or Rights of Pre-emption and any other encumbrances concerning or affecting the property.
  - List of material litigations

### 3.2 CAPITALIZATION RATE

The capitalization rate adopted for valuing the assets has been based on various factors such as:

- Historical entry yields (going in cap rates) for commercial / office asset transactions across various key markets in India, which have steadily shown a downward trend over last 7 - 8 years from 10.5%-11.5% to about 7.5%-8.5% in 2023.
- The increased appetite for income generating assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- The demand supply situation in the respective city and expected dynamics of demand leading supply - given entry challenges such as land availability, higher initial cost outlays etc. developers are expected to focus on fully built to suit or semi-speculative projects (with key tenants tied in prior to launch of construction).
- Inflation (and interest rates) expected to be maintained in check with interventions from the Reserve Bank of India, in case of significant change.
- Liquidity associated with REIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer).

***Based on the above factors, the Valuer has adopted an exit cap rate of 7.75% for the Project, for the purposes of estimating the Market Value, considering the 1 year forward net operating income after 10 years, is utilized for the purpose of calculation of exit value / terminal cash flow.***

### 3.3 DISCOUNT RATE

This discount rate used for discounting the available cash flows represents Cost of equity (the opportunity cost for shareholders) and Cost of Debt (the opportunity cost for creditors), weighted by their respective contribution to the total capital of the company (WACC). The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived using the below formula:

$$\text{Cost of equity} = \text{Risk Free Rate (Rf)} + \text{Beta } (\beta) * (\text{Market Return (Rm)} - \text{Risk Free Rate (Rf)})$$

The cost of debt for completed commercial / office blocks has been considered based on prevalent financing rates for Grade A commercial / office parks in the city. The weightages accorded to equity and debt are derived through benchmarking the subject property against similar portfolios/properties in the market.

For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC) which is derived to be 11.75% for the project. The derived discount rate was found to be aligned with the expectations of investors investing in similar assets.

## 4 VALUATION CERTIFICATE

| Property Name   | The Square, BKC, Mumbai, Maharashtra, India   |                       |     |                   |                       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
|---|---|-----------------------|-----|-------------------|-----------------------|----|-------------|-------|----|-------------|-------|----|-------------|-------|----|-------------|-------|----|-------------|-------|----|-------------|-------|----|-------------|-------|
| Property Address  | Plot C-61, G Block, Bandra Kurla Complex, Bandra (E), Mumbai 400051   |                       |     |                   |                       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| Land Area   | ~ 0.9 Acres   |                       |     |                   |                       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| Brief Description                                       | <p>The property is located in the central part, in the Secondary Business District – BKC micro market of Mumbai City along the Bandra Kurla Complex Road. It is located at a distance of about 3.6 km from the Bandra East Railway Station and about 6.8 km from Chhatrapati Shivaji Maharaj International Airport.</p> <p>The property is developed as Commercial Non-SEZ property under a single independent office building.</p> <p>The property is owned entirely by Avacado Properties and Trading (India) Private Limited in which 100% interest is held by Mindspace Real Estate Investment Trust (REIT).</p> <p>The property has good frontage along the access road with two main entrances. The property is surrounded by commercial office spaces followed by retail and hospitality developments in the vicinity.</p> |                       |     |                   |                       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| Valuation Methods                                       | Since all buildings are completed and operational, the estimate of Market Value is prepared using 'Discounted Cash Flow Method' using Rent Reversion  |                       |     |                   |                       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| Nature of the Interest by the Client                    | 100% freehold interest in the Project as informed by the Client   |                       |     |                   |                       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| Purchase Price of the Project                           | INR 3,751 million, as given by the Client   |                       |     |                   |                       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| Historical Valuation of the Project in 3 Previous Years | <p>Below table summarizes historical valuation of the Project as given by the Client:</p> <table> <tr> <th>Sl.</th><th>Date of Valuation</th><th>Market Value (INR Mn)</th></tr> <tr> <td>1.</td><td>30-Sep-2023</td><td>4,732</td></tr> <tr> <td>2.</td><td>31-Mar-2023</td><td>4,653</td></tr> <tr> <td>3.</td><td>30-Sep-2022</td><td>4,636</td></tr> <tr> <td>4.</td><td>31-Mar-2022</td><td>4,569</td></tr> <tr> <td>5.</td><td>30-Sep-2021</td><td>4,271</td></tr> <tr> <td>6.</td><td>31-Mar-2021</td><td>3,905</td></tr> <tr> <td>7.</td><td>30-Sep-2020</td><td>3,781</td></tr> </table>   |                       | Sl. | Date of Valuation | Market Value (INR Mn) | 1. | 30-Sep-2023 | 4,732 | 2. | 31-Mar-2023 | 4,653 | 3. | 30-Sep-2022 | 4,636 | 4. | 31-Mar-2022 | 4,569 | 5. | 30-Sep-2021 | 4,271 | 6. | 31-Mar-2021 | 3,905 | 7. | 30-Sep-2020 | 3,781 |
| Sl.   | Date of Valuation   | Market Value (INR Mn) |     |                   |                       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| 1.  | 30-Sep-2023   | 4,732                 |     |                   |                       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| 2.  | 31-Mar-2023   | 4,653                 |     |                   |                       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| 3.  | 30-Sep-2022   | 4,636                 |     |                   |                       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| 4.  | 31-Mar-2022   | 4,569                 |     |                   |                       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| 5.  | 30-Sep-2021   | 4,271                 |     |                   |                       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| 6.  | 31-Mar-2021   | 3,905                 |     |                   |                       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| 7.  | 30-Sep-2020   | 3,781                 |     |                   |                       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| Ready Reckoner Rate                                     | <p>Built-up Area (Office) - INR 345,060 per sq.mt.</p> <p>Land Area - INR 161,070 per sq.mt.</p>  |                       |     |                   |                       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| Date of Valuation                                       | 31-Mar-2024   |                       |     |                   |                       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| Date of Inspection                                      | 28-Mar-2024   |                       |     |                   |                       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |

|  |  |                             |                     |  |
|--|--|-----------------------------|---------------------|--|
| Market Value as on 31-Mar-2024                           | Component  | Market Value as on          | In Figures (INR Mn) | In Words   |
|  | Total Market Value   | 31 <sup>st</sup> March 2024 | 4,917.40            | INR Four Billion Nine Hundred Seventeen Million Four Hundred Thousand Only |
|  | Total Value  |                             | 4,917.40            | INR Four Billion Nine Hundred Seventeen Million Four Hundred Thousand Only |
| Matters Affecting the Property and its Value             | Please refer to Chapter 7 of this Valuation Report   |                             |                     |  |
| Assumptions, Disclaimers, Limitations and Qualifications | This Valuation Report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report, which are made in conjunction with those included within the Assumptions, Limitations & Qualifications section located within this report. Reliance on this report and extension of Valuer's liability is conditional upon the reader's acknowledgement and understanding of these statements. This Valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party, who may use or rely on the whole or any part of the content of this Valuation Report. The Valuer has no pecuniary interest that would conflict with the proper valuation of the Project |                             |                     |  |
| Prepared by  | KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)<br>Represented through its Director<br>Mr. Sachin Gulaty FRICS FIV FIIA<br>IBBI/RV/02/2021/14284  |                             |                     |  |



**Name:** Sachin Gulaty FRICS FIV FIIA  
**Designation:** Director  
**Valuer Registration No.:** IBBI/RV/02/2021/14284



## 5 PROJECT SITE AND PROJECT ANALYSIS

### 5.1 DETAILS OF THE PROJECT SITE AND/OR PROJECT

The table below presents details of the Project Site and/or Project

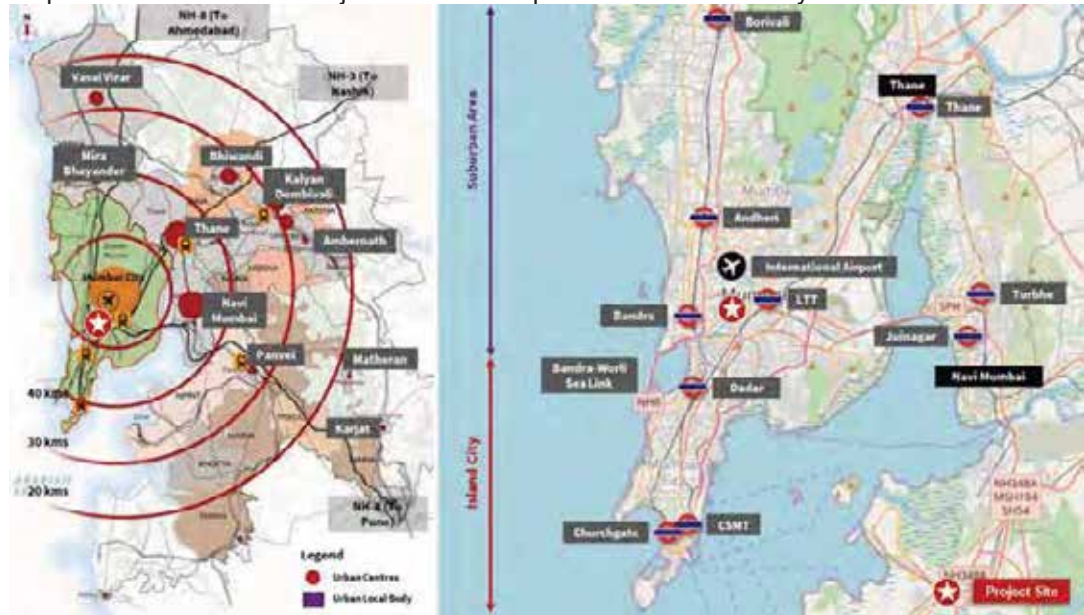
Table 5.1: Details of the Project Site and/or Project

| DETAILS OF PROPERTY                                     |   |
|---|---|
| Property Name   | The Square, BKC, Mumbai, Maharashtra, India   |
| Property Address  | Plot C-61, G Block, Bandra Kurla Complex, Bandra (E), Mumbai 400051   |
| Land Area   | ~ 0.9 Acres   |
| Block-Wise Break-Up of Leasable Area and Current Status | Block-Wise Leasable Area details are mentioned in the Executive Summary   |
| Access  | Accessible through Bandra Kurla Complex Road and Trident Road   |
| Frontage  | Approximately 50 m. frontage along Bandra Kurla Complex Road  |
| Shape and Visibility                                    | The topography of the project features terrain that is relatively flat and has a regular shape. Excellent visibility from Bandra Kurla Complex Road |
| Approval Status   | Project has requisite approvals in place as confirmed by the Client.  |
| INFRASTRUCTURE  |   |
| Water Supply, Sewerage & Drainage                       | Available within the Project  |
| Power & Telecommunication                               | Available within the Project  |

### 5.2 LOCATION OF THE PROJECT

The property is located in the central part, in the Secondary Business District – BKC micro market of Mumbai City along the Bandra Kurla Complex Road which further connects to Lal Bahadur Shastri Marg towards east and Western Express highway towards West. It is located at a distance of about 3.6 km from the Bandra East Railway Station and about 6.8 km from Chhatrapati Shivaji Maharaj International Airport. The map in the following page presents the location of the Project with respect to the city.

Map 5.1: Location of the Project Site with respect to the Mumbai City



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The distance of the Project from major landmarks in the city is given in the table below.

Table 5.2: Distances of the Project from Major Landmarks in the City

| Location / Landmark          | Approximate Distance from Project Site (km) |
|------------------------------|---|
| Mumbai International Airport | 6.8   |
| Bandra Railway Station       | 3.6   |
| Kurla Railway Station        | 2.2   |
| Maker Maxity                 | 2.5   |
| Jio World Convention Centre  | 0.9   |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### 5.3 DESCRIPTION OF THE PROJECT AND ITS SURROUNDINGS

The Project is developed as commercial / office space along Bandra Kurla Complex Road in BKC. The Project is surrounded predominantly by commercial office spaces followed by residential and retail developments in the vicinity. The Project is spread across ~0.9 acres of Land Parcel. The topography of the project features terrain that is relatively flat and has a regular shape. The Project has good frontage along the access road and has two (2) entrances.

The map on the following page presents location of the Project and its surroundings.

Map 5.2: Location of Project and its Surrounding Developments

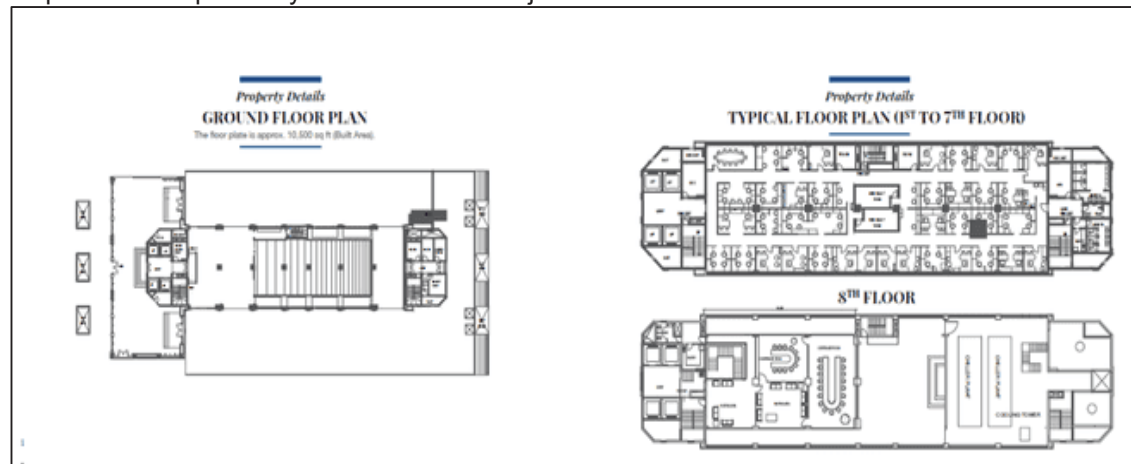


Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The Project has good accessibility due to its location along the Bandra Kurla Complex Road and vicinity to Western Express Highway and Lal Bahadur Shastri Marg. Upcoming Metro Line-3 (Aqua Line), Mumbai – Ahmedabad High Speed Rail and Coastal Road will enhance the connectivity of Project with other parts of the city and travel time in the future.

The map below presents the conceptual Layout Plan of the Project as shared by the Client.

Map 5.3: Conceptual Layout Plan for the Project



Source: Client, 31<sup>st</sup> March 2024

The table below presents the boundary/edge conditions of the Project Site.

**Table 5.3: Project Site and its Site Boundaries**

|       |                           |
|-------|---------------------------|
| North | Bandra Kurla Complex Road |
| South | Trident Road              |
| West  | Vibgyor Towers            |
| East  | Trent House               |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The Project is surrounded by commercial office spaces predominantly followed by residential and retail developments in the vicinity. Grade A commercial / office developments and premium residential developments are also present in the micro-market.

## 5.4 DESCRIPTION OF THE PROJECT

The table below presents key asset specific information.

**Table 5.4: Key Asset Specific Information of the Project**

| Particulars                       | Description   |
|-----------------------------------|---|
| Name of the Entity                | Avacado Properties and Trading (India) Private Limited  |
| Interest owned by Mindspace REIT  | Project Site is wholly owned by Avocado Properties and Trading (India) Private Limited which is 100% owned and controlled by the Mindspace REIT <sup>1/</sup> |
| Land Extent of Project            | ~ 0.9 acres   |
| Asset Type                        | Commercial Non-SEZ building   |
| Sub-Market                        | SBD BKC   |
| Approved and Existing Usage       | Commercial Office, Non-IT   |
| Current Status                    | 100% Complete and Operational   |
| Approvals Status                  | Project has requisite approvals in place as confirmed by the Client.  |
| Freehold/Leasehold                | The underlying land is taken on leasehold basis from MMRDA  |
| Leasable Area                     | ~ 0.15 Mn sq. ft.   |
| Occupied Area                     | ~ 0.15 Mn sq. ft.   |
| Committed Area                    | ~ 0.15 Mn sq. ft.   |
| Occupancy <sup>3/</sup>           | 100.0%  |
| Committed Occupancy <sup>4/</sup> | 100.0%  |
| Number of Tenants                 | 1 (office space)  |

<sup>1/</sup> Refer company structure set out in Annexure 1

<sup>2/</sup> Occupation certificate for entire leasable area measuring ~0.15 Mn sq. ft has been obtained.

<sup>3/</sup> Occupancy refers to proportion of area leased, which is actively occupied by the tenants/occupiers

<sup>4/</sup> Committed occupancy also includes area, which has been pre-leased to tenants/occupiers

## 5.5 PROJECT INSPECTION

The Project is spread across ~ 0.9 Acres of Land Parcel. The topography of the project features terrain that is relatively flat and has a regular shape. The Project is located at relatively higher elevation compared to overall topography of the city, indicating moderate risk of flooding. The Project comprises of G+8 floors with 2 levels of basement parking. It is leased









out to a single tenant i.e., IDFC First Bank Limited. The entire building block is completed & operational, as on the date of inspection by the Valuer. The Project was inspected by the Valuer on 28 March 2024.

The inspection comprised visual inspection of operational buildings comprising the property and visits to key utility areas like LT Electric Room, Pump Room, HVAC installations, Power Back up, STP. The common areas within the buildings were visited on a sample basis as the areas under tenant occupation had access restriction.

The visual inspection of the buildings did not reveal any cause of concern with no visible signs of any disrepair or ill maintenance within the operational buildings. The utility areas also appeared well maintained, visually. No instances of any major logging or water accumulation were observed during the inspections. The inspections did not comprise any structural survey, technical/engineering review or safety audit and the assessment of the condition of the building, its utilities and campus infrastructure are based completely on visual survey.

Some of the photographs of the Project and surroundings are given below.



|   |  |
|---|--|
|    |    |
| Internal Views of Buildings   | View of Parking space  |
|   |   |
| View of Services  | View of Services   |
|  |  |
| View of Access Road   | View of Access Road  |

## 5.6 OTHER RELEVANT INFORMATION RELATED TO THE PROJECT

### Developable Area of the Project

The total site area of the project is ~0.9 Acres with total leasable area of ~0.15 Mn sq. ft. under a single completed and operational building comprising of G+8 floors with 2 levels of basement parking.

### Site Services and Finishes

The visual inspection was done for the Project including common areas and key utility areas such as LT Electric Room, Pump Room, STP, HVAC Installations etc. As per the visual survey there was no concern related to finishes and site services.



**Condition and Repairs**

The visual inspection was done for all the buildings including common areas and key utility areas such as LT Electric Room, Pump Room, STP, HVAC Installations etc. The inspection of key utility areas was done on a sample basis, and it did not reveal any cause of concern or ill maintenance in the operational building. The commercial development is well maintained post the recent upgradation of the facility with respect to the newly installed utilities such as firefighting system, electric panels, DG sets, HVAC systems etc. The Project also underwent an upgradation of façade and roof area in lobby.

As mentioned earlier, the Project has approx. 0.15 Mn sq. ft. of Leasable Area and it is a fully completed and operational asset. The project has received full occupancy certificate. Thus, no pending cost to complete is factored as of date of valuation for the Project. However, there is upgrade CAPEX to the tune of approx. INR 17 million which shall be completed by Q3 FY25.

**Environmental Considerations**

The Valuer has not carried out any investigations or tests or been supplied with any information from the Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the subject or any other land (including any ground water).

For the purpose of assessing the vulnerability of the Project to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Mumbai where the Project is located falls in Seismic Zone III with moderate risk. The city faces low risk in terms of high winds or cyclones too. The Project is not likely to face any higher risk than the overall risk profile of the city. No hazardous activity was noted in the vicinity of the Project, which may expose it for any induced disaster.

The Project is located at a relatively higher elevation compared to its immediate surroundings, indicating low risk of flooding and perennial water logging.

**Option or Pre-Emption Rights and Encumbrances**

Unless disclosed and recorded by the Client, the Project is considered to possess a good and marketable title and is free from any unusually onerous encumbrances with no option or pre-emption rights in relation to the assets except for those created in favor of the lenders, based on the information given in the Title Reports prepared by Saraf and Partners (hereinafter collectively referred to as 'Legal Counsel'). The Valuer has not checked and verified the title of the Project.

**Revenue Pendencies**

On the basis of the Title Reports prepared by the Legal Counsel and discussion with the Client, there are no revenue pendencies including local authority taxes associated with the Project or any compounding charges. No independent verification of this has been made from revenue authorities and reliance has been made on the Client information for the same.

**Material Litigation**

Based on discussions with the Client and Title Reports shared, there are no material litigation including tax disputes other than the litigation disclosed to the Valuer, relating to the Project or any compounding charges.

**5.7 TENANCY ANALYSIS****Tenant Profile**

As on 31<sup>st</sup> March 2024, Subject Property has a single tenant (for office space) i.e., IDFC First Bank Limited. The Subject Property's tenant account for ~100% of the Gross Rental income.

**Table 5.5: Tenants as per Leasable areas**

| Sr No. | Tenant                  | Leasable Area (Sq Ft) |
|--------|-------------------------|-----------------------|
| 1      | IDFC First Bank Limited | 146,350               |
|        | TOTAL                   | 146,350               |

Tenants as per Gross Rents are listed below: -

**Table 5.6: Tenants as per Gross Rentals**

| Sr No. | Tenant                  | Share of Gross Rentals |
|--------|-------------------------|------------------------|
| 1      | IDFC First Bank Limited | 100%                   |
|        | TOTAL                   | 100%                   |

### **Lease Expiry Analysis**

Based on details as shared by client 100% of occupied area is expiring in the year FY 2032 as further detailed in Leave and License agreement / LOI.

### **Escalation Analysis**

The leases of the Project Site have typically seen rental escalation of 10% every 3 years.

## 6 MARKET SCAN OF THE CITY AND THE MICRO-MARKET

### 6.1 INTRODUCTION

The valuation exercise takes into account the market performance and various other indicators that are relied upon the industry report which has been prepared by Jones Lang LaSalle India Property Consultants, who are appointed as an independent consultant by the Client.

### 6.2 CITY OVERVIEW

Mumbai, the financial capital of India, is a bustling metropolis that boasts a vibrant economy and is one of the key industrial hubs of India. Situated on the Western coast of the country, the city serves as a centre for commerce, trade, and finance. It houses the headquarters of numerous multinational corporations, top financial institutions, and major Indian companies. Additionally, it is home to Asia's oldest stock exchange – the Bombay Stock Exchange. Its strategic location, well-developed infrastructure, and connectivity through air, road, and rail networks make it a preferred destination for businesses. The city's robust economy is fuelled by various sectors, including finance, banking, information technology, manufacturing, entertainment, media, and services. Mumbai contributes ~5-6% to the overall GDP of the country and is also the top contributor to the country's exchequer, accounting for nearly 1/3rd of India's overall direct tax collections.

Mumbai's real estate market holds the distinction of being one of the most expensive markets in India. The capital value and rents in prime office submarkets rank among the highest in the country. However, despite these high costs, the market continues to exhibit strong activity levels. The office real estate market in Mumbai ranks as the third largest in India in terms of Grade A office stock, surpassed only by Bengaluru and Delhi NCR. The city's ability to cater to a diverse range of industries, attract top talent, and provide excellent business support services ensures that Mumbai continues to attract domestic as well as international businesses looking to establish or expand their presence in India.

### 6.3 INFRASTRUCTURE INITIATIVES

#### Existing infrastructure

| Existing Project                                 | Completion timeline | Details  | Key impact zones   |
|--|---------------------|--|--|
| Bandra Worli Sea Link                            | 2009                | 5.6 km long, 8-lane wide bridge that links Bandra with South Mumbai. | SBD Central, BKC & Annex and BKC Outskirts                     |
| Sea Link to Bandra Kurla Complex (BKC) Connector | 2021                | 604 meter long, two-lane flyover                                     | BKC & Annex and BKC Outskirts                                  |
| BKC – Eastern Express Highway Connector          | 2019                | 1.6 km connector from G Block of BKC to the EEH                      | BKC & Annex, BKC Outskirts and Eastern Suburbs                 |
| Western Express Highway (WEH)                    | 2002                | North-south 8-10 lane arterial road of 25.33 km                      | BKC & Annex, BKC Outskirts, Western Suburbs and Malad-Goregaon |
| Eastern Express Highway (EEH)                    | 2003                | 23.55 km city express highway  | BKC & Annex, BKC Outskirts and Eastern Suburbs                 |

|  |      |  |   |
|--|------|--|---|
| Eastern Freeway  | 2013 | 16.8 km long controlled-access highway   | CBD, SBD Central and Eastern Suburbs  |
| JVLR (Jogeshwari Vikhroli Link Road)   | 1994 | 10.6 km long 6 lane road connecting the WEH and EEH  | Western and Eastern Suburbs and Malad-Goregaon  |
| SCLR (Santacruz Chembur Link Road)   | 2014 | 6.45-kilometre-long (4.01 mi) arterial road connecting WEH and EEH   | BKC Outskirts, and Eastern suburbs  |
| Ghodbunder Road  | NA   | Key arterial road connected to the Western Express Highway at Ghodbunder and the Eastern Express Highway at Majiwada | Thane   |
| Thane Belapur Road   | NA   | Major road connecting Thane and Navi Mumbai. The road has been widened to a total of 6 lanes                         | Thane and Thane-Belapur Road  |
| Mumbai – Pune Expressway   | 2002 | 6-lane wide tolled expressway spanning a distance of 94.5 km   | Thane-Belapur Road, Navi Mumbai Others  |
| Western Line (Suburban Railway)  | 1867 | Consists of 37 stations from Dahanu Road to Churchgate railway station.  | CBD, BKC & Annex, BKC Outskirts, SBD Central, Western Suburbs, Malad-Goregaon         |
| Central Line (Suburban Railway)  | 1853 | Consists of 24 stations from Chhatrapati Shivaji Maharaj Terminus to Kalyan  | CBD, SBD Central, BKC & Annex, BKC Outskirts, Western Suburbs, Eastern Suburbs, Thane |
| Harbour Line (Suburban Railway)  | 1910 | The Harbour line is a branch line of the Mumbai Suburban Railway   | CBD, SBD Central, Thane-Belapur Road and Navi Mumbai Others                           |
| Monorail Line 1 (Jacob Circle – Wadala)  | 2014 | 20.21 km line and is fully elevated  | SBD Central   |
| Chhatrapati Shivaji Maharaj International Airport  | 1942 | It has two operating terminals spread over 750 hectares handling 950 aircraft per day.                               | Western Suburbs, Malad-Goregaon   |
| Mumbai Coastal Road Project (Partial opening of Phase 1 connecting Worli & Marine Drive) | 2024 | Partial opening of 4.5 km stretch from Worli to Marine Drive was opened to traffic.                                  | CBD, SBD Central  |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### **Upcoming infrastructure**

Submarket of Thane-Belapur Road and Navi Mumbai Others will benefit from the proposed Navi Mumbai International Airport. A proposed airport would positively impact the real estate market in Navi Mumbai by improving the area's commercial value, mainly through generating employment opportunities. Furthermore, it will also ease the burden on Mumbai's Chhatrapati Shivaji International Airport (CSIA) which accounts for over 25% of the entire air traffic in India.

Submarkets like CBD, SBD Central, Western Suburbs and Malad-Goregaon will benefit from the coastal road project. It will help improve the connectivity and reduce commuting time by 70%. Further, it will create easy access to the commercial hotspots of South Mumbai. Most importantly, it will decongest the expressway and local railways. This will lead to an uptick in the housing demand in the nearby suburbs and boost property prices.

| Upcoming Project                                    | Completion timeline | Details  | Key impact zones                                 |
|---|---------------------|--|--|
| Mumbai Coastal Road Project (Phase 1)               | 2024                | 8-lane project of 10.58 km from Princess Street flyover to Worli end of Bandra Worli Sea Link.   | Mumbai Coastal Road Project (Phase 1)            |
| Navi Mumbai International Airport                   | 2025                | It will be connected with Navi Mumbai Metro's Line 1 and with the proposed Mumbai Metro's Line 8 (Gold Line).  | Thane-Belapur Road and Navi Mumbai Others        |
| Goregaon Mulund Link Road                           | 2028                | 12-km long road infrastructure project that will connect Mulund directly to Goregaon. Construction in 4 phases   | Malad-Goregaon and Eastern Suburbs               |
| Suburban corridor between Panvel-Karjat on CR       | 2025                | 5 stations of Panvel, Chikale, Mohape, Chowk and Karjat and will pass through 58 bridges   | Thane-Belapur Road and Navi Mumbai Others        |
| Suburban corridor link between Airoli-Kalwa on CR   | 2024                | 8 kms long elevated link between Airoli and Kalwa is crucial for decongesting Thane station in future.   | Thane-Belapur Road, Navi Mumbai Others and Thane |
| Quadrupling of Virar-Dahanu road on WR              | 2025                | 8 new stations and several new structures, like station buildings at Virar, Vaitarna, Saphale, Kelve Road, Palghar, Umroli, Boisar and Wangaon-Dahanu road | Malad-Goregaon                                   |
| Extension of Harbour Line between Goregaon-Borivali | 2026                | 3-km elevated stretch over Malad to extend the existing harbour line   | Malad-Goregaon                                   |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### Mumbai – Map of existing and upcoming infrastructure



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### Existing Metro Rail Lines - Mumbai

| Existing Project                        | Completion timeline | Details   | Key impact zones                   |
|---|---------------------|---|------------------------------------|
| Metro Blue Line 1 (Versova – Ghatkopar) | 2014                | 11.40 km line is fully elevated and consists of 12 stations | Malad-Goregaon and Eastern Suburbs |
| Metro Red Line 7                        | 2022                | Dahisar – Andheri – CSMIA T1                                | Western Suburbs and Malad-Goregaon |
| Metro Yellow line 2A                    | 2022                | Dahisar – Andheri West                                      | Western Suburbs and Malad-Goregaon |



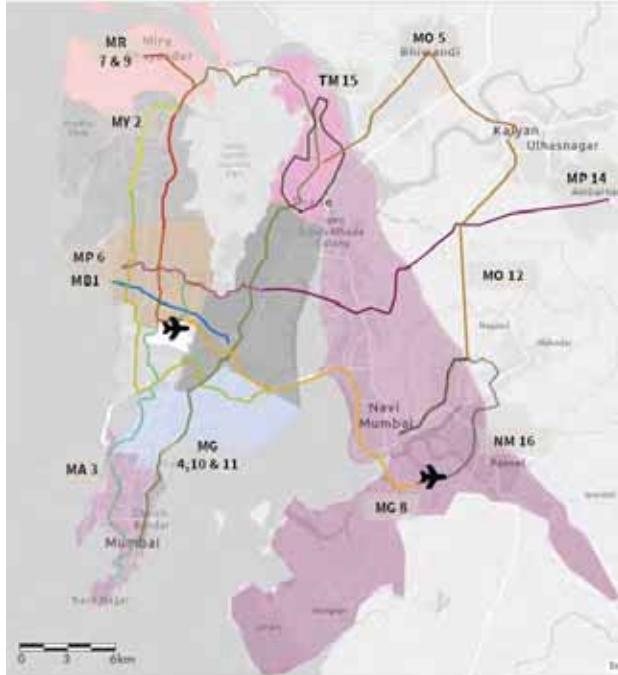
### **Upcoming Metro Rail Lines – Mumbai**

Completion of all the upcoming metro lines will benefit all the micro-markets of the city such as CBD, SBD BKC, SBD Central, Western Suburbs, Malad-Goregaon, Eastern Suburbs, Thane, and Navi Mumbai. The proposed metro aims to connect the areas that are not connected by the existing railway and enable commuters to reach the station within 500 m to 1 km. Residential developments in micro markets of Thane and Navi Mumbai will receive a boost, due to improved connectivity with the commercial hubs in the Western Suburbs and Malad-Goregaon.

| Upcoming Project              |            | Completion timeline | Details                               | Key Impact Zones   |
|-------------------------------|------------|---------------------|---------------------------------------|--|
| Metro Aqua line 3 (Phase 1)   | MA 3       | 2024                | Colaba-Bandra-SEEPZ                   | CBD and SBD Central, BKC & Annex, BKC Outskirts, Western Suburbs           |
| Metro Green Line 4            | MG 4,10,11 | 2025                | Wadala – Kasarvadavali – Gaimukh      | Eastern Suburbs and Thane  |
| Metro Orange Line 5           | MO 5       | 2025                | Thane – Bhiwandi – Kalyan             | Thane  |
| Metro Pink Line 6             | MP 6       | 2026                | Lokhandwala – Jogeshwari – Kanjurmarg | Western and Eastern Suburbs,   |
| Metro Gold Line 8             | MG 8       | 2026                | CSMIA T2 – NMIA (indicative)          | Western Suburbs, Thane-Belapur Road, Navi Mumbai Others and Malad-Goregaon |
| Metro Red Line 9              | MR 7 & 9   | 2025                | Dahisar – Mira Bhayandar              | Dahisar, Mira Road, Bhayandar  |
| Metro Green Line 10           | MG 4,10,11 | 2025                | Gaimukh – Shivaji Chowk (Mira Road)   | Thane  |
| Metro Green Line 11           | MG 4,10,11 | 2030                | Wadala – CSMT                         | SBD Central and CBD  |
| Metro Orange Line 12          | MO 12      | 2027                | Kalyan – Dombivali – Taloja           | Navi Mumbai Others   |
| Metro Magenta Line 14         | MM 14      | 2027                | Vikhroli – Badlapur (indicative)      | Eastern Suburbs and Thane  |
| Thane Metro                   | TM 15      | 2026                | Raila Devi – New Thane (indicative)   | Thane  |
| Metro Green Line 4            | MG 4,10,11 | 2025                | Wadala – Kasarvadavali – Gaimukh      | Eastern Suburbs and Thane  |
| Navi Mumbai Metro Phase 2 & 3 | NM 16      | 2026-27             | Belapur – NMIA                        | Navi Mumbai Metro Phase 2 & 3  |


Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

**Mumbai - Map of existing and upcoming metro line**



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

## 6.4 MUMBAI - OFFICE SUBMARKETS

| Submarket          | Locations  |  |
|--------------------|--|--|
| CBD                | Nariman Point, Churchgate, Fort, Ballard Estate, Cuffe Parade        |  |
| SBD Central        | Lower Parel, Dadar, Worli, Prabhadevi, Parel, Mahalaxmi              |  |
| BKC & Annex        | BKC  |  |
| BKC Outskirts      | Kalina, Kurla, Bandra East, Santacruz East                           |  |
| Western Suburbs    | Andheri East, Jogeshwari, Andheri West                               |  |
| Malad-Goregaon     | Goregaon, Malad, Borivali  |  |
| Eastern Suburbs    | Powai, LBS Marg, Ghatkopar, Vikhroli, Mulund, Sion                   |  |
| Thane              | Wagle Estate, Ghodbunder Road  |  |
| Thane-Belapur Road | Airoli, Mahape, Khoparkhairane, Turbhe, Juinagar, Nerul, CBD Belapur |  |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

Gross leasing activity in Mumbai was recorded at 2.11 million sq ft in Q1 2024, a historic high compared to all previous Q1 performances. Domestic occupiers took the lead in driving demand, contributing around 78% of the total leasing activity. In terms of the occupier segment, activity was mainly driven by BFSI (44%), real estate and construction (14%), and manufacturing (9%) sectors.

### Leasing Activity

#### City Market Trends

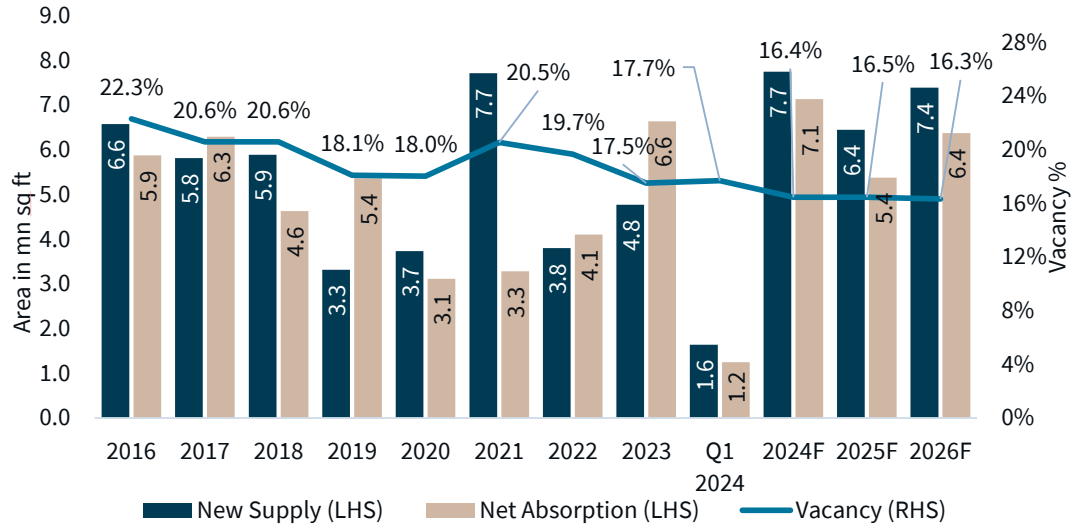
| Particular      | Total Stock (mn sq ft) | Net Absorption (mn sq ft) |                        |                        | Vacancy % |                        |                        |
|-----------------|------------------------|---------------------------|------------------------|------------------------|-----------|------------------------|------------------------|
|                 |                        | Q1 2024                   | Q4 2023 (Q-O-Q Change) | Q1 2023 (Y-O-Y Change) | Q1 2024   | Q4 2023 (Q-O-Q Change) | Q1 2023 (Y-O-Y Change) |
| Overall         | 130.4                  | 1.25                      | -61.0%                 | 23.2%                  | 17.7%     | 20 bps                 | -130 bps               |
| CBD             | 5.0                    | 0.01                      | 23.6%                  | -62.1%                 | 8.8%      | -30 bps                | -80 bps                |
| SBD Central     | 18.4                   | 0.08                      | -85.1%                 | -77.0%                 | 24.1%     | -40 bps                | -150 bps               |
| BKC & Annex     | 10.2                   | 0.02                      | -144.3%                | -34.8%                 | 7.3%      | -20 bps                | -130 bps               |
| BKC Outskirts   | 6.4                    | 0.17                      | 169.5%                 | 63.4%                  | 13.5%     | 20 bps                 | -140 pbs               |
| Western Suburbs | 20.6                   | 0.21                      | 63.0%                  | 77.7%                  | 16.8%     | -90 bps                | -60 bps                |
| Malad-Goregaon  | 19.9                   | 0.32                      | -78.1%                 | 2280.2%                | 16.4%     | 330 bps                | -210 bps               |

|                    |      |      |        |         |       |         |          |
|--------------------|------|------|--------|---------|-------|---------|----------|
| East Suburbs       | 15.7 | 0.22 | -27.0% | 238.3%  | 10.9% | 140 bps | -440 bps |
| Thane              | 9.7  | 0.09 | -30.7% | 1073.3% | 19.8% | 280 bps | 260 bps  |
| Thane-Belapur Road | 20.3 | 0.11 | -81.6% | -60.5%  | 18.9% | -60 bps | -430 bps |
| Navi Mumbai Others | 4.2  | 0.01 | 0.0%   | -60.1%  | 57.2% | -20 bps | -190 bps |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### **Supply, Demand Trend**

#### **Total Completions, Net Absorption and Vacancy Rate - Overall**



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The city's office leasing activity stood at 2.1 million sq ft in Q1 2024, representing an increase of 40.4% compared to Q1 2023. Importantly, this was the strongest ever first quarter leasing performance compared to all previous Q1 performances. Leasing was driven by increased space take up from BFSI occupiers who accounted for ~44% of the overall activity, followed by the real estate and construction segment, which accounted for ~14%. During the quarter, the Malad-Goregaon submarket witnessed the highest traction with a share of 29.0% in leasing activity. Eastern Suburbs and Western Suburbs followed with respective shares of 20.3% and 15.8%.

Leasing activity was dominated by the strong performance of domestic firms, which accounted for 78% of the overall leasing activity. The trend of end-user deals in managed office spaces continued during the quarter. All major pre-commitments remained intact. Office space leasing activity during the quarter was mostly driven by large to medium-sized deals.

In recent times, the city witnessed increased demand by the occupiers from data centres, medical technology, health analytics, online education, gaming, pharma, and FMCG sectors. We expect vacancy levels to remain rangebound in the medium term.

### **Vacancy**

New supply during the quarter outpaced net absorption leading to a 20 bps q-o-q rise in vacancy levels to 17.7%. However, at a submarket level, vacancy levels decreased in all but three submarkets of BKC Outskirts, Malad-Goregaon and Thane. On a y-o-y basis, vacancy has decreased by 130 bps.

**New Supply**

A supply of 1.6 million sq ft came on stream in 1Q24, largely driven by a couple of large-sized projects in the Malad-Goregaon and Thane sub-markets. The BKC Outskirts sub-market also recorded a supply of 0.1 million sq ft. The pace of the construction activity remains at optimum levels. Some of the key projects that became operational during the quarter were Oberoi Commerz 3 Phase 2 (0.7 million) in Goregaon, 63 GMA (0.4 million) in Goregaon, and Centrum Business Square (0.4 million) in Thane.

By the end of 2026, overall stock is expected to see an addition of around 20 million sq ft of Grade A space, with Eastern Suburbs, Thane-Belapur Road and Western Suburbs combining to account for 74% of the future supply.

**Outlook**

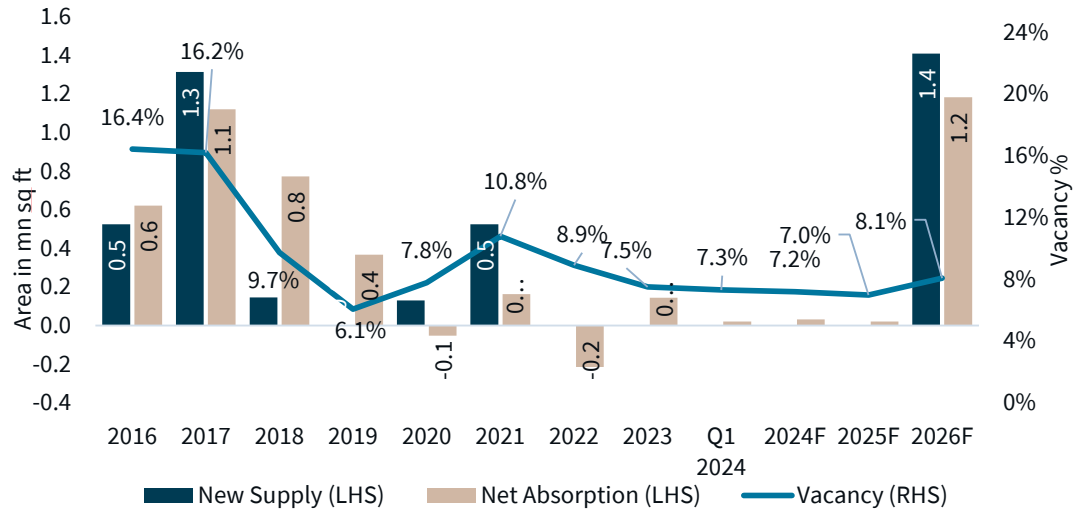
A total of nearly 7.5-8.0 million sq ft of office space is scheduled to be completed by end-2024. An optimum pace of construction activity is expected to continue in 2024. Total net absorption in 2024 is expected to be around 6.5-7.5 million sq ft as quality projects will continue to witness healthy demand from occupiers. Demand is expected to be driven by the BFSI, Consulting, and manufacturing sectors. As absorption outpaces supply, vacancy levels are expected to go down by 2024-end. Capital values are expected to rise faster than rents due to rising investor interest, leading to a compression of yields in key submarkets for quality assets.

## 6.5 MICRO MARKET : BKC & ANNEX

The Square BKC project lies in the BKC & Annex micro market.

### Supply, Demand Trend

#### Total Completions, Net Absorption and Vacancy Rate

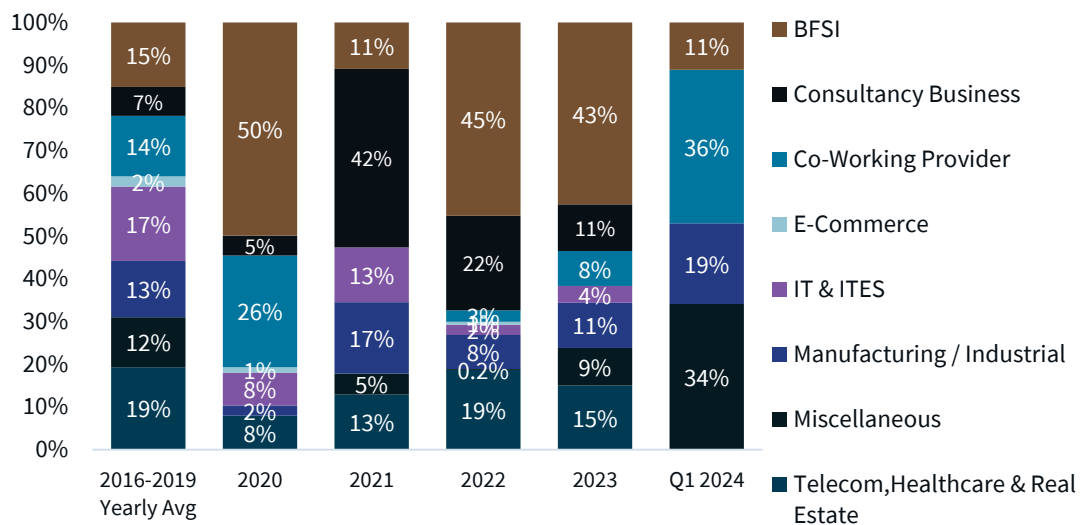


Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The Square BKC project lies in the BKC & Annex micro-market.

### Leasing Activity

#### Occupiers share in gross leasing activity



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024



## Quarterly Updates

### Leasing activity

The submarket witnessed leasing activity of around 163,967 sq ft led by flex (35.9% share) occupiers. With churn activity accounting for most of the transactions, net space take up during the quarter was recorded at 20,432 sq ft. Some of the key transactions in Q1 2024 were BHIVE Workspace leasing around 62,000 sq ft in Adani Inspire, Taipei Economic & Cultural Centre leasing around 15,000 sq ft in Platina and Mastercard India Services Private Limited leasing ~10,700 sq ft in Maker Maxity.

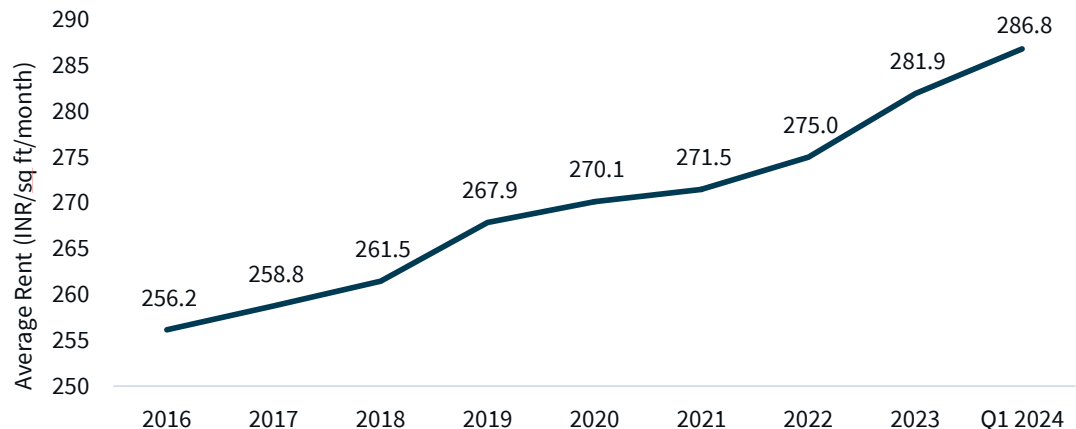
### Supply

No new projects were completed during the quarter; hence, the stock remained at 10.2 million sq ft, representing 8% of total city commercial Grade A space.

### Vacancy

Positive net absorption with no addition to the stock resulted in a 20 bps fall in vacancy rate to 7.0% in Q1 2024. Prominent projects such as Maker Maxity and Godrej BKC are operating with less than 5% vacancy levels, while One BKC is operating at an occupancy of 85-90%.

### Rents



**Source:** Real Estate Market Research & Analysis; JLL, 31st March 2024

*Note: Mindspace REIT micro markets, the rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 10% depending upon negotiations, final structuring of the lease agreement and other parameters.*

BKC & Annex commands premium rents as it offers the city's best-quality office buildings, with the average rent of BKC & Annex at INR 286.8 per sq ft per month. Recently BKC has become one of the most expensive business submarkets in the country. The lease transactions in the BKC & Annex micro market are recorded in the range of INR 260 – 300 per sq. ft per month. The lease transactions in BKC where the Project is located are in the range of INR 285 to 295 per sq. ft per month.

### **Prominent Lease Transactions within the Micro-Market**

Below are some of the lease transactions witnessed in the micro-market

**Table 6.1: Major Lease Transactions in the Micro-Market of the Project**

| Sl. No. | Occupier                                    | Project Name        | Location    | Area Leased (sq. ft.) | Lease Rental Range (INR per sq. ft. per month) | Transaction Quarter & Year |
|---------|---|---------------------|-------------|-----------------------|--|----------------------------|
| 1       | Nayara Energy Limited                       | Phase 2, Godrej BKC | BKC & Annex | 9,544                 | 335  | Q1 2024                    |
| 2       | SMFG India Credit Company                   | Adani Inspire       | BKC & Annex | 8,441                 | 218  | Q1 2024                    |
| 3       | Sureka Energy Limited                       | Windsor             | BKC & Annex | 9,032                 | 208  | Q1 2024                    |
| 4       | Adani Enterprises                           | Adani Inspire       | BKC & Annex | 36,648                | 240  | Q1 2024                    |
| 5       | Teipei Economic & Cultural Centre in Mumbai | Platina             | BKC & Annex | 14,984                | 300  | Q1 2024                    |
| 6       | Mastercard India Services Private Limited   | Maker Maxity        | BKC & Annex | 10,688                | 600  | Q1 2024                    |
| 7       | BHIVE Workspace                             | Adani Inspire       | BKC & Annex | 62,188                | 205  | Q1 2024                    |

Source: Real Estate Market Research & Analysis: JLL, 31<sup>st</sup> March 2024

BKC & Annex commands premium rents as it offers the city's best-quality office buildings, with the average rent of BKC & Annex at INR 286.8 per sq ft per month. Recently BKC has become one of the most expensive business submarkets in the country.

### **Investment Activities within the Micro-Market**

The city has witnessed few institutional office transactions of varying size. It is observed that the transaction value is based on the nature of the development, the micro-market location, Project, and leases prevailing etc.

### **Investment Activities within India**

The table below present details of few large sale transactions in major cities in India. Net yield for these transactions is arrived based on the Capital Value at which the property was transacted and rentals applicable for the same property during transaction. The net yield for such large transactions is witnessed in the range of 7.75% to 9.50%.

**List of transactions / deals in major cities recent past**

| Sl. No | City    | Property Name         | Location      | Micro Market  | Leasable Area (sq. ft.) | Capital Value (INR per sq. ft.) | Net Yield     | Transacted Period |
|--------|---------|-----------------------|---------------|---------------|-------------------------|---------------------------------|---------------|-------------------|
| 1      | Mumbai  | One BKC               | BKC, Mumbai   | BKC & Annex   | ~700,000                | 35,000-36,000                   | 8.00% - 8.25% | 2019              |
| 2      | Mumbai  | Equinox Business Park | Kurla, Mumbai | BKC Outskirts | ~1,250,000              | 19,000 - 20,000                 | 8.25% - 8.50% | 2018              |
| 3      | Mumbai  | Express Towers        | Nariman Point | CBD           | ~472,377                | 40000 - 43,000                  | 7.25% - 7.75% | 2021              |
| 4      | Chennai | Sandhya Infocity      | Navalur       | PBD OMR       | ~1,418,174              | 5,500 - 6,000                   | 8.00% - 8.50% | 2021              |
| 5      | Chennai | Global Infocity       | Perungudi     | SBD OMR       | ~2,700,000              | 8,500 - 9,000                   | 7.75% - 8.00% | 2018              |

| Sl. No | City             | Property Name              | Location                     | Micro Market                 | Leasable Area (sq. ft.)  | Capital Value (INR per sq. ft.)                        | Net Yield  | Transacted Period |
|--------|------------------|----------------------------|------------------------------|------------------------------|--|--|--|-------------------|
| 6      | Chennai          | One India bulls Park       | Ambattur                     | PBD West                     | ~1,900,000   | 4,500 – 5,000  | 8.00% - 8.50%  | 2018              |
| 7      | Hyderabad        | Phoenix aVance Building 6  | HITEC City                   | PBD West                     | ~640,000   | 7,500 - 8,000  | 9.00% – 9.50%  | 2021              |
| 8      | Hyderabad        | Phoenix Aquila Tower A     | Gachibowli                   | PBD West                     | ~1,180,000   | 8,200 - ,8700  | 8.00% - 8.25%  | 2021              |
| 9      | Hyderabad        | Waverock                   | Gachibowli                   | PBD West                     | ~2,350,000   | 7,200 - 7,700  | 8.00% - 8.25%  | 2017              |
| 10     | Pune             | E Park 2                   | Kharadi                      | SBD East                     | ~180,000   | 7,000-9,000  | 7.75% - 8.00%  | 2022              |
| 11     | Pune             | WTC Tower A                | Kharadi                      | SBD East                     | ~28,342  | 10,000-11,500  | 7.50% - 8.00%  | 2019              |
| 12     | Bengaluru        | Prestige RMZ Star Tech     | Bangalore                    | SBD East                     | ~1,370,000   | -  | 7.60% - 7.80%  | 2022              |
| 13     | Bengaluru        | Embassy Tech Village       | Bangalore                    | SBD East                     | ~9,100,000   | 9,500 – 11,000   | 8.00% - 8.25%  | 2020              |
| 14     | Gurgaon          | One Horizon Centre         | Gurgaon                      | SBD East                     | ~421,134   | 22,000 – 24,000  | 8.00% - 8.25%  | 2020              |
| 15     | Mumbai           | Godrej BKC                 | BKC                          | BKC & Annex                  | ~200,000   | 40,000 – 45,000  | 8.00 – 8.50%   | 2023              |
| 16     | Mumbai & Gurgaon | Downtown Powai & Candor G1 | Powai & Sohna Road           | Eastern Suburbs & Sohna Road | ~2,700,000 +<br>~3,700,000                                     | Enterprise value INR 11,225                            | 7.90-8.20%   | 2023              |
| 17     | Chennai          | Embassy Splendid TechZone  | Pallavaram-Thoraipakkam Road | PBD OMR                      | ~1,400,000 (Completed)<br>+1,600,000 (UC)+2,000,000 (Proposed) | Enterprise value INR 1,269 Cr. (61% economic interest) | 8.50% on the completed portion<br>10% on the u/c portion | 2024              |

Source: Real Estate Market Research & Analysis; JLL, March 2024

**The Square BKC** is one of the known commercial developments in BKC & Annex Micro-Market at BKC in Mumbai City. The Project is a part of Mindspace Business Parks REIT (Mindspace REIT) portfolio. The location has excellent connectivity to residential locations and social infrastructure too.

The project offers Grade A space spread across one blocks with good amenities and facilities. The project is a preferred commercial development in this micro-market due to the quality of buildings, ease of connectivity and nature of campus development. Considering the past transactions in the city and Project attributes in terms of size, occupancy profile, micro market trend etc. the cap rate is arrived for the Project.

The Cap Rate applied to arrive at the terminal value of the property is 7.75%.

### **Outlook**

Limited supply in BKC & Annex is likely to drive rents upwards marginally in the near term as well. Moreover, domestic and foreign investors remain attracted to the BKC submarket for its investment opportunities, given its superior-quality office buildings, proximity to the airport, and good connectivity with the rest of the city.

## 7 MARKET VALUE ESTIMATE

### 7.1 ADOPTED PROCEDURE

The market practice in most commercial/ office developments involves contracting tenants / occupiers in the form of pre-commitments at sub-market rent to increase attractiveness of the property to prospective tenants - typically extended to anchor tenants. Additionally, there are instances of tenants paying above-market rent for certain properties as well (primarily owing to market conditions at the time of contracting the lease). In order to arrive at a unit value for these tenancies, the Valuer has considered the impact of such sub/above market rents on the valuation of the Project.

For the purpose of this valuation exercise, the Valuer has analyzed the tenancy details provided by the Client, to identify variances vis-à-vis prevailing market/marginal rent. Each lease is assessed separately for below aspects, for the rent over a 10 year time horizon:

- The rent rolls (and the corresponding lease deeds on a sample basis) were reviewed to identify tenancy characteristics for the asset. As part of the rent roll review, tenancy agreements were reviewed.
- Title certificates, architect certificates and other related documents as mentioned in relevant sections of the report were reviewed for validation of area details, ownership interests of the Project.
- Physical site inspections were undertaken to assess the status of the Project.

### 7.2 CASH FLOW PROJECTIONS

The cash flows for the Project has been projected separately for each lease, to arrive at their respective value estimates.

Net Operating Income (NOI) has primarily been used to arrive at the value of the Project. The projected future cash flows from the Project are based on existing lease terms for the operational leases till the expiry of the leases or re-negotiation, whichever is earlier, following which, the lease terms have been aligned with market rents achievable by the Project.

For vacant area and under-construction / future development area, the achievable market rent-led cash flows are projected factoring appropriate lease-up timeframe for vacant / under-construction / future development area. These cash flows have been projected for 10-year duration from the date of valuation and for 11<sup>th</sup> year (for estimation of terminal value based on NOI). These future cash flows are then discounted to present-day value (valuation date) at an appropriate discount rate. Each lease is assessed separately for below aspects, for the rent over a 10 year time horizon:

- Projecting the rental income for identified tenancies up to the period of lease expiry, lock-in expiry, escalation milestones, etc. whichever is applicable. In the event of unleased spaces, market-led rent is adopted with suitable lease-up time.
- Generating a market led rental income stream for identified tenancies for the time period similar to the cash flows drawn in the aforementioned step.
- Computing the monthly income based on rent projected above and translating the same to quarterly income (for the next 10 years and 11<sup>th</sup> year is considered for calculation of terminal value).

Further, to arrive at the total value of the leased spaces (from base rentals), appropriate revenues and operational expenses are projected on quarterly basis. Some of such adjustments on revenue and operational expenses are presented in the table below:

**Table 7.1: Adjustments on Revenues and Operational Expenses**

| Parameters                           | Description / Basis  |
|--------------------------------------|--|
| Parking Income                       | Based on income inputs provided by Client for the leased spaces and market assumption taken for vacant spaces  |
| Miscellaneous Income                 | Based on income inputs provided by Client for the Project  |
| Insurance                            | Based on insurance outflow (if any) provided by Client   |
| Annual Lease Rental / Property Taxes | Based on annual lease rental / property tax assessed for the Project as provided by Client   |
| Asset Management Fee                 | Considered as a recurring expense (in case of an external management team) as a percentage of the lease rental income as per the agreement between respective assets and its asset manager.  |
| Margin on CAM                        | Based on the operational revenues and expenses of the respective assets to understand the recurring, non-recurring, recoverable and non-recoverable expenses and accordingly modelled the common area maintenance income and operational expenses for the asset. |
| Revenue Escalation                   | Based on market-led annual escalation on the market rent   |
| Rent Free Period                     | Based on the trend prevalent in the submarket, appropriate rent free periods from lease commencement date (for future / new leases) are considered   |
| Brokerage                            | Based on prevalent market dynamics, brokerage for future / new leases are considered   |
| Fit-Out Income                       | Based on fit-out rent (if any) provided by Client till lease expiry of applicable leases (same is not capitalized)   |
| Transaction Cost on Exit             | Considered as a percentage of the terminal value after aforesaid adjustments   |

### 7.3 ABSORPTION/ LEASING VELOCITY AND OCCUPANCY PROFILE

Occupancy profile of the project is as follows: -

- ~100% of the space is taken by BFSI sector. (Single tenant - IDFC First Bank Limited)

### 7.4 KEY ASSUMPTIONS AND INPUTS

The table below presents key assumptions and/or inputs used in the cash flow configuration used for providing Valuation of the Project.

**Table 7.2: Key Assumptions Used in the Estimate of Operational / Completed Blocks**

| Parameters            | Assumptions / Inputs | Remarks / Basis                               |
|-----------------------|----------------------|---|
| Cash Flow Period      |                      |   |
| Valuation Date        | 31-March-2024        | As per workings                               |
| Cash Flow Period      | 10 years             | As per workings                               |
| Cash Flow Exit Period | 31-March-2034        | As per workings                               |
| Asset Details         |                      |   |
| Total Leasable Area   | Refer Table 5.4      | As per the information provided by the Client |
| Leased Area           | Refer Table 5.4      | As per the information provided by the Client |
| Vacant Area / Vacancy | Nil                  | As per the information provided by the Client |

| Parameters  | Assumptions / Inputs  | Remarks / Basis  |
|---|---|--|
| Vacant Area / Vacancy Allowance                         | Nil   | As per the information provided by the Client  |
| Vacant Area / Vacancy Allowance                         | 2%  | As per market benchmarks for large scale Grade A office projects. .  |
| Area to be Leased                                       | Nil   | As per the information provided by the Client  |
| Rent Free Period for Existing Lease Rollovers           | 2 months  | As prevalent in the market   |
| Rent Free Period for New Leases                         | 3 months  | As prevalent in the market   |
| No. of Car Parking Spaces Leased                        | 2 levels of basement parking's  | As per the information provided by the Client  |
| Construction Related Assumptions                        |   |  |
| Approx. Construction Cost to be incurred                | INR 17 mn.  | As per the information provided by the Client  |
| Estimated Completion Date for Incurring the Expenditure | Q3 FY25   | As per the information provided by the Client  |
| Estimates of already carried out major repairs          | INR 274 mn.   | As per the information provided by the Client.   |
| Revenue Assumptions                                     |   |  |
| Lease Rentals   | Actual rentals as per the Rent Roll including additional charges (if any)                               | As per the information provided by the Client  |
| Rent Escalation   | Escalation in rentals as per the Rent Roll for the validity period of the leases, i.e., 4.5% every year | As prevalent in the market it is observed that lease agreements are primarily at 4.5% rent escalations every year.   |
| Market / Marginal Rent - Office for FY25                | c. INR 289 per sq. ft. per month  | The lease transactions in Grade A office space in the said micro market are recorded in the range of INR 280 – 295 per sq. ft. per month for last 5 years. The asking instances are observed in the range of INR 290 - 305 per sq. ft. per month. Please refer Table 6.1<br>Based on the market benchmarking of recent leases on aspects such as location, size of transaction, type of development etc. the achievable rent for the Project is derived. |
| Market / Marginal Rent - Amenities                      | Not Applicable  |  |
| Market Rent - Car Parking Space                         | Not Applicable  |  |
| Market / Marginal Rent - Food Court                     | Not Applicable  |  |
| Market / Marginal Rent - Kiosk                          | Not Applicable  |  |



| Parameters  | Assumptions / Inputs  | Remarks / Basis  |
|---|---|--|
| Market / Marginal Rent - Terrace                  | Not Applicable  |  |
| Other Income                                      | Nil   |  |
| Market Rent Growth from FY26                      | 5.0% per annum (FY26 onwards)   | As prevalent in the market   |
| Lease Tenure                                      | 9 years   | As prevalent in the market   |
| Target Efficiency                                 | 60%   | Recent re-leasing suggest that the Client has leased the same premises at relatively lower efficiency and received higher rentals for the same carpet area.<br>Going forward, for leases which will expire during the next 10 years, we have considered an efficiency at 60.0% or actual, whichever is lower |
| Maintenance Services Income / CAM Income for FY25 | INR 14.38 per sq. ft. per month   | The CAM income in the Project is in-line with market trend and is as provided by Client  |
| Operating Cost Assumptions                        |   |  |
| Brokerage - New Leases                            | 2 months receivable on base rent  | As prevalent in the market   |
| Brokerage - Renewals / Release                    | 2 months receivable on base rent  | As prevalent in the market   |
| Maintenance Services Cost for FY25                | INR 11.70 per sq. ft. per month   | As shared by client and as prevalent in the market   |
| Property Tax for FY25                             | INR 6.9 per sq. ft. per month   | As shared by client and as prevalent in the market   |
| Insurance for FY25                                | INR 0.8 per sq. ft. per month   | As shared by client and as prevalent in the market   |
| Cost Escalation                                   | 3% per Annum  | As prevalent in the market.  |
| CAM Escalation (Income + Expense)                 | 5% per Annum  | As prevalent in the market.  |
| Other Assumptions                                 |   |  |
| Transaction Cost on Sale                          | 1% of Terminal Value  | As prevalent in the market   |
| Other Operating Expenses                          | 2% of Base Rent + Car Parking Charges if any  | As prevalent in the market   |
| Property Management Fees                          | 3.5% (Base Rent + Car Parking Charges + Fit out Rent + Other Operating Income if any) | As prevalent in the market   |
| Discounting Rate / WACC                           | Suggestive Discount Factor: 11.75%  | Refer Section 3.3 of this report.  |
| Cap Rate for Terminal Value                       | Capitalized using long-term net yield rate of 7.75% (post yield shrinkage).           | Refer Section 3.2 of this report   |

| Parameters              | Assumptions / Inputs  | Remarks / Basis                              |
|-------------------------|---|--|
|                         | Capitalized based on the net cash flow of the 11 <sup>th</sup> year   |  |
| Cash Flow Configuration | Cash flows have been drawn on quarterly basis for a period of 10 years, considering both cash inflows and outflows. Cash flows of terminal year is then capitalized and adjusted with transaction costs, to arrive at terminal value. | Value assumptions as practiced in the market |

## 7.5 MARKET VALUE

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which the Valuer has no knowledge, the Market Value of the complete ownership interest in the Project comprising land and improvements thereon, as explained above, on the below mentioned dates, is estimated to be as follows:

**Table 7.3: Market Value of the Project**

| Component   | Leasable Area (sq. ft.) | Market Value (INR Million) | Percentage Share |
|---|-------------------------|----------------------------|------------------|
| Commercial / Office Space incl. Amenities - Completed | 146,350                 | 4,917.40                   | 100%             |

Note: The above-mentioned value includes proportionate undivided ownership in the Amenities, Utility Areas and Internal Roads and total open spaces of the Entire Campus

With all assumptions as mentioned in this report, we are of the opinion that the Market Value of the Project comprising total leasable area of 146,350 sq. ft. of Project, The Square located in BKC, Mumbai, Maharashtra, India is estimated to be **INR 4,917.40 million (INR Four Billion Nine Hundred Seventeen Million Four Hundred Thousand Only)**.

**Table 7.4: Ready Reckoner Rate of the Project**

| Component                  | Ready Reckoner Rate (INR per sq.m) |
|----------------------------|------------------------------------|
| Commercial (Built-Up Area) | 345,060                            |
| Land Area (Open Plot)      | 161,070                            |

Note: The mentioned ASR value is as on 31<sup>st</sup> March 2024

**KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)**, the Valuer for the Project, hereby declares that:

- We are fully competent to undertake the valuation;
- We are independent and have prepared the report on a fair and unbiased basis; and
- We have valued the Project based on the valuation standards as specified under sub-regulation 10 of regulation 21 of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended from time to time.



-----  
**Name:** Sachin Gulaty FRICS FIV FIIA,

**Designation:** Director

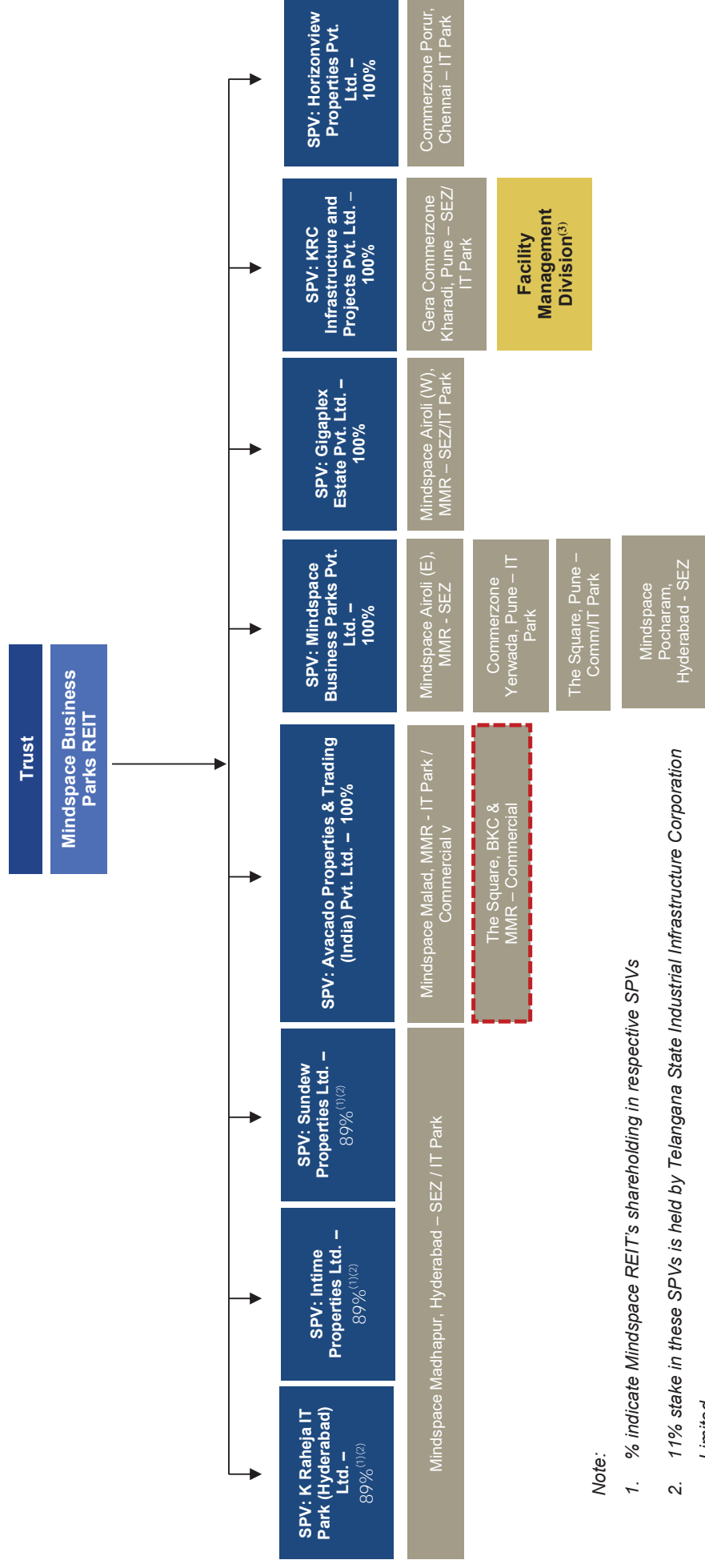
**Valuer Registration No.:** IBBI/RV/02/2021/14284

**Address:** 5<sup>th</sup> Floor, India Accelerator, The Iconic Corenthum, Sector 62, NOIDA – 201309. Uttar Pradesh. INDIA.

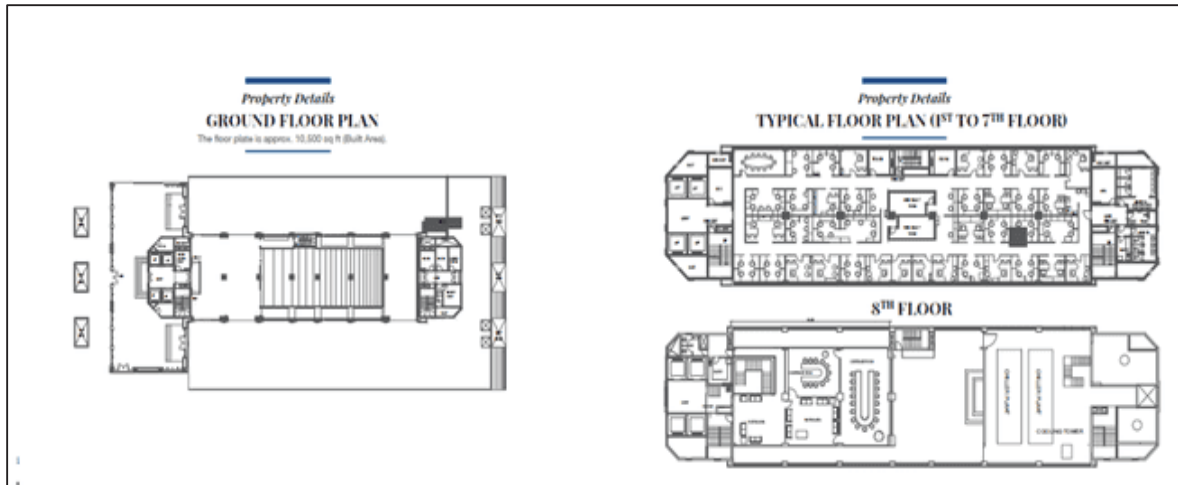
**E-Mail ID:** sachin.gulaty@k-zen.in

## Annexure - 1

### Ownership Structure of the Project



## Annexure - 2 Layout Plan of the Project



Source: Client 31<sup>st</sup> March 2024

### Annexure - 3

## Statement of Key Assets within the Project

| Building                      | No. / Name | C-61                         |
|-------------------------------|------------|------------------------------|
| Floor                         | Nos        | 2B+G+12                      |
| Warm Shell / Bare shell       |            | Warm shell                   |
| Air Cooled Chiller            | TR         | NA                           |
| Water Cooled Chiller          | TR         | 3 x 320                      |
| No of Elevators /Make         | No/ Make   | 2- Mitsubishi, 1-Otis        |
| No of DG / Capacity           | No. / KVA  | 2 x 1010                     |
| No of Transformers / Capacity | No./ KVA   | NA                           |
| Booster Pump                  | KW / Make  | 3.6 - Kirloskar Brothers     |
| Jockey Pump                   | KW / Make  | 2 x 9.3 - Kirloskar Brothers |
| Fire Diesel Pump              | KW / Make  | 149                          |
| Hydrant Pump                  | KW / Make  | 2 x 55 - Kirloskar Brothers  |
| Sprinkle Pump                 | KW / Make  | 55 - Kirloskar Brothers      |
| STP Rating                    | KLD        | 100                          |

Source: Client 31<sup>st</sup> March 2024



## **Annexure - 4**

### **Approvals and NOCs Received for the Project**

---

#### **Approvals Received**

- Full Occupancy Certificates
- Height Clearance NOC from AAI
- One-time Fire NOC and
- Form B

#### **Approvals Pending**

- Completion certificate for addition/alteration work awaited

## Annexure - 5

### Ready Reckoner Rate Applicable for the Project

ASR Value as on 31<sup>st</sup> March 2024

| Annual Statement of Rates  |  |                   |        |        |            |               |           |
|--|--|-------------------|--------|--------|------------|---------------|-----------|
| <b>Year</b><br><div style="border: 1px solid #ccc; padding: 2px;">2023/2024</div>                      |  |                   |        |        |            |               |           |
| <b>Selected District</b><br><div style="border: 1px solid #ccc; padding: 2px;">Mumbai (suburb)</div>   |  |                   |        |        |            |               |           |
| <b>Select Village</b><br><div style="border: 1px solid #ccc; padding: 2px;">Kolekalyan (Andheri)</div> |  |                   |        |        |            |               |           |
| <b>Search By</b><br><input checked="" type="radio"/> Survey no <input type="radio"/> Location          |  |                   |        |        |            |               |           |
| <b>Enter Survey No</b><br><div style="border: 1px solid #ccc; padding: 2px;">4207</div>                | <div style="border: 1px solid #ccc; padding: 2px 10px;">Search</div> |                   |        |        |            |               |           |
| subdivision  | open land  | Residential Flats | Office | shops  | Industrial | Unit (Rs./)   | Attribute |
| 31/173A-G Block in Bandra Kurla Complex and adjoining properties.                                      | 161070   | 300060            | 345060 | 403300 | 300250     | square meters | CTS No    |

Source: IGR Maharashtra

## Annexure - 6

### Cash Flow Profile

Table 7.5: Discounted Cash Flow (INR Mn)

|  | 1-Apr-23<br>31-Mar-24 | 1-Apr-24<br>31-Mar-25 | 1-Apr-25<br>31-Mar-26 | 1-Apr-26<br>31-Mar-27 | 1-Apr-27<br>31-Mar-28 | 1-Apr-28<br>31-Mar-29 | 1-Apr-29<br>31-Mar-30 | 1-Apr-30<br>31-Mar-31 | 1-Apr-31<br>31-Mar-32 | 1-Apr-32<br>31-Mar-33 | 1-Apr-33<br>31-Mar-34 | 1-Apr-34<br>31-Mar-35 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Sl. No.                                    | Y0                    | Y1                    | Y2                    | Y3                    | Y4                    | Y5                    | Y6                    | Y7                    | Y8                    | Y9                    | Y10                   | Y11                   |
| Particulars                                |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Development / Construction Phasing         |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Total Development Cost to be Incurred      | -                     | 17.00                 |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| Leasable Area                              | 146,350.00            |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Overall occupancy - Existing Leases        |                       | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 66.94%                | 0.00%                 | 0.00%                 | 0.00%                 |
| Overall occupancy - Leases Moved to Market |                       | 0.00%                 | 0.00%                 | 0.00%                 | 0.00%                 | 0.00%                 | 0.00%                 | 0.00%                 | 33.06%                | 100.00%               | 100.00%               | 100.00%               |
| Overall occupancy - of the Project         |                       | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               |
| Vacancy Allowance                          |                       | 0.00%                 | 0.00%                 | 0.00%                 | 0.00%                 | 0.00%                 | 0.00%                 | 0.00%                 | 1.00%                 | 2.00%                 | 2.00%                 | 2.00%                 |
| A  |                       | 421.49                | 421.49                | 435.54                | 463.64                | 463.64                | 479.09                | 510.00                | 428.67                | 551.59                | 576.42                | 602.36                |
| B  |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| C  |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| D  |                       | 421.49                | 421.49                | 435.54                | 463.64                | 463.64                | 479.09                | 510.00                | 428.67                | 551.59                | 576.42                | 602.36                |
| E  |                       | 25.25                 | 26.52                 | 27.84                 | 29.23                 | 30.70                 | 32.23                 | 33.84                 | 35.18                 | 36.57                 | 38.39                 | 40.31                 |
| F  |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| G  |                       | 446.74                | 448.00                | 463.38                | 492.87                | 494.33                | 511.32                | 543.84                | 463.85                | 588.16                | 614.81                | 642.67                |
| Direct Operating Expenses                  |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Maintenance services Expenses              |                       | 20.55                 | 21.57                 | 22.65                 | 23.79                 | 24.98                 | 26.22                 | 27.54                 | 28.91                 | 30.36                 | 31.88                 | 33.47                 |

|   |                             |   |        |        |        |        |        |        |        |        |        |          |        |
|---|-----------------------------|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|----------|--------|
| I | Property Tax                |   | 12.14  | 12.50  | 12.87  | 13.26  | 13.66  | 14.07  | 14.49  | 14.92  | 15.37  | 15.83    | 16.31  |
| J | Insurance Premium           |   | 1.32   | 1.36   | 1.40   | 1.44   | 1.49   | 1.53   | 1.58   | 1.62   | 1.67   | 1.72     | 1.78   |
| K | Net Operating Income (NOI)  |   | 400.21 | 400.05 | 413.93 | 441.86 | 441.69 | 456.97 | 500.24 | 418.38 | 540.76 | 565.38   | 591.11 |
|   | Add: Terminal Cash Flow     |   | -      | -      | -      | -      | -      | -      | -      | -      | -      | 7,551.01 | -      |
|   | Indirect Operating Expenses |   |        |        |        |        |        |        |        |        |        |          |        |
| L | Brokerage Fees              |   | -      | -      | -      | -      | -      | -      | -      | 92.43  | -      | -        | -      |
| M | Property Management Fee     |   | 14.75  | 14.75  | 15.24  | 16.23  | 16.23  | 16.77  | 17.85  | 15.00  | 19.31  | 20.17    | 21.08  |
| N | Other operational expenses  |   | 8.43   | 8.43   | 8.71   | 9.27   | 9.27   | 9.58   | 10.20  | 8.57   | 11.03  | 11.53    | 12.05  |
| O | Net Cashflows               | - | 360.03 | 376.86 | 389.97 | 416.36 | 416.19 | 430.62 | 472.19 | 302.37 | 510.42 | 8,084.69 | -      |

Note: We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes.

## Annexure - 7

### Material Litigations

There are no material litigations, pending criminal matters, material civil/commercial litigation against the property.

**Table 7.6: Summary of Pending Tax Litigation at the SPV level**

| ASSESSMENT YEAR | SIGNIFICANT ISSUE IN DISPUTE   | AUTHORITY - RAISING ISSUE | AUTHORITY - PASSING ORDER | APPEAL PREFERRED BY | AUTHORITY - ISSUE PENDING BEFORE | NEXT DATE OF HEARING IF APPLICABLE | EXPOSURE - TAX, INTEREST AND PENALTY |
|-----------------|--------------------------------|---------------------------|---------------------------|---------------------|----------------------------------|------------------------------------|--------------------------------------|
| AVACADO 2013-14 | Disallowance under section 14A | Assessing Officer         | CIT(A)                    | Company             | ITAT                             | Not available                      | 17,266,022                           |
| 2015-16         | Disallowance under section 14A | Assessing Officer         | ITAT                      | Company             | High Court                       | Not available                      | 14,415,952                           |
| 2016-17         | Disallowance under section 14A | Assessing Officer         | ITAT                      | Company             | High Court                       | Not available                      | 16,143,856                           |

Note: Direct tax litigations are at the SPV level.

**Table 7.7: Indirect Tax Litigation**

| S.R. NO | ENTITY                                       | PARK           | TAX TYPE    | AUTHORITY PENDING  | TAX DEMAND (IN 'MN) | INTEREST (QUANTIFIED) | PENALTY (QUANTIFIED) | ISSUE IN BRIEF  | PERIOD                       | INTEREST      | PENALTY       |
|---------|--|----------------|-------------|--|---------------------|-----------------------|----------------------|---|------------------------------|---------------|---------------|
| 1       | Avacado Properties & Trading (India) Pvt Ltd | The Square BKC | Service Tax | CESTAT   | 5.56                | -                     | -                    | Service tax on renting of immovable property services | April 2008 to March 2011     | as applicable | Waived in OIO |
| 2       | Avacado Properties & Trading (India) Pvt Ltd | The Square BKC | Service Tax | Reply to SCN filed with Additional Commissioner, Service Tax | 0.93                | -                     | -                    | Service tax on renting of immovable property services | April 2011 to September 2011 | as applicable |               |

## Annexure - 8

### Caveats and Limitations

---

1. The Valuation Report (hereafter referred to as the 'Report') covers specific markets and situations that are highlighted in the Report based on independent market report prepared by JLL and does not entail any comprehensive analysis of the market and the industry given the nature of the scope of the assignment.
2. The opinions expressed in the Report are subject to the limitations expressed below.
  - a) The valuation method adopted is based on the Valuer's expertise and knowledge considering the forecasts on demand, supply and pricing as undertaken by JLL as part of an independent market/ industry research and considered to be relevant and reasonable at that point of time. The Report and the opinions therein do not constitute any recommendation to K Raheja Corp. Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP) (or the 'Client') or its affiliates and subsidiaries or its customers or any other party to adopt a particular course of action. The use of the Report at a later date may invalidate the assumptions and bases on which these opinions have been expressed and is not recommended as an input to any financial decision.
  - b) It should be noted that the valuation is based upon the facts and evidence available at the time of conduct of the valuation and applicable on the date of valuation. It is therefore recommended that these valuations be periodically reviewed.
  - c) Changes in socio-economic and political conditions could result in a substantially different situation than those presented herein. The Valuer assumes no responsibility for changes in such external conditions.
  - d) The Valuer has considered the independent market report prepared by JLL and macro understanding of the market through readily available information in public domain. Hence, no direct link is sought to be established between the macro-level understandings on the market with the assumptions estimated for the analysis herein.
  - e) The services provided is limited to valuation of the Project primarily comprising Land and Building and any part thereof and does not constitute any audit, survey, due diligence, tax related services etc. Accordingly, no opinion has been expressed on the financial information of the business of any party, including the Client and its affiliates and subsidiaries. The Report is prepared solely for the purpose stated and should not be used for any other purpose.
  - f) While the information included in the Report is accurate and reliable to the best of the knowledge of the Valuer, no representations or warranties, expressed or implied, as to the completeness of such information is being made. The Valuer shall not undertake any obligation to update or supplement any information contained in the Report save as provided for in the Agreement.
  - g) Apart from the sources already mentioned in the report, the Valuer has relied on readily available public information for the purpose of preparing this report.
3. The Report reflects matters as they currently exist. Any changes thereon may materially affect the information contained in the Report.
4. All assumptions made in order to determine the valuation of the Project is based on information or opinions as current. In the course of the analysis, the Valuer has relied on information or opinions, both written and verbal, as obtained from the Client as well as from third parties provided with, including limited information on the market, financial and operating data, which has been accepted as accurate in bona-fide belief. No responsibility is assumed for technical or specialised information furnished by the third-party organizations and this is believed bona-fide to be reliable.



5. No investigation of the title of the assets has been made and owners' claims to the assets is assumed to be valid unless anything contrary is mentioned in the main report. No consideration is given to liens or encumbrances, which may be against the Project or assets. Therefore, no responsibility is assumed for matters of a legal nature.
6. Review of tenants' ability and willingness to continually pay lease rents as per their respective contractual terms is not within the scope of work of Valuer. Valuer has assumed that all tenants' will be able to pay their rents on time as and when demanded as per their contractual terms and that no arrears exist with respect to any tenancy.
7. The Valuer's total aggregate liability to the Client including that of any third party claims, in contract, tort including negligence or breach of statutory duty, misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the services is limited to an aggregate sum as agreed in the LOE (Letter of Engagement). The Valuer shall not be liable for any pure economic loss, loss of profit, loss of business, depletion of goodwill, in each case whether direct or indirect or consequential or any claims for consequential loss compensation whatsoever which, arise out of or in connection with services provided under this engagement.
8. The Client including its agents, affiliates and employees, must not use, reproduce or divulge to any third party any information it receives from the Valuer for any purpose except set out herein.
9. This engagement shall be governed by and construed in accordance with Indian laws and any dispute arising out of or in connection with the engagement, including the interpretation thereof, shall be submitted to the exclusive jurisdiction of courts in New Delhi.

# Valuation Report

## Commerzone, Yerwada, Pune

Maharashtra, India

Submitted To:

K. Raheja Corp. Investment Managers Private  
Limited (formerly known as K Raheja Corp  
Investment Managers LLP)

(acting as Manager to Mindspace Business Parks REIT)

Date of Valuation:

31-Mar-2024

Date of Report:

24-Apr-2024



Prepared By:

**KZEN VALTECH PRIVATE LIMITED**

**IBBI/RV-E/05/2022/164**

## EXECUTIVE SUMMARY

|                   |   |
|-------------------|---|
| Property Name     | Commerzone IT Park, Yerwada, Pune, Maharashtra, India   |
| Property Address  | Commerzone Yerwada, Samrat Ashok Path, Commerzone IT Park, Yerwada, Pune, Maharashtra 411006.   |
| Land Area         | ~25.7 Acres   |
| Brief Description | <p>The property is located in the northeastern part, in the Secondary Business District East micro market of Pune City along the Jail Road. It is located at a distance of about 6.5 km from the Phoenix Market City and about 700 m. from Alandi Road, which further connects to Pune Ahmednagar Highway.</p> <p>The property is a Grade-A IT park and is developed as commercial / office space comprises of 1,681,127 sq. ft of leasable area under six (6) IT Buildings (B1, B4 B5, B6, B7, &amp; B8) and an Amenity Building. The property has good frontage along the access road and has 3 entrances. One of the entrances is only dedicated to Building B8.</p> <p>The property is surrounded by mixed-use development comprising residential, retail, and commercial developments.</p> |

Asset Details Leasable area details as shared by the Client is given below:

| Sl. No. | Building Name       | Leasable Area (sq. ft.) |
|---------|---------------------|-------------------------|
| 1.      | Building 1          | 43,200                  |
| 2.      | Building 4          | 210,199                 |
| 3.      | Building 5          | 371,399                 |
| 4.      | Building 6          | 179,269                 |
| 5.      | Building 7          | 373,358                 |
| 6.      | Building 8          | 424,181                 |
| 7.      | Amenity             | 79,521                  |
|         | Total Leasable Area | 1,681,127               |

Based on the site inspection, all blocks are operational. There are no under-construction buildings within the property.

Location Map



Key Assumptions

The table below summarizes key valuation assumptions used in the estimate

| Particulars                | Description                        |               |                       |              |           |                      |
|----------------------------|------------------------------------|---------------|-----------------------|--------------|-----------|----------------------|
| Asset Specific Information |                                    |               |                       |              |           |                      |
| Nature of Asset            | Commercial / Office with Amenities |               |                       |              |           |                      |
| Current Status             | Completed and Operational          |               |                       |              |           |                      |
| Total Leasable Area        | 1,681,127                          |               |                       |              |           |                      |
| Asset Details              | Sl. No.                            | Building Name | Leasable Area (Sq.ft) | Usage Type   | Status    | Age of the Building  |
|                            | 1.                                 | Building 1    | 43,200                | Non – SEZ IT | Completed | ~ 15 years           |
|                            | 2.                                 | Building 4    | 210,199               | Non – SEZ IT | Completed | ~ 14 years 8 months  |
|                            | 3.                                 | Building 5    | 371,399               | Non – SEZ IT | Completed | ~ 10 years 2 months  |
|                            | 4.                                 | Building 6    | 179,269               | Non – SEZ IT | Completed | ~ 14 years 10 months |
|                            | 5.                                 | Building 7    | 373,358               | Non – SEZ IT | Completed | ~ 14 years 2 months  |

|  |    |                                |         |              |           |                     |
|--|----|--------------------------------|---------|--------------|-----------|---------------------|
|  | 6. | Building 8                     | 424,181 | Non – SEZ IT | Completed | ~ 8 years 11 months |
|  | 7. | Amenity                        | 79,521  | Non – SEZ IT | Completed | ~ 10 years 6 months |
| <p>In addition to the above, the undivided rights, title and interest in the following assets are also part of the Project.</p> <ul style="list-style-type: none"> <li>• Total Amenity Plot and the premises on which the Amenity Building is situated</li> <li>• Total utility areas and internal roads</li> <li>• Total open spaces</li> </ul> |    |                                |         |              |           |                     |
| Revenue Assumptions  |    |                                |         |              |           |                     |
| In-Place Rent  |    | INR 74.7 per sq. ft. per Month |         |              |           |                     |
| Market / Marginal Rent   |    | INR 77.5 per sq. ft. per Month |         |              |           |                     |
| Parking Rent   |    | INR 2,363 per CPS per Month    |         |              |           |                     |
| Financial Assumptions  |    |                                |         |              |           |                     |
| Exit Cap Rate  |    | 8.00%                          |         |              |           |                     |
| Discount Rate / WACC   |    | 11.75%                         |         |              |           |                     |

Market Value For Completed Project - INR 18,258.57 million (INR Eighteen Billion Two Hundred Fifty Eight Million Five Hundred and Seventy Thousand Only)

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## **LIST OF ABBREVIATIONS**

|         |   |
|---------|---|
| CBD     | Central Business District                                       |
| CY      | Current Year  |
| INR     | Indian National Rupees  |
| IT/ITES | Information Technology/IT enabled Services                      |
| IVSC    | International Valuation Standards Committee                     |
| JLL     | Jones Lang LaSalle Property Consultants (India) Private Limited |
| km      | Kilo-metre  |
| NH      | National Highway  |
| PBD     | Peripheral Business District                                    |
| REIT    | Real Estate Investment Trust                                    |
| RICS    | Royal Institution of Chartered Surveyors                        |
| SBD     | Secondary Business District                                     |
| SEZ     | Special Economic Zone   |
| sq. ft. | square feet   |
| sq. m.  | square metre  |
| WACC    | Weighted Average Cost of Capital                                |

**CONVERSION OF UNITS**

|          |                  |
|----------|------------------|
| 1 acre   | 43559.66 sq. ft. |
| 1 acre   | 4046.9 sq. m.    |
| 1 sq. m. | 1.196 sq. yards  |
| 1 sq. m. | 10.764 sq. ft.   |
| 1 meter  | 1.0936 yards     |
| 1 meter  | 3.28 ft.         |
| 1 cent   | 435.6 sq. ft.    |

# 1 INTRODUCTION

## 1.1 INSTRUCTIONS

K Raheja Corp. Investment Managers Private Limited (hereinafter referred to as the 'Client'), in its capacity as Manager of the Mindspace Business Parks REIT (Mindspace REIT), has appointed KZEN VALTECH PRIVATE LIMITED, Registered Valuer Entity with Insolvency and Bankruptcy Board of India ("IBBI") bearing registration no. IBBI/RV-E/05/2022/164 (hereinafter referred to as the 'Valuer') to carry out an independent estimate of Market Value of commercial / office properties located in Chennai, Hyderabad, Mumbai and Pune along with incidental or ancillary activities including a facility management business and power distribution facility, vide Engagement Letter dated 27 March 2023. The Client intends to seek independent estimate of Market Value for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchange.

This Valuation Report has Market Value of a commercial / office project named **Commerzone (Building 1, 4, 5, 6, 7, 8 and Amenity)** located in **Yerwada, Pune**, Maharashtra, India (hereinafter referred to as the 'Project').

## 1.2 PURPOSE OF VALUATION

The purpose of this valuation is to estimate the value of the Project as part of the portfolio of Mindspace REIT for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended together with clarifications, guidelines and notifications thereunder in the Indian stock exchange and for accounting purpose.

In addition, other documents in relation to the regulatory filings such as publicity material, research reports, presentations and press releases will also be prepared, wherein copies, summary or extracts of the Valuation Report are intended to be included.

## 1.3 RELIANT PARTIES

The reliance on the Valuation Report prepared as part of this engagement is extended to the Manager, REIT and other parties including the trustee of REIT, debenture trustee(s), stock exchanges, unitholders of REIT, Securities and Exchange Board of India ('SEBI'), credit rating agencies, lenders of the REIT and/or its special purpose vehicles or any other person within or outside India as the Manager may deem fit for the purpose as highlighted in this report (valuation). The Valuer, however, would extend no liability to such reliant parties save and except for gross and willful negligence.

The valuation exercise is conducted strictly and only for the use of the parties as stated above who need to rely on such valuation ('Reliant Party') and for the Purpose specifically stated. The Client shall make all reliant parties aware of the terms and conditions of the engagement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 1.4 VALUER'S CAPABILITY

**KZEN VALTECH PRIVATE LIMITED**, bearing Registered Valuer Entity number IBBI/RV-E/05/2022/164 with IBBI has been appointed as the Valuer for providing opinions on market value of the respective Subject Properties.

Mr. Sachin Gulaty, Director, KZEN VALTECH PRIVATE LIMITED, is registered as a valuer with IBBI for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 13 August 2021. He qualified for the degree of Bachelor of Architecture from School of Planning and Architecture, New Delhi in 1997, and qualified for the degree of Master in Planning with specialization in Urban Planning from School of Planning and Architecture, New Delhi in 2002. He, subsequently, undertook distance learning from SVKM's Narsee Monjee Institute of Management Studies ("NMIMS") Global Access – School for Continuing Education, qualified for the two-years Post Graduate Diploma in Banking & Financial Management and was awarded this Post Graduate Diploma in July 2018.

Mr. Gulaty has more than 26 years of experience, including one and a half years of post-graduate education, spread over domains of architecture, urban planning, urban infrastructure, real estate advisory, and real estate asset valuation. He was the National Head of Valuations for Jones Lang LaSalle Property Consultants (India) Private Limited ("JLL India"), a leading International Property Consulting firm in India, from 2010 to 2021. Prior to this role, Mr. Gulaty gained practical experience in providing architecture services, town and city planning, and research related to regulatory studies and urban governance covering urban infrastructure such as water supply, sanitation, solid waste management, and urban transport, among other aspects. In the early part of his career, he worked with renowned architectural services firm, Kuldip Singh & Associates, and The Energy and Resources Institute ("TERI"). His last employment was with JLL as Senior Director and National Head for Valuations.

As the National Head of Valuations at JLL India, he led numerous valuation exercises for multiple financial institutions, private equity/real estate funds, corporates, industrial houses, government departments, and developers across multiple real estate asset classes of commercial, retail, residential, industrial, healthcare, and hospitality, among others. Clientele served by him across his entire career till date, under various employments, includes Brookfield, GIC, Qatar Investment Authority, JP Morgan, BlackRock, CapitalLand, Citibank, Standard Chartered Bank, Yes Bank, Kotak Mahindra, Maruti Suzuki, Indiabulls, Dubai Port World, World Bank, DLF, RMZ, Shriram Properties, DIPAM, NHAI, NBCC, AAI, and RLDA, among others.

Mr. Gulaty, who carries IBBI Registration Number: IBBI/RV/02/2021/14284, is enrolled with the Institute of Valuers Registered Valuers Foundation ("IOVRVF"), is a Fellow of Royal Institution of Chartered Surveyors ("RICS"), Fellow and Lifetime Member of Institute of Valuers, India ("IOV"), admitted as an Arbitrator (India) on the RICS Panel of Dispute Resolvers & Expert Witnesses, and features in the global list of RICS Trained Assessors, has prepared and signed this report on behalf of RV-E.

## 1.5 INDEPENDENCE, CONFLICT OF INTEREST AND VALUER'S INTEREST

The Valuer confirms that there are no conflicts of interest in so far as discharging his duties as a valuer for the Project is concerned. The Valuer has undertaken the valuation exercise without the presence of any bias, coercion, or undue influence of any party, whether directly connected to the valuation assignment. There has not been any professional association with the Client or the Project in past five years from his engagement as the Valuer.

The Valuer certifies that he/she does not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the Project (including the parties with whom the Client is dealing, including the lender or selling agent, if any) and accepts instructions to value the Project only from the Client.

## 1.6 ASSUMPTIONS, DEPARTURES AND RESERVATIONS

This Valuation Report has been prepared on the basis of the assumptions within the instructions (Key Assumptions, Qualifications, Limitations and Disclosures) detailed after this section of this report. The development mix, built up area, land area and lease details such as

lease rent, lease commencement and lease end date, lock-in period, escalation terms, etc. pertaining to the Project is based on the appropriate relevant documents, which has been provided by the Client and the same has been adopted for the purpose of this valuation.

## **1.7 INSPECTION OF THE PROJECT**

The Project was inspected on 26 March 2024 by the Valuer in the presence of Client-nominated representative and subsequently no site visits have been conducted. No measurement or building survey has been carried out as part of the valuation exercise. The Valuer has relied entirely on the site areas provided by the Client, which has been assumed to be correct. Based on the discussions with the Client, it has been assumed that no material change in the condition of the property has taken place except for the progress of construction work in accordance with the information shared.

## **1.8 GENERAL COMMENT**

A valuation is an estimation of price, not a guarantee. By necessity, it requires the Valuer to make subjective judgments that, even if logical and appropriate, may differ from those made by a purchaser, or another valuer. Historically it has been considered that valuers may properly conclude within a range of possible values.

The purpose of the valuation does not alter the approach to the valuation.

Property values can change substantially, even over short periods of time, and thus the valuation of the Project herein could differ significantly if the date of valuation was to change.

This report should not be relied upon for any other purpose other than for which this valuation exercise has been undertaken.

## **1.9 CONFIDENTIALITY**

The contents of this Valuation Report are intended for the specific purpose stated. Consequently, and in accordance with current practice, no responsibility is accepted to any other party in respect of the whole or any part of its contents- except as maybe required in connection with the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, under the applicable law.

## **1.10 AUTHORITY**

The Client acknowledges and agrees that the valuation exercise undertaken (including, without limitation, the Reports itself and the contents thereof) is solely for the purpose set out in Section 1.2 herein. If Client desires to use the Report in any offering or other investment material for purpose other than as mentioned in the Section 1.2 herein, then (a) with Valuer will require, and the Client must provide or cause to be provided, an indemnification agreement in his favor, given by parties reasonably satisfactory to him, and (b) the Client will obtain his consent to the references in such materials to the Report.

## **1.11 LIMITATION OF LIABILITY**

The Valuer has provided the services exercising due care and skill but does not accept any legal liability arising from negligence or otherwise to any person in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the properties. Further, the Valuer shall not accept liability for any errors, misstatements, omissions in the report caused due to false, misleading or incomplete information or documentation provided to him by the Instructing Party.

The Valuer's maximum aggregate liability for claims arising out of or in connection with the Valuation, under this engagement shall not exceed the professional indemnity insurance obtained by him. As on the date of this report, the professional indemnity insurance maintained by the Valuer is for Indian Rupees Fifty Million.

In the event that the Manager, the sponsors, the trustee, the REIT, or other intermediaries appointed by the Manager and / or REIT or its SPVs be subject to any claim ('Claim Parties') in connection with, arising out of or attributable to the Report, the Claim Parties will be entitled to require the Valuer to be a necessary party/respondent to such claim and he shall not object to his inclusion as a necessary party/ respondent. In all such cases, the Manager, on behalf of the REIT, agrees to reimburse/ refund to the Valuer, the actual cost (which shall include legal fees and external counsel's fee) incurred by them while becoming a necessary party/respondent. If the Valuer does not cooperate to be named as a party/respondent to such claims in providing adequate/successful defense in defending such claims, the Claim Parties jointly or severally will be entitled to initiate a separate claim against the Valuer in this regard.

The Valuer will neither be responsible for any legal due diligence, title search,, and physical measurements nor undertake any verification/ validation of the zoning regulations/ development controls with any government departments/authorities, among other aspects. , etc.

## **1.12 DISCLOSURE AND PUBLICATION**

The Valuer must not disclose the contents of this Valuation Report to a third party in any way, except as allowed under the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars. As per the terms and regulation 2(1) of the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars, it may be noted that the Valuation report is prepared in accordance with said REIT regulations.

## **1.13 ANTI-BRIBERY AND ANTI-CORRUPTION**

The Valuer represents, warrants and undertakes that:

The Valuer is familiar with applicable Anti-Corruption Laws under this Agreement including but not limited to Prevention of Corruption Act 1988 and will ensure that neither it nor any of its officers, directors, shareholders, employees and agents or any other person acting under its implied or express authority will engage in any activity, practice or conduct which would constitute an offence under, or expose or potentially expose either Party to any direct or indirect liability, under Applicable Anti-Corruption Laws;

It is further agreed that breach of any of the above undertakings shall be deemed to be a material breach of the Agreement and in case the Valuer is insisted upon or asserted by Client to violate any of the above said undertakings including Anti-Corruption regulations in any form or manner, on pretext of business relationship or otherwise, the Valuer shall have a discretionary right to terminate this Agreement without any liability or obligation on his part.

Such termination of this Agreement shall not in any way prejudice the rights and obligations (including payment for the services delivered under this Agreement) already accrued to the Valuer, prior to such termination.



## KEY ASSUMPTIONS, QUALIFICATIONS, LIMITATIONS AND DISCLAIMERS

|     |   |   |
|-----|---|---|
| 1.  | Type of Estimate                              | The scope of the assignment covers only estimating Market Value of a specified property and not a business valuation for either the Client or any of their subsidiaries or associated companies, etc. The estimate is based on extent of data/information provided by the Client and estimate has limited coverage wherever full data/information is not made available by the Client.  |
| 2.  | Legal Due-Diligence                           | Legal due diligence for establishing clarity of title, ownership, encumbrances if any, notices or disputes if any, among other legal-related issues are not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.  |
| 3.  | Information Provided by the Client and Others | The Valuer has relied on the information provided by the Client and the same has been assumed to be correct and has been used in the valuation. Where it is stated that another party has supplied information to the Valuer, this information is believed to be reliable. The Valuer cannot accept any responsibility for accuracy and non-reliability of such information.  |
| 4.  | Regulatory Due-Diligence                      | Regulatory due diligence is not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.  |
| 5.  | Project Status, Schedule and Project Costing  | Assessment of the Project Status and Schedule is based on the information provided by the Client and does not consider any unforeseeable developments which could impact the same in the future. The estimate <u>does account</u> for any capital expenses incurred by the Client on the existing and/or ongoing development works in the Project. Auditing the project figures is not part of the scope of work under this assignment. In all likelihood, an independent auditing agency would be covering this aspect, details of which can be obtained from the Client.  |
| 6.  | Market Conditions and Trends                  | The Valuer has taken into consideration the general conditions in the market with respect to broad demand and supply while carrying out the valuation. The Valuer has compared other comparable properties on the basis of many factors and as far as possible tried to remove / account for the differences in type, location and quality of the properties.   |
| 7.  | Information on Leases and Sales Performance   | The Valuer has relied on the rent roll including lease terms & conditions of the existing and pre-committed leases, as given by the Client. The Valuer has not verified individual lease agreements and the Valuer has relied on all information provided to him by the Client, upon which the Valuer will rely, is complete and correct. The Valuer has relied on pre-leasing details to the extent data/information made available by the Client.   |
| 8.  | Site Investigations and Illustrations         | The Valuer has carried out the site visits and based on the information made available by the Client and the estimate is carried out considering that the Project Site is a contiguous land parcel and is free from any encroachments and encumbrances as on the date of valuation. The Valuer has not carried out any structural survey nor tested the building services. No geographical or geo-physical survey was carried out. No environmental assessment has been carried out. Any sketch, plan or map in the report is included to assist reader while visualizing the Project and assume no responsibility in connection with such matters. |
| 9.  | Project Cost Estimates                        | Project Cost Estimates used in the estimate is as given by the Client. Project progress including capital expenditure progress reported is based on the cost incurred data as shared by the Client. The Valuer has reviewed the Project Cost estimates and/or cost incurred data to broadly ascertain their correctness on a normative basis while relying on the same as shared by the Client.   |
| 10. | Environmental Compliance                      | The Valuer assumed that the Project Site / Project is not contaminated and is not adversely affected by any existing or proposed environmental law and any processes which are carried  |

|     |  |  |
|-----|--|--|
|     |  | out on the Project Site are regulated by environmental legislation and are Project Site licensed by the appropriate authorities.   |
| 11. | Present Ground Conditions                  | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present, which might adversely affect the current or future occupation, development of the Project. The estimate assumes that the Project Site is free from rot, infestation, structural or latent defect and no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the property and comments made in the property details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.  |
| 12. | Town Planning and Statutory Considerations | The Valuer has not made formal search but has generally relied on readily available information to general public. Valuation Report is on current use/ current state basis of the property and the Valuer has not considered any Government proposals for road widening or compulsory purchase/ acquisition, or any other statute in force that might affect the Project.  |
| 13. | Future Market Development and Prospects    | The Valuer has not accounted any future market development and prospects to the extent information known to the Valuer as on the date of valuation. The Valuer does not warrant that such statements are accurate or correct.  |
| 14. | Disclaimer                                 | <p>The estimate of Market Value is based on documents/information shared by the Client. The Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Project.</p> <p>The Valuer has relied on the measurements and information provided at all times, whether from public and private sources, and has ensured to the best of their ability the correctness and the validity of the same, by cross checking from various sources. Whilst every effort has been taken to provide authentic data and analysis, the Valuer, and/or any of their associated companies and/or their employees are not responsible for any loss, major or minor incurred on the basis of the information and analyses provided, nor are liable to any damages in any form or shape.</p> <p>Given the confidential nature of real estate transactions, transaction details for most properties, which are privately actually transacted, are not in the public domain. Consequently, there is reliance on information from market sources, which may not be completely accurate. Thus, information has been crosschecked independently from other market sources to ascertain the broad credibility of information being provided by the market sources. This assignment has been done on best effort and knowledge basis.</p> <p>For ease and simplicity of representation, certain figures may have been rounded.</p> |

## 2 VALUATION APPROACH AND METHODOLOGY

### 2.1 VALUATION STANDARDS ADOPTED

This Report is prepared in accordance and compliance with:

1. Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time ("**SEBI Regulations 2014**"), including Regulation 21 Sub-Regulation (3) and mandatory minimum disclosures as specified in Schedule V of these SEBI Regulation 2014,
2. Companies (Registered Valuers and Valuation) Rules, 2017 as amended from time to time ("**Valuer Rules 2017**"), including reporting requirements as specified in Rule 18 to these rules,
3. International Valuation Standards 2022 ("**IVS 2022**") as set out by International Valuation Standards Committee ("**IVSC**") and adopted by Royal Institution of Chartered Surveyors ("**RICS**") presented in the RICS Valuation Standards and Guidelines 2022 ("**RICS Red Book 2022**"), subject to variation to meet local established law, custom, practice, and market conditions.

### 2.2 BASIS OF VALUATION

Basis of valuation of the Project is **Market Value** as defined by IVSC and adopted by Royal Institution of Chartered Surveyors (RICS) to be: *"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion"*.

### 2.3 APPROACH AND METHODOLOGY

The purpose of this valuation exercise is to estimate the Market Value of the Project, which is a real estate asset. Market Value of the real estate asset can be estimated using different approaches and methodologies.

**Income Approach:** Under this valuation approach, the income generating potential of the real estate asset is estimated while opining on its market value. This approach is typically adopted for assets that are income-generating (completed and operational with multiple tenancies, multiple strata units that can be sold with phased/milestone-based revenue collections, among others). For income-generating assets with single/multiple tenancies, the discounted cash flow entailing term and reversion method is most commonly adopted.

**Market Approach:** Under this valuation approach, the price that an asset could fetch in an open market is estimated. This approach is typically adopted for homogeneous assets in their micro-market and are typically traded on a unit basis. The most commonly adopted valuation method under this valuation approach is the Listed Transaction / Listed Quoted Instances Method, also commonly known as the Direct Comparison or the Comparable Sales/Quoted Instances Method.

**Cost Approach:** Under this valuation approach, the cost required to create an asset of similar or equal utility is estimated. This valuation approach is typically adopted for real estate assets that can be clearly broken down into constituent elements, namely land and built structures. The most commonly adopted valuation method under this valuation approach is the Physical Method, also commonly known as Land and Building Method, which typically entails estimation of the underlying land value (while normally adopting the Market Approach) and the built structures (while adopting the Depreciated Replacement Cost Method) separately.

The table below presents different valuation methodologies and their brief description.

**Table 2.1: Different Valuation Methodologies and Description**

| Sl. No. | Valuation Methodology                      | Description   |
|---------|--|---|
| 1.      | Comparable Sales / Quoted Instances Method | This method is based on comparing the subject property directly with other comparable property transaction (actually been sold in the vicinity or are offered for sale). Efforts would be made to collect transacted instances. In case of non-availability of transacted instances in the micro-market, the opinion will be offered based on the available asking/quoted instances in the market with appropriate adjustments for margin for negotiation. Given the homogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative and quantitative differences that may affect the price likely to be achieved by the property under consideration. These adjustments are typically made in the form of premium and/or discount factors for various property attributes, which affect the value. This method demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This method is a fair estimate of the prevailing prices. |
| 2.      | Depreciated Replacement Cost Method        | Replacement cost method is based on the construction cost of assets. The cost to be estimated is the cost of construction as per the construction status at the valuation date. This is based on the inspection of the facility and inputs provided by the Client; however, no structural survey will be conducted. Appropriate depreciation rates will be applied based on schedules given under the Indian Companies Act. This is generally used for estimating the Market Value of only the buildings  |
| 3.      | Discounted Cash Flow Method                | This method is based on the present value of the future receivable net income from the current operational leases / revenues. The current revenues and the future achievable revenues derived from the operational project components of the Project Site would be adjusted for the outgoing expenses to derive 10-year cash flows. The same is then discounted at an appropriate discounting rate linked with risk adjusted discounting factor to estimate the market value for the operational project components. This method is sometimes referred to as 'Rent Roll method as well.   |

#### Approach and Methodology Adopted for Estimating Market Value of the Project

Based on a detailed review of the leases for the Project, the Valuer has noted that a large number of leases of the Project were executed at rent prevalent at the time of signing of such leases or at a discount to prevailing market rental (for a few anchor tenants). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, demand-supply dynamics, quality of spaces, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some properties or submarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to estimate the intrinsic value of the property under review.

Considering the objective of this exercise and the nature of asset involved (completed & operational commercial / office space, the value is estimated using the 'Discounted Cash Flow Method' (basis term and rent reversion) under 'Income Approach'.

## 3 VALUATION ASSUMPTIONS AND INPUTS

### 3.1 INVESTIGATION, NATURE AND SOURCE OF INFORMATION

The Valuer undertook physical visits of the Project wherein the buildings and related assets were visually inspected to assess the condition of the buildings and the apparent state of its maintenance/upkeep.

Information related to state and structure of the relevant real estate market for the Project was sourced from the industry and market report prepared by Jones Lang LaSalle Property Consultants (India) Private Limited ('JLL'), who were appointed by the Client to undertake market research and portfolio analysis of the properties part of the Mindspace REIT.

Project related information referred to for the valuation exercise have been provided by the Client unless otherwise mentioned. The Valuer has assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, the Valuer has independently revalidated the information by reviewing the originals as provided by the Client.

In addition, the Valuer relied on the following information and documents shared by the Client with respect to the Project:

- Title certificates prepared by the Legal Counsel of the Client covering the type of ownership interest enjoyed and information on ongoing litigation.
- Architect's certificates dated mentioning site areas and property areas
- Relevant approval documents from competent authorities regarding occupancy, operations and fire safety.
- Lease agreements and commercial clauses thereof for top five tenants on a sample basis
- Masterplan/ Development plan applicable in the jurisdiction of the Project
- Management representation regarding the following:
  - Major repairs undertaken and proposed in the Project
  - Statement of assets
  - Options or Rights of Pre-emption and any other encumbrances concerning or affecting the property
  - Revenue pendency if any
  - List of material litigations

### 3.2 CAPITALIZATION RATE

The capitalization rate adopted for valuing the assets has been based on various factors such as:

- Historical entry yields (going in cap rates) for commercial / office asset transactions across various key markets in India, which have steadily shown a downward trend over last 7 - 8 years from 10.5%-11.5% to about 7.5%-8.5% in 2023.
- The increased appetite for income generating assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- The demand supply situation in the respective city and expected dynamics of demand leading supply - given entry challenges such as land availability, higher initial cost outlays etc. developers are expected to focus on fully built to suit or semi-speculative projects (with key tenants tied in prior to launch of construction).
- Inflation (and interest rates) expected to be maintained in check with interventions from the Reserve Bank of India, in case of significant change.
- Liquidity associated with REIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer).

***Based on the above factors, the Valuer has adopted a exit cap rate of 8.00% for the Project, for the purposes of estimating the Market Value, considering the 1 year forward net operating income after 10 years, is utilized for the purpose of calculation of exit value / terminal cash flow.***

### 3.3 DISCOUNT RATE

This discount rate used for discounting the available cash flows represents Cost of equity (the opportunity cost for shareholders) and Cost of Debt (the opportunity cost for creditors), weighted by their respective contribution to the total capital of the company (WACC). The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived using the below formula:

$$\text{Cost of equity} = \text{Risk Free Rate (Rf)} + \text{Beta } (\beta) * (\text{Market Return (Rm)} - \text{Risk Free Rate (Rf)})$$

The cost of debt for completed commercial / office blocks has been considered based on prevalent financing rates for Grade A commercial / office parks in the city. The weightages accorded to equity and debt are derived through benchmarking the Project Site against similar portfolios/properties in the market. For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC) which is derived to be 11.75% for the project. The derived discount rate was found to be aligned with the expectations of investors investing in similar assets.



## 4 VALUATION CERTIFICATE

| Property Name   | Commerzone IT Park, Yerwada, Pune, Maharashtra, India   |  |         |                   |                       |    |                  |  |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
|---|---|--|---------|-------------------|-----------------------|----|------------------|--|----|-------------|--------|----|-------------|--------|----|-------------|--------|----|-------------|--------|----|-------------|--------|----|-------------|--------|----|-------------|--------|
| Property Address  | Commerzone Yerwada, Samrat Ashok Path, Commerzone IT Park, Yerwada, Pune, Maharashtra 411006.   |  |         |                   |                       |    |                  |  |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| Land Area   | ~25.7 Acres   |  |         |                   |                       |    |                  |  |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| Brief Description                                       | <p>The property is located in the north-eastern part, in the Secondary Business District East micro market of Pune City along the Jail Road. It is located at a distance of about 6.5 km from the Phoenix Market City and about 700 m. from Alandi Road, which further connects to Pune Ahmednagar Highway.</p> <p>The property is developed as commercial / office under six (6) IT Buildings (B1, B4, B5, B6, B7, &amp; B8) and an Amenity Building. The property has good frontage along the access road and has 3 entrances. One of the entrances is only dedicated to Building B8.</p> <p>The property is surrounded by mixed use development comprising residential, retail, and commercial developments.</p> |  |         |                   |                       |    |                  |  |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| Valuation Methods                                       | <p>The estimate of Market Value is prepared using following methods:</p> <table border="1"> <thead> <tr> <th>Sl. No.</th><th>Asset Type</th><th>Methodology Adopted</th></tr> </thead> <tbody> <tr> <td>1.</td><td>Completed Assets</td><td>Discounted Cash Flow Method using Rent Reversion</td></tr> </tbody> </table>  |  | Sl. No. | Asset Type        | Methodology Adopted   | 1. | Completed Assets | Discounted Cash Flow Method using Rent Reversion |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| Sl. No.   | Asset Type  | Methodology Adopted                              |         |                   |                       |    |                  |  |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| 1.  | Completed Assets  | Discounted Cash Flow Method using Rent Reversion |         |                   |                       |    |                  |  |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| Nature of the Interest by the Client                    | 100% freehold interest in the Project as informed by the Client   |  |         |                   |                       |    |                  |  |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| Purchase Price of the Project                           | INR 16,656 million, as given by the Client  |  |         |                   |                       |    |                  |  |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| Historical Valuation of the Project in 3 Previous Years | <p>Below table summarizes historical valuation of the Project as given by the Client:</p> <table border="1"> <thead> <tr> <th>Sl. No.</th><th>Date of Valuation</th><th>Market Value (INR Mn)</th></tr> </thead> <tbody> <tr> <td>1.</td><td>30-Sep-2023</td><td>19,102</td></tr> <tr> <td>2.</td><td>31-Mar-2023</td><td>19,389</td></tr> <tr> <td>3.</td><td>30-Sep-2022</td><td>19,642</td></tr> <tr> <td>4.</td><td>31-Mar-2022</td><td>19,814</td></tr> <tr> <td>5.</td><td>30-Sep-2021</td><td>19,848</td></tr> <tr> <td>6.</td><td>31-Mar-2021</td><td>19,606</td></tr> <tr> <td>7.</td><td>30-Sep-2020</td><td>19,050</td></tr> <tr> <td>8.</td><td>31-Mar-2020</td><td>19,100</td></tr> </tbody> </table>  |  | Sl. No. | Date of Valuation | Market Value (INR Mn) | 1. | 30-Sep-2023      | 19,102   | 2. | 31-Mar-2023 | 19,389 | 3. | 30-Sep-2022 | 19,642 | 4. | 31-Mar-2022 | 19,814 | 5. | 30-Sep-2021 | 19,848 | 6. | 31-Mar-2021 | 19,606 | 7. | 30-Sep-2020 | 19,050 | 8. | 31-Mar-2020 | 19,100 |
| Sl. No.   | Date of Valuation   | Market Value (INR Mn)                            |         |                   |                       |    |                  |  |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| 1.  | 30-Sep-2023   | 19,102   |         |                   |                       |    |                  |  |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| 2.  | 31-Mar-2023   | 19,389   |         |                   |                       |    |                  |  |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| 3.  | 30-Sep-2022   | 19,642   |         |                   |                       |    |                  |  |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| 4.  | 31-Mar-2022   | 19,814   |         |                   |                       |    |                  |  |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| 5.  | 30-Sep-2021   | 19,848   |         |                   |                       |    |                  |  |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| 6.  | 31-Mar-2021   | 19,606   |         |                   |                       |    |                  |  |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| 7.  | 30-Sep-2020   | 19,050   |         |                   |                       |    |                  |  |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| 8.  | 31-Mar-2020   | 19,100   |         |                   |                       |    |                  |  |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| Ready Reckoner Rate                                     | <p>Built-up Area (Office) – INR 112,770 per sq mt</p> <p>Land Area - INR 29,510 per sq mt</p>   |  |         |                   |                       |    |                  |  |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |
| Date of Valuation                                       | 31-Mar-2024   |  |         |                   |                       |    |                  |  |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |    |             |        |

|  |  |
|--|--|
| Date of Inspection                                       | 26-Mar-2024  |
| Market Value as on 31-Mar-2024                           | For Completed Project - INR 18,258.57 Mn (INR Eighteen Billion Two Hundred Fifty Eight Million Five Hundred and Seventy Thousand Only)   |
| Matters Affecting the Property and its Value             | Please refer to Chapter 7 of this Valuation Report   |
| Assumptions, Disclaimers, Limitations and Qualifications | This Valuation Report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report, which are made in conjunction with those included within the Assumptions, Limitations & Qualifications section located within this report. Reliance on this report and extension of Valuer's liability is conditional upon the reader's acknowledgement and understanding of these statements. This Valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party, who may use or rely on the whole or any part of the content of this Valuation Report. The Valuer has no pecuniary interest that would conflict with the proper valuation of the Project |
| Prepared by  | KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)<br>Represented through its Director<br>Mr. Sachin Gulaty FRICS FIV FIIA<br>IBBI/RV/02/2021/14284  |



**Name:** Sachin Gulaty FRICS FIV FIIA

**Designation:** Director

**Valuer Registration No.:** IBBI/RV/02/2021/14284

## 5 PROJECT SITE AND PROJECT ANALYSIS

### 5.1 DETAILS OF THE PROJECT SITE AND/OR PROJECT

The table below presents details of the Project Site and/or Project

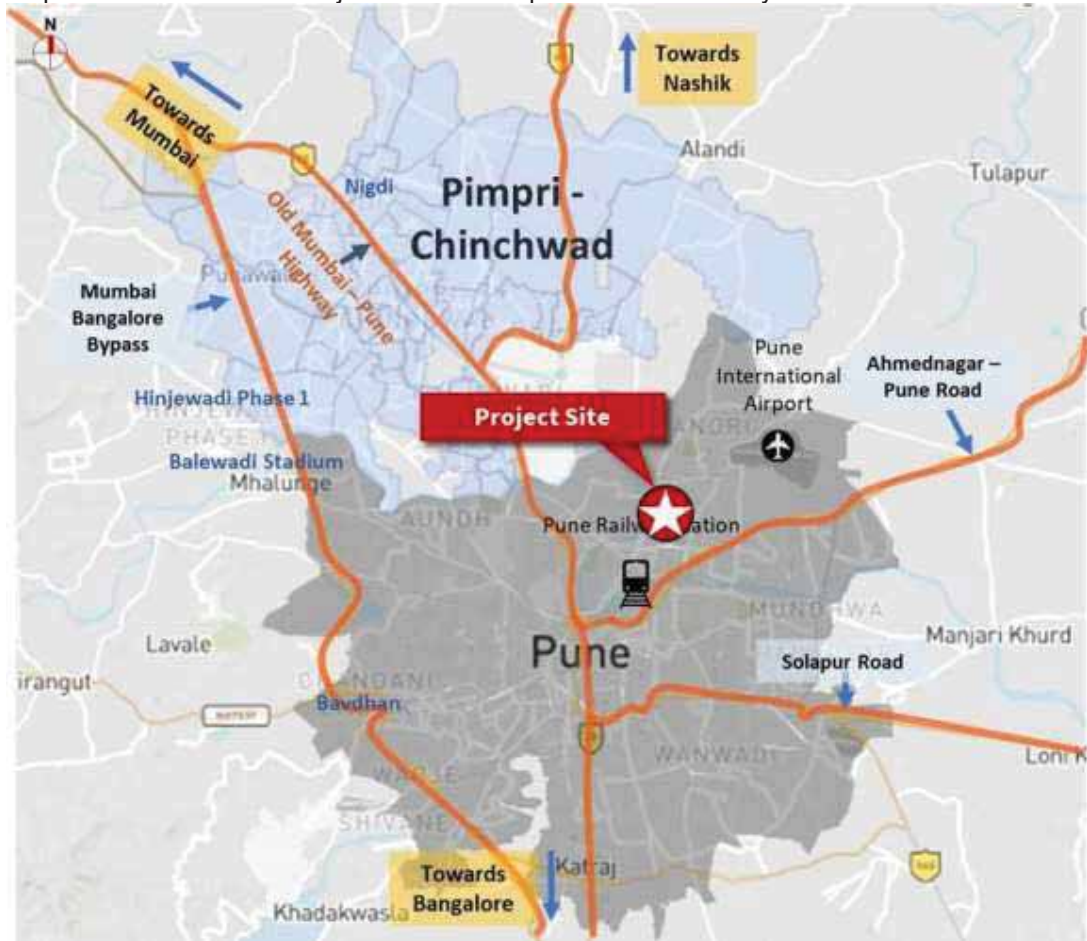
Table 5.1: Details of the Project Site and/or Project

| DETAILS OF PROPERTY                                     |   |
|---|---|
| Property Name   | Commerzone IT Park, Yerwada, Pune, Maharashtra, India   |
| Property Address  | Commerzone Yerwada, Samrat Ashok Path, Commerzone IT Park, Yerwada, Pune, Maharashtra 411006. |
| Land Area   | ~25.7 Acres   |
| Block-Wise Break-Up of Leasable Area and Current Status | Block wise Leasable area details are mentioned above in Executive summary.                    |
| Access  | Accessible through approx. 18 m. wide Jail Road and 20 m. wide Internal Road                  |
| Frontage  | Approximately 150 m. frontage along Jail Road Yerwada   |
| Shape and Visibility                                    | Regular in shape. Relatively flat terrain. Excellent visibility from Jail Road Yerwada        |
| Approval Status   | Project has requisite approvals in place as confirmed by the Client.                          |
| INFRASTRUCTURE  |   |
| Water Supply, Sewerage & Drainage                       | Available within the Project  |
| Power & Telecommunication                               | Available within the Project  |

### 5.2 LOCATION OF THE PROJECT

The Project is located in the northeastern part, Secondary Business District (SBD) East micro market of the city along the Jail Road. It is located at a distance of about 6.5 km from the Phoenix Market City and about 700 m from Alandi Road, which further connects to Pune Ahmednagar Highway. The map on the following page presents the location of the Project with respect to the city.

Map 5.1: Location of the Project Site with respect to the Pune City



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The distance of the Project from major landmarks in the city is given in the table below.

Table 5.2: Distances of the Project from Major Landmarks in the City

| Location / Landmark        | Approximate Distance from Project Site (km) |
|----------------------------|---|
| Pune Railway Station       | 6.0   |
| Pune International Airport | 5.0   |
| Viman Nagar Chowk          | 5.0   |
| Phoenix Market city        | 6.5   |
| Shivaji Nagar              | 10.0  |
| Pune University            | 10.0  |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### 5.3 DESCRIPTION OF THE PROJECT AND ITS SURROUNDINGS

The Project is developed as commercial / office space along Jail Road in Yerwada. The Project is surrounded by mixed use development comprising residential, retail, and commercial asset classes. The Project is spread across 25.7 acres of land. The Project has good frontage along the access road and has 3 entrances and has a relatively flat topography with no significant variations in the height of the land. The map on the following page presents location of the Project and its surroundings.

Map 5.2: Location of Project and its Surrounding Developments

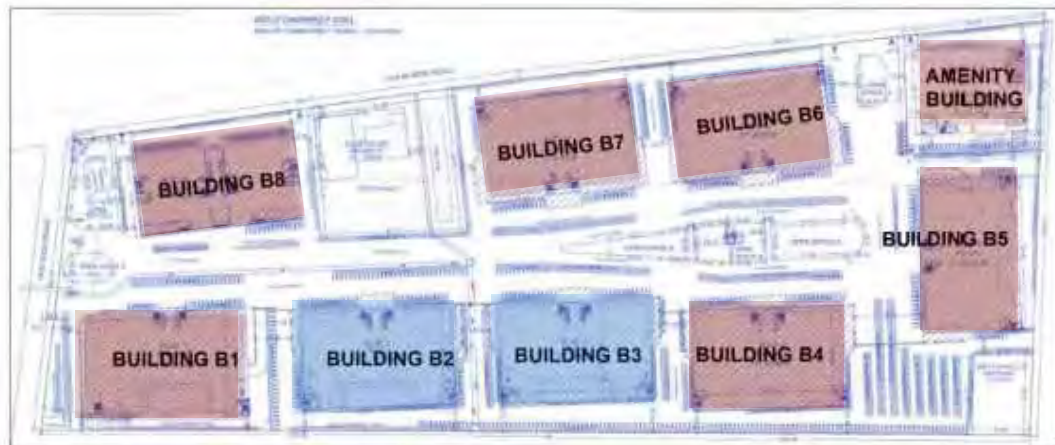


Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The Project has good accessibility due to its location along the Jail Road and Internal Road and vicinity to Pune Ahmednagar Highway. Existing Metro Aqua Line and BRTS Corridor enhances the connectivity of Project with other parts of the city and reduces the travel time.

The map below presents the conceptual Layout Plan of the Project as shared by the Client.

Map 5.3: Conceptual Layout Plan for the Project



Source: Client, 31<sup>st</sup> March 2024

Note: Buildings marked in Red are considered for valuation in this report.



The table below presents the boundary/edge conditions of the Project Site.

**Table 5.3: Project Site and its Site Boundaries**

|       |               |
|-------|---------------|
| North | Jail Road     |
| South | Vacant Land   |
| West  | Vacant Land   |
| East  | Internal Road |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The Project Site is predominantly surrounded by commercial, residential and hospitality developments in the vicinity. Grade A commercial / office developments and premium residential developments are also present in the micro-market.

## 5.4 DESCRIPTION OF THE PROJECT

The table below presents key asset specific information.

**Table 5.4: Key Asset Specific Information of the Project**

| Particulars                       | Description  |
|-----------------------------------|--|
| Name of the Entity                | Mindspace Business Parks Private Limited   |
| Interest owned by Mindspace REIT  | Project is wholly owned by Mindspace Business Parks Private Limited which is 100% owned and controlled by the Mindspace REIT <sup>1/</sup> |
| Land Extent of Project            | ~25.7 acres  |
| Asset Type                        | IT Park with Non-SEZ buildings   |
| Sub-Market                        | SBD East   |
| Approved and Existing Usage       | IT Offices   |
| Current Status                    | 100% Complete and Operational  |
| Approvals Status                  | Project has requisite approvals in place as confirmed by the Client.   |
| Freehold/Leasehold                | The underlying land is taken on freehold basis   |
| Leasable Area                     | 1.68 million sq. ft.   |
| Occupied Area                     | 1.58 million sq. ft.   |
| Committed Area                    | 1.64 million sq. ft.   |
| Occupancy <sup>3/</sup>           | 94.0%  |
| Committed Occupancy <sup>4/</sup> | 97.6%  |
| Number of Tenants                 | 24   |

<sup>1/</sup> Refer company structure set out in Annexure 1

<sup>2/</sup> Client has obtained occupation certificate for entire leasable area measuring 1.68 million sq. ft.

<sup>3/</sup> Occupancy refers to proportion of area leased, which is actively occupied by the tenants/occupiers

<sup>4/</sup> Committed occupancy also includes area, which has been pre-leased to tenants/occupiers

## 5.5 PROJECT INSPECTION


The Project is part of a larger campus spread across six (6) IT Buildings (B1, B4, B5, B6, B7, & B8) and an Amenity Building. All building blocks are completed & operational and are non-SEZ buildings, as on the date of inspection by the Valuer. The Project was inspected by the Valuer on 26 March 2024.



The inspection comprised visual inspection of operational buildings comprising the property and visits to key utility areas like LT Electric Room, Pump Room, HVAC installations, Power Back up, STP. The common areas within the buildings were visited on a sample basis as the areas under tenant occupation had access restriction.

The visual inspection of the buildings did not reveal any cause of concern with no visible signs of any disrepair or ill maintenance within the operational buildings. The utility areas also appeared well maintained, visually. No instances of any major logging or water accumulation were observed during the inspections. The inspections did not comprise any structural survey, technical/engineering review or safety audit and the assessment of the condition of the building, its utilities and campus infrastructure is based completely on visual survey.

Some of the photographs of the Project and surroundings are given below.

|   |  |
|---|--|
|    |    |
| External Views of Buildings   | External Views of Buildings  |
|   |   |
| View of Internal Lobby Space  | View of Parking space  |
|  |  |
| View of Services  | View of Services   |
|  |  |
| View of Internal Pathways   | View of Open Space in Campus   |



## 5.6 OTHER RELEVANT INFORMATION RELATED TO THE PROJECT

### Developable Area of the Project

The total site area of the project is ~25.7 Acres with total leasable area of 1.68 Mn sq ft under 6 Buildings and 1 Amenity Building out of 8 Buildings in total.

### Site Services and Finishes

The visual inspection was done for all the buildings including common areas and key utility areas such as LT Electric Room, Pump Room, STP, Chillers, HVAC Installations etc. As per the visual survey there was no concern related to finishes and site services. The campus is well maintained with proper landscaping in common areas.

The exterior of the buildings

### Condition and Repairs

The visual inspection was done for all the buildings including common areas and key utility areas such as LT Electric Room, Pump Room, STP, Chillers, HVAC Installations etc. The inspection of key utility areas was done on a sample basis, and it did not reveal any cause of concern or ill maintenance in any of the operational buildings.

Below mentioned properties are undergoing upgradation / further development the budget and cost incurred details for the same are as follows:

The Project has approx. 1.68 mn sq. ft leasable area under six IT buildings and 1 Amenity Building and is fully completed and operational. Thus, no pending cost to complete is factored as of date of valuation for the Project. However, there is upgrade CAPEX to the tune of approx. INR 1,415 million which shall be completed by Q3 FY27.

### Environmental Considerations

The Valuer has not carried out any investigations or tests or been supplied with any information from the Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the subject or any other land (including any ground water).

For the purpose of assessing the vulnerability of the Project to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Pune where the Project is located falls in Seismic Zone III with moderate risk. The city faces low risk in terms of high winds or cyclones too. The Project is not likely to face any higher risk than the overall risk profile of the city. No hazardous activity was noted in the vicinity of the Project, which may expose it for any induced disaster.

The Project is located at a relatively higher elevation compared to its immediate surroundings, indicating low risk of flooding and perennial water logging.

**Option or Pre-Emption Rights and Encumbrances**

Unless disclosed and recorded by the Client, the Project is considered to possess a good and marketable title and is free from any unusually onerous encumbrances with no option or pre-emption rights in relation to the assets except for those created in favor of the lenders, based on the information given in the Title Reports prepared by Hariani & Co. (hereinafter collectively referred to as 'Legal Counsel'). The Valuer has not checked and verified the title of the Project.

**Revenue Pendencies**

On the basis of the Title Reports prepared by the Legal Counsel and discussion with the Client, there are no revenue pendencies including local authority taxes associated with the Project or any compounding charges. No independent verification of this has been made from revenue authorities and reliance has been made on the Client information for the same.

**Material Litigation**

Based on discussions with the Client and Title Reports shared, there are no material litigation including tax disputes other than the litigation disclosed to the Valuer (which are specified in Annexure 7), relating to the Project or any compounding charges.

**5.7 TENANCY ANALYSIS****Tenant Profile of Top 10 Tenants**

As on 31<sup>st</sup> March 2024, Project Site has 24 tenants (for office space) which include companies like Nvidia, UBS(India), Schlumberger, TCS, BNY Mellon etc. The Project Site's top 10 tenants account for ~89% of the Gross Rental income.

The top 10 Tenants as per Leasable areas is listed below: -

Table 5.5: Top 10 Tenants as per Leasable areas\*

| Sl. No. | Tenant   | Leasable Area (Sq Ft) |
|---------|--|-----------------------|
| 1       | Nvidia Graphics Pvt. Ltd.  | 371,399               |
| 2       | Schlumberger India Technology Centre Pvt. Ltd                                | 255,444               |
| 3       | UBS Solutions India Pvt Ltd  | 234,386               |
| 4       | Tata Consultancy Services Ltd  | 184,858               |
| 5       | BNY Mellon International Operations (India) Pvt. Ltd                         | 98,497                |
| 6       | Noble Foundation   | 79,521                |
| 7       | Cencora India Technology Services Pvt. Ltd.                                  | 56,000                |
| 8       | DST Worldwide Services India Pvt. Ltd. (SS&C Fintech Services India Pvt Ltd) | 52,000                |
| 9       | Workday India Pvt. Ltd.  | 42,000                |
| 10      | LNW India Solutions Private Limited  | 42,000                |
|         | Total  | 1,416,106             |

\* Includes contracted areas for which rent may start at a future date

The top Tenants arranged as per Gross Rents are listed below:

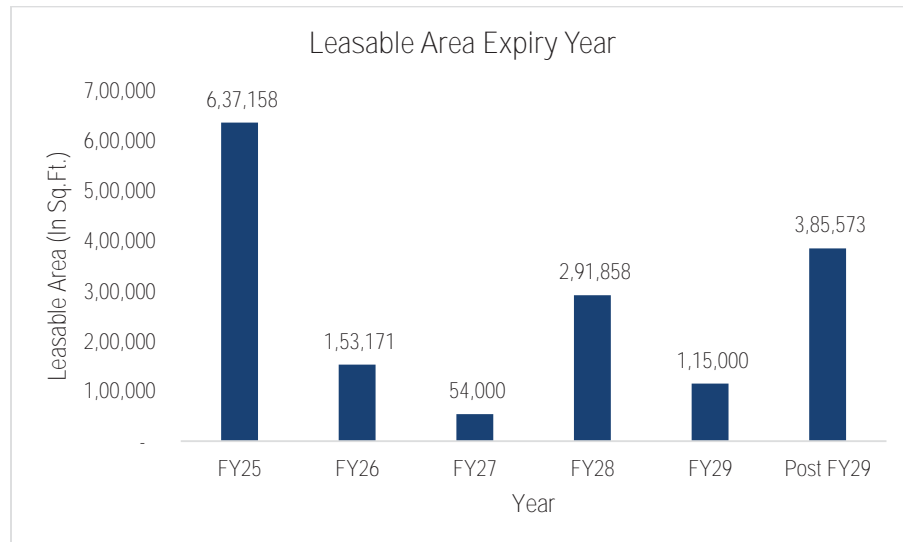
**Table 5.6: Top 10 Tenants as per Gross Rentals\***

| Sl. No. | Tenant   | Share of Gross Rentals |
|---------|--|------------------------|
| 1       | Schlumberger India Technology Centre Pvt. Ltd                                | 24.90%                 |
| 2       | Nvidia Graphics Pvt. Ltd.  | 17.56%                 |
| 3       | UBS Business Solutions (I) Pvt. Ltd  | 12.53%                 |
| 4       | Tata Consultancy Services Ltd  | 10.49%                 |
| 5       | BNY Mellon International Operations (India) Pvt. Ltd                         | 7.66%                  |
| 6       | Cencora India Technology Services Pvt. Ltd.                                  | 4.40%                  |
| 7       | DST Worldwide Services India Pvt. Ltd. (SS&C Fintech Services India Pvt Ltd) | 3.13%                  |
| 8       | Workday India Pvt. Ltd.  | 3.06%                  |
| 9       | Noble Foundation   | 2.93%                  |
| 10      | KPMG   | 2.52%                  |
|         | Total  | 89.1%                  |

\* Includes contracted areas for which rent may start at a future date

### **Lease Expiry Analysis**

The WALE of the property is 3.7 years, with 79.14% of occupied area expiring between FY 2025 and FY 2029 as shown in the chart below:



### **Escalation Analysis**

The leases of the Project Site have typically seen rental escalation of 5% every year or 15% every 3 years.

## 6 MARKET SCAN OF THE CITY AND THE MICRO-MARKET

### 6.1 INTRODUCTION

The valuation exercise takes into account the market performance and various other indicators that are relied upon the industry report which has been prepared by Jones Lang LaSalle India Property Consultants, who are appointed as an independent consultant by the Client.

### 6.2 CITY OVERVIEW

Pune is popularly known as the 'Queen of Deccan India' which has ranked within the top 20 cities globally in JLL's City Momentum Index (CMI) since 2017. Pune has now been declared as the largest city in the state of Maharashtra in terms of geographical area coverage. The city has been a major educational hub since many decades having presence of premium educational institutes in the country. Pune is also an important industrial hub having presence of prominent foreign as well as domestic automobile, automobile ancillaries and electronics manufacturers. Attractive demographics and readily available skilled workforce have attracted corporates from various sectors like IT/ITeS, manufacturing/industrial, BFSI, consulting etc. to have their set-up in the city. Other drivers like proximity to Mumbai, good connectivity through air, rail and roads, flow of Foreign Direct Investments (FDIs) have been instrumental in its growth. The city was also ranked 2nd among the top three best Indian cities (along with Hyderabad and Bengaluru) in Mercer's Quality of Living Rankings, 2023. All the above factors, in addition to large-scale urban infrastructure upgrade currently underway in Pune, have made it one of the most attractive real estate investment hubs in the state of Maharashtra after Mumbai.

### 6.3 INFRASTRUCTURE INITIATIVES

Pune is currently undergoing three major infrastructure development projects. Pune Metropolitan Region Development Authority (PMRDA), Maharashtra Metro Rail Corporation Limited (MMRC), Pune Municipal Corporation (PMC), Maharashtra State Road Development Corporation (MSRDC) and City and Industrial Development Corporation of Maharashtra (CIDCO) are involved in the development of Pune Metro Line 3, Pune Metro Line 1 and 2, Pune Ring Road and New International Airport at Purandar, respectively. Another infrastructure project – Mula Mutha Rejuvenation Project, has been passed for execution in the central part of the city.

#### Existing Infrastructure

Table 6.1 Existing Infrastructure in the City

| Existing Project           | Completion timeline         | Details  | Key Impact Zones                                   |
|----------------------------|-----------------------------|--|--|
| Pune International Airport | 2004-05                     | It is a Military as well as Public airport owned by the Indian Airforce and operated by AAI. | Viman nagar, Yerwada, Kalyani nagar, Kharadi       |
| Pune Junction              | Opened: 1858, Rebuilt: 1925 | One of the major junctions in Maharashtra connecting Pune to all the major cities of India.  | Bund garden road, Camp, Koregaon park              |
| Swargate bus depot         | 1976                        | Contains inter-city and intra-city transportation facilities.                                | Core Pune area / Peth areas                        |
| Pune - Mumbai expressway   | 2002                        | India's first 6-lane wide concrete, access-controlled tolled expressway. Distance – 94.5 km; | Bavdhan. Pashan, Baner, Balewadi, Hinjewadi, Wakad |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### **Upcoming Infrastructure**

**Proposed Pune Ring Road** - The proposed Outer Ring Road in Pune will be developed as an eight-lane expressway with a total length of approximately 140 km. It will be developed through a public-private partnership (PPP), and the project will be divided into two parts. The first part will be a 74.08-km stretch from Urse, located on the Yashwantrao Chavan Expressway, to Shivare on the Pune-Satara National Highway, which will be referred to as the Eastern Ring Road. The second part will be a 65.45-km stretch from Shivare to Urse, known as the Western Ring Road. Six key highways passing through the city will be linked to the proposed Ring Road, namely Pune-Bengaluru highway (NH-48), Pune-Mumbai highway (NH-48), Pune-Nashik highway (NH-60), Pune-Solapur highway (NH-65), Pune-Ahmednagar highway (NH-753F) and Pune-Saswad Palkhi Marg (NH-965). According to the proposed alignment, the Ring Road will feature eight flyovers, four bridges over railroad tracks, seven viaducts, 14 underground roads and 13 tunnels. A total of 1,900 hectares of land will be acquired from 87 villages encircling the city, with the total estimated cost of the project being INR 18,000 crore. The expected completion of the Outer Ring Road in Pune is December 2026.

**New Airport Terminal at Lohegaon and Proposed International Airport** - A new terminal of around 500,000 sq ft, next to the existing Pune International Airport terminal in Lohegaon, was inaugurated on 10th March 2024 by PM Narendra Modi through a virtual platform. After missing successive deadlines set by the Airports Authority of India (AAI), the new terminal building at Pune International Airport is now complete and open for public use. The new terminal has been integrated with the existing terminal, taking the total built-up area to 750,000 square feet, and the combined passenger handling capacity to 16 million passengers per annum. The new terminal is equipped with three gates each for departure and arrival, which aims to reduce the crowd congestion experienced in the older facility. A new airport, Chhatrapati Sambhaji Raje International Airport, was supposed to be constructed in Purandar Taluka, but the Ministry of Defence cancelled the No Objection Certificate it issued in August 2021, and the project has been put on hold.

**Mula Mutha Rejuvenation Project** - Another infrastructure project namely Mula Mutha Rejuvenation Project, has been proposed for development. The rejuvenation project, modelled on the Sabarmati riverfront in Ahmedabad includes the development of 44 km of river stretch, including 22.2 km of Mula river, 10.4 km of Mutha river and 11.8 km of Mula-Mutha river. Work on two stretches (13 km) from Sangamwadi to Bund Garden and Bund Garden to Mundhwa bridge has been started. Also, a 300m sample stretch has been completed to showcase it to the authorities.

Table 6.2 Upcoming Infrastructure in the City

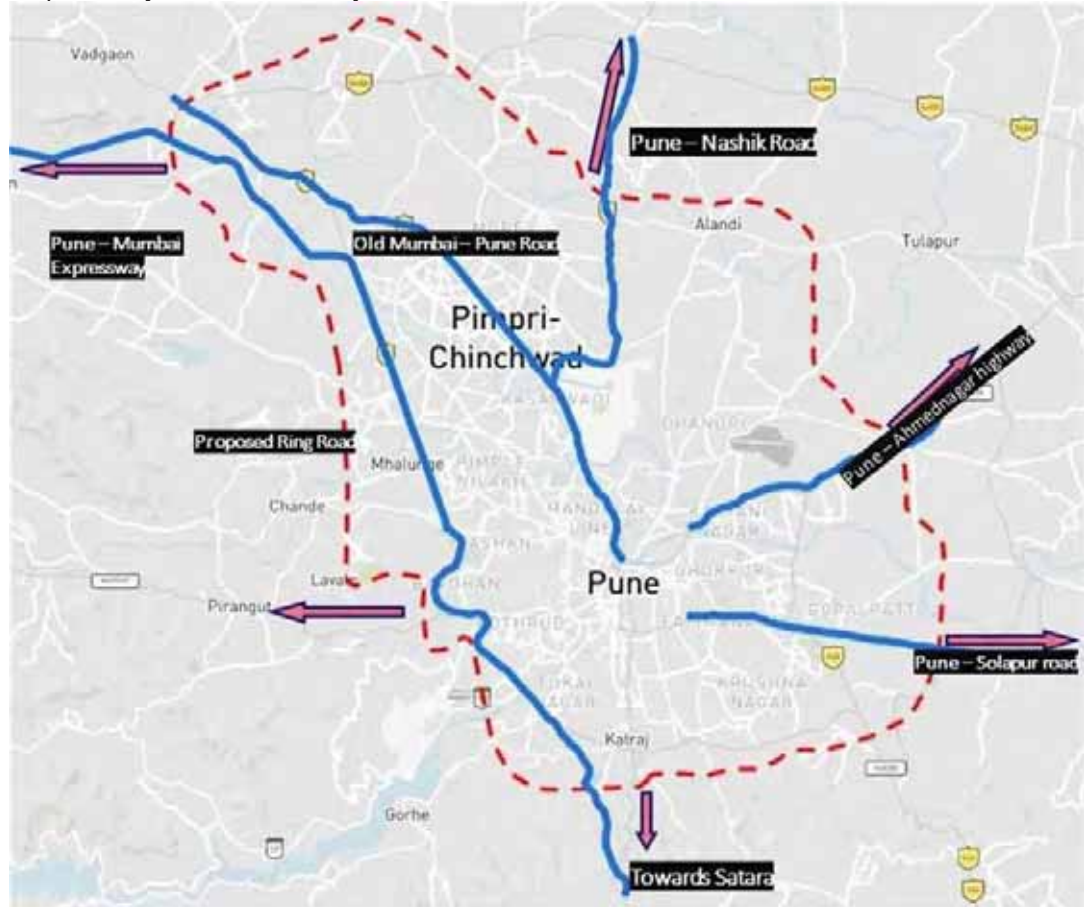
| Upcoming Project               | Completion timeline | Details  | Key Impact Zones  |
|--------------------------------|---------------------|--|---|
| Pune Ring Road                 | May 2026            | Eight-lane expressway with total length of 173 km. Land acquisition work is under progress. It would be developed using a PPP model.   | Talegaon Dabhade, Hinjewadi, Mahalunge, Sus, Lavale, Bhugaon, Bavdhan, Warje, Shivane, Dhayari, Kondhwa, Loni Kalbhor, Manjari, Wagholi, Alandi, Chakan |
| New Airport Terminal, Lohegaon | Dec 2023            | The total built-up area of new terminal is 500,000 sq ft, which after integration with the old terminal will be an area of 750,000 sq ft with a total passenger handling capacity of 16 mn passengers per annum (MPPA) | Viman nagar, Yerwada, Kalyani Nagar, Kharadi, Wagholi.  |



|                                 |            |   |   |
|---------------------------------|------------|---|---|
| Mula Mutha Rejuvenation Project | March 2025 | Development of 44 km of river stretch, including 22.2 km of Mula river, 10.4 km of Mutha river and 11.8 km of Mula-Mutha river. | Sangamwadi, Bund Garden, Koregaon Park, Mundhwa, Kalyani nagar, Wadgaon sheri, Kharadi, Shivaji nagar, J.M Road, Deccan |
|---------------------------------|------------|---|---|

### **Pune – Key roads in the city**

Map 6.1 Key Roads in the City



Source: Real Estate Market Research & Analysis; JLL, 31st March 2024

### **Upcoming Metro Rail Lines**

**Pune Metro Lines** - The Pune Metro Rail has three lines under construction with a total coverage of 54.58 km. Line 1 will run from PCMC Building to Swargate, and Line 2 will run from Vanaz to Ramwadi. Both lines are being implemented by MahaMetro and the Central Government in a 50:50 joint venture. Both lines are partially operational: Line 1 is operational from PCMC Bhavan to Shivaji Nagar, and Line 2 is operational from Vanaz to Ruby Hall Clinic. The extended stretches were inaugurated on 1 August 2023. Currently, Pune Metro Line 1 is in the final stage of completion, expected to become fully operational by the end 2024. As of March 2024, the entire stretch of Pune Metro Line 2 from Vanaz to Ramwadi has become operational. Line 3, which will run from Megapolis Circle in Hinjewadi IT Park Phase 3 to Shivaji Nagar, is being constructed through a public-private partnership involving Pune Metropolitan Region Development Authority and Tata-Siemens. Construction has begun, and the route is expected to be completed by 2026–27. The proposed extension of Pune Metro Line 1 from Swargate to Katraj, which will be completely underground, has been approved by the civic body and is expected to be operational by 2027.

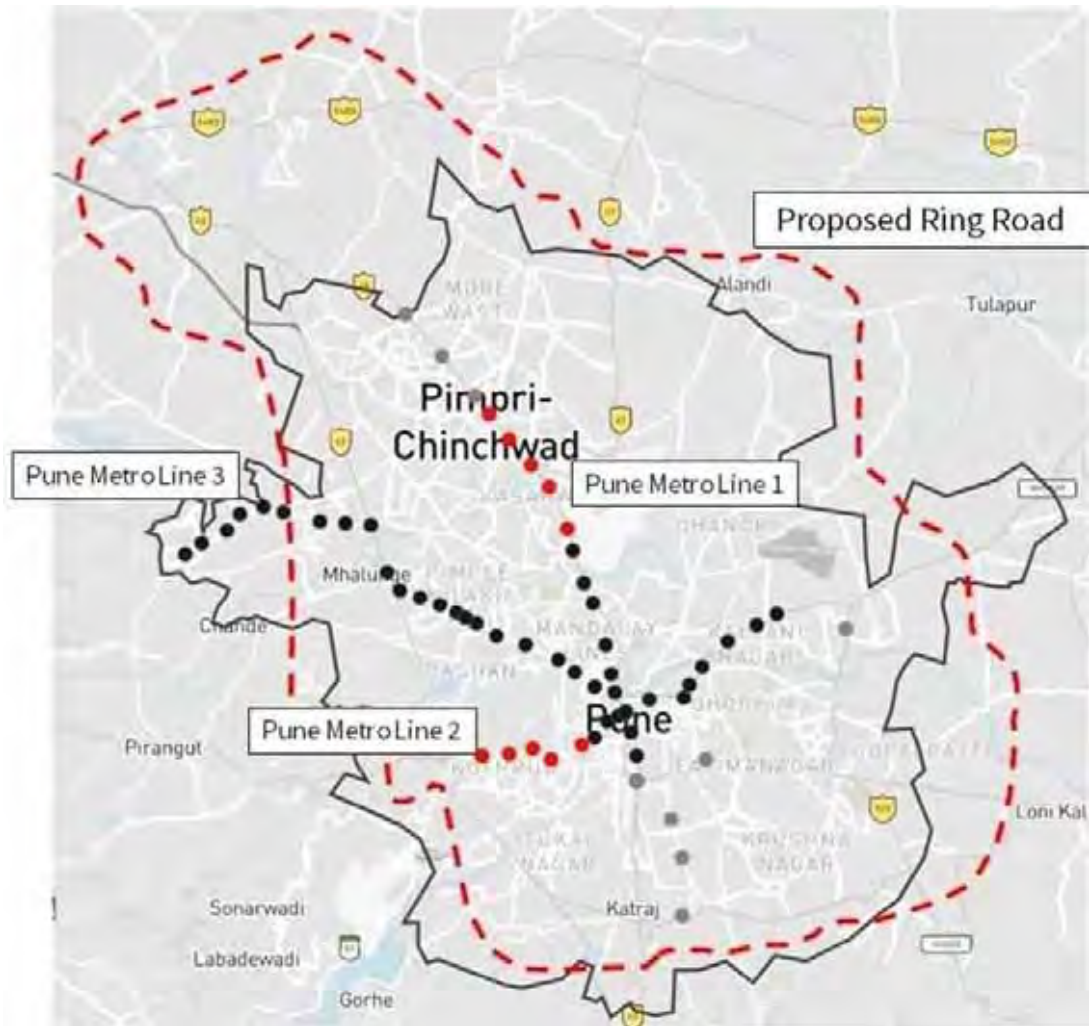
**Table 6.3 Upcoming Metro in the City**

| Upcoming Project                       | Completion timeline   | Details  | Key Impact Zones  |
|--|---|--|---|
| Pune Metro Line 1 or Purple line       | PCMC Bhavan to Shivajinagar – August 2023.<br>Entire line – 2024. | Will run from PCMC Bhavan to Swargate.<br>Total length: 16.6 km.<br>No. of stations: 14 out of which 9 stations are elevated and 5 stations are underground.<br>Proposed extension: Swargate to Katraj and PCMC Bhavan to Nigdi. | Pimpri, Chinchwad, Kasarwadi, Pimple Gurav, Sanghvi, Khadki, Range Hills, Shivajinagar, Peth areas (Old Pune).                            |
| Pune Metro Line 2 or Aqua line         | Entire line operational – March 2024.                             | Will run from Vanaz to Ramwadi.<br>Total length – 14.7 km.<br>No. of stations – 16 (all elevated).<br>Proposed extension – Ramwadi to Wagholi.   | Kothrud, Erandwane, Deccan Gymkhana, J.M Road, PMC Bhavan, Pune Junction, Bund Garden Road, Yerawada, Kalyani nagar, Viman nagar, Kharadi |
| Pune Metro Line 3 or Metropolitan line | 2026-27   | Will run from Megapolis circle in Hinjewadi Phase 3 to Civil court in Shivaji nagar.<br>Total length – 23.3 km.<br>No. of stations – 23 (all elevated)   | Hinjewadi Phase 1,2,3, Wakad, Balewadi, Mahalunge, Baner, Aundh, Pune university, Ganeshkhind road, Shivajinagar.                         |

Source: Real Estate Market Research &amp; Analysis; JLL, 31st March 2024

**Pune - Map of upcoming metro lines and proposed ring road**

Map 6.2 Map of Proposed Metro Lines and Ring Road



Source: Real Estate Market Research & Analysis: JLL, 31st March 2024

## 6.4 PUNE - OFFICE SUB MARKETS

The office sub-markets of Pune City are classified into six micro markets based on the market trend as mentioned below.

Table 6.4 Pune Commercial Micro-markets

| Submarket    | Locations   | Map of Pune office market                              |
|--------------|---|--|
| CBD          | Camp, Station Road, Raja Bahadur Mills Road, Dhole Patil Road, Bund Garden Road, Sangamwadi, Koregaon Park, Fergusson College Road, Ganesh Khind Road, Senapati Bapat Road, Shivaji Nagar, Wakdevadi, Shankar Seth Road | <b>Map 6.3 Commercial Micro-market in the City</b><br> |
| SBD East     | Airport Road, Jail Road, Yerwada, Nagar Road, Viman nagar, Kalyani Nagar, Kharadi, Hadapsar   |  |
| SBD West     | Aundh, Baner, Balewadi, Bavdhan, Nanded Phata, Kothrud, Erandwane, Warje  |  |
| Suburbs East | Fursungi, Wagholi   |  |
| Suburbs West | Hinjewadi, Pimple Saudagar, Pimpri, Chinchwad, Bhosari.   |  |

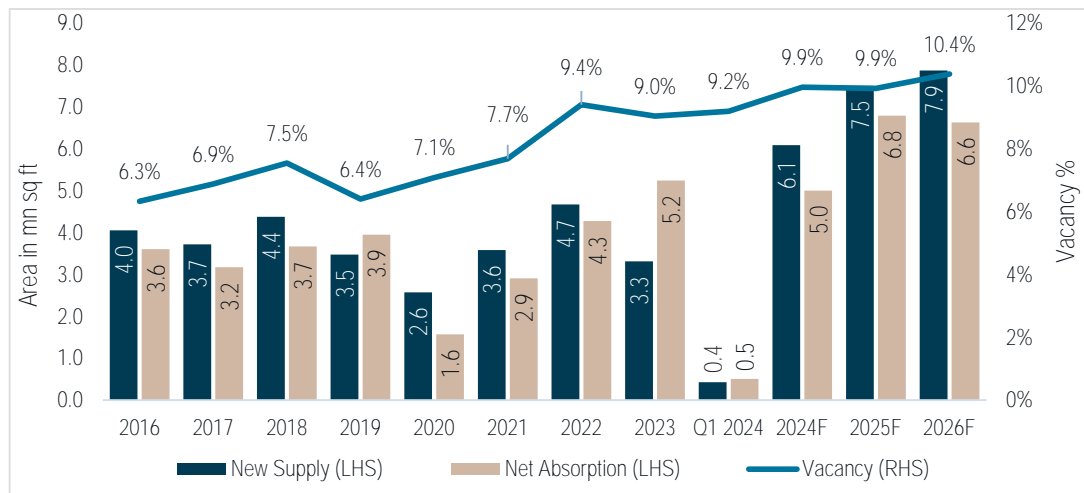
Source: Real Estate Market Research & Analysis; JLL, 31st March 2024

### Leasing Activity

#### City Market Trends

Table 6.5 City Market Trends

| Micro Market | Total Stock (sq ft) | Net Absorption (Mn sq ft) |                        |                        | Vacancy % |                        |                        |
|--------------|---------------------|---------------------------|------------------------|------------------------|-----------|------------------------|------------------------|
|              |                     | Q1 2024                   | Q4 2023 (Q-O-Q Change) | Q1 2023 (Y-O-Y Change) | Q1 2024   | Q4 2023 (Q-O-Q Change) | Q1 2023 (Y-O-Y Change) |
| Overall      | 78,784,210          | 504,812                   | -72.0%                 | -67.1%                 | 9.2%      | 20 bps                 | -40 bps                |
| CBD          | 6,487,236           | 0                         | -100%                  | -100%                  | 3.2%      | 0 bps                  | -300 bps               |
| SBD East     | 44,187,635          | 364,889                   | -70%                   | -63%                   | 7.1%      | 80 bps                 | -60 bps                |
| SBD West     | 11,395,869          | 135,969                   | -75%                   | -62%                   | 7.0%      | -120 bps               | 190 bps                |
| Suburbs East | 1,882,000           | 0                         | NA                     | NA                     | 28.5%     | 0 bps                  | 1020 bps               |
| Suburbs West | 14,831,469          | 3,954                     | +119%                  | -98%                   | 17.2%     | - 60 bps               | -150 bps               |



Source: Real Estate Market Research & Analysis; JLL, 31st March 2024

Pune's office market activity was sluggish in Q1 2024. Net absorption of 0.5 mn sq ft was recorded in Q1 2024, which was largely driven by fresh leasing in existing office stock. Majority of the net absorption in Q1 was contributed by SBD East sub-market which accounted for a 72% share followed by SBD West with a share of 27%. Suburbs West recorded a minimal net absorption with a share of 1% whereas Suburbs East and CBD sub-markets did not witness leasing activity in Q1.

Gross leasing of around 1.81 mn sq ft was recorded during the quarter, up by 41.4% y-o-y. Healthy pre-commitments were witnessed in the upcoming projects which accounted for a share of 48% in the total gross leasing of Q1 2024. Pre-commitments of around 0.87 mn sq ft took place all of which were signed by co-working players. Gross leasing activity in the quarter was largely driven by the co-working segment with an occupier share of around 49.6%, followed by manufacturing/industrial and IT/ITeS segments with occupier shares of 24.0% and 22.4%, respectively.

The occupier share of IT/ITeS has declined while correspondingly the share of co-working operators in the leasing activity has increased. This is because the corporates especially in the IT/ITeS segment require a more flexible work set-up in times of uncertainty and for more dynamic portfolio planning. Co-working operators like Table Space, Smartworks, WeWork, Indiqube, Redbrick etc. are the key players in the Pune office market.

In Q1 2024, majority of the key transactions are by the co-working players leasing space for their managed offices. Some of the notable transactions in Pune in Q1 2024 include – Smartworks pre-leased the entire building named Autograph of 550,000 sq ft in Balewadi, Faurecia leased 190,000 sq ft in Capitaland Nalanda in Hinjewadi, Redbrick pre-leased 168,000 sq ft in Panchshil Avenue in Kalyani Nagar and Smartworks pre-leased the entire building named Solitaire Business Hub III of 150,000 sq ft in Balewadi.

### **Vacancy**

The overall vacancy rate of the Pune office market in Q1 2024 settled at 9.2%, up by 20 bps q-o-q whereas down by 40 bps y-o-y. The quarterly increase in the vacancy rate was due to the new supply addition in the market and a comparatively low net absorption. In Q1 2024, the CBD submarket recorded the lowest vacancy rate in the city of 3.2%, which was stable q-o-q, whereas it declined by 300 bps y-o-y, mainly because there is no new supply addition in the sub-market in the last 5-6 quarters and the existing buildings have low availability of office

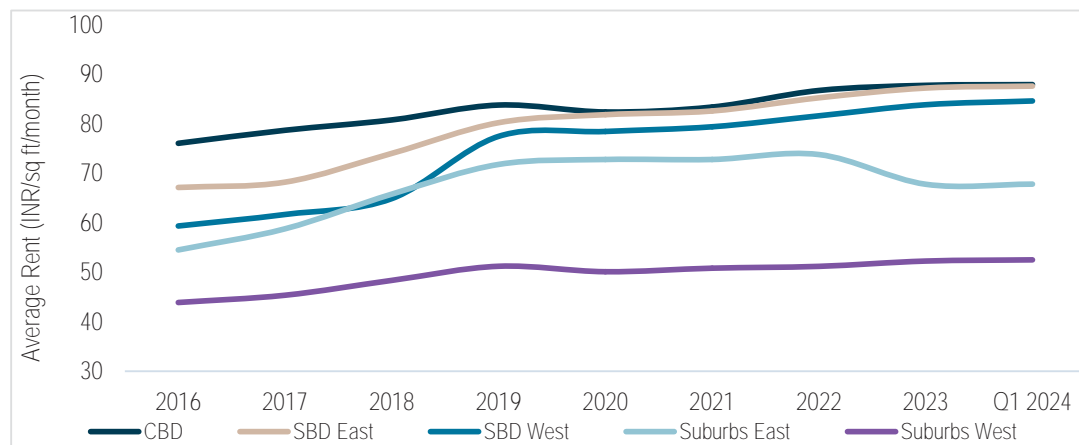


space. SBD West sub-market has a vacancy rate of 7.0% in Q1 2024, down by 120 bps q-o-q as there has been limited supply addition in the sub-market and the existing stock has limited available space. SBD East sub-market has a vacancy rate of 7.1% in Q1 2024, up by 80 bps q-o-q, whereas down by 60 bps y-o-y. This sub-market has been the favoured sub-market in terms of healthy supply as well as demand and thus enjoys a stable vacancy range. Suburbs East sub-market recorded the highest vacancy rate in the city of 28.5% in Q1 2024, which was stable q-o-q, whereas on a y-o-y basis it has increased by 1020 bps. Suburbs West sub-market has a vacancy rate of 17.2% in Q1 2024, down by 60 bps q-o-q, as well as on a y-o-y basis it was down by 150 bps.

### Submarket Rents

Table 6.6 Submarket Gross Rents

|              | Gross Rent (INR/sq ft/PM) GFA |              |              |
|--------------|-------------------------------|--------------|--------------|
|              | Q1 2024                       | Q-o-Q Change | Y-o-Y Change |
| Overall      | 80.1                          | 0.6%         | 2.4%         |
| CBD          | 87.9                          | 0.2%         | 1.4%         |
| SBD East     | 87.6                          | 0.4%         | 2.1%         |
| SBD West     | 84.6                          | 0.9%         | 3.1%         |
| Suburbs East | 67.8                          | 0.0%         | -8.1%        |
| Suburbs West | 52.5                          | 0.5%         | 2.4%         |



Source: Real Estate Market Research & Analysis: JLL, 31st March 2024

**Note :** Mindspace REIT micro markets, the rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 10% depending upon negotiations, final structuring of the lease agreement and other parameters.

The overall average rents in the city in Q1 2024 settled at INR 80.1 per sq ft per month, up 0.6% q-o-q as well as 2.4% y-o-y. In Q1 2024, CBD sub-market recorded the highest average rent in the city at INR 87.9 per sq ft per month, closely followed by SBD East sub-market which is INR 87.6 per sq ft per month. Average rents in the Suburbs West sub-market are the lowest in the city, which is INR 52.5 per sq ft per month in Q1 2024. Average rent in SBD West and Suburbs East sub-markets in Q1 2024 settled at INR 84.6 and INR 67.8 per sq ft per month. Rental growth in Q1 2024 was witnessed in all the sub-markets except for the Suburbs East sub-market. The city witnessed healthy rental growth every quarter till 2019, however, since 2020, the rents have largely remained stable with marginal growth every quarter.

Prominent projects in the CBD sub-market like ICC Tech Park, ICC trade tower and ICC Pavillion on Senapati Bapat Road have rents in the range of INR 115-125 per sq ft per month, whereas AP81 in Koregaon Park has rent in the range of INR 90-100 per sq ft per month which are higher than the sub-market average rent. SBD East sub-market has the highest share of grade A stock with a large share of premium projects like World trade centre, Eon Free Zone, Gera Commerzone, International Tech Park Pune in Kharadi and Panchshil Business Park in



Viman nagar that command rents higher than the sub-market and overall city average. Suburbs West has limited grade A office leasable stock which is majorly owned by institutional players and that is mainly SEZ in nature. This and factors like poor connectivity to the city centre and lower land prices has kept the rents of the sub-market competitive compared to the city..

### **New supply**

In Q1 2024, Pune witnessed completion of one office project namely Gera Commerzone STPI – Building 1 in Kharadi in the SBD East sub-market, which added a new supply of around 0.77 mn sq ft to the total Grade A stock of the city. The project had no pre-leasing during the time it got operational. However, there was withdrawal of 0.34 mn sq ft of projects which were downgraded to Grade B. Thus, the net increase in the total stock was 0.43 mn sq ft. The new supply is entering the city's office market in a slow and steady pace as the pre-commitment levels are low. However, in Q1 2024, a healthy pre-leasing of 0.87 mn sq ft was witnessed in the upcoming projects unlike the previous 2-3 quarters where pre-leasing did not take place.

### **Outlook**

Pune expects a total new supply of 6.42 mn sq ft in 2024, out of which 0.77 mn sq ft has become operational in Q1 2024. The pre-commitment level in the upcoming projects in 2024 is around 5-10% whereas it is around 10-15% in the upcoming projects in 2025. Some of the key completions in the city by the end of 2026 include Amar AP4 Phase 1, Panchshil Business Hub – S.no 40, International Tech Park Pune - Block 2, Keppel Kohinoor upcoming project in Kharadi, EON West Phase 1 in Wakad and Godrej Centre in Koregaon Park. Between the period Q2 2024 to end-2026, Pune office market is likely to see total new supply of 21 mn sq ft, out of which majority supply, comprising around 50% belongs to SBD East submarket which is followed by CBD sub-market which constitutes around 20-25% of the total supply. CBD sub-market has not witnessed a substantial new supply since Q1 2022. Thus, with the introduction of new supply of around 5 mn sq ft over the next three years, demand as well as rentals in the sub-market are expected to increase. This new supply in CBD sub-market is by prominent developers like RMZ Corp, Godrej, Amar builders and Poonawalla Group etc. Majority of the new supply in the next three years is located in the Kharadi micro-market in SBD East is by prominent developers like K Raheja Corp, Capitaland Group, Panchshil Realty, Keppel land and Kohinoor, Amar builders etc. Similarly, Suburbs West sub-market expects a limited but premium quality supply in the next three years with the completion of EON West Phase 1 and Phoenix Millennium Towers in Wakad. These projects are expected to drive the rental growth the sub-market in the coming years.

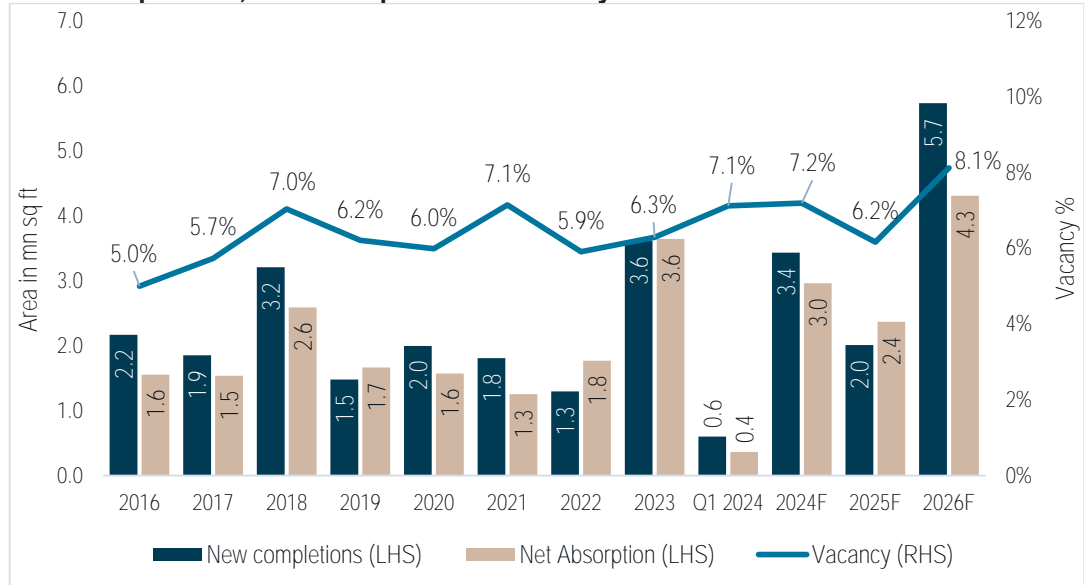
The demand is expected to grow at a slow and steady pace in 2024 and 2025. The premium quality upcoming supply that will be entering the market in 2025 and 2026 is likely to command higher rentals, and thus is expected to drive the rental growth in the city.

## 6.5 MICRO MARKET : SECONDARY BUSINESS DISTRICT EAST

The Commerzone project lies in the Secondary Business District East.

### Supply, Demand Trend

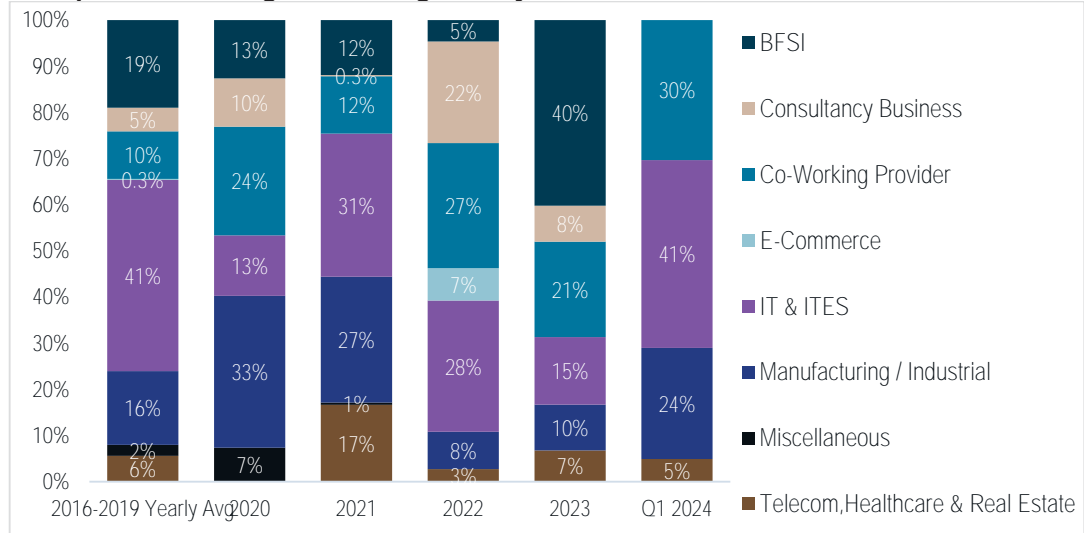
#### Total Completions, Net Absorption and Vacancy Rate



Source: Real Estate Market Research & Analysis; JLL, 31st March 2024

### Leasing activity

#### Occupier's share in gross leasing activity



Source: Real Estate Market Research & Analysis; JLL, 31st March 2024

SBD East comprises key micro-markets like Yerwada, Kalyani Nagar, Viman Nagar, Kharadi and Hadapsar. It has accounted for around 72% of the total net absorption in the city in the first quarter of 2024, whereas, in 2023 it accounted for around 70% of the total annual net absorption. This highlights the occupiers' preference for the sub-market. It recorded a net absorption of 0.36 mn sq ft in Q1 2024, which was down by 70% q-o-q as well as down by 63% y-o-y. The net absorption comprised new leasing and exits. The sub-market witnessed a gross leasing volume of 0.65 mn sq ft in Q1 2024, which was driven by the IT/ ITeS segment

with an occupier share of 41%, followed by co-working and manufacturing/industrial segments with occupier shares of 30% and 24%, respectively. Some of the notable transactions in the submarket include Redbrick pre-leasing 168,000 sq ft in Panchshil Avenue in Kalyani Nagar, Vertiv leasing 91,661 sq ft in Sky One Corporate Park Tower A in Viman Nagar, Amdocs taking up 76,531 sq ft in Magarpatta Cybercity in Hadapsar and Coforge leasing 50,000 sq ft in Shanti One in Yerawada. This thus indicates that SBD East is a very dynamic micro-market which is preferred by various tenant industries, mainly BFSI and IT/ITeS GCCs, thus attracting majority demand in the city. This is due to the availability of premium grade supply by institutional players along with green certifications which are now a key ask from global occupiers. In the recent quarters, co-working segment is also seen increasing its footprint in the sub-market.

### **Supply**

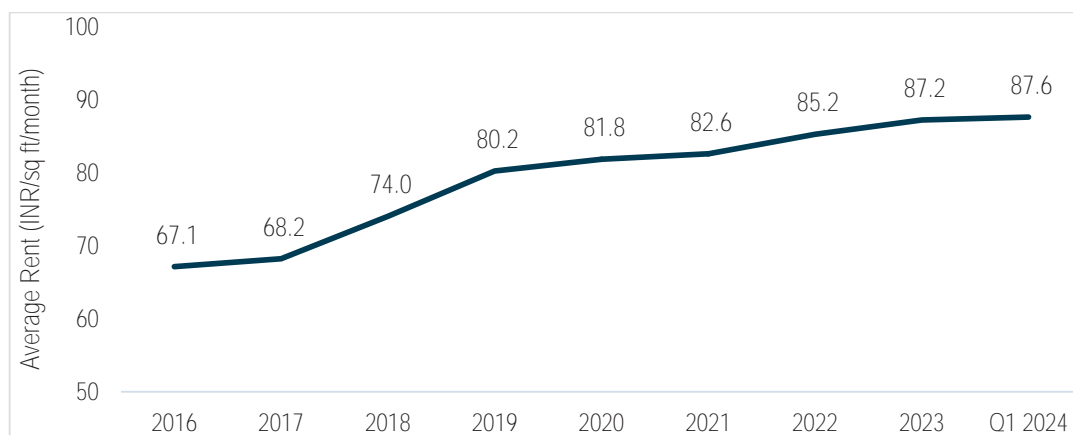
The entire new supply that entered the Pune Office market in Q1 2024 was witnessed in the SBD East submarket. Gera Commerzone STPI – Building 1 in Kharadi got completed in Q1 2024, thus adding a new supply of 0.77 mn sq ft to the total Grade A stock of the sub-market. However, there was a withdrawal of 0.17 mn sq ft due to a project downgrade. Thus, the net increase in the total stock of SBD East submarket was 0.60 mn sq ft.

### **Vacancy**

Vacancy in Q1 2024 in the SBD East sub-market settled at 7.1%, up by 80 bps q-o-q from 6.3% in Q4 2023, due to the new supply entering the sub-market. This sub-market has been the favoured sub-market in terms of healthy supply as well as demand and thus enjoys a stable vacancy range.

### **Rents**

The average rents in the SBD East sub-market in Q1 2024 settled at INR 87.6 per sq ft per month, which have seen a growth of 0.4% q-o-q as well as a growth of 2.1% y-o-y. Premium projects along with healthy demand have kept the rentals in the sub-market strong and range bound even during the pandemic. Prominent projects in the submarket like Panchshil Business Bay and Panchshil Tech Park One in Yerawada command rents in the range of INR 120-130 and INR 110-120 per sq ft per month respectively. Panchshil Business Park in Viman Nagar commands rent in the range of INR 100-110 per sq ft per month whereas Eon Free Zone and World Trade Centre in Kharadi command rents in the range of INR 90-100 per sq ft per month. Similar quality projects like, Gera Commerzone Kharadi and ITTPP Kharadi command rents in the range of INR 80-85 per sq ft per month. The lease transactions in SBD East micro-market are recorded in the range of INR 60-90 per sq ft per month. The lease transactions in SBD East where the project is located are in the range of 65-80 per sq ft per month.



*Note : Mindspace REIT micro markets, the rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 10% depending upon negotiations, final structuring of the lease agreement and other parameters.*

Source: Real Estate Market Research & Analysis; JLL, 31st March 2024

**Prominent Lease Transactions within the Micro-Market**

Below are some of the lease transactions witnessed in the micro-market

**Table 6.7: Major Lease Transactions in the Micro-Market of the Project**

| Sl. No. | Name of the Building             | Name of the Occupier | Location      | Area Leased (sq. ft.) | Lease Rental Range (INR per sq. ft. per Month) | Transacted Period |
|---------|----------------------------------|----------------------|---------------|-----------------------|--|-------------------|
| 1       | Cybercity                        | Amdocs               | Hadapsar      | 76,531                | 80   | Q1 2024           |
| 2       | Panchshil Avenue                 | Redbrick             | Kalyani Nagar | 168,000               | 100-102  | Q1 2024           |
| 3       | Phoenix Fountain Head - Tower 2  | Keyence              | Viman Nagar   | 42,000                | 70-75  | Q1 2024           |
| 4       | Cybercity Tower 12               | John Deere           | Hadapsar      | 23,400                | 90-100   | Q1 2024           |
| 5       | Shanti One                       | AWFIS                | Yerawada      | 30,000                | 75-78  | Q1 2024           |
| 6       | Sky One Corporate Park - Tower A | Vertiv               | Viman Nagar   | 91,661                | 80-85  | Q1 2024           |
| 7       | Weikfield IT Park                | IGT Solutions        | Viman Nagar   | 36,000                | 75-80  | Q1 2024           |
| 8       | Shanti One                       | Coforge              | Yerawada      | 50,000                | 65-70  | Q1 2024           |
| 9       | Suzlon One Earth                 | Figmd                | Hadapsar      | 11,000                | 70-75  | Q1 2024           |
| 10      | ITPP Kharadi Block 1             | Kanini Software      | Kharadi       | 30,000                | 85-90  | Q1 2024           |
| 11      | ITPP Kharadi Block 1             | Airtel               | Kharadi       | 32,000                | 85-90  | Q1 2024           |
| 12      | ITPP Kharadi Block 1             | HP                   | Kharadi       | 40,000                | 85-90  | Q1 2024           |
| 13      | ITPP Kharadi Block 1             | SAP                  | Kharadi       | 10,000                | 85-90  | Q1 2024           |

Source: Real Estate Market Research & Analysis; JLL, 31st March 2024

Market rent for Commerzone IT Park has been considered in line with the achievable market rent for completed buildings at INR 77.5 per sq. ft per month for FY25.

**Investment Activities within the Micro-Market**

The city has witnessed few institutional office transactions of varying size. It is observed that the transaction value is based on the nature of the development, the micro-market location, Project, and leases prevailing etc. The table below present details of few large sale transactions in major cities in India. Net yield for these transactions is arrived based on the Capital Value at which the property was transacted and rentals applicable for the same property during transaction. The net yield for such large transactions is witnessed in the range of 7.75% to 9.50%.

**Investment Activities within India**

The table below present details of few large sale transactions in major cities in India. Net yield for these transactions is arrived based on the Capital Value at which the property was transacted and rentals applicable for the same property during transaction. The net yield for such large transactions is witnessed in the range of 7.75% to 9.50%.

Table 6.8: List of transactions / deals in major cities recent past

| Sl. No | City             | Property Name              | Location                     | Micro Market                 | Leasable Area (sq. ft.)  | Capital Value (INR per sq. ft.)                        | Net Yield   | Transacted Period |
|--------|------------------|----------------------------|------------------------------|------------------------------|--|--|---|-------------------|
| 1      | Mumbai           | One BKC                    | BKC, Mumbai                  | BKC                          | ~700,000   | 35,000-36,000  | 8.00% - 8.25%   | 2019              |
| 2      | Mumbai           | Equinox Business Park      | Kurla, Mumbai                | BKC Fringe                   | ~1,250,000   | 19,000 - 20,000  | 8.25% - 8.50%   | 2018              |
| 3      | Mumbai           | Express Towers             | Nariman Point                | CBD                          | ~472,377   | 40,000 - 43,000  | 7.25% - 7.75%   | 2021              |
| 4      | Chennai          | Sandhya Info city          | Navalur                      | PBD OMR                      | ~1,418,174   | 5,500 – 6,000  | 8.00% - 8.50%   | 2021              |
| 5      | Chennai          | Global Info city           | Perungudi                    | SBD OMR                      | ~2,700,000   | 8,500 – 9,000  | 7.75% - 8.00%   | 2018              |
| 6      | Chennai          | One India bulls Park       | Ambattur                     | PBD West                     | ~1,900,000   | 4,500 – 5,000  | 8.00% - 8.50%   | 2018              |
| 7      | Hyderabad        | Phoenix aVance Building 6  | HITEC City                   | PBD West                     | ~640,000   | 7,500 – 8,000  | 9.00% – 9.50%   | 2021              |
| 8      | Hyderabad        | Phoenix Aquila Tower A     | Gachibowli                   | PBD West                     | ~1,180,000   | 8,200 - ,8700  | 8.00% - 8.25%   | 2021              |
| 9      | Hyderabad        | Waverock                   | Gachibowli                   | PBD West                     | ~2,350,000   | 7,200 - 7,700  | 8.00% - 8.25%   | 2017              |
| 10     | Pune             | E Park 2                   | Kharadi                      | SBD East                     | ~180,000   | 7,000-9,000  | 7.75% - 8.00%   | 2022              |
| 11     | Pune             | WTC Tower A                | Kharadi                      | SBD East                     | ~28,342  | 10,000-11,500  | 7.50% - 8.00%   | 2019              |
| 12     | Bengaluru        | Prestige RMZ Star Tech     | Bangalore                    | SBD East                     | ~1,370,000   | -  | 7.60% - 7.80%   | 2022              |
| 13     | Bengaluru        | Embassy Tech Village       | Bangalore                    | SBD East                     | ~9,100,000   | 9,500 – 11,000   | 8.00% - 8.25%   | 2020              |
| 14     | Gurgaon          | One Horizon Centre         | Gurgaon                      | SBD East                     | ~421,134   | 22,000 – 24,000  | 8.00% - 8.25%   | 2020              |
| 15     | Mumbai           | Godrej BKC                 | BKC                          | BKC & Annex                  | ~200,000   | 40,000 – 45,000  | 8.00 – 8.50%  | 2023              |
| 16     | Mumbai & Gurgaon | Downtown Powai & Candor G1 | Powai & Sohna Road           | Eastern Suburbs & Sohna Road | ~2,700,000 + ~3,700,000  | Enterprise value INR 11,225                            | 7.90- 8.20%   | 2023              |
| 17     | Chennai          | Embassy Splendid TechZone  | Pallavaram-Thoraipakkam Road | PBD OMR                      | ~1,400,000 (Completed) + 1,600,000 (UC) + 2,000,000 (Proposed) | Enterprise value INR 1,269 Cr. (61% economic interest) | 8.50% on the completed portion 10% on the u/c portion | 2024              |

Project Site is **Commerzone IT Park** which is one of the known developments for IT/ITeS companies located in the Southwest Micro-Market at Yerwada in Pune City. The Project is a part of the **Mindspace Business Parks REIT** (Mindspace REIT) portfolio. The location has excellent connectivity to residential locations and social infrastructure too.

The project offers Grade A space spread across six (6) IT Buildings (B1, B4, B5, B6, B7, & B8) and an Amenity Building. There are prominent clients in the larger campus such as Nvidia, UBS(India), Schlumberger, TCS, BNY Mellon etc., and is preferred commercial development in this micro-market due to the quality of buildings, ease of connectivity and nature of campus development. Considering the past transactions in the city and Project attributes in terms of size, occupancy profile, micro market trend etc. the cap rate is arrived for the Project.

The Cap Rate applied to arrive at the terminal value of the property is 8.00%.

### **Outlook**

In 2024, SBD east sub-market expects total new completions of 3.6 mn sq ft out of which 0.77 mn sq ft became operational in Q1 2024. Between the period Q2 2024 to end-2026, SBD East sub-market is likely to see cumulative new supply of 10.6 mn sq ft. Around 50% of the total upcoming supply in the city during this period (Q2 2024 to 2026F) belongs to this submarket. Key completions in this sub-market include Amar AP4 Phase1, International Tech Park Pune Block 2, Panchshil Business Hub – S.no 40, Keppel and Kohinoor upcoming project and Gera Commerzone STPI – Building 4 – all located in Kharadi. With quality supply entering the submarket in the next three years and a good number of RFPs from the BFSI, IT/ITeS and manufacturing companies – largely for GCCs and Centres of Excellence operations in the submarket, demand is expected to outshine other submarkets. Rents, therefore, are expected to see a steady growth in 2025 and 2026.



## 7 MARKET VALUE ESTIMATE

### 7.1 ADOPTED PROCEDURE

The market practice in most commercial/ office developments involves contracting tenants / occupiers in the form of pre-commitments at sub-market rent to increase attractiveness of the property to prospective tenants - typically extended to anchor tenants. Additionally, there are instances of tenants paying above-market rent for certain properties as well (primarily owing to market conditions at the time of contracting the lease). In order to arrive at a unit value for these tenancies, the Valuer has considered the impact of such sub/above market rents on the valuation of the Project.

For the purpose of this valuation exercise, the Valuer has analyzed the tenancy details provided by the Client, to identify variances vis-à-vis prevailing market/marginal rent. Each lease is assessed separately for below aspects, for the rent over a 10 year time horizon:

- The rent rolls (and the corresponding lease deeds on a sample basis) were reviewed to identify tenancy characteristics for the asset. As part of the rent roll review, major tenancy agreements belonging to top 5 tenants were reviewed on a sample basis.
- Title certificates, architect certificates and other related documents as mentioned in relevant sections of the report were reviewed for validation of area details, ownership interests of the Project.
- Physical site inspections were undertaken to assess the status of the Project.

### 7.2 CASH FLOW PROJECTIONS

The cash flows for the Project has been projected separately for each lease, to arrive at their respective value estimates.

Net Operating Income (NOI) has primarily been used to arrive at the value of the Project. The projected future cash flows from the Project are based on existing lease terms for the operational leases till the expiry of the leases or re-negotiation, whichever is earlier, following which, the lease terms have been aligned with market rents achievable by the Project.

For vacant area and under-construction/future development area, the achievable market rent-led cash flows are projected factoring appropriate lease-up timeframe for vacant/under-construction/future development area. These cash flows have been projected for 10-year duration from the date of valuation and for 11<sup>th</sup> year (for estimate of terminal value based on NOI). These future cash flows are then discounted to present-day value (valuation date) at an appropriate discount rate. Each lease is assessed separately for below aspects, for the rent over a 10 year time horizon:

- Projecting the rental income for identified tenancies up to the period of lease expiry, lock-in expiry, escalation milestones, etc. whichever is applicable. In the event of unleased spaces, market-led rent is adopted with suitable lease-up time.
- Generating a market led rental income stream for identified tenancies for the time period similar to the cash flows drawn in the aforementioned step.
- Computing the monthly income based on rent projected above and translating the same to quarterly income (for the next 10 years and 11<sup>th</sup> year is considered for calculation of terminal value).

Further, to arrive at the total value of the leased spaces (from base rentals), appropriate revenues and operational expenses are projected on quarterly basis. Some of such adjustments on revenue and operational expenses are presented in the table below:

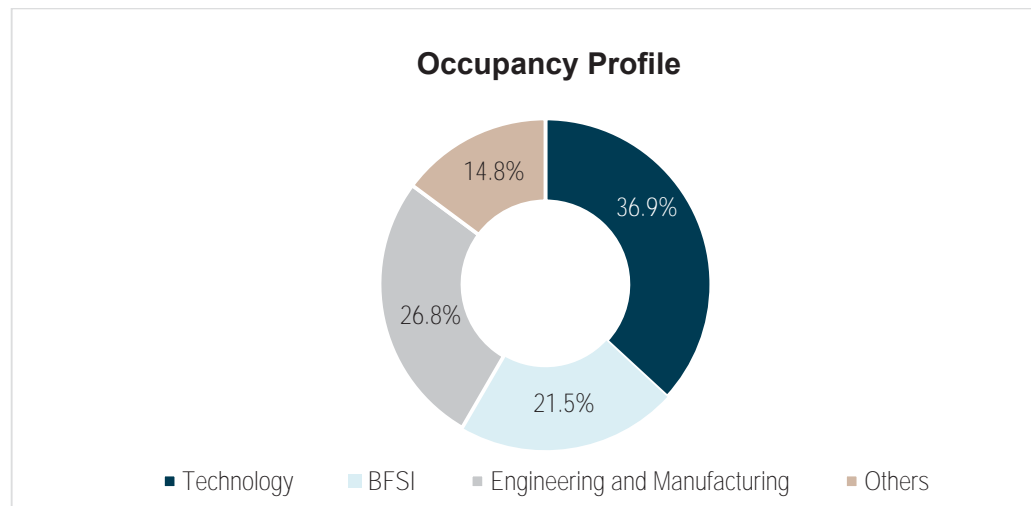
**Table 7.1: Adjustments on Revenues and Operational Expenses**

| Parameters                           | Description / Basis  |
|--------------------------------------|--|
| Parking Income                       | Based on income inputs provided by Client for the leased spaces and market assumption taken for vacant spaces  |
| Miscellaneous Income                 | Based on income inputs provided by Client for the Project  |
| Insurance                            | Based on insurance outflow (if any) provided by Client   |
| Annual Lease Rental / Property Taxes | Based on annual lease rental / property tax assessed for the Project as provided by Client   |
| Asset Management Fee                 | Considered as a recurring expense (in case of an external management team) as a percentage of the lease rental income as per the agreement between respective assets and its asset manager.  |
| Margin on CAM                        | Based on the operational revenues and expenses of the respective assets to understand the recurring, non-recurring, recoverable and non-recoverable expenses and accordingly modelled the common area maintenance income and operational expenses for the asset. |
| Revenue Escalation                   | Based on market-led annual escalation on the market rent   |
| Rent Free Period                     | Based on the trend prevalent in the submarket, appropriate rent-free periods from lease commencement date (for future / new leases) are considered   |
| Brokerage                            | Based on prevalent market dynamics, brokerage for future / new leases are considered   |
| Fit-Out Income                       | Based on fit-out rent (if any) provided by Client till lease expiry of applicable leases (same is not capitalized)   |
| Transaction Cost on Exit             | Considered as a percentage of the terminal value after aforesaid adjustments   |

### 7.3 ABSORPTION/ LEASING VELOCITY AND OCCUPANCY PROFILE

Occupancy profile of the project is as follows: -

- ~37% of the space is taken by Technology sector.
- ~22% taken by BFSI
- ~27% in Engineering and Manufacturing.
- ~15% of the space is taken by Other sectors



## 7.4 KEY ASSUMPTIONS AND INPUTS

The table below presents key assumptions and/or inputs used in the cash flow configuration used for providing Valuation of the Project.

**Table 7.2: Key Assumptions Used in the Estimate of Operational / Completed Blocks**

| Parameters                                      | Assumptions / Inputs   | Remarks / Basis   |
|---|--|---|
| Cash Flow Period                                |  |   |
| Valuation Date                                  | 31- March-2024   | As per workings   |
| Cash Flow Period                                | 10 years   | As per workings   |
| Cash Flow Exit Period                           | 31-March-2034  | As per workings   |
| Asset Details                                   |  |   |
| Total Leasable Area                             | Refer Table 5.4  | As per the information provided by the Client   |
| Leased Area                                     | Refer Table 5.4  | As per the information provided by the Client   |
| Vacant Area / Vacancy                           | 41,168 sq ft   | As per the information provided by the Client   |
| Vacancy Allowance                               | 2%   | As per market benchmarks for large scale Grade A office projects.   |
| Area to be Leased                               | 41,168 sq ft   | As per the information provided by the Client   |
| Rent Free Period for Existing Lease Rollovers   | 2 months   | As prevalent in the micro-market for Grade A properties, the rent free period for existing lease rollovers is two months. |
| Rent Free Period for New Leases                 | 3 months   | As prevalent in the micro-market for Grade A properties, the rent free period for new leases is three months.             |
| Construction Related Assumptions                |  |   |
| Approx construction cost to be incurred (CAPEX) | INR 1,415 Mn   | As per the information provided by the Client   |
| Estimated Completion Date (CAPEX)               | Q3 FY27  | As per the information provided by the Client   |
| Estimates of already carried out major repairs  | INR 255 Mn   | As per the information provided by the Client.  |
| Revenue Assumptions                             |  |   |
| Lease Rentals                                   | Actual rentals as per the Rent Roll including additional charges (if any)  | As per the information provided by the Client   |
| Rent Escalation                                 | Escalation in rentals as per the Rent Roll for the validity period of the leases, i.e. 4.5% every year from FY26 | As prevalent in the market it is observed that lease agreements are primarily at 4.5% rent escalations every year.        |

| Parameters                                  | Assumptions / Inputs                                  | Remarks / Basis  |
|---|---|--|
| Market / Marginal Rent – Office for FY25    | INR 77.5 per sq. ft. per month                        | The lease transactions in Grade A office space in the said micro market are recorded in the range of INR 65 – 80 per sq. ft. per month for last 5 years. The asking instances are observed in the range of INR 80 - 95 per sq. ft. per month. Please refer table 6.6 and 6.7. Based on the market benchmarking of recent leases on aspects such as location, size of transaction, type of development etc. the achievable rent for the Project is derived. |
| Market / Marginal Rent – Amenities for FY25 | INR 75.5 per sq. ft. per month                        | Based on the market benchmarking of recent leases within the micro-market  |
| Market Rent - Car Parking Space for FY25    | INR 2,363 per CPU per month                           | The Grade A offices offers car parking rates in the range of INR 1,500 – 3,000 per slot per month. Based on the market benchmarking of recent leased rates within the micro-market, the achievable car park rate for the Project Site is derived.  |
| Market / Marginal Rent - Food Court         | Not Applicable  |  |
| Market / Marginal Rent – Kiosk for FY25     | INR 77.5 per sq. ft. per month                        | Based on the market benchmarking of recent leases within the micro-market  |
| Market / Marginal Rent – Terrace for FY25   | INR 39.8 per sq. ft. per month                        | Based on the market benchmarking of recent leases within the micro-market  |
| Other Income                                | 1% of base rentals                                    | Analysis of the historical trend of other income suggest a normalised level of other income can be achieved in the future. Accordingly, we have considered other income at 1% of base rental income. Other income includes components from Events, Telecom Towers, Pop-ups   |
| Market Rent Growth                          | 2.0% per annum for FY25 and 5% per annum FY26 onwards | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5% per annum for the Project  |
| Parking Rent Growth from FY26               | 5.0% per annum  | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5.0% per annum for the Project  |
| Lease Tenure                                | 9 years   | As prevalent in the market   |
| Market Escalation                           | 5.0% per annum  | As prevalent in the market   |
| Target Efficiency                           | 76%   | Recent re-leasing suggest that the Client has leased the same premises at relatively lower efficiency and received higher rentals for the same carpet area.  |

| Parameters                               | Assumptions / Inputs  | Remarks / Basis  |
|--|---|--|
|  |   | Going forward, for leases which will expire during the next 10 years, we have considered an efficiency at 76% or actual, whichever is lower  |
| Maintenance Services Income / CAM Income | INR 14.19 per sq ft per month   | The CAM rate in Grade-A Commercial Development is observed to be in the range of INR 10 – 15 per sq.ft. per month. The CAM income in the Project is in-line with market trend and is as provided by Client |
| Operating Cost Assumptions               |   |  |
| Brokerage - New Leases                   | 2 months receivable on base rent  | As prevalent in the market   |
| Brokerage - Renewals / Release           | 2-months receivable on base rent  | As prevalent in the market   |
| Maintenance Services Cost for FY25       | INR 12.08 per sq ft per month   | As given by the Client and as prevalent in the market  |
| Property Tax for FY25                    | INR 2.72 per sq ft per month  | As given by the Client   |
| Insurance for FY25                       | INR 0.43 per sq ft per month  | As given by the Client   |
| Cost Escalation                          | 3% per Annum  | As prevalent in the market.  |
| CAM Escalation (Income + Expense)        | 5% per Annum  | As prevalent in the market.  |
| Other Assumptions                        |   |  |
| Transaction Cost on Sale                 | 1% of Terminal Value  | As prevalent in the market   |
| Other Operating Expenses                 | 2% of Base Rent + Car Parking Charges   | As prevalent in the market.  |
| Property Management Fees                 | 3.5% (Base Rent + Car Parking Charges + Fit out Rent + Other Operating Income)  | As prevalent in the market   |
| Discounting Rate / WACC                  | Suggestive Discount Factor: 11.75%  | Refer Section 3.3 of this report   |
| Cap Rate for Terminal Value              | Capitalized using long-term net yield rate of 8.00% (post yield shrinkage).<br>Capitalized based on the Net Cashflows of the 11 <sup>th</sup> year  | Refer Section 3.2 of this report   |
| Cash Flow Configuration                  | Cash flows have been drawn on quarterly basis for a period of 10 years, considering both cash inflows and outflows. Cash flows of terminal year is then capitalized and adjusted with transaction costs, to arrive at terminal value. | Value assumptions as practiced in the market   |

## 7.5 MARKET VALUE

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which the Valuer has no knowledge, the Market Value of the complete ownership interest in the Project comprising land and improvements thereon, as explained above, on the below mentioned dates, is estimated to be as follows:

**Table 7.3: Market Value of the Project**

| Component   | Leasable Area (sq. ft.) | Market Value (INR Million) | Percentage Share |
|---|-------------------------|----------------------------|------------------|
| Commercial / Office Space incl. Amenities – Completed | 1,681,127               | 18,258.57                  | 100%             |

Note: The above-mentioned value includes proportionate undivided ownership in the Amenity Plot, Utility Areas and Internal Roads and total open spaces of the Entire Campus

With all assumptions as mentioned in this report, we are of the opinion that the Market Value of the Project comprising total leasable area of 1,681,127 sq. ft. of project Commerzone (Building 1,4,5,6,7,8 and Amenity), located in Yerwada, Pune, Maharashtra, India, 411006, as on 31<sup>st</sup> March 2024 is estimated to be **INR 18,258.57 million (INR Eighteen Billion Two Hundred Fifty Eight Million Five Hundred and Seventy Thousand Only)**

**Table 7.4 Ready Reckoner Rates for the Property**

| Component                  | Ready Reckoner Rate (INR per sq.m) |
|----------------------------|------------------------------------|
| Commercial (Built-Up Area) | 112,770                            |
| Land Area (Open Plot)      | 29,510                             |

**KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)**, the Valuer for the Project, hereby declares that:

- We are fully competent to undertake the valuation.
- We are independent and have prepared the report on a fair and unbiased basis; and
- We have valued the Project based on the valuation standards as specified under sub-regulation 10 of regulation 21 of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended from time to time.



**Name:** Sachin Gulaty FRICS FIV FIIA,

**Designation:** Director

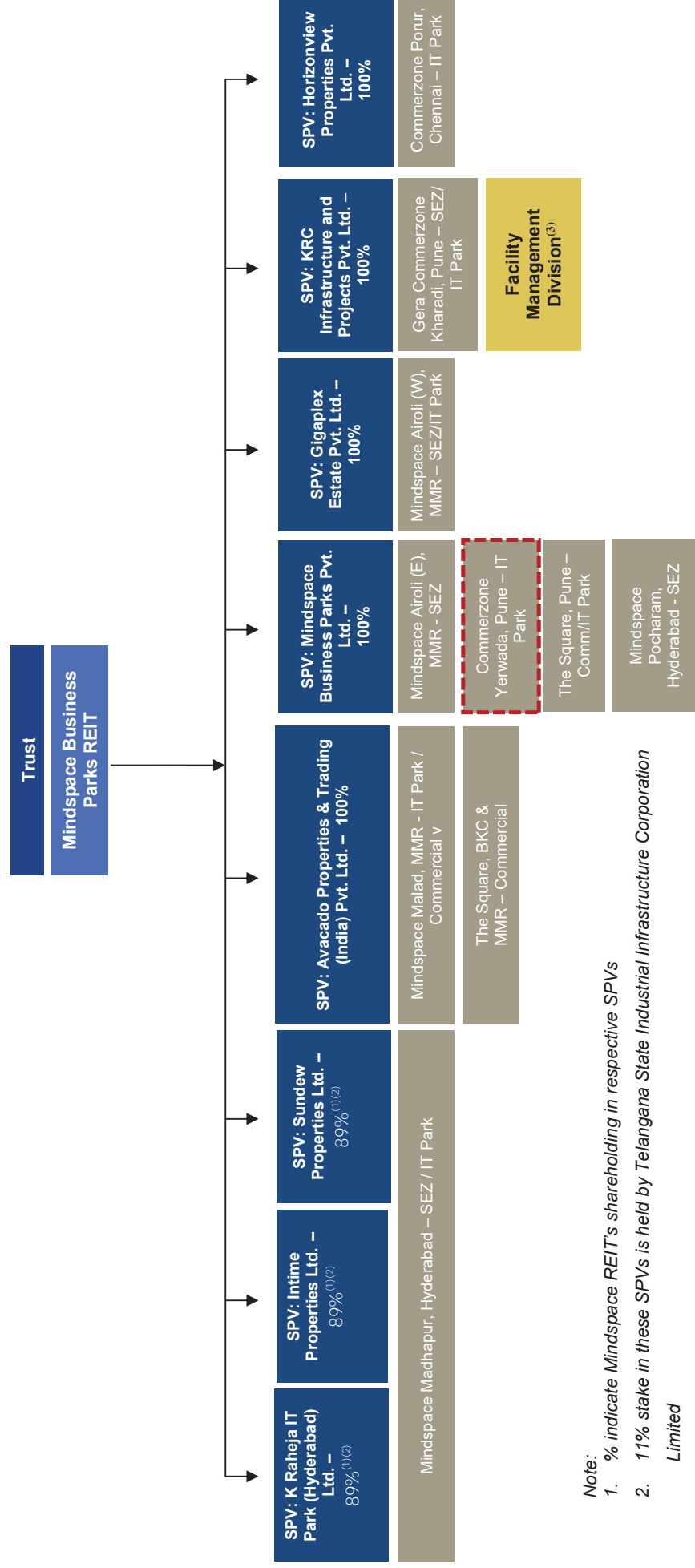
**Valuer Registration No.:** IBBI/RV/02/2021/14284

**Address:** 5<sup>th</sup> Floor, India Accelerator, The Iconic Corenthum, Sector 62, NOIDA – 201309. Uttar Pradesh. INDIA.

**E-Mail ID:** sachin.gulaty@k-zen.in



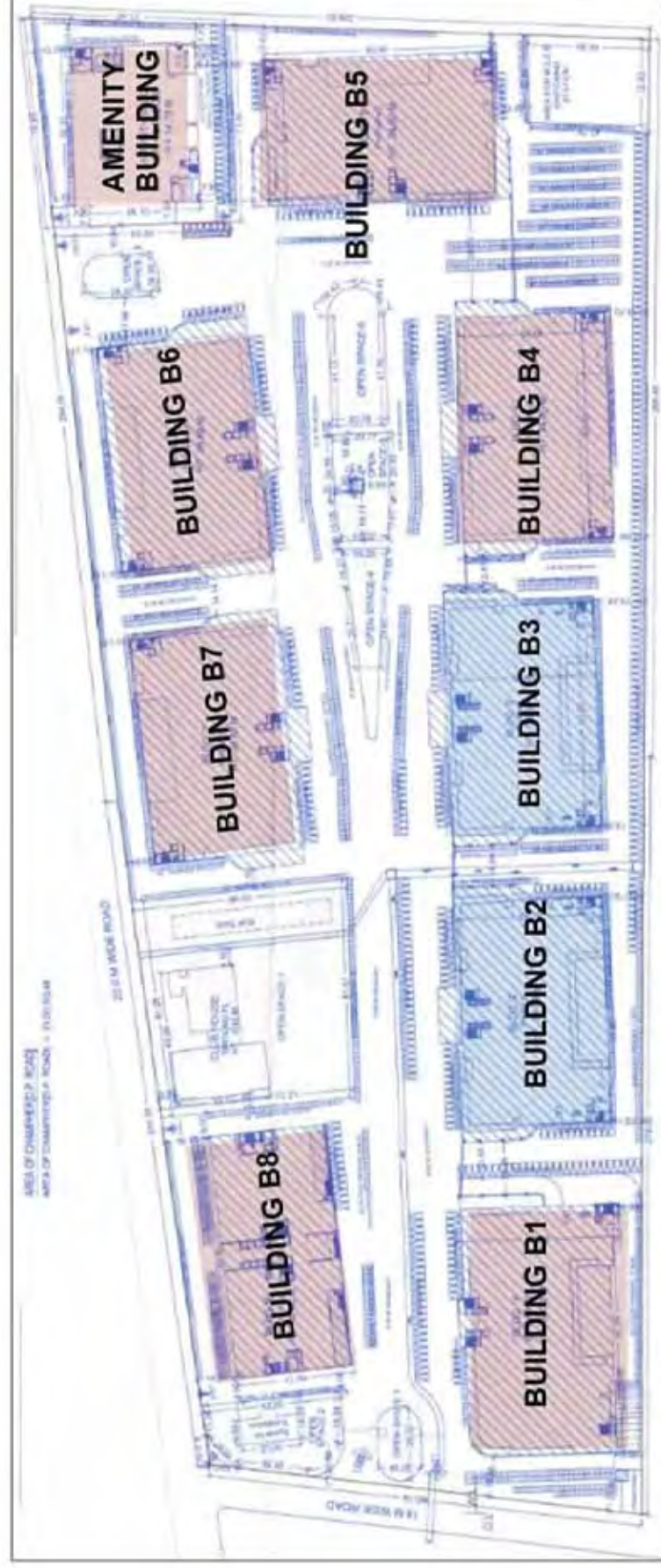
## Annexure - 1 Ownership Structure of the Project



**Note:**

1. % indicate Mindspace REIT's shareholding in respective SPVs
2. 11% stake in these SPVs is held by Telangana State Industrial Infrastructure Corporation Limited
3. Facility Management Division is housed in KRC Infrastructure and Projects Pvt. Ltd.

**Annexure - 2**  
**Layout Plan of the Project**



### Annexure - 3

#### Statement of Key Assets within the Project

| Building                      | No. / Name | B1                      | B2                         | B3                      | B4                     | B5                      | B6                     | B7                      | B8                          |
|-------------------------------|------------|-------------------------|----------------------------|-------------------------|------------------------|-------------------------|------------------------|-------------------------|-----------------------------|
| Floor                         | Nos        | 1B+1P+7F                | 2P+7F                      | 2P+7F                   | G+P1+P2+7              | 3P+7F                   | G+P1+P2+7              | 3P+7F                   | 3P+9F                       |
| Warm Shell / Bare shell       |            | Warm shell, but HVAC    | Warm shell, but HVAC       | Warm shell              | Warm shell             | Warm shell              | Warm shell             | Warm shell              | Warm shell                  |
| Air Cooled Chiller            | TR         | NA                      | NA                         | 7 x 180                 | 350                    | 350                     | 350                    | 375                     | 350                         |
| Water Cooled Chiller          | TR         | NA                      | NA                         | NA                      | 2 x 450                | 2 x 650                 | 2 x 450                | 2 x 450                 | 2 x 650                     |
| No of Elevators /Make         | No/ Make   | 8-OTIS                  | 8-OTIS                     | 8-Thyssenkrupp          | 8-Thyssenkrupp         | 8-Thyssenkrupp          | 8-OTIS                 | 8-Thyssenkrupp          | 10-Toshiba                  |
| No of DG / Capacity           | No. / KVA  | 1 x 750,<br>2 x 1010    | 4 x 1010                   | 4 x 1010                | 3 x 1010               | 4 x 1650                | 3 x 1010               | 4 x 1010                | 3 x 1650                    |
| No of Transformers / Capacity | No. / KVA  | 2 X 2000                | 2 X 2000                   | 2 X 2000                | 2 X 1600               | 2 X 1750                | 2 X 1600               | 2 X 1600                | 3 X 1600                    |
| Booster Pump                  | KW / Make  | 9.6 -Kirlskar Brothers  | 9.6 -Kirlskar Brothers     | 5.5 - Kirlskar Brothers | 9.6 -Kirlskar Brothers | 10 - ABB                | 9.6 -Kirlskar Brothers | 7.5 -Kirlskar Brothers  | 9.6 -Kirlskar Brothers      |
| Jockey Pump                   | KW / Make  | 5.5 - Kirlskar Brothers | 5.5 - Kirlskar Brothers    | 11 - Kirlskar Brothers  | 11 - Kirlskar Brothers | 5.5 - Kirlskar Brothers | 4 - Kirlskar Brothers  | 5.5 - Kirlskar Brothers | 2 x 5.5 - Kirlskar Brothers |
| Fire Diesel Pump              | KW / Make  | 82 - Kirlskar Brothers  | 68 - Kirlskar Brothers     | 68 - Kirlskar Brothers  | 68 - Kirlskar Brothers | 112 - Kirlskar Brothers | 80 - Kirlskar Brothers | 68 - Kirlskar Brothers  | 111 - Kirlskar Brothers     |
| Hydrant Pump                  | KW / Make  | 75 - Kirlskar Brothers  | 2 x 75 - Kirlskar Brothers | 60 - Kirlskar Brothers  | 82 - Kirlskar Brothers | 93.2 - ABB              | 75 - Kirlskar Brothers | 75 - Kirlskar Brothers  | 112 - Kirlskar Brothers     |
| Sprinkle Pump                 | KW / Make  | 75 - Kirlskar Brothers  |                            | 56 - Kirlskar Brothers  | 82 - Kirlskar Brothers | 93.2 - ABB              | 75 - Kirlskar Brothers | 75 - Crompton Greaves   | 112 - Kirlskar Brothers     |
| STP Rating                    | KLD        | 150                     | 150                        | 150                     | 150                    | 170                     | 150                    | 150                     | 170                         |

## **Annexure - 4**

### **Approvals and NOCs Received for the Project**

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List of one-time sanctions/approvals which are obtained or pending:

#### **1. Approvals Received**

- a) Approved Masterplans
- b) Commencement Certificate
- c) Consent to Operate valid for all operational buildings except Amenity Building
- d) Full Occupancy Certificates for all operational buildings
- e) Height Clearance NOC from AAI
- f) One-time Fire NOC and Form B for all buildings
- g) Environmental Clearances
- h) Consent for Establishment
- i) Lift Licenses for all buildings
- j) Occupancy Certificates
- k) Share Transfer Application – DOI

#### **2. Approvals Pending**

None



## Annexure - 6

### Discounted Cash Flow Profile

Table 7.5 Discounted Cash Flow (INR Mn)

| Sl. No. | Particulars                                | 1-APR-23<br>31-Mar-24<br>Year 0 | 1-APR-24<br>31-Mar-25<br>Year 1 | 1-APR-25<br>31-Mar-26<br>Year 2 | 1-APR-26<br>31-Mar-27<br>Year 3 | 1-APR-27<br>31-Mar-28<br>Year 4 | 1-APR-28<br>31-Mar-29<br>Year 5 | 1-APR-29<br>31-Mar-30<br>Year 6 | 1-APR-30<br>31-Mar-31<br>Year 7 | 1-APR-31<br>31-Mar-32<br>Year 8 | 1-APR-32<br>31-Mar-33<br>Year 9 | 1-APR-33<br>31-Mar-34<br>Year 10 | 1-APR-34<br>31-Mar-35<br>Year 11 |
|---------|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|----------------------------------|----------------------------------|
|         | Development / Construction Phasing         |                                 |                                 |                                 |                                 |                                 |                                 |                                 |                                 |                                 |                                 |                                  |                                  |
|         | Total Development Cost to be Incurred      | -                               | 160.00                          | 700.00                          | 555.00                          | -                               | -                               | -                               | -                               | -                               | -                               | -                                | -                                |
|         | Leasable Area                              | 1,681,127.40                    |                                 |                                 |                                 |                                 |                                 |                                 |                                 |                                 |                                 |                                  |                                  |
|         | Overall occupancy - Existing Leases        |                                 | 72.85%                          | 55.17%                          | 50.10%                          | 42.47%                          | 27.04%                          | 19.18%                          | 12.96%                          | 11.15%                          | 10.04%                          | 7.51%                            | 4.73%                            |
|         | Overall occupancy - Leases Moved to Market |                                 | 24.91%                          | 44.64%                          | 49.71%                          | 57.34%                          | 72.77%                          | 80.63%                          | 86.85%                          | 88.66%                          | 89.77%                          | 92.51%                           | 95.08%                           |
|         | Overall occupancy - of the Project         |                                 | 97.75%                          | 99.81%                          | 99.81%                          | 99.81%                          | 99.81%                          | 99.81%                          | 99.81%                          | 99.81%                          | 99.81%                          | 100.01%                          | 99.81%                           |
|         | Vacancy Allowance                          |                                 | 1.00%                           | 2.00%                           | 2.00%                           | 2.00%                           | 2.00%                           | 2.00%                           | 2.00%                           | 2.00%                           | 2.00%                           | 2.00%                            | 2.00%                            |
| A       | Base Rental                                |                                 | 1,409.42                        | 1,543.94                        | 1,628.79                        | 1,638.73                        | 1,760.06                        | 1,822.55                        | 1,905.12                        | 2,009.26                        | 2,085.61                        | 2,070.12                         | 2,369.13                         |
| B       | Car Parking Income                         |                                 | 7.85                            | 12.54                           | 13.09                           | 13.74                           | 14.39                           | 15.04                           | 15.72                           | 16.42                           | 17.16                           | 15.34                            | 19.55                            |
| C       | Fit-out rentals/ tenant improvements       |                                 | 139.01                          | 111.11                          | 77.09                           | 6.12                            | 2.55                            | -                               | -                               | -                               | -                               | -                                | -                                |
| D       | Facility Rentals                           |                                 | 1,556.29                        | 1,667.59                        | 1,718.97                        | 1,658.59                        | 1,777.00                        | 1,837.59                        | 1,920.84                        | 2,025.68                        | 2,102.78                        | 2,085.47                         | 2,388.67                         |
| E       | Maintenance services Income                |                                 | 276.97                          | 293.99                          | 308.69                          | 324.12                          | 340.33                          | 357.34                          | 375.21                          | 393.97                          | 413.67                          | 435.24                           | 456.07                           |
| F       | Other Operating Income                     |                                 | 14.09                           | 15.44                           | 16.29                           | 16.39                           | 17.60                           | 18.23                           | 19.05                           | 20.09                           | 20.86                           | 20.70                            | 23.69                            |
| G       | Revenue from Operations                    |                                 | 1,847.36                        | 1,977.02                        | 2,043.95                        | 1,999.10                        | 2,134.93                        | 2,213.15                        | 2,315.10                        | 2,439.75                        | 2,537.30                        | 2,541.41                         | 2,868.44                         |
|         | Direct Operating Expenses                  |                                 | -                               | -                               | -                               | -                               | -                               | -                               | -                               | -                               | -                               | -                                | -                                |
| H       | Maintenance services Expenses              |                                 | 243.79                          | 255.98                          | 268.78                          | 282.22                          | 296.33                          | 311.14                          | 326.70                          | 343.04                          | 360.19                          | 378.20                           | 397.11                           |
| I       | Property Tax                               |                                 | 54.87                           | 56.52                           | 58.21                           | 59.96                           | 61.76                           | 63.61                           | 65.52                           | 67.49                           | 69.51                           | 71.60                            | 73.74                            |
| J       | Insurance Premium                          |                                 | 8.65                            | 8.90                            | 9.17                            | 9.45                            | 9.73                            | 10.02                           | 10.32                           | 10.63                           | 10.95                           | 11.28                            | 11.62                            |
| K       | Net Operating Income (NOI)                 |                                 | 1,540.05                        | 1,655.62                        | 1,707.78                        | 1,647.47                        | 1,767.11                        | 1,828.37                        | 1,912.55                        | 2,018.59                        | 2,096.65                        | 2,080.33                         | 2,385.97                         |
|         | Add: Terminal Cash Flow                    |                                 | -                               | -                               | -                               | -                               | -                               | -                               | -                               | -                               | -                               | 29,526.32                        | -                                |
|         | Indirect Operating Expenses                |                                 | -                               | -                               | -                               | -                               | -                               | -                               | -                               | -                               | -                               | -                                | -                                |
| L       | Brokerage Fees                             |                                 | 99.41                           | 25.36                           | 9.29                            | 52.13                           | 21.32                           | 16.15                           | 24.15                           | -                               | 11.91                           | 177.45                           | -                                |
| M       | Property Management Fee                    |                                 | 54.96                           | 58.91                           | 60.73                           | 58.62                           | 62.81                           | 64.95                           | 67.90                           | 71.60                           | 74.33                           | 73.72                            | 84.43                            |
| N       | Other operational expenses                 |                                 | 28.35                           | 31.13                           | 32.84                           | 33.05                           | 35.49                           | 36.75                           | 38.42                           | 40.51                           | 42.06                           | 41.71                            | 47.77                            |
|         |  |                                 | -                               | -                               | -                               | -                               | -                               | -                               | -                               | -                               | -                               | -                                | -                                |
| O       | EBITDA                                     | -                               | 1,197.33                        | 840.22                          | 1,049.92                        | 1,503.66                        | 1,647.49                        | 1,710.52                        | 1,782.09                        | 1,906.47                        | 1,968.36                        | 31,313.78                        | -                                |

**Note:** We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes.



## Annexure - 7

### Material Litigations

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#### (i) *Title litigation and irregularities*

1. Shrimant Chhatrapati Udayan Raje Pratapsinh Maharaj Bhonsale ("Plaintiff") has filed a suit before the Civil Judge Senior Division Pune ("Civil Court") against Shri Mukund Bhavan Trust ("MBT"), its trustees, and the State of Maharashtra ("Defendants") for declaration of title and possession of lands in Yerwada, Pune admeasuring approximately 322.7 acres ("Suit Land"); including approximately 25 acres 27 gunthas (approximately 1,03,940 square meters) ("Commerzone Land") of land in which units (approximate 1.68 msf of leasable area as per lease deeds) in Commerzone Yerwada, one of our Portfolio, are situated. MBT, as the owner of 79.32 acres land ("MBT Land"), had executed a registered development agreement in 2004 with KRCPL with respect to the Commerzone Land. Commerzone Yerwada land, which includes the rights in demarcated portions of the Commerzone Land, was transferred from KRCPL to MBPPL pursuant to the scheme of arrangement sanctioned on September 7, 2017). Neither KRCPL nor MBPPL is joined as a defendant to the suit.

The Plaintiff is seeking, inter alia declarations and injunctions in his favour in relation to ownership and possession of the Suit Land and to set aside compromise decrees passed in (i) 1953 in Suit No. 152/1951; (ii) 1990 in Suit No. 1622/1988; and (iii) 2003 in Civil Appeal No. 787/2001; all in proceedings between MBT and the State of Maharashtra.

The Plaintiff also filed an application for temporary injunction which is pending. No interim or ad-interim relief has been granted to the Plaintiff. MBT applied to the Civil Court for rejection of the plaint filed by the Plaintiff on the grounds of limitation, which was rejected by order dated April 29, 2014. MBT filed revision petition against the said rejection order, in the Bombay High Court, which was dismissed on April 26, 2016. MBT filed SLP No.18977 of 2016 against the said dismissal order, which is pending before the Supreme Court of India.

The Plaintiff filed an application on March 9, 2015 in the Civil Court for amendment to the prayers in the suit, inter alia to limit the Plaintiff's claim for possession only with regard to vacant land in possession of the Defendants and lands alienated subsequent to the filing of the suit, and to seek compensation from MBT with regard to constructed units and alienated part of the Suit Land instead of seeking possession of the developed portion for which registered deed with regard to alienation were executed prior to the filing of the suit in 2009. The application for amendment of the plaint was rejected by the Civil Court by its order dated November 14, 2016. Aggrieved, the Plaintiff filed Writ Petition No. 4268/2017 in the Bombay High Court challenging the said order dated November 14, 2016, which is currently pending before the Bombay High Court.

Two applications made by third parties, being M/s. Mahanagar Developers and M/s. Mahanagar Constructions for being joined as party defendants in the suit, were granted on November 14, 2016 by Civil Court. The Plaintiff challenged this order by filing Writ Petition No. 4415/2017 in the Bombay High Court. By a common order dated February 15, 2018 passed in the aforesaid two writ petitions (Nos. 4268/2017 and 4415/2017), the Bombay High Court requested the trial judge not to proceed in considering any interim application, till the adjourned date of hearing of these petitions. These matters are currently pending before the Bombay High Court.

The Plaintiff registered a notice of lis-pendens dated July 7, 2011 in respect of the Suit No.133/ 2009 and applied for mutation in the revenue records. Purshottam M. Lohia, a trustee of MBT and Panchashil Tech Park Private Limited (an entity claiming certain rights in survey No.191A Yerwada village) ("Panchashil") opposed the mutation, which opposition was rejected. Panchashil filed appeal before the District Superintendent of Land Records and

relied on the government notification dated September 21, 2017 directing revenue authorities to remove or cancel all mutations entries in respect of notice of lis-pendens ("Notification").

2. Ravindra Laxman Barhate filed complaint and revenue proceedings against Shri Mukund Bhavan Trust ("MBT") and others in relation to the allotment and exemption order under the Urban Land Ceiling Act, 1976 in respect of the MBT Land (as mentioned in para 1 above).

A complaint was filed on November 27, 2015 by Ravindra Laxman Barhate with the Divisional Collector Pune and other authorities, against MBT and others (together, "Respondents") alleging tampering, cheating as also breach of terms and conditions by the Respondents inter alia with respect to order dated November 24, 2003 passed under Section 20(1) of the Urban Land Ceiling Act, 1976 in respect of the MBT Land at Yerwada, Pune ("ULC Order") and seeking action against the Respondents and cancellation of the ULC Order.

MBT filed a writ petition before the Bombay High Court, for quashing any enquiry / investigation on the basis of the said complaint filed by Ravindra Laxman Barhate. By order dated March 5, 2018, the Bombay High Court has restrained the Additional Collector from passing any order on this complaint until the next hearing date. Through its order dated January 6, 2020, the Bombay High Court inter alia restrained the State of Maharashtra and certain other respondents from passing any order pursuant to the complaint filed on November 27, 2015 until disposal of the writ petition. The matter is currently pending.

Ravindra Laxman Barhate also filed a Revenue Appeal No.1826/2015 before the Revenue Minister, State of Maharashtra ("Revenue Minister") against the Commissioner & Collector, Pune and MBT, challenging a report dated June 20, 2011 of the Divisional Commissioner, Pune ("Report") wherein MBT was stated to be the owner of the MBT Land(which include the demarcated portions of the land pertaining to Commerzone Yerwada); inter alia to set aside the Report, pass an order directing the relevant authorities to submit a new inquiry report and restrain the purchase-sale, construction on the disputed land. By way of order dated September 23, 2015, the Revenue Minister ordered that status quo be maintained as regards the record of the suit property.

MBT had filed a writ petition challenging the order dated September 23, 2015 passed by the Revenue Minister. Since the State Government of Maharashtra withdrew the said order dated September 23, 2015, stating that the pending proceedings will be heard by the Principal Secretary, Revenue Department, the said writ petition was disposed of by order dated October 28, 2015 as not surviving while keeping open all contentions of both the parties on merits. MBT challenged the said Order dated October 28, 2015 in the Supreme Court of India ("Court") inter alia on the ground of maintainability of such proceedings before the Principal Secretary, Revenue Department. By order dated January 21, 2016, the Supreme Court of India has stayed the proceedings pending before the Principal Secretary, Revenue Department. By order dated August 6, 2021, the Court allowed the appeal by setting aside the impugned order dated October 28, 2015 of Bombay High Court and restored the aforesaid writ petition to the file of the Bombay High Court to facilitate the Bombay High Court revisiting the petition afresh. The Court clarified that the setting aside of the impugned order dated October 28, 2015 will not have any consequence in regard to the statements which have been recorded of the State of Maharashtra to withdraw the order dated September 23, 2015.

3. A letter dated February 4, 2019 from the Office of Executive Engineer, BDD Zone No.4 was forwarded by an architect firm to MBPPL on February 11, 2019 wherein PMC sought clarifications regarding certain objections pertaining to the land at Commerzone Yerwada, regarding payment of ₹ 156.98 million consisting of ₹ 56.34 million principal of recoverable amount and ₹ 100.64 million on account of interest. MBPPL by way of its letter dated February 28, 2019 replied to PMC inter alia stating that the letter has been addressed to the incorrect recipient who is not a developer of the relevant portion of the land, and sought clarifications with respect to the contents of the letter and disputed the payment demand. Further, by way of its letter dated July 2, 2019, MBPPL requested for a reply to its letter dated February 28,

2019 and stated that it would be ready to pay amounts, if any payable, if and once the clarifications sought by it are provided. By letter dated July 20, 2019 to MBPPL, PMC provided the copy of the audit report to MBPPL and requested MBPPL to provide its clarifications in respect of objectionable issues and furnish the challans in lieu of payment of the recoverable amount. By letter dated August 17, 2021 the architect firm and another, PMC stated that it has not received any clarifications and provided the challans of amounts by assessing interest thereon and required submission of challan/receipt towards payment of an amount of ₹ 183.60 million recoverable against all objectionable issues. By its reply letter dated September 6, 2021 to PMC, MBPPL has again stated that the earlier PMC letter dated February 4, 2019 and the PMC letter dated August 17, 2021 are addressed to the wrong persons and informed PMC of the non-receipt of relevant information and documents from PMC as requested by MBPPL earlier. By letter dated October 11, 2021 to PMC, MBPPL replied stating that the impugned challans, demands and notice are illegal, null and void and ultra vires; and called upon PMC to withdraw the impugned challans and letter forthwith. Further, without prejudice to the contentions raised in the reply and without admitting any liability to pay the amount as per the impugned challans, MBPPL has submitted to pay in full and final settlement on all accounts of all demands raised in the said challans, a lumpsum one-time amount of ₹ 26.64 million without any liability for interest thereon or for any other payments relating to the subject and to provide an opportunity of hearing and furnishing clarifications, if required by PMC. By letter dated January 5, 2022, to the architect firm and another, PMC stated that it has informed them earlier to make the payment of the objectionable and recoverable amount along with the interest in the treasury of PMC as per the scrutiny carried out by the Chief Auditor, PMC ("CA") of the sanctioned building plans in respect of land at Commerzone Yerwada. In pursuance of the same, the revised/rectified challans were being issued by PMC upon the verification of the written clarification provided by the Architect and another. However, if any objection is raised or received in respect of the revised/rectified challans from the CA shall be bound to take action or act as per the instructions given by the CA. In reply to the PMC letter dated January 5, 2022, MBPPL on January 25, 2022 submitted a reply/ letter to PMC and its officers stating that without prejudice to its contentions, rights and remedies and without admitting any liability to pay any amount under the four revised challans dated January 4, 2022 ("Challans") an aggregate amount of ₹ 26.64 million i.e. (₹ being development charges, ₹ 6.53 million being balcony charges and ₹ 20.11 million being staircase charges) towards the payments in full and final settlement of the Challans in order to show bonafide of MBPPL and full and final settlement of all accounts and demands raised by PMC and requested PMC to accept the payment accordingly without any further demands on MBPPL on any account and to treat the matter as closed. MBPPL further stated that if the matter is not closed, to treat the said letter dated January 25, 2022, as a notice under Section 487 of the Maharashtra Municipal Corporation Act, 1949 and under Section 159 of the Maharashtra Regional and Town Planning Act, 1966 in relation to the letters and challans. Subsequently, by letter dated March 10, 2022, PMC informed MBPPL that it has not accepted the cheque issued by MBPPL vide its letter dated January 25, 2022 and requested MBPPL to issue demand draft for the amount as per the Challans and make the payment to PMC at the earliest. On April 7, 2022 MBPPL submitted a reply/ letter to PMC enclosing a demand draft as desired by the PMC, for an amount of ₹ 26.64 million towards the payment as set out in MBPPL's earlier communications. The PMC returned the demand draft submitted by MBPPL vide its letter dated July 11, 2022 while demanding entire payment. MBPPL submitted letters dated July 21, 2022 and July 22, 2022 to PMC and remitted the entire payment of ₹ 101.36 million. Through its letter dated August 8, 2022, MBPPL intimated the PMC that MBPPL made the payment of an amount of ₹ 6.09 million being challan late fees on July 28, 2022.

4. MBPPL ("Petitioner") has filed writ petition on November 14, 2022 in the Bombay High Court ("Court") against Pune Municipal Corporation and others ("Respondents") inter alia, seeking to impugn and set aside the Demand Notice dated January 5, 2022 enclosing challans for certain amounts allegedly due and payable by the Petitioner ("Impugned Demand Notice") and for refund of the amount of ₹ 107.45 million paid by the Petitioner under protest to the Respondents towards the Impugned Demand Notice. The matter is currently pending for admission.

**(ii) Criminal matters**

There are no pending criminal matters against Commerzone Yerwada.

**(iii) Regulatory actions**

1. Deputy Assessor and Collector (Indira Docks), Mumbai issued demand notice dated June 7, 2012 for payment of ₹ 0.4 million towards octroi for import of certain goods at Commerzone Yerwada project. MBPPL replied by way of its letters dated March 2, 2017, March 14, 2017 and March 22, 2017 stating, inter alia that it has made payments for the aforesaid goods. MBPPL received another demand notice dated March 21, 2018 in relation to the aforesaid payment of octroi. MBPPL replied by way of letter dated April 18, 2018 and reiterated that there is no liability to pay octroi in this case. No further correspondence has been received.
2. MBPPL has received several demand notices from the stamp duty and revenue authorities in relation to alleged deficit payment of stamp duty aggregating to ₹ 10.18 million along with penalty in certain instances with respect to certain leave and license agreements / lease deed entered into by MBPPL, in its capacity as licensor/ lessor. MBPPL has from time to time responded to such demand notices inter alia stating that the liability for stamp duty on the documents was that of the respective licensee / lessees.
3. Ministry of Water Resources, River Development and Ganga Rejuvenation, Central Ground Water Board issued a show cause notice dated March 22, 2019 to MBPPL for non-compliance and contravention of the mandatory conditions of the NOC issued of ground water extraction for Commerzone Yerwada project and directed MBPPL to rectify the non-compliances. MBPPL has replied by way of its letter dated April 12, 2019 stating that it has initiated all actions required for compliance with the no-objection certificate and requesting withdrawal of the show cause notice dated March 22, 2019. No further correspondence has been received.
4. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 ("Income Tax Act") against Avacado, Gigaplex, KRIT, MBPPL, Chalet Hotels, Genext, Inorbit Malls, KRCPL, KRPL, Shoppers Stop and others ("Parties"). Pursuant to the Warrant, the Income Tax Department carried out a search on November 30, 2017. The search covered various matters for which notices were already issued from time to time. The search was concluded on December 6, 2017 at the office and residence of the Parties. Pursuant to the search, the Income Tax Department issued notices to each of the Parties under Section 153A of the Income Tax Act directing them to prepare and furnish true and correct returns of total income for assessment years ("AY") from 2008-2009, 2012-13 to 2017-18 within a stipulated timeline from the date of service of the notices and these returns have been furnished before the Income Tax Department. Further, the Income Tax Department issued notices under Section 142(1)/143(2) of the Income Tax Act for assessment years 2008-2009, 2012-13 to 2017-2018/2018-19, to the Parties seeking

certain information. These details have been furnished before the Income Tax Department by the Parties from time to time.

5. MBPPL filed appeals before the CIT(A) against the order for AY 2012-13 to AY 2017-18 and against order for AY 2018-19. MBPPL made an application under the VsV for AY 2012-13, AY 2013-14 & AY 2014-15. MBPPL received final order for AY 2012-13, accepting the VsV Application. The appeal for AY 2015-16 and 2016-17 were disposed by the CIT(A) in favour of MBPPL with direction to the assessing officer. The appeal for AY 2012-13 was dismissed by the CIT(A) in view of VsV order for the said year. VsV application for AY 2013-14 was rejected and the final order under VsV for AY 2014-15 is currently pending. The appeal for AY 2013-14 was disposed by the CIT(A) against MBPPL and an appeal has been filed before the ITAT against the same. Appeal filed before ITAT for AY 2013-14 has been withdrawn by MBPPL. The Income Tax Department filed an appeal for AY 2015-16 and AY 2016-17 before ITAT against the order of the CIT(A) and the same were disposed by the ITAT in favour of MBPPL. MBPPL received a notice under section 148 for assessment year 2014-15. MBPPL filed return of income under protest in response to the said notice for assessment year 2014-15 and also sought reasons for reopening the assessment. MBPPL received reasons for reopening and response against the same has been submitted objecting to the reopening of assessment. The Income Tax Department passed an order rejecting the objections filed. MBPPL filed a writ petition with the Bombay High Court against the notice under section 148 and rejection order. Bombay High Court has passed the order quashing the notice under section 148. Subsequently, Supreme Court has upheld the validity of the notice. MBPPL received notice u/s 148A(b) and response against the same has been submitted objecting to the reopening of assessment. The Income Tax Department passed an order under section 148A(d) rejecting the objections filed and served notice under section 148 of the Income Tax Act. The return of income was filed under protest in response to the said notice. MBPPL has filed Writ Petition before Bombay High Court against the notice u/s 148 and order u/s 148A(d).
6. The Collector of Stamps (Enforcement), Mumbai issued an interim demand letter dated December 18, 2017 and rectification order dated December 20, 2017 for deficit stamp duty aggregating to ₹ 333.28 million. By way of letter dated December 26, 2017, MBPPL expressed its disagreement with respect to determination of the amount of stamp duty for the demerger of certain undertakings of Trion Properties Pvt. Ltd. into MBPPL and stated that it will effect the payment of the disputed amount under protest and requested that the original order of the NCLT be returned to MBPPL duly endorsed, to enable MBPPL to make the payment and register the same. The amount of ₹ 333.28 million was paid under protest on December 27, 2017. No further correspondence has been received.
7. KRCPL received a letter dated December 29, 2023 from the office of Joint District Registrar, Pune requested KRCPL to avail the benefit of Amnesty Scheme 2023 on the deficit stamp duty and penalty thereon to be paid since the deficit stamp duty and penalty thereon has not been paid on the document No. 2380/2019 registered in the office of Joint Sub Registrar, Haveli No. 15, Pune. MBPPL is in the process of submitting a reply to the aforesaid letter.

**(iii) Material Civil / Commercial Litigation**

1. With respect to the termination of a license agreement between MBPPL and Capstone Securities Analysis Private Limited ("Capstone"), a licensee at Unit No.003 in Building No.1 in Commerzone Yerwada, MBPPL has filed an eviction suit against Capstone in the Small Causes Court at Pune ("Court") for payment of arrears of license fees and other charges



aggregating to ₹ 10.80 million and has sought injunction. By way of two separate orders dated June 16, 2022, application dated February 4, 2021 filed by MBPPL seeking directions against Capstone for depositing the monthly License Fee in Court was allowed by the Court, and application dated July 9, 2021 filed by Capstone for fixation of standard rent was rejected. On July 16, 2022 the Court allowed the application filed by MBPPL for interim/ad-interim injunction restraining Capstone from creating third party interest in the suit property and parting with the possession of the suit property in any manner, till final disposal of the suit. On July 16, 2022 Capstone filed an application seeking a stay to the effect and operation of the order passed on June 16, 2022 thereby directing Capstone to deposit the license fees in Court. On August 24, 2022 MBPPL filed an application for striking off the defense by Capstone and the matter was adjourned till September 8, 2022. On September 8, 2022 the matter was adjourned till October 01, 2022 for filing say by Capstone to the application for striking off defense filed by MBPPL and hearing on the application for stay filed by Capstone to both the orders passed on June 16, 2022. Capstone has filed two revision applications against MBPPL being aggrieved by the aforesaid orders dated June 16, 2022. Both the revision applications were rejected by the District Court vide order dated October 11, 2022 ("Order"). Being aggrieved by the said Order, Capstone had on October 19, 2022 and November 2, 2022, filed applications before the Court seeking a stay on the effect and operation of the said Order dated October 11, 2022 so as to seek an appropriate order from the Bombay High Court by filing a petition. On November 5, 2022, Capstone has further filed applications inter-alia seeking 15 days time for challenging the Order passed by the District Court, before the Bombay High Court and for a stay on the Order passed under Exhibit 9 i.e. application for depositing license fee in the Court. Vide order dated November 5, 2022, the applications were partly allowed, and the effect and operation of the order passed below Exhibit 9 was stayed / suspended only till November 11, 2022. On November 11, 2022, Capstone filed an application seeking a stay on the order passed below Exhibit 9 informing the Court that Capstone has filed two writ petitions bearing nos. WPST/27433/2022 and WPST/27435/2022 before the Bombay High Court ("Writ Petitions") thereby challenging the Orders passed under Exhibit 9 (whereby the Court allowed MBPPL's application filed under Order 15-A of CPC) and 25 (Capstone application for fixing standard rent). MBPPL had filed an application with a prayer to strike off the defence of Capstone, since Capstone had defied the order passed under Exhibit 9. By Order dated November 11, 2022, the Court allowed the application of MBPPL for striking off defence filed by Capstone and rejected the application filed by Capstone seeking a stay on the order passed below Exh. 9 and sought adjournment in the matter for 15 days to obtain appropriate orders from the Bombay High Court. The matter has been posted to January 6, 2022 for framing of issues. On January 6, 2023 MBPPL submitted that the defence had been struck-off as no Written Statement was filed on record, therefore issues should not be framed and the matter could be posted for evidence. The Defendant appeared and filed on record an Application inter-alia stating that it has filed a Revision Application No. 45 of 2022 before the Hon'ble District Court, Pune thereby challenging the Orders dated November 11, 2022 passed under Exhibit 33 (Striking off the Defence) & Exhibit 45 (Adjournment Application filed by the Defendant which was rejected by Court) and the same was posted to January 20, 2023 for appearance of MBPPL. Further, vide the said Application, the Defendant stated that the Writ Petitions are awaiting hearing and hence the matter may be adjourned suitably in order to obtain necessary orders from the Bombay High Court. MBPPL resisted the Application filed by the Defendant by filing a say. The aforesaid Application filed by the Defendant was rejected and the suit was posted to March 8, 2023, for filing of 'Affidavit of Evidence'. On March 8, 2023, the Defendant has filed an seeking a stay on the proceeding inter-alia stating that the Civil Revision Application against the Order of Striking-off Defence is pending before the Hon'ble District Court and sought an adjournment to obtain appropriate orders from the District Court. MBPPL raised objections to the said Application and filed reply to the same and pressed



for rejection of the said Application. The matter has been adjourned to April 11, 2023. On April 11, 2023, Capstone filed an application to stay the proceeding inter-alia stating that the civil revision application against the order of striking-off defence is pending before the District Court and sought an adjournment to obtain appropriate orders from the District Court where revision application has been filed. MBPPL objected to the said application and filed its reply to the application for stay and informed the Court that a similar application has been filed by Capstone on a previous occasion and the same is pending for orders and sought a rejection of the application for stay. Upon submissions, the Court adjourned the matter to June 23, 2023 for (1) Order on the application for stay, (2) Order on the application for stay filed by Capstone previously at Exhibit 48, (3) filing of evidence affidavit by MBPPL and further proceedings accordingly. On June 23, 2023, MBPPL filed a purshis inter-alia placing on record the final order dated June 6, 2023 passed by the District Court in Revision Application No. 45 of 2022. The advocate for Capstone appeared and filed on record a purshis inter-alia stating that Capstone has paid all amounts with interest as per order dated June 6, 2023 passed in Civil Revision Application No. 45 of 2022, i.e. ₹ 10.92 million to MBPPL vide cheque dated June 14, 2023. Further, vide the said Purshis, Capstone submitted to the Court that it has complied with the order dated June 6, 2023 passed by the District Court and therefore the order dated November 11, 2023 by the Court in Civil Suit No. 79 of 2021 is required to be set aside and the written statement / defence of Capstone is required to be taken back on record. MBPPL stated that Capstone has not provided a detailed summary / statement / break-up of the payments made so as to ascertain the amounts so paid by it in compliance to the Order dated June 6, 2023 passed by the District Court. The matter has been adjourned till July 11, 2023. On August 3, 2023 Capstone appeared and filed on record a Purshis inter-alia stating that (a) Capstone has paid ₹ 10.92 million to MBPPL in compliance of orders passed in Civil Revision Application No. 45 of 2022 and (b) an additional amount of ₹ 0.35 million has also been transferred to MBPPL's account in view of MBPPL's claim of shortfall amount, and (c) Capstone has paid the license fee for the month of July and August 2023 at the rate of ₹ 0.42 million and as such an amount of ₹ 0.11 million is paid in excess as per month license fee is directed to be paid at ₹ 0.36 million. . Issues are framed and matter is kept for evidence and is currently pending.

2. Revision Application No. 45 of 2022 was filed by Capstone before the Hon'ble District Court, Pune thereby being aggrieved by the order/s dated November 11, 2022 passed under Exhibit 33 (Application for Striking off the Defence) & Exhibit 45 (Adjournment Application filed by the Defendant which was rejected by Court) and the same was posted to January 20, 2023 for appearance of MBPPL. On January 20, 2023 MBPPL appeared in the matter and sought adjournment in the matter for advancing final arguments. On March 23, 2023, Capstone appeared and filed on record the Application inter-alia stating that (i) the Applicant is ready and willing to pay an amount of ₹ 9.4 million from January 2021 to March 2023 to the account of MBPPL directly, if so directed by the Hon'ble Court, (ii) the Applicant is ready and willing to deposit the monthly license fee before the 7th day of every month to MBPPL; and (iii) seeking to set aside the order of Small Cause Court, Pune dated November 11, 2022 in Civil Suit No. 79 of 2021; and the matter has been adjourned to April 5, 2023, for filing of Reply by Respondent to the Application. The matter came up for hearing on April 5, 2023, April 24, 2023 and thereafter on April 27, 2023 when MBPPL has filed its reply. Upon submissions, the Court adjourned the matter to May 2, 2023 for arguments. The matter was adjourned to June 6, 2023 for order. Capstone's Application was allowed by an order dated June 6, 2023 with certain conditions and the revision application was disposed off on June 6, 2023 upon compliance of certain conditions within stipulated time whereby the said order dated November 11, 2022 passed in Civil Suit No. 79 of 2021 by the trial court striking off the written

statement of Capstone will be held to be set aside, and in case Capstone fails to comply with the conditions in the said order dated June 6, 2023 within stipulated time, then the order dated November 11, 2022 passed by the trial Court will automatically revive and remain in existence. In pursuance of the said order dated June 6, 2023, the revision application was disposed of by the District Court.

Table 7.6 Summary of Pending Tax Litigations

| Assessment Year | Significant Issue In Dispute  | Authority - Raising Issue | Authority - Pending | Tax Demand (In Mn) | Interest (Quantified) | Penalty (Quantified) | Issue In Brief   | Period                  | Interest      | Exposure - Tax, Interest And Penalty |
|-----------------|---|---------------------------|---------------------|--------------------|-----------------------|----------------------|--|-------------------------|---------------|--------------------------------------|
| 2014-15         | Rental Income assessed under the head IHP instead of Business.  | Assessing Officer         | Assessing Officer   | 33.39              | -                     | -                    | Service tax on reimbursement of electricity and allied charges | April 2008 to June 2017 | as applicable | as applicable                        |
| 2017-18         | Rental Income assessed under the head IHP instead of Business & no speaking order on the losses & unabsorbed depreciation of demerged undertaking   | Assessing Officer         | Assessing Officer   | 5.83               | -                     | -                    |  |                         | as applicable | as applicable                        |
| 2018-19         | Depreciation to be Computed on assets from the year in which income from such assets is taxed under the head PGBP & Disallowance of Interest on TDS | Assessing Officer         | Assessing Officer   | 35.45              | -                     | -                    |  |                         | as applicable | as applicable                        |

Note : Direct Tax Litigations are at the SPV Level

Table 7.7 Indirect Tax Litigation

| Sl.No | Entity                                   | Park               | Tax Type    | Authority Pending   | Tax Demand (In Mn) | Interest (Quantified) | Penalty (Quantified) | Issue In Brief  | Period                  | Interest       | Penalty        |
|-------|--|--------------------|-------------|---|--------------------|-----------------------|----------------------|---|-------------------------|----------------|----------------|
| 1     | Mindspace Business Parks Private Limited | Commerzone Yervada | Service Tax | Reply to SCN filed with Commissioner of Central Exdse & Service Tax, Pune | 33.39              | -                     | -                    | Service tax on reimbursement of electricity and allied charges                                  | April 2008 to June 2017 | as applicable  | as applicable  |
| 2     | Mindspace Business Parks Private Limited | Commerzone Yervada | Service Tax | Reply to SCN filed with Commissioner of Central Exdse & Service Tax, Pune | 5.83               | -                     | -                    |   |                         | as applicable  | as applicable  |
| 3     | Mindspace Business Parks Private Limited | Commerzone Yervada | Service Tax | Reply to SCN filed with Commissioner of Central Exdse & Service Tax, Pune | 35.45              | -                     | -                    |   |                         | as applicable  | as applicable  |
| 4     | Mindspace Business Parks Private Limited | Commerzone Yervada | Service Tax | Reply to SCN filed with Commissioner of Service Tax, Pune                 | 7.24               | -                     | -                    |   |                         | as applicable  | as applicable  |
| 5     | Mindspace Business Parks Private Limited | Commerzone Yervada | Service Tax | Reply to SCN filed with Commissioner of Central Exdse & Service Tax, Pune | 5.35               | -                     | -                    |   |                         | as applicable  | as applicable  |
| 6     | Mindspace Business Parks Private Limited | Commerzone Yervada | Service Tax | Reply to SCN filed with Assistant Commissioner, Central Tax (GST), Pune   | 4.76               | -                     | -                    |   |                         | as applicable  | as applicable  |
| 7     | Mindspace Business Parks Private Limited | Commerzone Yervada | Customs     | CESTAT  | 11.06              | -                     | -                    | Refund claim filed for excess payment of Customs duty at the time of debonding from STPI Scheme | Aug-16                  | not applicable | not applicable |

## Annexure - 8

### Caveats and Limitations

---

1. The Valuation Report (hereafter referred to as the 'Report') covers specific markets and situations that are highlighted in the Report based on independent market report prepared by JLL and does not entail any comprehensive analysis of the market and the industry given the nature of the scope of the assignment.
2. The opinions expressed in the Report are subject to the limitations expressed below.
  - a) The valuation method adopted is based on the Valuer's expertise and knowledge considering the forecasts on demand, supply and pricing as undertaken by JLL as part of an independent market/ industry research and considered to be relevant and reasonable at that point of time. The Report and the opinions therein do not constitute any recommendation to K Raheja Corp Investment Managers Private Limited (or the 'Client') or its affiliates and subsidiaries or its customers or any other party to adopt a particular course of action. The use of the Report at a later date may invalidate the assumptions and bases on which these opinions have been expressed and is not recommended as an input to any financial decision.
  - b) It should be noted that the valuation is based upon the facts and evidence available at the time of conduct of the valuation and applicable on the date of valuation. It is therefore recommended that these valuations be periodically reviewed.
  - c) Changes in socio-economic and political conditions could result in a substantially different situation than those presented herein. The Valuer assumes no responsibility for changes in such external conditions.
  - d) The Valuer has considered the independent market report prepared by JLL and macro understanding of the market through readily available information in public domain. Hence, no direct link is sought to be established between the macro-level understandings on the market with the assumptions estimated for the analysis herein.
  - e) The services provided is limited to valuation of the Project primarily comprising Land and Building and any part thereof and does not constitute any audit, survey, due diligence, tax related services etc. Accordingly, no opinion has been expressed on the financial information of the business of any party, including the Client and its affiliates and subsidiaries. The Report is prepared solely for the purpose stated and should not be used for any other purpose.
  - f) While the information included in the Report is accurate and reliable to the best of the knowledge of the Valuer, no representations or warranties, expressed or implied, as to the completeness of such information is being made. The Valuer shall not undertake any obligation to update or supplement any information contained in the Report save as provided for in the Agreement.
  - g) Apart from the sources already mentioned in the report, the Valuer has relied on readily available public information for the purpose of preparing this report.
3. The Report reflects matters as they currently exist. Any changes thereon may materially affect the information contained in the Report.
4. All assumptions made in order to determine the valuation of the Project is based on information or opinions as current. In the course of the analysis, the Valuer has relied on information or opinions, both written and verbal, as obtained from the Client as well as from third parties provided with, including limited information on the market, financial and operating data, which has been accepted as accurate in bona-fide belief. No responsibility is assumed for technical or specialised

information furnished by the third-party organizations and this is believed bona-fide to be reliable.

5. No investigation of the title of the assets has been made and owners' claims to the assets is assumed to be valid unless anything contrary is mentioned in the main report. No consideration is given to liens or encumbrances, which may be against the Project or assets. Therefore, no responsibility is assumed for matters of a legal nature.
6. Review of tenants' ability and willingness to continually pay lease rents as per their respective contractual terms is not within the scope of work of Valuer. Valuer has assumed that all tenants' will be able to pay their rents on time as and when demanded as per their contractual terms and that no arrears exist with respect to any tenancy.
7. The Valuer's total aggregate liability to the Client including that of any third party claims, in contract, tort including negligence or breach of statutory duty, misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the services is limited to an aggregate sum as agreed in the LOE (Letter of Engagement). The Valuer shall not be liable for any pure economic loss, loss of profit, loss of business, depletion of goodwill, in each case whether direct or indirect or consequential or any claims for consequential loss compensation whatsoever which, arise out of or in connection with services provided under this engagement.
8. The Client including its agents, affiliates and employees, must not use, reproduce or divulge to any third party any information it receives from the Valuer for any purpose except set out herein.
9. This engagement shall be governed by and construed in accordance with Indian laws and any dispute arising out of or in connection with the engagement, including the interpretation thereof, shall be submitted to the exclusive jurisdiction of courts in New Delhi.

# Valuation Report

## Gera Commerzone, Kharadi, Pune

Maharashtra, India

Submitted To:

K. Raheja Corp. Investment Managers Private  
Limited (formerly known as K Raheja Corp  
Investment Managers LLP)

(acting as the Manager to Mindspace Business Parks  
REIT)

Date of Valuation:

31-March-2024

Date of Report:

24-April-2024



Prepared By:

**KZEN VALTECH PRIVATE LIMITED**

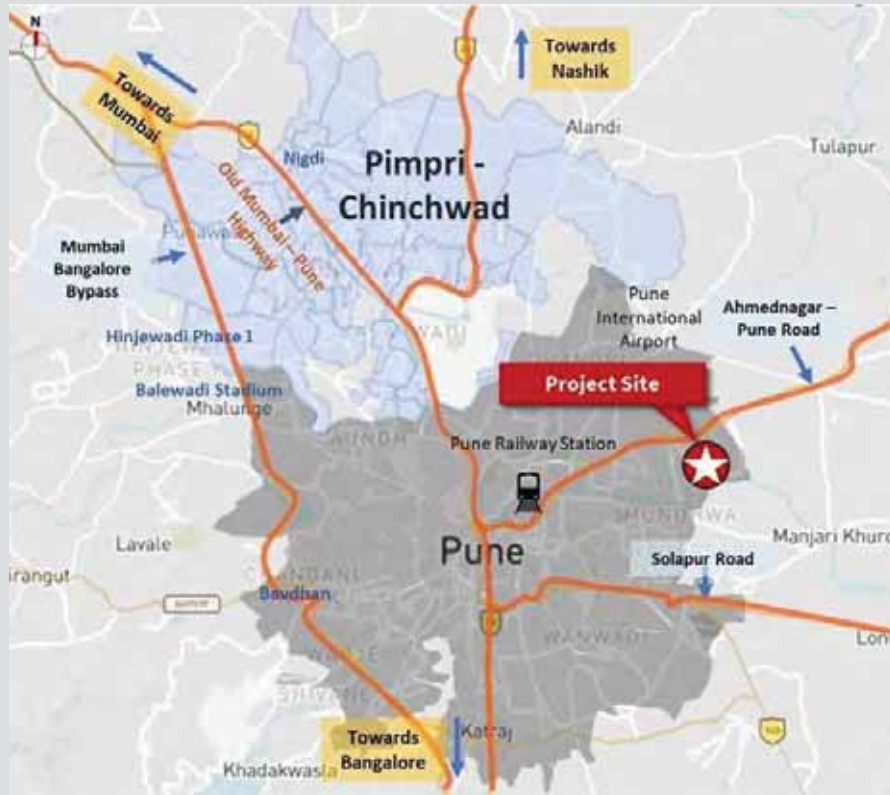
**IBBI/RV-E/05/2022/164**



## EXECUTIVE SUMMARY

| Property Name     | Gera Commerzone SEZ and IT Park, Kharadi, Pune, Maharashtra, India  |                         |               |                         |    |             |         |    |             |           |    |             |         |    |             |         |    |           |       |  |                     |           |
|-------------------|---|-------------------------|---------------|-------------------------|----|-------------|---------|----|-------------|-----------|----|-------------|---------|----|-------------|---------|----|-----------|-------|--|---------------------|-----------|
| Property Address  | S.No. 65/1, 65/2 & 65/3. Village Kharadi, Taluka Haveli, Dist-Pune-411014   |                         |               |                         |    |             |         |    |             |           |    |             |         |    |             |         |    |           |       |  |                     |           |
| Land Area         | ~26.0 Acres   |                         |               |                         |    |             |         |    |             |           |    |             |         |    |             |         |    |           |       |  |                     |           |
| Brief Description | <p>The property is located in the north-eastern part, in the Secondary Business District East micro market of Pune City along the Eon IT Park Road. It is located at a distance of about 6.0 km from the Phoenix Market City and about 2 km. from Nagar Road.</p> <p>The property is developed as Grade A, IT (Non SEZ) and SEZ Park with six (6) blocks (G1, G2, R1, R2, R3, &amp; R4) in total out of which only four (4) blocks (R1, R2, R3, &amp; R4) and Glass box, (which are owned by Mindspace REIT via its Special Purpose Vehicle-SPV) is considered for valuation collectively comprising of 2,937,246 sq. ft of leasable area. The main entrance to the Project Site is from EON IT Park Road.</p> <p>The property is owned entirely with 100% interest by KRC Infrastructure and Projects Private Limited.</p> <p>The property is surrounded by mixed use development comprising residential, retail, and commercial developments.</p> <p>KRC Infrastructure and Projects Private Limited has also invested in the infrastructure to facilitate the distribution of the power to the customers (occupiers and operators within the subject properties). It procures power from Power generators/traders supplying to the grid and then distribute it to the end consumers within the property. It is not allowed to expand the power distribution outside the limits of the SEZ.</p> <p>KRC Infrastructure and Projects Private Limited also houses the facility management services (Campus).</p> |                         |               |                         |    |             |         |    |             |           |    |             |         |    |             |         |    |           |       |  |                     |           |
| Asset Details     | <p>Leasable area details as shared by the Client is given below:</p> <table><tr><th>Sl. No.</th><th>Building Name</th><th>Leasable Area (sq. ft.)</th></tr><tr><td>1.</td><td>Building R1</td><td>531,373</td></tr><tr><td>2.</td><td>Building R2</td><td>1,007,933</td></tr><tr><td>3.</td><td>Building R3</td><td>669,477</td></tr><tr><td>4.</td><td>Building R4</td><td>726,963</td></tr><tr><td>5.</td><td>Glass Box</td><td>1,500</td></tr><tr><td></td><td>Total Leasable Area</td><td>2,937,246</td></tr></table> <p>Based on the site inspection, out of 4 Buildings under consideration, 3 Buildings (R1, R3 &amp; R4) are completed and operational, and Building (R2) is under construction, where the construction of the basic structure has been completed and is expected to be fully completed by Q3 FY25</p>  | Sl. No.                 | Building Name | Leasable Area (sq. ft.) | 1. | Building R1 | 531,373 | 2. | Building R2 | 1,007,933 | 3. | Building R3 | 669,477 | 4. | Building R4 | 726,963 | 5. | Glass Box | 1,500 |  | Total Leasable Area | 2,937,246 |
| Sl. No.           | Building Name   | Leasable Area (sq. ft.) |               |                         |    |             |         |    |             |           |    |             |         |    |             |         |    |           |       |  |                     |           |
| 1.                | Building R1   | 531,373                 |               |                         |    |             |         |    |             |           |    |             |         |    |             |         |    |           |       |  |                     |           |
| 2.                | Building R2   | 1,007,933               |               |                         |    |             |         |    |             |           |    |             |         |    |             |         |    |           |       |  |                     |           |
| 3.                | Building R3   | 669,477                 |               |                         |    |             |         |    |             |           |    |             |         |    |             |         |    |           |       |  |                     |           |
| 4.                | Building R4   | 726,963                 |               |                         |    |             |         |    |             |           |    |             |         |    |             |         |    |           |       |  |                     |           |
| 5.                | Glass Box   | 1,500                   |               |                         |    |             |         |    |             |           |    |             |         |    |             |         |    |           |       |  |                     |           |
|                   | Total Leasable Area   | 2,937,246               |               |                         |    |             |         |    |             |           |    |             |         |    |             |         |    |           |       |  |                     |           |

Location Map



Key Assumptions

The table below summarizes key Valuation assumptions used in the estimate.

| Particulars                | Description  |                            |               |                            |  |        |                 |    |             |         |        |           |                 |    |             |           |              |                    |                    |    |             |         |              |           |  |    |             |         |        |           |                 |
|----------------------------|--|----------------------------|---------------|----------------------------|--|--------|-----------------|----|-------------|---------|--------|-----------|-----------------|----|-------------|-----------|--------------|--------------------|--------------------|----|-------------|---------|--------------|-----------|--|----|-------------|---------|--------|-----------|-----------------|
| Asset Specific Information |  |                            |               |                            |  |        |                 |    |             |         |        |           |                 |    |             |           |              |                    |                    |    |             |         |              |           |  |    |             |         |        |           |                 |
| Nature of Asset            | Commercial / Office with Amenities   |                            |               |                            |  |        |                 |    |             |         |        |           |                 |    |             |           |              |                    |                    |    |             |         |              |           |  |    |             |         |        |           |                 |
| Current Status             | There are four buildings being considered. Three buildings, R1 and R3 and R4, are complete and currently operational. One of the buildings, R2, is currently under construction.<br><br>It also includes power distribution services of KRC Infrastructure and Projects Pvt. Ltd and facility management services (Camplus).   |                            |               |                            |  |        |                 |    |             |         |        |           |                 |    |             |           |              |                    |                    |    |             |         |              |           |  |    |             |         |        |           |                 |
| Total Leasable Area        | 2,937,246 sq. ft.  |                            |               |                            |  |        |                 |    |             |         |        |           |                 |    |             |           |              |                    |                    |    |             |         |              |           |  |    |             |         |        |           |                 |
| Asset Details              | <div>In addition to the above, the undivided rights, title and interest in the following assets are also part of the Project.</div> <table><tr><th>Sl. No.</th><th>Building Name</th><th>Leasable Area (In sq. ft.)</th><th>Usage Type</th><th>Status</th><th>Age of Building</th></tr><tr><td>1.</td><td>Building R1</td><td>531,373</td><td>IT SEZ</td><td>Completed</td><td>4 Years 1 Month</td></tr><tr><td>2.</td><td>Building R2</td><td>1,007,933</td><td>IT Non – SEZ</td><td>Under Construction</td><td>Under Construction</td></tr><tr><td>3.</td><td>Building R3</td><td>669,477</td><td>IT Non – SEZ</td><td>Completed</td><td>1 Year (Final OC received in Mar 2023)</td></tr><tr><td>4.</td><td>Building R4</td><td>726,963</td><td>IT SEZ</td><td>Completed</td><td>4 Years 1 Month</td></tr></table> | Sl. No.                    | Building Name | Leasable Area (In sq. ft.) | Usage Type                             | Status | Age of Building | 1. | Building R1 | 531,373 | IT SEZ | Completed | 4 Years 1 Month | 2. | Building R2 | 1,007,933 | IT Non – SEZ | Under Construction | Under Construction | 3. | Building R3 | 669,477 | IT Non – SEZ | Completed | 1 Year (Final OC received in Mar 2023) | 4. | Building R4 | 726,963 | IT SEZ | Completed | 4 Years 1 Month |
| Sl. No.                    | Building Name  | Leasable Area (In sq. ft.) | Usage Type    | Status                     | Age of Building                        |        |                 |    |             |         |        |           |                 |    |             |           |              |                    |                    |    |             |         |              |           |  |    |             |         |        |           |                 |
| 1.                         | Building R1  | 531,373                    | IT SEZ        | Completed                  | 4 Years 1 Month                        |        |                 |    |             |         |        |           |                 |    |             |           |              |                    |                    |    |             |         |              |           |  |    |             |         |        |           |                 |
| 2.                         | Building R2  | 1,007,933                  | IT Non – SEZ  | Under Construction         | Under Construction                     |        |                 |    |             |         |        |           |                 |    |             |           |              |                    |                    |    |             |         |              |           |  |    |             |         |        |           |                 |
| 3.                         | Building R3  | 669,477                    | IT Non – SEZ  | Completed                  | 1 Year (Final OC received in Mar 2023) |        |                 |    |             |         |        |           |                 |    |             |           |              |                    |                    |    |             |         |              |           |  |    |             |         |        |           |                 |
| 4.                         | Building R4  | 726,963                    | IT SEZ        | Completed                  | 4 Years 1 Month                        |        |                 |    |             |         |        |           |                 |    |             |           |              |                    |                    |    |             |         |              |           |  |    |             |         |        |           |                 |

|  |   |  |       |           |           |  |           |  |
|--|---|--|-------|-----------|-----------|--|-----------|--|
|  |   | <table><tr><td>5.</td><td>Glass Box</td><td>1,500</td><td>Amenity</td><td>Completed</td><td>1 Year (Final OC received in Mar 2023)</td></tr></table>   | 5.    | Glass Box | 1,500     | Amenity                                | Completed | 1 Year (Final OC received in Mar 2023) |
|  | 5.  | Glass Box  | 1,500 | Amenity   | Completed | 1 Year (Final OC received in Mar 2023) |           |  |
|  |   | <ul style="list-style-type: none"><li>Total Amenity Plot and the premises on which the Amenity Building is situated</li><li>Total utility areas and internal roads.</li><li>Total open spaces.</li></ul> |       |           |           |  |           |  |
|  | Revenue Assumptions   |  |       |           |           |  |           |  |
|  | In-Place Rent   | INR 80.2 per sq. ft. per Month   |       |           |           |  |           |  |
| Market / Marginal Rent                                 | INR 85.05 per sq. ft. per Month as of FY 25                                       |  |       |           |           |  |           |  |
| Parking Rent   | INR 2,100 per CPS per Month (applicable for completed buildings only) as of FY 25 |  |       |           |           |  |           |  |
| Financial Assumptions - Buildings                      |   |  |       |           |           |  |           |  |
| Exit Cap Rate  | 8.00%   |  |       |           |           |  |           |  |
| Discount Rate / WACC                                   | For Completed Blocks – 11.75%<br>For Under Construction Blocks – 13.00%           |  |       |           |           |  |           |  |
| Financial Assumptions – Power Distribution services    |   |  |       |           |           |  |           |  |
| Discount Rate / WACC                                   | 10.5%   |  |       |           |           |  |           |  |
| License End Date                                       | 18 <sup>th</sup> June 2042  |  |       |           |           |  |           |  |
| Financial Assumptions – Facilities Management Services |   |  |       |           |           |  |           |  |
| EBITDA multiple  | 13x   |  |       |           |           |  |           |  |
| Discount Rate / WACC                                   | Completed - 11.75%<br>Under Construction – 13.00%                                 |  |       |           |           |  |           |  |

## Market Value

| Component  | Market Value as on          | In Figures (INR Mn) | In Words   |
|--|-----------------------------|---------------------|--|
| Total Market Value (Completed / Operational, including impact of rent equalization, power distribution business of KRC Infrastructure and Projects Pvt. Ltd. and the Facilities Management Business) | 31 <sup>st</sup> March 2024 | 30,432.35           | INR Thirty Billion Four Hundred Thirty Two Million Three Hundred Fifty Thousand Only |

|  |                             |           |   |
|--|-----------------------------|-----------|---|
| Total Market Value (Under construction, including impact of rent equalization and the Facilities Management Business)<br>*Under Construction does not have Power Distribution Services | 31 <sup>st</sup> March 2024 | 8,427.31  | INR Eight Billion Four Hundred Twenty-Seven Million Three Hundred Ten Thousand Only         |
| TOTAL VALUE  |                             | 38,859.67 | INR Thirty Eight Billion Eight Hundred Fifty Nine Million Six Hundred Seventy Thousand Only |
| Note: The above-mentioned value includes proportionate undivided ownership in the Amenity Plot, Utility Areas and Internal Roads and total open spaces of the Entire Campus            |                             |           |   |

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## **LIST OF ABBREVIATIONS**

|         |   |
|---------|---|
| CBD     | Central Business District                                       |
| CY      | Current Year  |
| INR     | Indian Rupees   |
| IT/ITES | Information Technology/IT enabled Services                      |
| IVSC    | International Valuation Standards Committee                     |
| JLL     | Jones Lang LaSalle Property Consultants (India) Private Limited |
| Km      | Kilometre   |
| NH      | National Highway  |
| PBD     | Peripheral Business District                                    |
| REIT    | Real Estate Investment Trust                                    |
| RICS    | Royal Institution of Chartered Surveyors                        |
| SBD     | Secondary Business District                                     |
| SEZ     | Special Economic Zone   |
| sq. ft. | square feet   |

## **CONVERSION OF UNITS**

|          |                  |
|----------|------------------|
| 1 acre   | 43559.66 sq. ft. |
| 1 acre   | 4046.9 sq. m.    |
| 1 sq. m. | 1.196 sq. yards  |
| 1 sq. m. | 10.764 sq. ft.   |
| 1 meter  | 1.0936 yards     |
| 1 meter  | 3.28 ft.         |
| 1 cent   | 435.6 sq. ft.    |

# 1 INTRODUCTION

---

## 1.1 Instructions

K Raheja Corp. Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP) (hereinafter referred to as the 'Client'), in its capacity as Manager of the Mindspace Business Parks REIT (Mindspace REIT), has appointed KZEN VALTECH PRIVATE LIMITED, Registered Valuer Entity with Insolvency and Bankruptcy Board of India ("IBBI") bearing registration no. IBBI/RV-E/05/2022/164 (hereinafter referred to as the 'Valuer') to carry out an independent estimate of Market Value of commercial / office properties located in Chennai, Hyderabad, Mumbai and Pune along with incidental or ancillary activities including a facility management business and power distribution facility, vide Engagement Letter dated 27 March 2023. The Client intends to seek independent estimate of Market Value for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchange.

This Valuation Report has Market Value of a commercial / office project located named '**Gera Commerzone' (Building R1 or B3, R2 or B4, R3 or B5, R4 or B6 & Glass Box)** located in **Kharadi, Pune**, Maharashtra, India (hereinafter referred to as the 'Project').

The SPV also includes power distribution services for of KRC Infrastructure and Projects Pvt. Ltd and facility management services.

## 1.2 Purpose of Valuation

The purpose of this valuation is to estimate the value of the Project as part of the portfolio of Mindspace REIT for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended together with clarifications, guidelines and notifications thereunder in the Indian stock exchange and for accounting purpose.

In addition, other documents in relation to the regulatory filings such as publicity material, research reports, presentations and press releases will also be prepared, wherein copies, summary or extracts of the Valuation Report are intended to be included.

## 1.3 Reliant Parties

The reliance on the Valuation Report prepared as part of this engagement is extended to the Manager, REIT and other parties including the trustee of REIT, debenture trustee(s), stock exchanges, unitholders of REIT, Securities and Exchange Board of India ('SEBI'), credit rating agencies, lenders of the REIT and/or its special purpose vehicles or any other person within or outside India as the Manager may deem fit for the purpose as highlighted in this report (valuation). The Valuer, however, would extend no liability to such reliant parties save and except for gross and willful negligence.

The valuation exercise is conducted strictly and only for the use of the parties as stated above who need to rely on such valuation ('Reliant Party') and for the Purpose specifically stated. The Client shall make all reliant parties aware of the terms and conditions of the engagement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 1.4 Valuer's Capability

**KZEN VALTECH PRIVATE LIMITED**, bearing Registered Valuer Entity number IBBI/RV-E/05/2022/164 with IBBI has been appointed as the Valuer for providing opinions on market value of the respective Subject Properties.

Mr. Sachin Gulaty, Director, KZEN VALTECH PRIVATE LIMITED, is registered as a valuer with IBBI for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 13 August 2021. He qualified for the degree of Bachelor of Architecture from School of Planning and Architecture, New Delhi in 1997, and qualified for the degree of Master in Planning with specialization in Urban Planning from School of Planning and Architecture, New Delhi in 2002. He, subsequently, undertook distance learning from SVKM's Narsee Monjee Institute of Management Studies ("NMIMS") Global Access – School for Continuing Education, qualified for the two-years Post Graduate Diploma in Banking & Financial Management and was awarded this Post Graduate Diploma in July 2018.

Mr. Gulaty has more than 26 years of experience, including one and a half years of post-graduate education, spread over domains of architecture, urban planning, urban infrastructure, real estate advisory, and real estate asset valuation. He was the National Head of Valuations for Jones Lang LaSalle Property Consultants (India) Private Limited ("JLL India"), a leading International Property Consulting firm in India, from 2010 to 2021. Prior to this role, Mr. Gulaty gained practical experience in providing architecture services, town and city planning, and research related to regulatory studies and urban governance covering urban infrastructure such as water supply, sanitation, solid waste management, and urban transport, among other aspects. In the early part of his career, he worked with renowned architectural services firm, Kuldip Singh & Associates, and The Energy and Resources Institute ("TERI"). His last employment was with JLL as Senior Director and National Head for Valuations.

As the National Head of Valuations at JLL India, he led numerous valuation exercises for multiple financial institutions, private equity/real estate funds, corporates, industrial houses, government departments, and developers across multiple real estate asset classes of commercial, retail, residential, industrial, healthcare, and hospitality, among others. Clientele served by him across his entire career till date, under various employments, includes Brookfield, GIC, Qatar Investment Authority, JP Morgan, BlackRock, CapitaLand, Citibank, Standard Chartered Bank, Yes Bank, Kotak Mahindra, Maruti Suzuki, Indiabulls, Dubai Port World, World Bank, DLF, RMZ, Shriram Properties, DIPAM, NHAI, NBCC, AAI, and RLDA, among others.

Mr. Gulaty, who carries IBBI Registration Number: IBBI/RV/02/2021/14284, is enrolled with the Institute of Valuers Registered Valuers Foundation ("IOVRVF"), is a Fellow of Royal Institution of Chartered Surveyors ("RICS"), Fellow and Lifetime Member of Institute of Valuers, India ("IOV"), admitted as an Arbitrator (India) on the RICS Panel of Dispute Resolvers & Expert Witnesses, and features in the global list of RICS Trained Assessors, has prepared and signed this report on behalf of RV-E.

## 1.5 Independence, Conflict of Interest and Valuer's Interest

The Valuer confirms that there are no conflicts of interest in so far as discharging his duties as a valuer for the Project is concerned. The Valuer has undertaken the valuation exercise without the presence of any bias, coercion, or undue influence of any party, whether directly connected to the valuation assignment. There has not been any professional association with the Client or the Project in past five years from his engagement as the Valuer, except as valuer under the SEBI (REIT) Regulations, 2014.

The Valuer certifies that he/she does not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the Project (including the parties with whom the

Client is dealing, including the lender or selling agent, if any) and accepts instructions to value the Project only from the Client.

## **1.6 Assumptions, Departures and Reservations**

This Valuation Report has been prepared on the basis of the assumptions within the instructions (Key Assumptions, Qualifications, limitations and Disclosures) detailed after this section of this report. The development mix, built up area, land area and lease details such as lease rent, lease commencement and lease end date, lock-in period, escalation terms, etc. pertaining to the Project is based on the appropriate relevant documents, which has been provided by the Client and the same has been adopted for the purpose of this valuation.

## **1.7 Inspection of the Project**

The Project was inspected on 26 March 2024 by the Valuer in the presence of Client-nominated representative and subsequently no site visits have been conducted. No measurement or building survey has been carried out as part of the valuation exercise. The Valuer has relied entirely on the site areas provided by the Client, which has been assumed to be correct. Based on the discussions with the Client, it has been assumed that no material change in the condition of the property has taken place except for the progress of construction work in accordance with the information shared.

## **1.8 General Comment**

A valuation is a prediction of price, not a guarantee. By necessity, it requires the Valuer to make subjective judgments that, even if logical and appropriate, may differ from those made by a purchaser, or another valuer. Historically it has been considered that valuers may properly conclude within a range of possible values.

The purpose of the valuation does not alter the approach to the valuation.

Property values can change substantially, even over short periods of time, and thus the valuation of the Project herein could differ significantly if the date of valuation was to change.

This report should not be relied upon for any other purpose other than for which this valuation exercise has been undertaken.

## **1.9 Confidentiality**

The contents of this Valuation Report are intended for the specific purpose stated. Consequently, and in accordance with current practice, no responsibility is accepted to any other party in respect of the whole or any part of its contents- except as maybe required in connection with the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, under the applicable law.

## **1.10 Authority**

The Client acknowledges and agrees that the valuation exercise undertaken (including, without limitation, the Reports itself and the contents thereof) is solely for the purpose set out in Section 1.2 herein. If Client desires to use the Report in any offering or other investment material for purpose other than as mentioned in the Section 1.2 herein, then (a) with Valuer will require, and the Client must provide or cause to be provided, an indemnification agreement in his favor, given by parties reasonably satisfactory to him, and (b) the Client will obtain his consent to the references in such materials to the Report.

## 1.11 Limitation of Liability

The Valuer has provided the services exercising due care and skill but does not accept any legal liability arising from negligence or otherwise to any person in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the properties. Further, the Valuer shall not accept liability for any errors, misstatements, omissions in the report caused due to false, misleading or incomplete information or documentation provided to him by the Instructing Party.

The Valuer's maximum aggregate liability for claims arising out of or in connection with the Valuation, under this engagement shall not exceed the professional indemnity insurance obtained by him. As on the date of this report, the professional indemnity insurance maintained by the Valuer is for Indian Rupees Fifty Million.

In the event that the Manager, the sponsors, the trustee, the REIT, or other intermediaries appointed by the Manager and / or REIT or its SPVs be subject to any claim ('Claim Parties') in connection with, arising out of or attributable to the Report, the Claim Parties will be entitled to require the Valuer to be a necessary party/respondent to such claim and he shall not object to his inclusion as a necessary party/ respondent. In all such cases, the Manager, on behalf of the REIT, agrees to reimburse/ refund to the Valuer, the actual cost (which shall include legal fees and external counsel's fee) incurred by them while becoming a necessary party/respondent. If the Valuer does not cooperate to be named as a party/respondent to such claims in providing adequate/successful defense in defending such claims, the Claim Parties jointly or severally will be entitled to initiate a separate claim against the Valuer in this regard.

The Valuer will neither be responsible for any legal due diligence, title search, and physical measurements nor undertake any verification / validation of the zoning regulations / development controls with any government departments / authorities, among other aspects., etc.

## 1.12 Disclosure and Publication

The Valuer must not disclose the contents of this Valuation Report to a third party in any way, except as allowed under the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars. As per the terms and regulation 2(1) of the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars, it may be noted that the Valuation report is prepared in accordance with said REIT regulations.

## 1.13 Anti-Bribery and Anti-Corruption

The Valuer represents, warrants and undertakes that:

The Valuer is familiar with applicable Anti-Corruption Laws under this Agreement including but not limited to Prevention of Corruption Act 1988 and will ensure that neither it nor any of its officers, directors, shareholders, employees and agents or any other person acting under its implied or express authority will engage in any activity, practice or conduct which would constitute an offence under, or expose or potentially expose either Party to any direct or indirect liability, under Applicable Anti-Corruption Laws. It is further agreed that breach of any of the above undertakings shall be deemed to be a material breach of the Agreement and in case the Valuer is insisted upon or asserted by Client to violate any of the above said undertakings including Anti-Corruption regulations in any form or manner, on pretext of business relationship or otherwise, the Valuer shall have a discretionary right to terminate this Agreement without any liability or obligation on his part. Such termination of this Agreement shall not in any way prejudice the rights and obligations (including payment for the services delivered under this Agreement) already accrued to the Valuer, prior to such termination.

## KEY ASSUMPTIONS, QUALIFICATIONS, LIMITATIONS AND DISCLAIMERS

|     |   |   |
|-----|---|---|
| 1.  | Type of Estimate                              | The scope of the assignment covers only estimating Market Value of a specified property and not a business valuation for either the Client or any of their subsidiaries or associated companies, etc. The estimate is based on extent of data / information provided by the Client and estimate has limited coverage wherever full data / information is not made available by the Client.  |
| 2.  | Legal Due-Diligence                           | Legal due diligence for establishing clarity of title, ownership, encumbrances if any, notices or disputes if any, among other legal-related issues are not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.  |
| 3.  | Information Provided by the Client and Others | The Valuer has relied on the information provided by the Client and the same has been assumed to be correct and has been used in the valuation. Where it is stated that another party has supplied information to the Valuer, this information is believed to be reliable. The Valuer cannot accept any responsibility for accuracy and non-reliability of such information.  |
| 4.  | Regulatory Due-Diligence                      | Regulatory due diligence is not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.  |
| 5.  | Project Status, Schedule and Project Costing  | Assessment of the Project Status and Schedule is based on the information provided by the Client and does not consider any unforeseeable developments which could impact the same in the future. The estimate <u>does account</u> for any capital expenses incurred by the Client on the existing and / or ongoing development works in the Project. Auditing the project figures is not part of the scope of work under this assignment. In all likelihood, an independent auditing agency would be covering this aspect, details of which can be obtained from the Client.  |
| 6.  | Market Conditions and Trends                  | The Valuer has taken into consideration the general conditions in the market with respect to broad demand and supply while carrying out the valuation. The Valuer has compared other comparable properties on the basis of many factors and as far as possible tried to remove / account for the differences in type, location and quality of the properties.   |
| 7.  | Information on Leases and Sales Performance   | The Valuer has relied on the rent roll including lease terms & conditions of the existing and pre-committed leases, as given by the Client. The Valuer has not verified individual lease agreements and the Valuer has relied on all information provided to him by the Client, upon which the Valuer will rely, is complete and correct. The Valuer has relied on pre-leasing details to the extent data/information made available by the Client.   |
| 8.  | Site Investigations and Illustrations         | The Valuer has carried out the site visits and based on the information made available by the Client and the estimate is carried out considering that the Project Site is a contiguous land parcel and is free from any encroachments and encumbrances as on the date of valuation. The Valuer has not carried out any structural survey nor tested the building services. No geographical or geo-physical survey was carried out. No environmental assessment has been carried out. Any sketch, plan or map in the report is included to assist reader while visualizing the Project and assume no responsibility in connection with such matters. |
| 9.  | Project Cost Estimates                        | Project Cost Estimates used in the estimate is as given by the Client. Project progress including capital expenditure progress reported is based on the cost incurred data as shared by the Client. The Valuer has reviewed the Project Cost estimates and/or cost incurred data to broadly ascertain their correctness on a normative basis while relying on the same as shared by the Client.   |
| 10. | Environmental Compliance                      | The Valuer assumed that the Project Site / Project is not contaminated and is not adversely affected by any existing or proposed environmental law and any processes which are carried  |



|     |  |  |
|-----|--|--|
|     |  | out on the Project Site are regulated by environmental legislation and are Project Site licensed by the appropriate authorities.   |
| 11. | Present Ground Conditions                  | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present, which might adversely affect the current or future occupation, development of the Project. The estimate assumes that the Project Site is free from rot, infestation, structural or latent defect and no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the property and comments made in the property details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.  |
| 12. | Town Planning and Statutory Considerations | The Valuer has not made formal search but has generally relied on readily available information to general public. Valuation Report is on current use/ current state basis of the property and the Valuer has not considered any Government proposals for road widening or compulsory purchase/ acquisition, or any other statute in force that might affect the Project.  |
| 13. | Future Market Development and Prospects    | The Valuer has not accounted any future market development and prospects to the extent information known to the Valuer as on the date of valuation. The Valuer does not warrant that such statements are accurate or correct.  |
| 14. | Disclaimer                                 | <p>The estimate of Market Value is based on documents/information shared by the Client. The Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Project.</p> <p>The Valuer has relied on the measurements and information provided at all times, whether from public and private sources, and has ensured to the best of their ability the correctness and the validity of the same, by cross checking from various sources. Whilst every effort has been taken to provide authentic data and analysis, the Valuer, and/or any of their associated companies and/or their employees are not responsible for any loss, major or minor incurred on the basis of the information and analyses provided, nor are liable to any damages in any form or shape.</p> <p>Given the confidential nature of real estate transactions, transaction details for most properties, which are privately actually transacted, are not in the public domain. Consequently, there is reliance on information from market sources, which may not be completely accurate. Thus, information has been crosschecked independently from other market sources to ascertain the broad credibility of information being provided by the market sources. This assignment has been done on best effort and knowledge basis.</p> <p>For ease and simplicity of representation, certain figures may have been rounded.</p> |

## 2 VALUATION APPROACH AND METHODOLOGY

### 2.1 Valuation Standards Adopted

This Report is prepared in accordance and compliance with:

1. Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time ("**SEBI Regulations 2014**"), including Regulation 21 Sub-Regulation (3) and mandatory minimum disclosures as specified in Schedule V of these SEBI Regulation 2014,
2. Companies (Registered Valuers and Valuation) Rules, 2017 as amended from time to time ("**Valuer Rules 2017**"), including reporting requirements as specified in Rule 18 to these rules,
3. International Valuation Standards 2022 ("**IVS 2022**") as set out by International Valuation Standards Committee ("**IVSC**") and adopted by Royal Institution of Chartered Surveyors ("**RICS**") presented in the RICS Valuation Standards and Guidelines 2022 ("**RICS Red Book 2022**"), subject to variation to meet local established law, custom, practice, and market conditions.

### 2.2 Basis of Valuation

Basis of valuation of the Project is **Market Value** as defined by IVSC and adopted by Royal Institution of Chartered Surveyors (RICS) to be: *"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion"*.

### 2.3 Approach and Methodology

The purpose of this valuation exercise is to estimate the Market Value of the Project, which is a real estate asset. Market Value of the real estate asset can be estimated using different approaches and methodologies.

**Income Approach:** Under this valuation approach, the income generating potential of the real estate asset is estimated while opining on its market value. This approach is typically adopted for assets that are income-generating (completed and operational with multiple tenancies, multiple strata units that can be sold with phased/milestone-based revenue collections, among others). For income-generating assets with single/multiple tenancies, the discounted cash flow entailing term and reversion method is most commonly adopted.

**Market Approach:** Under this valuation approach, the price that an asset could fetch in an open market is estimated. This approach is typically adopted for homogeneous assets in their micro-market and are typically traded on a unit basis. The most commonly adopted valuation method under this valuation approach is the Listed Transaction / Listed Quoted Instances Method, also commonly known as the Direct Comparison or the Comparable Sales/Quoted Instances Method.

**Cost Approach:** Under this valuation approach, the cost required to create an asset of similar or equal utility is estimated. This valuation approach is typically adopted for real estate assets that can be clearly broken down into constituent elements, namely land and built structures. The most commonly adopted valuation method under this valuation approach is the Physical Method, also commonly known as Land and Building Method, which typically entails estimation of the underlying land value (while normally adopting the Market Approach) and the built structures (while adopting the depreciated Replacement Cost Method) separately.

The table below presents different valuation methodologies and their brief description.

**Table 2.1: Different Valuation Methodologies and Description**

| Sl. No. | Valuation Methodology                      | Description   |
|---------|--|---|
| 1.      | Comparable Sales / Quoted Instances Method | This method is based on comparing the subject property directly with other comparable property transaction (actually been sold in the vicinity or are offered for sale). Efforts would be made to collect transacted instances. In case of non-availability of transacted instances in the micro-market, the opinion will be offered based on the available asking/quoted instances in the market with appropriate adjustments for margin for negotiation. Given the homogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative and quantitative differences that may affect the price likely to be achieved by the property under consideration. These adjustments are typically made in the form of premium and/or discount factors for various property attributes, which affect the value. This method demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This method is a fair estimate of the prevailing prices. |
| 2.      | Depreciated Replacement Cost Method        | Replacement cost method is based on the construction cost of assets. The cost to be estimated is the cost of construction as per the construction status at the valuation date. This is based on the inspection of the facility and inputs provided by the Client; however, no structural survey will be conducted. Appropriate depreciation rates will be applied based on schedules given under the Indian Companies Act. This is generally used for estimating the Market Value of only the buildings  |
| 3.      | Discounted Cash Flow Method                | This method is based on the present value of the future receivable net income from the current operational leases / revenues. The current revenues and the future achievable revenues derived from the operational project components of the Project Site would be adjusted for the outgoing expenses to derive 10-year cash flows. The same is then discounted at an appropriate discounting rate linked with risk adjusted discounting factor to estimate the market value for the operational project components. This method is sometimes referred to as 'Rent Roll method as well.   |

#### Approach and Methodology Adopted for Estimating Market Value of the Project

Based on a detailed review of the leases for the Project, the Valuer has noted that a large number of leases of the Project were executed at rent prevalent at the time of signing of such leases or at a discount to prevailing market rental (for a few anchor tenants). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, demand-supply dynamics, quality of spaces, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some properties or submarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to estimate the intrinsic value of the property under review.

Considering the objective of this exercise and the nature of asset involved (completed & operational, under construction/ future development commercial / IT office space, (other than the power distribution services which has been valued using Discount Cash Flow Method under 'Income Approach' and facility management services which has been valued using Discount Cash Flow Method under 'Income Approach'), the value is estimated using the 'Discounted Cash Flow Method' (basis term and rent reversion) under 'Income Approach'.

## 3 VALUATION ASSUMPTIONS AND INPUTS

### 3.1 Investigation, Nature and Source of Information

The Valuer undertook physical visits of the Project wherein the buildings and related assets were visually inspected to assess the condition of the buildings and the apparent state of its maintenance/upkeep.

Information related to state and structure of the relevant real estate market for the Project was sourced from the industry and market report prepared by Jones Lang LaSalle Property Consultants (India) Private Limited ('JLL'), who were appointed by the Client to undertake market research and portfolio analysis of the properties part of the Mindspace REIT.

Project related information referred to for the valuation exercise have been provided by the Client unless otherwise mentioned. The Valuer has assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, the Valuer has independently revalidated the information by reviewing the originals as provided by the Client.

In addition, the Valuer relied on the following information and documents shared by the Client with respect to the Project:

- Title certificates prepared by the Legal Counsel of the Client covering the type of ownership interest enjoyed and information on ongoing litigation.
- Architect's certificates dated mentioning site areas and property areas
- Relevant approval documents from competent authorities regarding occupancy, operations and fire safety.
- Lease agreements and commercial clauses thereof for top five tenants on a sample basis
- Masterplan/ Development plan applicable in the jurisdiction of the Project
- Management representation regarding the following:
  - Major repairs undertaken and proposed in the Project
  - Statement of assets
  - Revenue pendency if any
  - Options or Rights of Pre-emption and any other encumbrances concerning or affecting the property.
  - List of material litigations

### 3.2 Capitalization Rate

The capitalization rate adopted for valuing the assets has been based on various factors such as:

- Historical entry yields (going in cap rates) for commercial / office asset transactions across various key markets in India, which have steadily shown a downward trend over last 7 - 8 years from 10.5%-11.5% to about 7.5%-8.5% in 2023.
- The increased appetite for income generating assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- The demand supply situation in the respective city and expected dynamics of demand leading supply - given entry challenges such as land availability, higher initial cost outlays etc. developers are expected to focus on fully built to suit or semi-speculative projects (with key tenants tied in prior to launch of construction).
- Inflation (and interest rates) expected to be maintained in check with interventions from the Reserve Bank of India, in case of significant change.
- Liquidity associated with REIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer).

***Based on the above factors, the Valuer has adopted an exit cap rate of 8.00% for the Project, for the purposes of estimating the Market Value, considering the 1 year forward net operating income after 10 years, is utilized for the purpose of calculation of exit value / terminal cash flow.***

### 3.3 Discount Rate

This discount rate used for discounting the available cash flows represents Cost of equity (the opportunity cost for shareholders) and Cost of Debt (the opportunity cost for creditors), weighted by their respective contribution to the total capital of the company (WACC). The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived using the below formula:

$$\text{Cost of equity} = \text{Risk Free Rate (Rf)} + \text{Beta } (\beta) * (\text{Market Return (Rm)} - \text{Risk Free Rate (Rf)})$$

The cost of debt for completed commercial / office blocks has been considered based on prevalent financing rates for Grade A commercial / office parks in the city. The weightages accorded to equity and debt are derived through benchmarking the Project Site against similar portfolios / properties in the market. For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC) which is derived to be 11.75% for the completed portion of the project.

Owing to the various risks pertaining to the under-construction / future development properties, we have considered a risk premium over the discount rate for completed properties to arrive at a discount rate for under-construction / future development properties. The Valuer has considered a risk premium of 125bps, to derive the WACC of 13.00% for under construction / future development properties.

These derived discount rates were found to be aligned with the expectations of investors investing in similar assets.

## 4 VALUATION CERTIFICATE

| Property Name   | Gera Commerzone SEZ and IT Park, Kharadi, Pune, Maharashtra, India   |   |         |                   |   |    |                  |  |    |                           |  |    |                             |                            |    |                                |                            |
|---|--|---|---------|-------------------|---|----|------------------|--|----|---------------------------|--|----|-----------------------------|----------------------------|----|--------------------------------|----------------------------|
| Property Address  | S.No. 65/1, 65/2 & 65/3. Village Kharadi, Taluka Haveli, Dist-Pune-411014  |   |         |                   |   |    |                  |  |    |                           |  |    |                             |                            |    |                                |                            |
| Land Area   | ~26.0 Acres  |   |         |                   |   |    |                  |  |    |                           |  |    |                             |                            |    |                                |                            |
| Brief Description                                       | <p>The property is located in the north-eastern part, in the Secondary Business District East micro market of Pune City along the Eon IT Park Road. It is located at a distance of about 6.0 km from the Phoenix Market City and about 2 km. from Nagar Road.</p> <p>The property is developed as Grade A, IT and SEZ / Non SEZ Park with six (6) blocks (G1, G2, R1, R2, R3, &amp; R4) in total out of which only four (4) blocks (R1, R2, R3, &amp; R4) and Glass box, (which are owned by Mindspace REIT via its Special Purpose Vehicle-SPV) is considered for valuation. The main entrance to the Project Site is from EON IT Park Road.</p> <p>The property is owned entirely with 100% interest by KRC Infrastructure and Projects Private Limited.</p> <p>The property is surrounded by mixed use development comprising residential, retail, and commercial developments.</p> <p>KRC Infrastructure and Projects Private Limited has also invested in the infrastructure to facilitate the distribution of the power to the customers (occupiers and operators within the subject properties). It procures power from Power generators/traders supplying to the grid and then distribute it to the end consumers within the property. It is not allowed to expand the power distribution outside the limits of the SEZ.</p> |   |         |                   |   |    |                  |  |    |                           |  |    |                             |                            |    |                                |                            |
| Valuation Methods                                       | <table border="1"> <thead> <tr> <th>Sl. No.</th><th>Asset Type</th><th>Methodology Adopted</th></tr> </thead> <tbody> <tr> <td>1.</td><td>Completed Assets</td><td>Discounted Cash Flow Method using Rent Reversion</td></tr> <tr> <td>2.</td><td>Under Construction Assets</td><td>Discounted Cash Flow Method using Rent Reversion</td></tr> <tr> <td>3.</td><td>Power Distribution Services</td><td>Discounted Cashflow Method</td></tr> <tr> <td>4.</td><td>Facilities Management Services</td><td>Discounted Cashflow Method</td></tr> </tbody> </table>  |   | Sl. No. | Asset Type        | Methodology Adopted   | 1. | Completed Assets | Discounted Cash Flow Method using Rent Reversion | 2. | Under Construction Assets | Discounted Cash Flow Method using Rent Reversion | 3. | Power Distribution Services | Discounted Cashflow Method | 4. | Facilities Management Services | Discounted Cashflow Method |
| Sl. No.   | Asset Type   | Methodology Adopted   |         |                   |   |    |                  |  |    |                           |  |    |                             |                            |    |                                |                            |
| 1.  | Completed Assets   | Discounted Cash Flow Method using Rent Reversion  |         |                   |   |    |                  |  |    |                           |  |    |                             |                            |    |                                |                            |
| 2.  | Under Construction Assets  | Discounted Cash Flow Method using Rent Reversion  |         |                   |   |    |                  |  |    |                           |  |    |                             |                            |    |                                |                            |
| 3.  | Power Distribution Services  | Discounted Cashflow Method  |         |                   |   |    |                  |  |    |                           |  |    |                             |                            |    |                                |                            |
| 4.  | Facilities Management Services   | Discounted Cashflow Method  |         |                   |   |    |                  |  |    |                           |  |    |                             |                            |    |                                |                            |
| Nature of the Interest by the Client                    | 100% freehold interest in the Project as informed by the Client  |   |         |                   |   |    |                  |  |    |                           |  |    |                             |                            |    |                                |                            |
| Purchase Price of the Project                           | INR 18,328 million*, as given by the Client<br>*Includes valuation for facility management division and power distribution business of KRC Infrastructure and Projects Pvt. Ltd.   |   |         |                   |   |    |                  |  |    |                           |  |    |                             |                            |    |                                |                            |
| Historical Valuation of the Project in 3 Previous Years | Below table summarizes historical valuation of the Project as given by the Client: <table border="1"> <thead> <tr> <th>Sl. No.</th><th>Date of Valuation</th><th>Total Market Value<br/>(Completed / Operational, Under Construction / Future Development)<br/>(INR Mn)*</th></tr> </thead> <tbody> <tr> <td>1.</td><td>30-Sep-2023</td><td>35,987 (28,999, 6,988)</td></tr> <tr> <td>2.</td><td>31-Mar-2023</td><td>33,153 (28,100, 5,053)</td></tr> <tr> <td>3.</td><td>30-Sep-2022</td><td>30,290 (22,518, 7,772)</td></tr> <tr> <td>4.</td><td>31-Mar-2022</td><td>27,535 (20,353, 7,182)</td></tr> </tbody> </table>  |   | Sl. No. | Date of Valuation | Total Market Value<br>(Completed / Operational, Under Construction / Future Development)<br>(INR Mn)* | 1. | 30-Sep-2023      | 35,987 (28,999, 6,988)                           | 2. | 31-Mar-2023               | 33,153 (28,100, 5,053)                           | 3. | 30-Sep-2022                 | 30,290 (22,518, 7,772)     | 4. | 31-Mar-2022                    | 27,535 (20,353, 7,182)     |
| Sl. No.   | Date of Valuation  | Total Market Value<br>(Completed / Operational, Under Construction / Future Development)<br>(INR Mn)* |         |                   |   |    |                  |  |    |                           |  |    |                             |                            |    |                                |                            |
| 1.  | 30-Sep-2023  | 35,987 (28,999, 6,988)  |         |                   |   |    |                  |  |    |                           |  |    |                             |                            |    |                                |                            |
| 2.  | 31-Mar-2023  | 33,153 (28,100, 5,053)  |         |                   |   |    |                  |  |    |                           |  |    |                             |                            |    |                                |                            |
| 3.  | 30-Sep-2022  | 30,290 (22,518, 7,772)  |         |                   |   |    |                  |  |    |                           |  |    |                             |                            |    |                                |                            |
| 4.  | 31-Mar-2022  | 27,535 (20,353, 7,182)  |         |                   |   |    |                  |  |    |                           |  |    |                             |                            |    |                                |                            |



|    |             |                        |
|----|-------------|------------------------|
| 5. | 30-Sep-2021 | 26,347 (19,404, 6,943) |
| 6. | 31-Mar-2021 | 24,878 (18,687, 6,191) |
| 7. | 30-Sep-2020 | 21,902 (17,901, 4,001) |
| 8. | 31-Mar-2020 | 21,018 (16,716, 4,302) |

\*Includes valuation for facility management division and power distribution business of KRC Infrastructure and Projects Pvt. Ltd.

Ready Reckoner Rate  
Built-up Area (Office) – INR 87,520 per sq mt  
Land Area – INR 26,610 per sq mt

Date of Valuation 31-March-2024

Date of Inspection 26-March-2024

Market Value as on 31-March-2024

| Component   | Market Value as on          | In Figures (INR Mn) | In Words  |
|---|-----------------------------|---------------------|---|
| Total Market Value (Completed / Operational, including impact of rent equalization,, power distribution business of KRC Infrastructure and Projects Pvt. Ltd. And the Facilities Management Business) | 31 <sup>st</sup> March 2024 | 30,432.35           | INR Thirty Billion Four Hundred Thirty Two Million Three Hundred Fifty Thousand Only        |
| Total Market Value (Under construction, including impact of rent equalization, and the Facilities Management Business)<br>*Under Construction does not have Power Distribution Services               | 31 <sup>st</sup> March 2024 | 8,427.31            | INR Eight Billion Four Hundred Twenty-Seven Million Three Hundred Ten Thousand Only         |
| Total Value   |                             | 38,859.67           | INR Thirty-Eight Billion Eight Hundred Fifty Nine Million Six Hundred Seventy Thousand Only |
| Note: The above-mentioned value includes proportionate undivided ownership in the Amenity Plot, Utility Areas and Internal Roads and total open spaces of the Entire Campus                           |                             |                     |   |

Matters Affecting the Property and its Value  
Please refer to Chapter 7 of this Valuation Report

Assumptions, Disclaimers, Limitations and Qualifications

This Valuation Report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report, which are made in conjunction with those included within the Assumptions, Limitations & Qualifications section located within this report. Reliance on this report and extension of Valuer's liability is conditional upon the reader's acknowledgement and understanding of these statements. This Valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party, who may use or rely on the whole or any part of the content of this Valuation Report. The Valuer has no pecuniary interest that would conflict with the proper valuation of the Project

Prepared by KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)  
Represented through its Director  
Mr. Sachin Gulaty FRICS FIV FIIA  
IBBI/RV/02/2021/14284



**Name:** Sachin Gulaty FRICS FIV FIIA  
**Designation:** Director  
**Valuer Registration No.:** IBBI/RV/02/2021/14284

## 5 PROJECT SITE AND PROJECT ANALYSIS

### 5.1 Details of the Project Site and/or Project

The table below presents details of the Project Site and/or Project

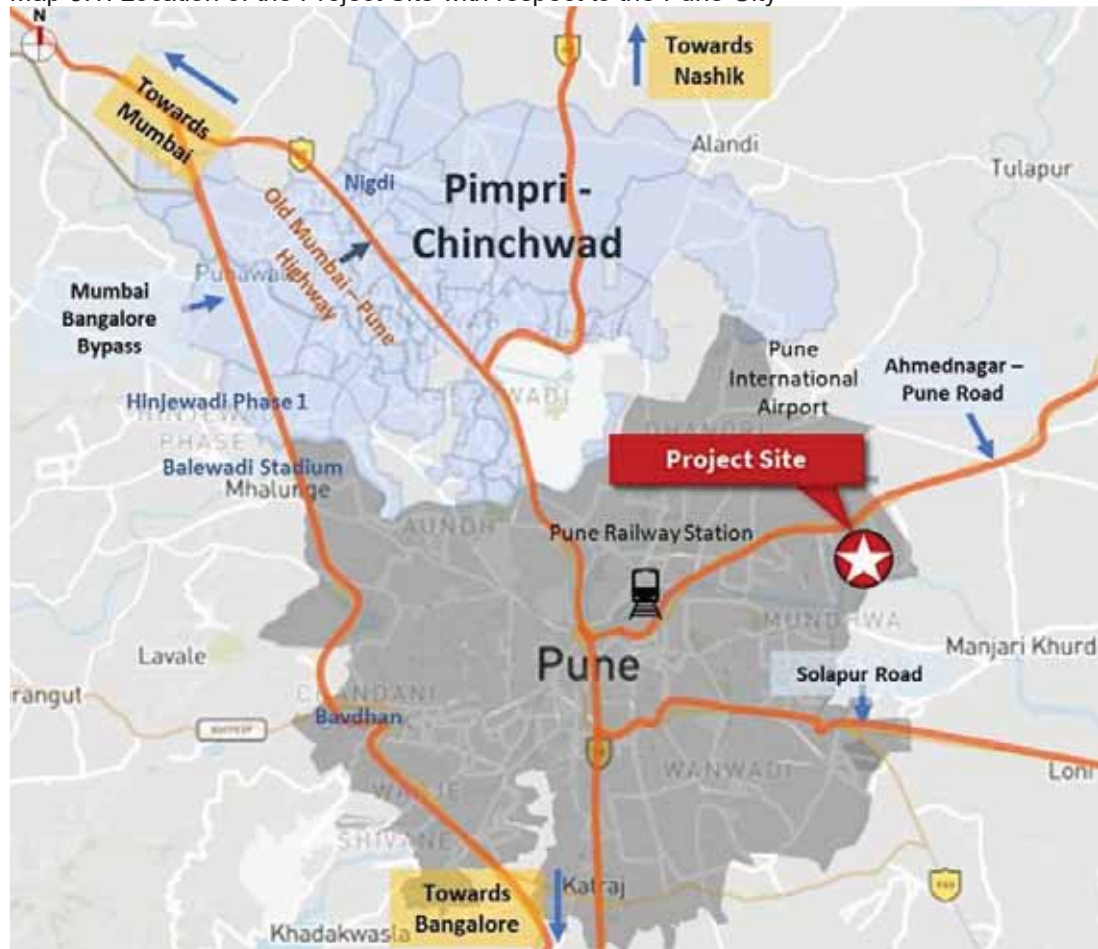
Table 5.1: Details of the Project Site and/or Project

| DETAILS OF PROPERTY                                     |   |
|---|---|
| Property Name   | Gera Commerzone SEZ and IT Park, Kharadi, Pune, Maharashtra, India  |
| Property Address  | S.No. 65/1, 65/2 & 65/3. Village Kharadi, Taluka Haveli, Dist-Pune-411014   |
| Land Area   | ~26.0 acres   |
| Block-Wise Break-Up of Leasable Area and Current Status | Block wise Leasable area details and details on status of the project are mentioned above in Executive summary.<br>It also includes power distribution services for KRC Infrastructure and Projects Pvt. Ltd. and facility management services ("Camplus"). |
| Access  | Accessible through approx. 18 m. wide EON IT Park and 24 m. wide Grant Road   |
| Frontage  | Approximately 300 m. frontage along EON IT Park Road, Kharadi   |
| Shape and Visibility                                    | The topography of the project features terrain that is relatively contoured and is irregular in shape. It has excellent visibility from EON IT Park Road and Grant Road Kharadi.  |
| Approval Status   | Project has requisite approvals in place as confirmed by the Client.  |
| INFRASTRUCTURE  |   |
| Water Supply, Sewerage & Drainage                       | Available within the Project  |
| Power & Telecommunication                               | Available within the Project  |

### 5.2 Location of the Project

The Project is located in the north-eastern part, Secondary Business District (SBD) East micro market of the city along the Eon IT Park Road. It is located at a distance of about 6.0 km from the Phoenix Market City and about 1.5 km from Nagar Road. The map on the following page presents the location of the Project with respect to the city.

Map 5.1: Location of the Project Site with respect to the Pune City



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The distance of the Project from major landmarks in the city is given in the table below.

Table 5.2: Distances of the Project from Major Landmarks in the City

| Location / Landmark        | Approximate Distance from Project Site (km) |
|----------------------------|---|
| Pune Railway Station       | 13.0  |
| Pune International Airport | 9.0   |
| Phoenix Market city        | 2.0   |
| Shivaji Nagar              | 6.0   |
| Pune University            | 16.0  |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### 5.3 Description of the Project and its Surroundings

The Project is Grade A commercial / office SEZ and IT Park located along EON IT Park Road in Kharadi. The Project is surrounded by mixed use development comprising residential, retail, and commercial asset classes. The Project is spread across 26 acres of land. The topography of the project features terrain that is relatively contoured and is irregular in shape. It has excellent visibility from EON IT Park Road and Grant Road Kharadi.

The map on the following page presents location of the Project and its surroundings.

Map 5.2: Location of Project and its Surrounding Developments



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The Project has good accessibility due to its location along the EON IT Park Road and vicinity to Pune Ahmednagar Highway. Existing second corridor of Pune metro line & BRTS along with proposed HCMTR which passes through this micro market will enhance the connectivity of Project with other parts of the city and reduce the travel time in the future.

The map below presents the conceptual Layout Plan of the Project as shared by the Client.

Map 5.3: Conceptual Layout Plan for the Project

Completed and Future Development Buildings:



Source: Client, 31<sup>st</sup> March 2024

The table on the following page presents the boundary/edge conditions of the Project Site.

**Table 5.3: Project Site and its Site Boundaries**

|       |                     |
|-------|---------------------|
| North | Residential Project |
| South | EON IT Park Road    |
| West  | Grant Road          |
| East  | Lawn                |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The Project is predominantly surrounded by commercial, residential and hospitality developments in the vicinity. Grade A commercial / office developments and premium residential developments are also present in the micro-market.

## 5.4 Description of the Project

The table below presents key asset specific information.

**Table 5.4: Key Asset Specific Information of the Project - Completed Buildings**

| Particulars   | Description  |
|---|--|
| Name of the Entity  | KRC Infrastructure and Projects Private Limited  |
| Interest owned by Mindspace REIT                              | Project is wholly owned by Mindspace Business Parks Private Limited which is 100% owned and controlled by the Mindspace REIT <sup>1/</sup> |
| Land Extent including completed and under construction blocks | Total Plot Area: ~26.0 acres   |
| Asset Type  | IT SEZ and Non-SEZ buildings   |
| Sub-Market  | SBD East   |
| Approved and Existing Usage                                   | IT Offices   |
| Current Status  | Building R1, R3 & R4 – Fully completed and operational   |
| Approvals Status  | List of approvals are specified in Annexure 4.   |
| Freehold/Leasehold  | The underlying land is taken on freehold basis   |
| Leasable Area   | 1.93 million sq. ft  |
| Occupied Area   | 1.93 million sq. ft  |
| Committed Area  | 1.93 million sq. ft.   |
| Occupancy <sup>2/</sup>                                       | 100.0%   |
| Committed Occupancy <sup>3/</sup>                             | 100.0%   |
| Number of Tenants   | 25   |

<sup>1/</sup> Refer company structure set out in Annexure 1<sup>2/</sup> Occupancy refers to proportion of area leased, which is actively occupied by the tenants/occupiers<sup>3/</sup> Committed occupancy also includes area, which has been pre-leased to tenants/occupier**Table 5.5: Key Asset Specific Information of the Project – Under Construction Project**

| Particulars                      | Description  |
|----------------------------------|--|
| Name of the Entity               | KRC Infrastructure and Projects Private Limited  |
| Interest owned by Mindspace REIT | Project is wholly owned by Mindspace Business Parks Private Limited which is 100% owned and controlled by the Mindspace REIT |
| Asset Type                       | IT Non- SEZ building   |
| Sub-Market                       | SBD East   |



| Particulars                       | Description   |
|-----------------------------------|---|
| Approved and Existing Usage       | IT Offices  |
| Current Status                    | Building R2 – Under construction building, RCC work is in progress. |
| Approvals Status                  | List of approvals are specified in annexure 04                      |
| Freehold/Leasehold                | The underlying land is taken on freehold basis                      |
| Leasable Area                     | 1.01 Mn sq. ft  |
| Occupied Area                     | 0.0 Mn sq. ft   |
| Committed Area                    | 0.0 Mn sq. ft   |
| Occupancy <sup>1/</sup>           | 0.0%  |
| Committed Occupancy <sup>2/</sup> | 0.0%  |

<sup>1/</sup> Occupancy refers to proportion of area leased, which is actively occupied by the tenants/occupiers

<sup>2/</sup> Committed occupancy also includes area, which has been pre-leased to tenants/occupier



## 5.5 Project Inspection

The Project is part of a larger campus having (6) buildings (G1, G2, R1, R2, R3 & R4). Out of which two (2) SEZ and two (2) Non SEZ IT Buildings (R1, & R4) and R2 & R3 which also include a Glass Box are considered for valuation. Building R1, R3 and R4 are completed & operational, Building R2 is under construction, as on the date of inspection by the Valuer. The Project was inspected by the Valuer on 26 March 2024.

The inspection comprised visual inspection of operational buildings comprising the property and visits to key utility areas like LT Electric Room, Pump Room, HVAC installations, Power Back up, STP. The common areas within the buildings were visited on a sample basis as the areas under tenant occupation had access restriction.

The visual inspection of the buildings did not reveal any cause of concern with no visible signs of any disrepair or ill maintenance within the operational buildings. The utility areas also appeared well maintained, visually. No instances of any major logging or water accumulation were observed during the inspections. The inspections did not comprise any structural survey, technical/engineering review or safety audit and the assessment of the condition of the building, its utilities and campus infrastructure are based completely on visual survey.

Some of the photographs of the Project and surroundings are given below:

|   |  |
|---|--|
|  |  |
| External View of One of the Buildings   | External View of Under Construction Building   |
|  |  |
| View of Internal Lobby Space  | View of Services   |

|  |   |
|--|---|
|   |   |
| View of Podium Connecting all Buildings  | View of Podium Connecting all Buildings   |
|   |   |
| View of Terrace  | View of Parking Space   |
|  |  |
| View of Internal Access Road   | View of Access Road   |

## 5.6 Other Relevant Information Related to the Project

### **Developable Area of the Project**

The total site area of the project is ~26.0 Acres with total leasable area of 2.9 Mn sq ft under 4 Buildings out of 6 Buildings in total.

### **Site Services and Finishes**

The visual inspection was done for all the buildings including common areas and key utility areas such as LT Electric Room, Pump Room, STP, Chillers, HVAC Installations etc. As per the visual survey there was no concern related to finishes and site services. The campus is well maintained with proper landscaping in common areas.

### **Condition and Repairs**

The visual inspection was done for all the buildings including common areas and key utility areas such as LT Electric Room, Pump Room, STP, Chillers, HVAC Installations etc. The inspection of key utility areas was done on a sample basis, and it did not reveal any cause of concern or ill maintenance in any of the operational buildings. Only some of the lifts in mall building are gone under maintenance.

### **Environmental Considerations**

The Valuer has not carried out any investigations or tests or been supplied with any information from the Client or from any relevant expert that determines the presence or

otherwise of pollution or contaminative substances in the subject or any other land (including any ground water).

For the purpose of assessing the vulnerability of the Project to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Pune where the Project is located falls in Seismic Zone III with moderate risk. The city faces low risk in terms of high winds or cyclones too. The Project is not likely to face any higher risk than the overall risk profile of the city. No hazardous activity was noted in the vicinity of the Project, which may expose it for any induced disaster.

The Project is located at a relatively higher elevation compared to its immediate surroundings, indicating low risk of flooding and perennial water logging.

#### **Option or Pre-Emption Rights and Encumbrances**

Unless disclosed and recorded by the Client, the Project is considered to possess a good and marketable title and is free from any unusually onerous encumbrances with no option or pre-emption rights in relation to the assets except for those created in favor of the lenders, based on the information given in the Title Reports prepared by Hariani & Co. (hereinafter collectively referred to as 'Legal Counsel'). The Valuer has not checked and verified the title of the Project.

#### **Revenue Pendencies**

On the basis of the Title Reports prepared by the Legal Counsel and discussion with the Client, there are no revenue pendencies including local authority taxes associated with the Project or any compounding charges. No independent verification of this has been made from revenue authorities and reliance has been made on the Client information for the same.

#### **Material Litigation**

Based on discussions with the Client and Title Reports shared, there are no material litigation including tax disputes other than the litigation disclosed to the Valuer (which are specified in Annexure 8), relating to the Project or any compounding charges.

## **5.7 Tenancy Analysis**

#### **Tenant Profile of Top Tenants for Completed Project**

As on 31<sup>st</sup> March 2024, Project Site has 25 tenants which include companies like Barclays, Global Services, UPS Logistics, Mindcrest India Pvt. Ltd., etc. The Project Site's top 10 tenant account for ~97.0% of the Gross Rental income.

The top 10 Tenants as per Leasable areas is listed below: -

**Table 5.6: Top 10 Tenants as per Leasable areas**

| Sl. No. | Tenant  | Leasable Area (sq. ft.) |
|---------|---|-------------------------|
| 1       | Barclays Global Services Centre Private Limited               | 531,373                 |
| 2       | BP Business Solutions India Pvt Ltd.                          | 372,000                 |
| 3       | All State Sol. India Pvt Ltd.                                 | 334,545                 |
| 4       | Amazon Development Centre India Pvt. Ltd.                     | 204,477                 |
| 5       | Springer Nature Technology and Publishing Solutions Pvt. Ltd. | 109,000                 |
| 6       | UPS Logistics Pvt. Ltd.                                       | 105,500                 |
| 7       | Mindcrest India Pvt. Ltd.                                     | 56,000                  |

|    |   |           |
|----|---|-----------|
| 8  | AllianceBernstein Business Services Pvt. Ltd. | 52,000    |
| 9  | CrowdStrike India Pvt. Ltd.                   | 52,000    |
| 10 | ANSR Global Corporation Pvt. Ltd.             | 48,000    |
|    | Total   | 1,864,895 |

\* Includes contracted areas for which rent may start at a future date

The top 10 Tenants as per Gross Rents are listed below: -

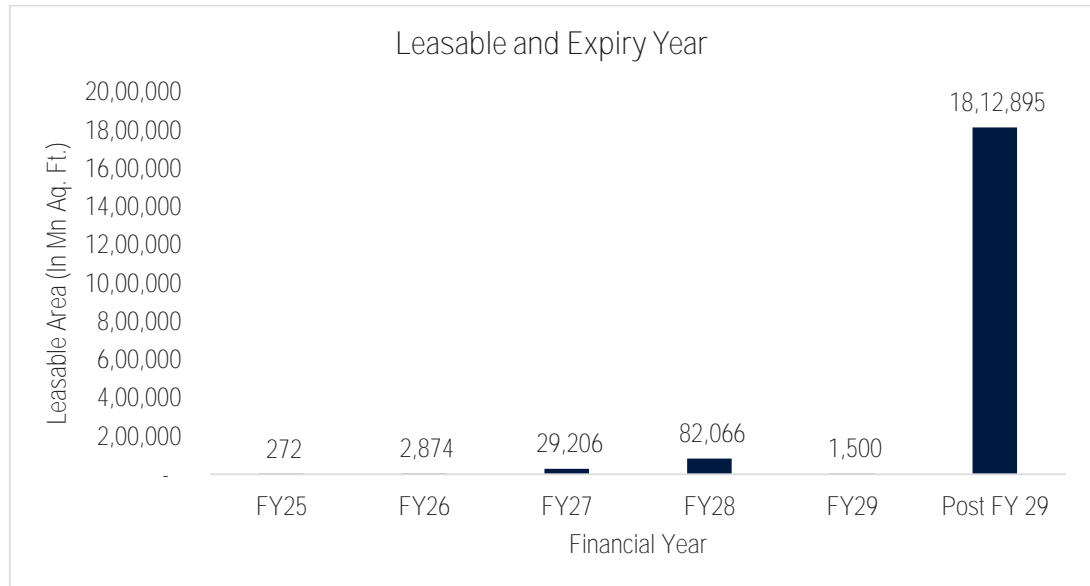
Table 5.7: Top 10 Tenants as per Gross Rentals\*

| Sr No. | Tenant  | Share of Gross Rentals |
|--------|---|------------------------|
| 1      | Barclays Global Services Centre Private Limited               | 24.9%                  |
| 2      | BP Business Solutions India Pvt Ltd.                          | 20.1%                  |
| 3      | All State Sol. India Pvt Ltd.                                 | 18.7%                  |
| 4      | Amazon Development Centre India Pvt. Ltd.                     | 9.9%                   |
| 5      | UPS Logistics Pvt. Ltd.                                       | 6.7%                   |
| 6      | Springer Nature Technology and Publishing Solutions Pvt. Ltd. | 5.6%                   |
| 7      | Mindcrest India Pvt. Ltd.                                     | 3.1%                   |
| 8      | Alliance Bernstein Business Services Pvt. Ltd.                | 2.8%                   |
| 9      | CrowdStrike India Pvt. Ltd.                                   | 2.8%                   |
| 10     | ANSR Global Corporation Pvt. Ltd.                             | 2.5%                   |
|        | Total   | 96.9%                  |

\* Includes contracted areas for which rent may start at a future date

### **Lease Expiry Analysis**

The WALE of the property is 8.6 years, with ~6.0% of occupied area expiring between FY 2025 and FY 2029 as shown in the chart below:



### **Escalation Analysis**

The leases of the Project Site have typically seen rental escalation of 4.5% every year or 15.0% every 3 years.

## **5.8 Power Distribution Services**

In accordance with Section 14 (b) of the Electricity Act, 2003 read with Section 4(1) of the SEZ Act, 2005, entities that own and operate SEZ Parks are considered Deemed Distribution Licensee for supplying electricity to consumers within the SEZ area. Pursuant to the above regulations, KRC Infrastructure and Projects Private Limited (SPV) also has the license to distribute power within the Project Site.

The SPV has invested in the infrastructure to facilitate the distribution of the power to the customers (occupiers and operators within the subject properties). It procures power from Power generators supplying to the grid and then distribute it to the end consumers within the Project Site. The SPV is not allowed to expand the power distribution outside the limits of the SEZ, i.e., the Project Site in this case.

## **5.9 Facility Management Services**

KRC Infrastructure and Projects Private Limited has commenced facility management business effective October 1, 2020 to provide such services to the Subject Properties within the portfolio as well as properties with ownership interests of/owned by third parties within the same parks as the Subject Properties of the Portfolio (as mentioned in the following table). Facility management services include housekeeping services, management of MEP equipment, façade cleaning, security expenses, repair and maintenance, maintenance of common areas etc. Service charges are levied on a cost-plus mark-up basis to the SPVs owned by REIT, which has ownership interest in the Subject Properties.

**Table 5.8 Ownership Interest**

| Property Name                           | Location             | Construction Status | Leasable Area<br>(mn. sq. ft) |
|---|----------------------|---------------------|-------------------------------|
| Avacado                                 | Malad Mumbai         | Operational         | 0.8                           |
| Commerzone                              | Yerwada Pune         | Operational         | 2.9                           |
| Gigaplex                                | Airoli West Mumbai   | Operational         | 4.6                           |
| Intime                                  | Madhapur Hyderabad   | Operational         | 1.7                           |
| KRIT                                    | Madhapur Hyderabad   | Operational         | 2.4                           |
| MBPPL                                   | Airoli East Mumbai   | Operational         | 4.7                           |
| MBPPL Pocharam                          | Pocharam Hyderabad   | Operational         | 0.4                           |
| Sundew                                  | Madhapur Hyderabad   | Operational         | 5.8                           |
| Trion                                   | Pune                 | Operational         | 0.8                           |
| Citi BKC                                | Mumbai               | Operational         | 0.1                           |
| Horizonview                             | Porur Chennai        | Operational         | 1.1                           |
| Commerzone, Kharadi                     | Kharadi Pune         | Operational         | 2.2                           |
| Building 10-DC                          | Airoli, West, Mumbai | Operational         | 0.3                           |
| Sub-Total Operational                   |                      |                     | 27.8                          |
| Data Center – B8                        | Airoli, West, Mumbai | Under Construction  | 0.3                           |
| Building 15 & Highstreet                | Airoli, East, Mumbai | Under Construction  | 0.8                           |
| Building 1A-1B, 7&8 & Experience Center | Madhapur Hyderabad   | Under Construction  | 3.1                           |
| Commerzone, Kharadi                     | Kharadi Pune         | Under Construction  | 1.0                           |
| Sub-Total U/C / Future Dev.             |                      |                     | 5.2                           |

Note: Leasable areas also include certain areas within parks of Mindspace REIT which are maintained by Camplus and are not owned by Mindspace REIT's SPVs. In addition to above, 2.5 msf at Gera Commerzone Kharadi is under Campus Service



## 6 MARKET SCAN OF THE CITY AND THE MICRO-MARKET

### 6.1 Introduction

The valuation exercise takes into account the market performance and various other indicators that are relied upon the industry report which has been prepared by Jones Lang LaSalle India Property Consultants, who are appointed as an independent consultant by the Client.

### 6.2 City Overview

Pune is popularly known as the 'Queen of Deccan India' which has ranked within the top 20 cities globally in JLL's City Momentum Index (CMI) since 2017. Pune has now been declared as the largest city in the state of Maharashtra in terms of geographical area coverage. The city has been a major educational hub since many decades having presence of premium educational institutes in the country. Pune is also an important industrial hub having presence of prominent foreign as well as domestic automobile, automobile ancillaries and electronics manufacturers. Attractive demographics and readily available skilled workforce have attracted corporates from various sectors like IT/ITeS, manufacturing/industrial, BFSI, consulting etc. to have their set-up in the city. Other drivers like proximity to Mumbai, good connectivity through air, rail and roads, flow of Foreign Direct Investments (FDIs) have been instrumental in its growth. The city was also ranked 2nd among the top three best Indian cities (along with Hyderabad and Bengaluru) in Mercer's Quality of Living Rankings, 2023. All the above factors, in addition to large-scale urban infrastructure upgrade currently underway in Pune, have made it one of the most attractive real estate investment hubs in the state of Maharashtra after Mumbai.

### 6.3 Infrastructure Initiatives

Pune is currently undergoing three major infrastructure development projects. Pune Metropolitan Region Development Authority (PMRDA), Maharashtra Metro Rail Corporation Limited (MMRC), Pune Municipal Corporation (PMC), Maharashtra State Road Development Corporation (MSRDC) and City and Industrial Development Corporation of Maharashtra (CIDCO) are involved in the development of Pune Metro Line 3, Pune Metro Line 1 and 2, Pune Ring Road and New International Airport at Purandar, respectively. Another infrastructure project – Mula Mutha Rejuvenation Project, has been passed for execution in the central part of the city.

#### Existing infrastructure

Table 6.1 Existing Infrastructure in the City

| Existing Project           | Completion timeline         | Details  | Key Impact Zones                                   |
|----------------------------|-----------------------------|--|--|
| Pune International Airport | 2004-05                     | It is a Military as well as Public airport owned by the Indian Airforce and operated by AAI. | Viman nagar, Yerawada, Kalyani nagar, Kharadi      |
| Pune Junction              | Opened: 1858, Rebuilt: 1925 | One of the major junctions in Maharashtra connecting Pune to all the major cities of India.  | Bund garden road, Camp, Koregaon park              |
| Swargate bus depot         | 1976                        | Contains inter-city and intra-city transportation facilities.                                | Core Pune area / Peth areas                        |
| Pune - Mumbai expressway   | 2002                        | India's first 6-lane wide concrete, access-controlled tolled expressway. Distance – 94.5 km; | Bavdhan. Pashan, Baner, Balewadi, Hinjewadi, Wakad |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### **Upcoming Infrastructure**

**Proposed Pune Ring Road -** The proposed Outer Ring Road in Pune will be developed as an eight-lane expressway with a total length of approximately 140 km. It will be developed through a public-private partnership (PPP), and the project will be divided into two parts. The first part will be a 74.08-km stretch from Urse, located on the Yashwantrao Chavan Expressway, to Shivare on the Pune-Satara National Highway, which will be referred to as the Eastern Ring Road. The second part will be a 65.45-km stretch from Shivare to Urse, known as the Western Ring Road. Six key highways passing through the city will be linked to the proposed Ring Road, namely Pune-Bengaluru highway (NH-48), Pune-Mumbai highway (NH-48), Pune-Nashik highway (NH-60), Pune-Solapur highway (NH-65), Pune-Ahmednagar highway (NH-753F) and Pune-Saswad Palkhi Marg (NH-965). According to the proposed alignment, the Ring Road will feature eight flyovers, four bridges over railroad tracks, seven viaducts, 14 underground roads and 13 tunnels. A total of 1,900 hectares of land will be acquired from 87 villages encircling the city, with the total estimated cost of the project being INR 18,000 crore. The expected completion of the Outer Ring Road in Pune is December 2026.

### **New Airport Terminal at Lohegaon and Proposed International Airport -**

A new terminal of around 500,000 sq ft, next to the existing Pune International Airport terminal in Lohegaon, was inaugurated on 10th March 2024 by PM Narendra Modi through a virtual platform. After missing successive deadlines set by the Airports Authority of India (AAI), the new terminal building at Pune International Airport is now complete and open for public use. The new terminal has been integrated with the existing terminal, taking the total built-up area to 750,000 square feet, and the combined passenger handling capacity to 16 million passengers per annum. The new terminal is equipped with three gates each for departure and arrival, which aims to reduce the crowd congestion experienced in the older facility. A new airport, Chhatrapati Sambhaji Raje International Airport, was supposed to be constructed in Purandar Taluka, but the Ministry of Defence cancelled the No Objection Certificate it issued in August 2021, and the project has been put on hold.

**Mula Mutha Rejuvenation Project -** Another infrastructure project namely Mula Mutha Rejuvenation Project, has been proposed for development. The rejuvenation project, modelled on the Sabarmati riverfront in Ahmedabad includes the development of 44 km of river stretch, including 22.2 km of Mula river, 10.4 km of Mutha river and 11.8 km of Mula-Mutha river. Work on two stretches (13 km) from Sangamwadi to Bund Garden and Bund Garden to Mundhwa bridge has been started. Also, a 300m sample stretch has been completed to showcase it to the authorities.

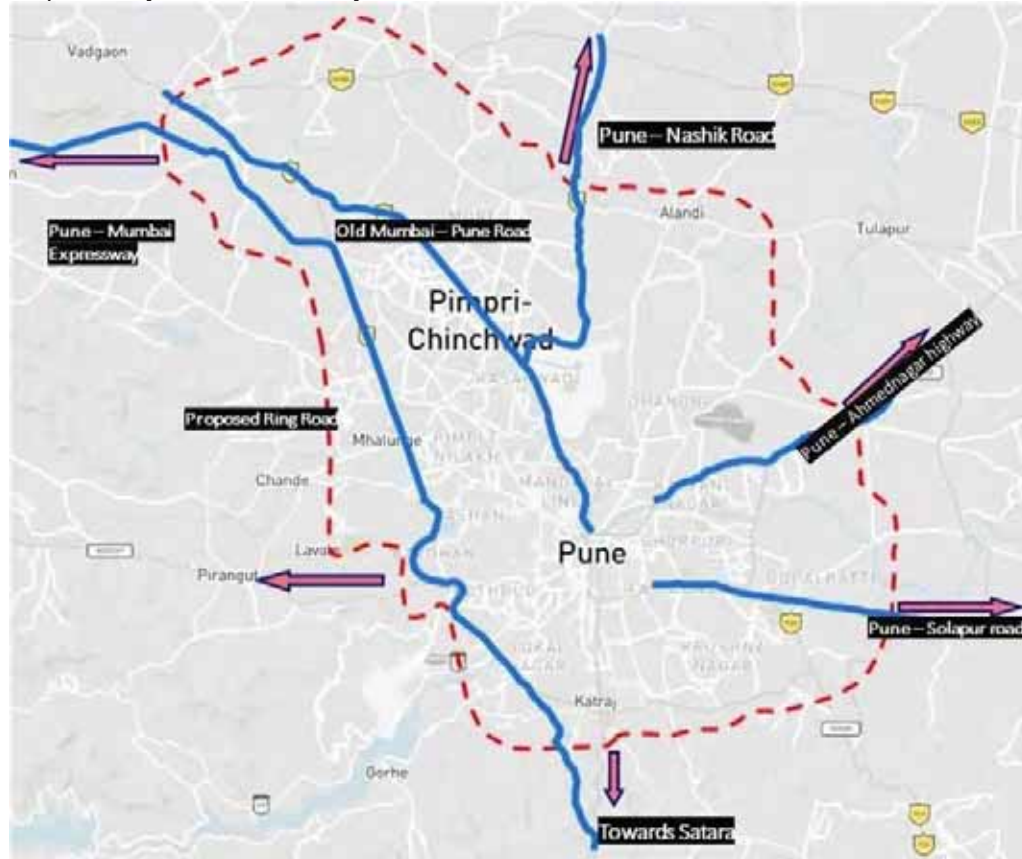
**Table 6.2 Upcoming Infrastructure in the City**

| Upcoming Project               | Completion timeline | Details  | Key impact zones  |
|--------------------------------|---------------------|--|---|
| Pune Ring Road                 | May 2026            | Eight-lane expressway with total length of 173 km.<br>Land acquisition work is under progress. It would be developed using a PPP model in 4 parts.   | Talegaon Dabhade, Hinjewadi, Mahalunge, Sus, Lavale, Bhugaon, Bavdhan, Warje, Shivane, Dhayari, Kondhwa, Loni Kalbhor, Manjari, Wagholi, Alandi, Chakan |
| New Airport Terminal, Lohegaon | Dec 2023            | The total built-up area of new terminal is 500,000 sq ft, which after integration with the old terminal will be an area of 750,000 sq ft with a total passenger handling capacity of 16 mn passengers per annum (MPPA) | Viman nagar, Yerawada, Kalyani Nagar, Kharadi, Wagholi.   |

|                                 |            |   |   |
|---------------------------------|------------|---|---|
| Mula Mutha Rejuvenation Project | March 2025 | Development of 44 km of river stretch, including 22.2 km of Mula river, 10.4 km of Mutha river and 11.8 km of Mula-Mutha river. | Sangamwadi, Bund Garden, Koregaon Park, Mundhwa, Kalyani nagar, Wadgaon sheri, Kharadi, Shivaji nagar, J.M Road, Deccan |
|---------------------------------|------------|---|---|

### **Pune – Key Roads in the City**

Map 6.1 Key Roads in the City



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### **Upcoming Metro Rail Lines**

**Pune Metro Lines** - The Pune Metro Rail has three lines under construction with a total coverage of 54.58 km. Line 1 will run from PCMC Building to Swargate, and Line 2 will run from Vanaz to Ramwadi. Both lines are being implemented by MahaMetro and the Central Government in a 50:50 joint venture. Both lines are partially operational: Line 1 is operational from PCMC Bhavan to Shivaji Nagar, and Line 2 is operational from Vanaz to Ruby Hall Clinic. The extended stretches were inaugurated on 1 August 2023. Currently, Pune Metro Line 1 is in the final stage of completion, expected to become fully operational by the end 2024. As of March 2024, the entire stretch of Pune Metro Line 2 from Vanaz to Ramwadi has become operational. Line 3, which will run from Megapolis Circle in Hinjewadi IT Park Phase 3 to Shivaji Nagar, is being constructed through a public-private partnership involving Pune Metropolitan Region Development Authority and Tata-Siemens. Construction has begun, and the route is expected to be completed by 2026–27. The proposed extension of Pune Metro Line 1 from Swargate to Katraj, which will be completely underground, has been approved by the civic body and is expected to be operational by 2027.

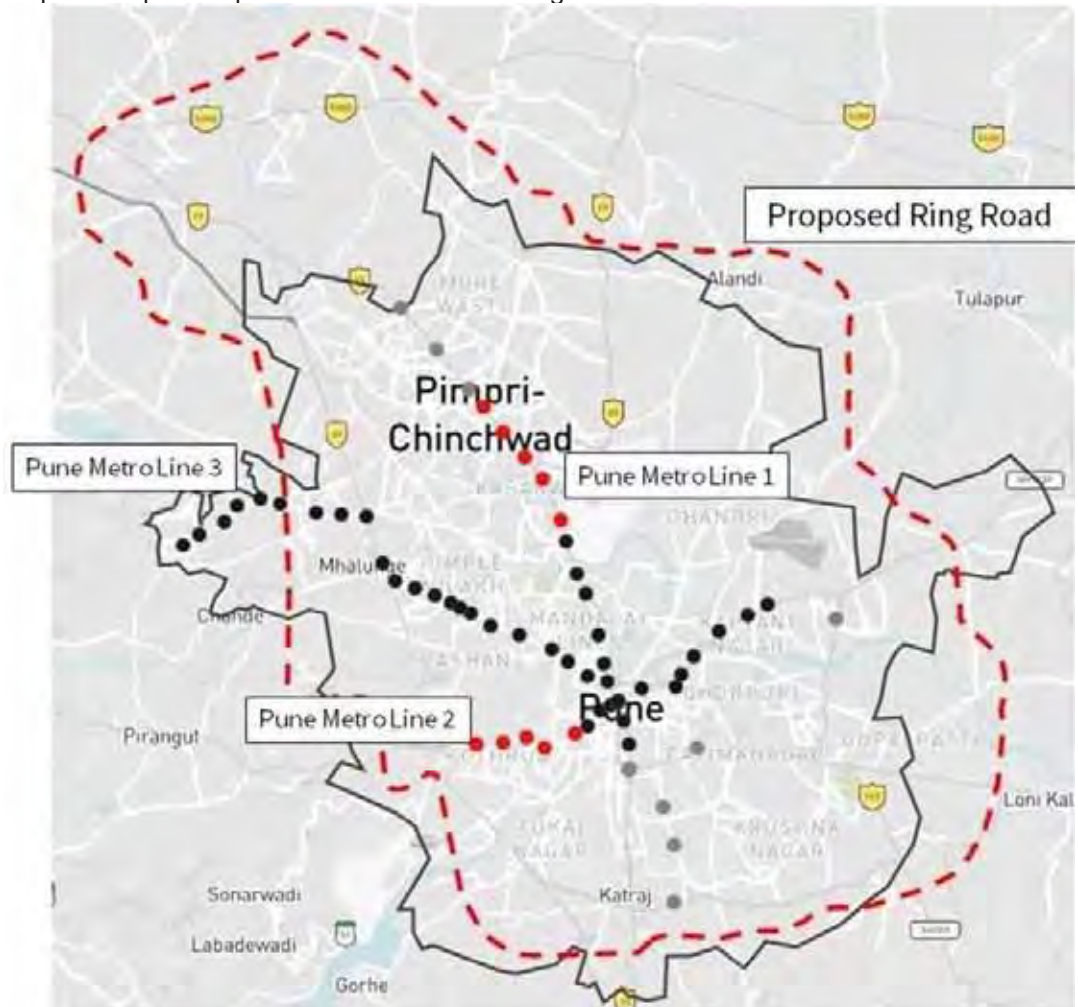
**Upcoming Metro Rail Lines****Table 6.3 Upcoming Metro in the City**

| Upcoming Project                       | Completion timeline   | Details  | Key Impact Zones  |
|--|---|--|---|
| Pune Metro Line 1 or Purple line       | PCMC Bhavan to Shivajinagar – August 2023.<br>Entire line – 2024. | Will run from PCMC Bhavan to Swargate.<br>Total length: 16.6 km.<br>No. of stations: 14 out of which 9 stations are elevated and 5 stations are underground.<br>Proposed extension: Swargate to Katraj and PCMC Bhavan to Nigdi. | Pimpri, Chinchwad, Kasarwadi, Pimple Gurav, Sanghvi, Khadki, Range Hills, Shivajinagar, Peth areas (Old Pune).                                  |
| Pune Metro Line 2 or Aqua line         | Entire line operational – March 2024.                             | Will run from Vanaz to Ramwadi.<br>Total length – 14.7 km.<br>No. of stations – 16 (all elevated).<br>Proposed extension – Ramwadi to Wagholi.   | Kothrud, Erandwane, Deccan Gymkhana, J.M Road, PMC Bhavan, Pune Junction, Bund Garden Road, Yerwada, Kalyani nagar, Viman nagar, KharadiYerwada |
| Pune Metro Line 3 or Metropolitan line | 2026-27   | Will run from Megapolis circle in Hinjewadi Phase 3 to Civil court in Shivaji nagar.<br>Total length – 23.3 km.<br>No. of stations – 23 (all elevated)   | Hinjewadi Phase 1,2,3, Wakad, Balewadi, Mahalunge, Baner, Aundh, Pune university, Ganeshkhind road, Shivajinagar.                               |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

**Pune - Map of upcoming metro lines and proposed ring road**

Map 6.2 Map of Proposed Metro Lines and Ring Road



Source: Real Estate Market Research & Analysis: JLL, 31<sup>st</sup> March 2024



## 6.4 Pune - Office Sub Markets

The office sub-markets of Pune City are classified into six micro markets based on the market trend as mentioned below.

Table 6.4 Pune Commercial Micro-Markets

| Submarket    | Locations   | Map of Pune office market                           |
|--------------|---|---|
| CBD          | Camp, Station Road, Raja Bahadur Mills Road, Dhole Patil Road, Bund Garden Road, Sangamwadi, Koregaon Park, Fergusson College Road, Ganesh Khind Road, Senapati Bapat Road, Shivaji Nagar, Wakdewadi, Shankar Seth Road | <b>Map 6.3 Commercial Micro-markets in the City</b> |
| SBD East     | Airport Road, Jail Road, Yerawada, Nagar Road, Viman nagar, Kalyani Nagar, Kharadi, Hadapsar  |   |
| SBD West     | Aundh, Baner, Balewadi, Bavdhan, Nanded Phata, Kothrud, Erandwane, Warje  |   |
| Suburbs East | Fursungi, Wagholi   |   |
| Suburbs West | Hinjewadi, Pimple Saudagar, Pimpri, Chinchwad, Bhosari.   |   |

Source: Real Estate Market Research & Analysis: JLL, 31<sup>st</sup> March 2024

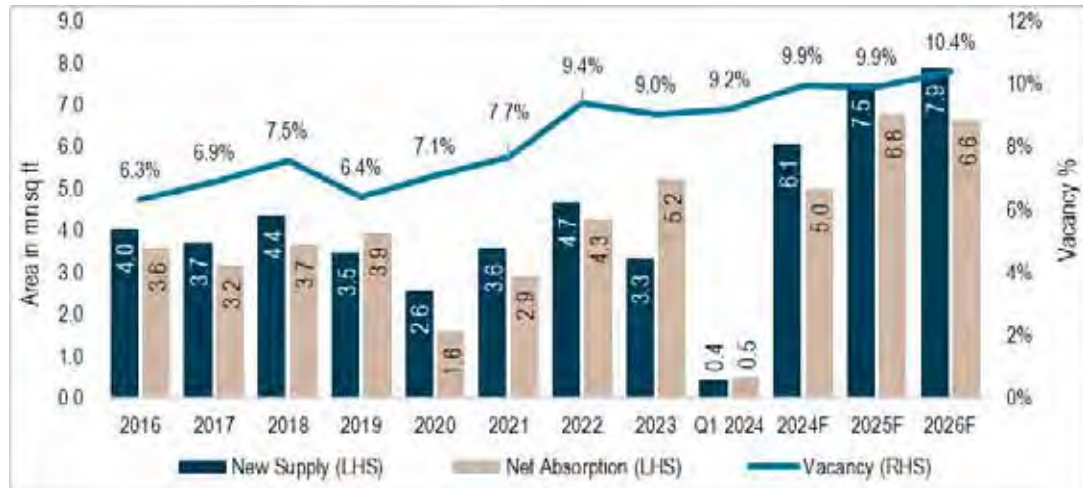
### Leasing Activity

#### City Market Trends

Table 6.5 City Market Trends

|              | Total Stock (mn sq ft) | Net Absorption (Mn sq ft) |                        |                        | Vacancy % |                        |                        |
|--------------|------------------------|---------------------------|------------------------|------------------------|-----------|------------------------|------------------------|
|              |                        | Q1 2024                   | Q4 2023 (Q-O-Q Change) | Q1 2023 (Y-O-Y Change) | Q1 2024   | Q4 2023 (Q-O-Q Change) | Q1 2023 (Y-O-Y Change) |
| Overall      | 78,784,210             | 504,812                   | -72.0%                 | -67.1%                 | 9.2%      | 20 bps                 | -40 bps                |
| CBD          | 6,487,236              | 0                         | -100%                  | -100%                  | 3.2%      | 0 bps                  | -300 bps               |
| SBD East     | 44,187,635             | 364,889                   | -70%                   | -63%                   | 7.1%      | 80 bps                 | -60 bps                |
| SBD West     | 11,395,869             | 135,969                   | -75%                   | -62%                   | 7.0%      | -120 bps               | 190 bps                |
| Suburbs East | 1,882,000              | 0                         | NA                     | NA                     | 28.5%     | 0 bps                  | 1020 bps               |
| Suburbs West | 14,831,469             | 3,954                     | +119%                  | -98%                   | 17.2%     | - 60 bps               | -150 bps               |





Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

Pune's office market activity was sluggish in Q1 2024. Net absorption of 0.5 mn sq ft was recorded in Q1 2024, which was largely driven by fresh leasing in existing office stock. Majority of the net absorption in Q1 was contributed by SBD East sub-market which accounted for a 72% share followed by SBD West with a share of 27%. Suburbs West recorded a minimal net absorption with a share of 1% whereas Suburbs East and CBD sub-markets did not witness leasing activity in Q1.

Gross leasing of around 1.81 mn sq ft was recorded during the quarter, up by 41.4% y-o-y. Healthy pre-commitments were witnessed in the upcoming projects which accounted for a share of 48% in the total gross leasing of Q1 2024. Pre-commitments of around 0.87 mn sq ft took place all of which were signed by co-working players. Gross leasing activity in the quarter was largely driven by the co-working segment with an occupier share of around 49.6%, followed by manufacturing/industrial and IT/ITeS segments with occupier shares of 24.0% and 22.4%, respectively.

The occupier share of IT/ITeS has declined while correspondingly the share of co-working operators in the leasing activity has increased. This is because the corporates especially in the IT/ITeS segment require a more flexible work set-up in times of uncertainty and for more dynamic portfolio planning. Co-working operators like Table Space, Smartworks, WeWork, Indiqube, Redbrick etc. are the key players in the Pune office market.

In Q1 2024, majority of the key transactions are by the co-working players leasing space for their managed offices. Some of the notable transactions in Pune in Q1 2024 include – Smartworks pre-leased the entire building named Autograph of 550,000 sq ft in Balewadi, Faurecia leased 190,000 sq ft in Capitaland Nalanda in Hinjewadi, Redbrick pre-leased 168,000 sq ft in Panchshil Avenue in Kalyani Nagar and Smartworks pre-leased the entire building named Solitaire Business Hub III of 150,000 sq ft in Balewadi.

### **Vacancy**

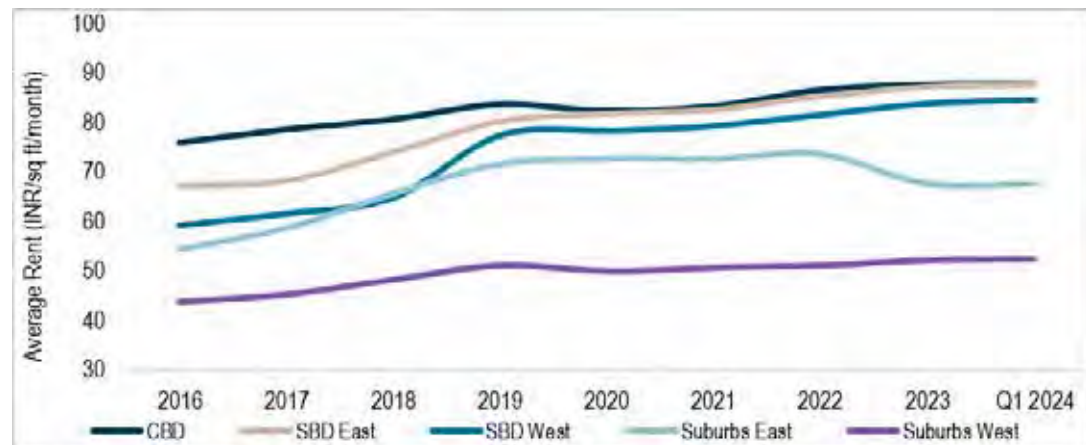
The overall vacancy rate of the Pune office market in Q1 2024 settled at 9.2%, up by 20 bps q-o-q whereas down by 40 bps y-o-y. The quarterly increase in the vacancy rate was due to the new supply addition in the market and a comparatively low net absorption. In Q1 2024, the CBD submarket recorded the lowest vacancy rate in the city of 3.2%, which was stable q-o-q, whereas it declined by 300 bps y-o-y, mainly because there is no new supply addition in the sub-market in the last 5-6 quarters and the existing buildings have low availability of office space. SBD West sub-market has a vacancy rate of 7.0% in Q1 2024, down by 120 bps q-o-q as there has been limited supply addition in the sub-market and the existing stock has limited available space. SBD East sub-market has a vacancy rate of 7.1% in Q1 2024, up by 80 bps

q-o-q, whereas down by 60 bps y-o-y. This sub-market has been the favoured sub-market in terms of healthy supply as well as demand and thus enjoys a stable vacancy range. Suburbs East sub-market recorded the highest vacancy rate in the city of 28.5% in Q1 2024, which was stable q-o-q, whereas on a y-o-y basis it has increased by 1020 bps. Suburbs West sub-market has a vacancy rate of 17.2% in Q1 2024, down by 60 bps q-o-q, as well as on a y-o-y basis it was down by 150 bps.

### Submarket Rents

Table 6.6 Submarket Gross Rents

|              | Gross Rent (INR/sq. ft/pm) GFA |              |              |
|--------------|--------------------------------|--------------|--------------|
|              | Q1 2024                        | Q-o-Q Change | Y-o-Y Change |
| Overall      | 80.1                           | 0.6%         | 2.4%         |
| CBD          | 87.9                           | 0.2%         | 1.4%         |
| SBD East     | 87.6                           | 0.4%         | 2.1%         |
| SBD West     | 84.6                           | 0.9%         | 3.1%         |
| Suburbs East | 67.8                           | 0.0%         | -8.1%        |
| Suburbs West | 52.5                           | 0.5%         | 2.4%         |



Source: Real Estate Market Research & Analysis: JLL, 31st March 2024

*Note : Mindspace REIT micro markets, the rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 10% depending upon negotiations, final structuring of the lease agreement and other parameters.*

The overall average rents in the city in Q1 2024 settled at INR 80.1 per sq ft per month, up 0.6% q-o-q as well as 2.4% y-o-y. In Q1 2024, CBD sub-market recorded the highest average rent in the city at INR 87.9 per sq ft per month, closely followed by SBD East sub-market which is INR 87.6 per sq ft per month. Average rents in the Suburbs West sub-market are the lowest in the city, which is INR 52.5 per sq ft per month in Q1 2024. Average rent in SBD West and Suburbs East sub-markets in Q1 2024 settled at INR 84.6 and INR 67.8 per sq ft per month. Rental growth in Q1 2024 was witnessed in all the sub-markets except for the Suburbs East sub-market. The city witnessed healthy rental growth every quarter till 2019, however, since 2020, the rents have largely remained stable with marginal growth every quarter.

Prominent projects in the CBD sub-market like ICC Tech Park, ICC trade tower and ICC Pavillion on Senapati Bapat Road have rents in the range of INR 115-125 per sq ft per month, whereas AP81 in Koregaon Park has rent in the range of INR 90-100 per sq ft per month which are higher than the sub-market average rent. SBD East sub-market has the highest share of grade A stock with a large share of premium projects like World trade centre, Eon Free Zone, Gera Commerzone, International Tech Park Pune in Kharadi and Panchshil Business Park in Viman nagar that command rents higher than the sub-market and overall city average. Suburbs West has limited grade A office leasable stock which is majorly owned by institutional players and that is mainly SEZ in nature. This and factors like poor connectivity to the city

centre and lower land prices has kept the rents of the sub-market competitive compared to the city.

### **New supply**

In Q1 2024, Pune witnessed completion of one office project namely Gera Commerzone STPI – Building 1 in Kharadi in the SBD East sub-market, which added a new supply of around 0.77 mn sq ft to the total Grade A stock of the city. The project had no pre-leasing during the time it got operational. However, there was withdrawal of 0.34 mn sq ft of projects which were downgraded to Grade B. Thus, the net increase in the total stock was 0.43 mn sq ft. The new supply is entering the city's office market in a slow and steady pace as the pre-commitment levels are low. However, in Q1 2024, a healthy pre-leasing of 0.87 mn sq ft was witnessed in the upcoming projects unlike the previous 2-3 quarters where pre-leasing did not take place.

### **Outlook**

Pune expects a total new supply of 6.42 mn sq ft in 2024, out of which 0.77 mn sq ft has become operational in Q1 2024. The pre-commitment level in the upcoming projects in 2024 is around 5-10% whereas it is around 10-15% in the upcoming projects in 2025. Some of the key completions in the city by the end of 2026 include Amar AP4 Phase 1, Panchshil Business Hub – S.no 40, International Tech Park Pune - Block 2, Keppel Kohinoor upcoming project in Kharadi, EON West Phase 1 in Wakad and Godrej Centre in Koregaon Park. Between the period Q2 2024 to end-2026, Pune office market is likely to see total new supply of 21 mn sq ft, out of which majority supply, comprising around 50% belongs to SBD East submarket which is followed by CBD sub-market which constitutes around 20-25% of the total supply. CBD sub-market has not witnessed a substantial new supply since Q1 2022. Thus, with the introduction of new supply of around 5 mn sq ft over the next three years, demand as well as rentals in the sub-market are expected to increase. This new supply in CBD sub-market is by prominent developers like RMZ Corp, Godrej, Amar builders and Poonawalla Group etc. Majority of the new supply in the next three years is located in the Kharadi micro-market in SBD East is by prominent developers like K Raheja Corp, Capitaland Group, Panchshil Realty, Keppel land and Kohinoor, Amar builders etc. Similarly, Suburbs West sub-market expects a limited but premium quality supply in the next three years with the completion of EON West Phase 1 and Phoenix Millennium Towers in Wakad. These projects are expected to drive the rental growth the sub-market in the coming years.

The demand is expected to grow at a slow and steady pace in 2024 and 2025. The premium quality upcoming supply that will be entering the market in 2025 and 2026 is likely to command higher rentals, and thus is expected to drive the rental growth in the city.

## 6.5 Micro Market : Secondary Business District East

The Gera Commerzone project lies in the Secondary Business District East.

### Supply, Demand Trend

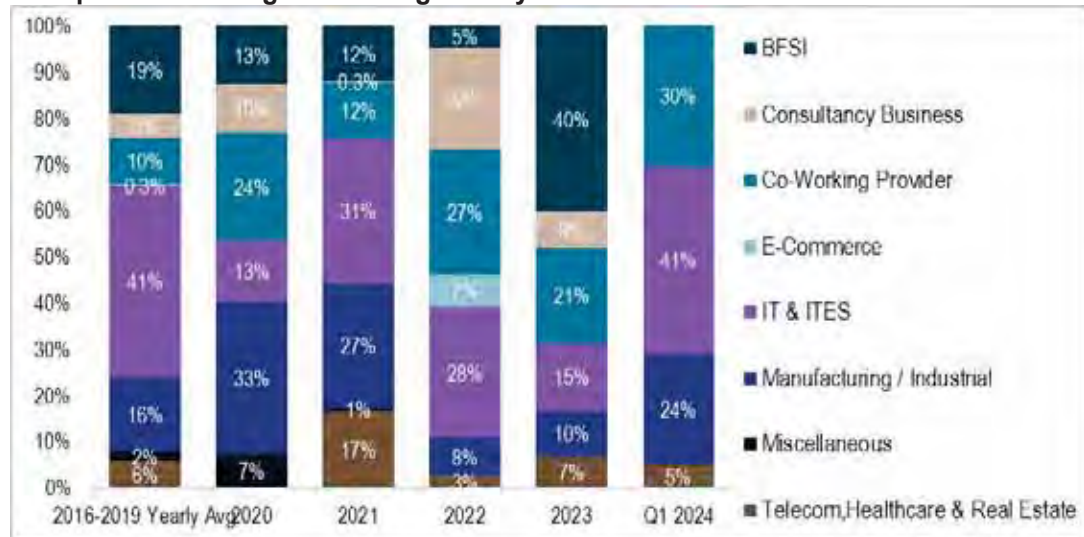
#### Total Completions, Net Absorption and Vacancy Rate



Source: Real Estate Market Research & Analysis; JLL, 31st March 2024

### Leasing activity

#### Occupier's share in gross leasing activity



Source: Real Estate Market Research & Analysis; JLL, 31st March 2024

SBD East comprises key micro-markets like Yerawada, Kalyani Nagar, Viman Nagar, Kharadi and Hadapsar. It has accounted for around 72% of the total net absorption in the city in the first quarter of 2024, whereas, in 2023 it accounted for around 70% of the total annual net absorption. This highlights the occupiers' preference for the sub-market. It recorded a net absorption of 0.36 mn sq ft in Q1 2024, which was down by 70% q-o-q as well as down by 63% y-o-y. The net absorption comprised new leasing and exits. The sub-market witnessed a gross leasing volume of 0.65 mn sq ft in Q1 2024, which was driven by the IT/ ITeS segment



with an occupier share of 41%, followed by co-working and manufacturing/industrial segments with occupier shares of 30% and 24%, respectively. Some of the notable transactions in the submarket include Redbrick pre-leasing 168,000 sq ft in Panchshil Avenue in Kalyani Nagar, Vertiv leasing 91,661 sq ft in Sky One Corporate Park Tower A in Viman Nagar, Amdocs taking up 76,531 sq ft in Magarpatta Cybercity in Hadapsar and Coforge leasing 50,000 sq ft in Shanti One in Yerawada. This thus indicates that SBD East is a very dynamic micro-market which is preferred by various tenant industries, mainly BFSI and IT/ITeS GCCs, thus attracting majority demand in the city. This is due to the availability of premium grade supply by institutional players along with green certifications which are now a key ask from global occupiers. In the recent quarters, co-working segment is also seen increasing its footprint in the sub-market.

### **Supply**

The entire new supply that entered the Pune Office market in Q1 2024 was witnessed in the SBD East submarket. Gera Commerzone STPI – Building 1 in Kharadi got completed in Q1 2024, thus adding a new supply of 0.77 mn sq ft to the total Grade A stock of the sub-market. However, there was a withdrawal of 0.17 mn sq ft due to a project downgrade. Thus, the net increase in the total stock of SBD East submarket was 0.60 mn sq ft.

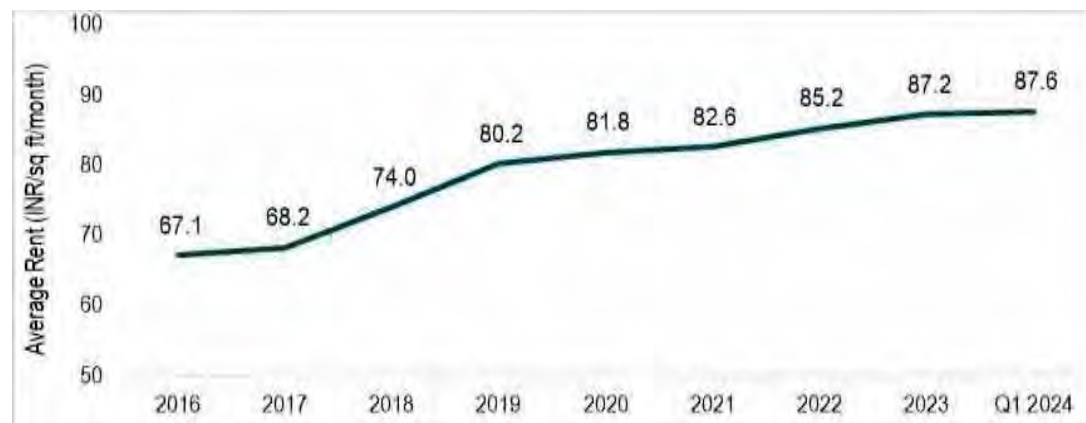
### **Vacancy**

Vacancy in Q1 2024 in the SBD East sub-market settled at 7.1%, up by 80 bps q-o-q from 6.3% in Q4 2023, due to the new supply entering the sub-market. This sub-market has been the favoured sub-market in terms of healthy supply as well as demand and thus enjoys a stable vacancy range.

### **Rents**

The average rents in the SBD East sub-market in Q1 2024 settled at INR 87.6 per sq ft per month, which have seen a growth of 0.4% q-o-q as well as a growth of 2.1% y-o-y.

Premium projects along with healthy demand have kept the rentals in the sub-market strong and range bound even during the pandemic. Prominent projects in the submarket like Panchshil Business Bay and Panchshil Tech Park One in Yerawada command rents in the range of INR 120-130 and INR 110-120 per sq ft per month respectively. Panchshil Business Park in Viman Nagar commands rent in the range of INR 100-110 per sq ft per month whereas Eon Free Zone and World Trade Centre in Kharadi command rents in the range of INR 90-100 per sq ft per month. Similar quality projects like, Gera Commerzone Kharadi and ITPP Kharadi command rents in the range of INR 80-85 per sq ft per month. The lease transactions in SBD East micro-market are recorded in the range of INR 60-90 per sq ft per month. The lease transactions in SBD East where the project is located are in the range of 80-90 per sq ft per month.



*Note : Mindspace REIT micro markets, the rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 10% depending upon negotiations, final structuring of the lease agreement and other parameters.*

Source: Real Estate Market Research & Analysis; JLL, 31st March 2024

**Prominent Lease Transactions within the Micro-Market****Table 6.7: Major Lease Transactions in the Micro-Market of the Project**

| Sl. No. | Name of the Building             | Name of the Occupier | Location      | Area Leased (sq. ft.) | Lease Rental Range (INR per sq. ft. per Month) | Transacted Period |
|---------|----------------------------------|----------------------|---------------|-----------------------|--|-------------------|
| 1       | Cybercity                        | Amdocs               | Hadapsar      | 76,531                | 80   | Q1 2024           |
| 2       | Panchshil Avenue                 | Redbrick             | Kalyani Nagar | 168,000               | 100-102  | Q1 2024           |
| 3       | Phoenix Fountain Head - Tower 2  | Keyence              | Viman Nagar   | 42,000                | 70-75  | Q1 2024           |
| 4       | Cybercity Tower 12               | John Deere           | Hadapsar      | 23,400                | 90-100   | Q1 2024           |
| 6       | Shanti One                       | AWFIS                | Yerawada      | 30,000                | 75-78  | Q1 2024           |
| 7       | Sky One Corporate Park - Tower A | Vertiv               | Viman Nagar   | 91,661                | 80-85  | Q1 2024           |
| 8       | Weikfield IT Park                | IGT Solutions        | Viman Nagar   | 36,000                | 75-80  | Q1 2024           |
| 9       | Shanti One                       | Coforge              | Yerawada      | 50,000                | 65-70  | Q1 2024           |
| 10      | Suzlon One Earth                 | Figmd                | Hadapsar      | 11,000                | 70-75  | Q1 2024           |
| 11      | ITPP Kharadi Block 1             | Kanini Software      | Kharadi       | 30,000                | 85-90  | Q1 2024           |
| 12      | ITPP Kharadi Block 1             | Airtel               | Kharadi       | 32,000                | 85-90  | Q1 2024           |
| 13      | ITPP Kharadi Block 1             | HP                   | Kharadi       | 40,000                | 85-90  | Q1 2024           |
| 14      | ITPP Kharadi Block 1             | SAP                  | Kharadi       | 10,000                | 85-90  | Q1 2024           |

Source: Real Estate Market Research &amp; Analysis; JLL, 31st March 2024

The lease transactions in the micro market are recorded in the range of INR 75 - 90 per sq. ft. per month. The lease transactions in Kharadi location where the Project is located are in the range of INR 85 to 90 per sq. ft per month. Market rent for Gera Commerzone Project has been considered in line with the achievable market rent for completed buildings at INR 85.0 per sq. ft per month for FY25.

**Investment Activities within the Micro-Market**

The city has witnessed few institutional office transactions of varying size. It is observed that the transaction value is based on the nature of the development, the micro-market location, Project, and leases prevailing etc.

**Investment Activities within India**

The table below present details of few large sale transactions in major cities in India. Net yield for these transactions is arrived based on the Capital Value at which the property was transacted and rentals applicable for the same property during transaction. The net yield for such large transactions is witnessed in the range of 7.75% to 9.50%.



Table 6.8: List of transactions / deals in major cities recent past

| Sl. No | City             | Property Name              | Location                     | Micro Market                 | Leasable Area (sq. ft.)  | Capital Value (INR per sq. ft.)                        | Net Yield   | Transacted Period |
|--------|------------------|----------------------------|------------------------------|------------------------------|--|--|---|-------------------|
| 1      | Mumbai           | One BKC                    | BKC, Mumbai                  | BKC                          | ~700,000   | 35,000-36,000  | 8.00% - 8.25%   | 2019              |
| 2      | Mumbai           | Equinox Business Park      | Kurla, Mumbai                | BKC Fringe                   | ~1,250,000   | 19,000 - 20,000  | 8.25% - 8.50%   | 2018              |
| 3      | Mumbai           | Express Towers             | Nariman Point                | CBD                          | ~472,377   | 40,000 - 43,000  | 7.25% - 7.75%   | 2021              |
| 4      | Chennai          | Sandhya Info city          | Navalur                      | PBD OMR                      | ~1,418,174   | 5,500 – 6,000  | 8.00% - 8.50%   | 2021              |
| 5      | Chennai          | Global Info city           | Perungudi                    | SBD OMR                      | ~2,700,000   | 8,500 – 9,000  | 7.75% - 8.00%   | 2018              |
| 6      | Chennai          | One India bulls Park       | Ambattur                     | PBD West                     | ~1,900,000   | 4,500 – 5,000  | 8.00% - 8.50%   | 2018              |
| 7      | Hyderabad        | Phoenix aVance Building 6  | HITEC City                   | PBD West                     | ~640,000   | 7,500 – 8,000  | 9.00% – 9.50%   | 2021              |
| 8      | Hyderabad        | Phoenix Aquila Tower A     | Gachibowli                   | PBD West                     | ~1,180,000   | 8,200 - ,8700  | 8.00% - 8.25%   | 2021              |
| 9      | Hyderabad        | Waverock                   | Gachibowli                   | PBD West                     | ~2,350,000   | 7,200 - 7,700  | 8.00% - 8.25%   | 2017              |
| 10     | Pune             | E Park 2                   | Kharadi                      | SBD East                     | ~180,000   | 7,000-9,000  | 7.75% - 8.00%   | 2022              |
| 11     | Pune             | WTC Tower A                | Kharadi                      | SBD East                     | ~28,342  | 10,000-11,500  | 7.50% - 8.00%   | 2019              |
| 12     | Bengaluru        | Prestige RMZ Star Tech     | Bangalore                    | SBD East                     | ~1,370,000   | -  | 7.60% - 7.80%   | 2022              |
| 13     | Bengaluru        | Embassy Tech Village       | Bangalore                    | SBD East                     | ~9,100,000   | 9,500 – 11,000   | 8.00% - 8.25%   | 2020              |
| 14     | Gurgaon          | One Horizon Centre         | Gurgaon                      | SBD East                     | ~421,134   | 22,000 – 24,000  | 8.00% - 8.25%   | 2020              |
| 15     | Mumbai           | Godrej BKC                 | BKC                          | BKC & Annex                  | ~200,000   | 40,000 – 45,000  | 8.00 – 8.50%  | 2023              |
| 16     | Mumbai & Gurgaon | Downtown Powai & Candor G1 | Powai & Sohna Road           | Eastern Suburbs & Sohna Road | ~2,700,000 + ~3,700,000  | Enterprise value INR 11,225                            | 7.90- 8.20%   | 2023              |
| 17     | Chennai          | Embassy Splendid TechZone  | Pallavaram-Thoraipakkam Road | PBD OMR                      | ~1,400,000 (Completed) + 1,600,000 (UC) + 2,000,000 (Proposed) | Enterprise value INR 1,269 Cr. (61% economic interest) | 8.50% on the completed portion 10% on the u/c portion | 2024              |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

Project Site is **Gera Commerzone IT and SEZ Park** which is one of the known developments for IT/ITeS companies located in the Northeast Micro-Market at Yerwada in Pune City. The Project is part of the portfolio of **Mindspace Business Parks REIT** (Mindspace REIT) and one of the established Commercial Real Estate developers into Grade A office developments. The location has excellent connectivity to residential locations and social infrastructure too.

The project offers Grade A space spread across SEZ and non-SEZ IT Buildings (R1, R2, R3 & R4) and Glass Box with good amenities and facilities. There are prominent clients in the

larger campus such as Barclays, Global Services, UPS Logistics, Mindcrest India Pvt. Ltd., etc., and is preferred commercial development in this micro-market due to the quality of buildings, ease of connectivity and nature of campus development. Considering the past transactions in the city and Project attributes in terms of size, occupancy profile, micro market trend etc. the cap rate is arrived for the Project.

The Cap Rate applied to arrive at the terminal value of the property is 8.00%.

### **Outlook**

In 2024, SBD east sub-market expects total new completions of 3.6 mn sq ft out of which 0.77 mn sq ft became operational in Q1 2024. Between the period Q2 2024 to end-2026, SBD East sub-market is likely to see cumulative new supply of 10.6 mn sq ft. Around 50% of the total upcoming supply in the city during this period (Q2 2024 to 2026F) belongs to this submarket. Key completions in this sub-market include Amar AP4 Phase1, International Tech Park Pune Block 2, Panchshil Business Hub – S.no 40, Keppel and Kohinoor upcoming project and Gera Commerzone STPI – Building 4 – all located in Kharadi. With quality supply entering the submarket in the next three years and a good number of RFPs from the BFSI, IT/ITeS and manufacturing companies – largely for GCCs and Centres of Excellence operations in the submarket, demand is expected to outshine other submarkets. Rents, therefore, are expected to see a steady growth in 2025 and 2026.

## 7 MARKET VALUE ESTIMATE

### 7.1 Adopted Procedure

The market practice in most commercial/ office developments involves contracting tenants / occupiers in the form of pre-commitments at sub-market rent to increase attractiveness of the property to prospective tenants - typically extended to anchor tenants. Additionally, there are instances of tenants paying above-market rent for certain properties as well (primarily owing to market conditions at the time of contracting the lease). In order to arrive at a unit value for these tenancies, the Valuer has considered the impact of such sub/above market rents on the valuation of the Project.

For the purpose of this valuation exercise, the Valuer has analyzed the tenancy details provided by the Client, to identify variances vis-à-vis prevailing market/marginal rent. Each lease is assessed separately for below aspects, for the rent over a 10 year time horizon:

- The rent rolls (and the corresponding lease deeds on a sample basis) were reviewed to identify tenancy characteristics for the asset. As part of the rent roll review, major tenancy agreements belonging to top 5 tenants were reviewed on a sample basis.
- Title certificates, architect certificates and other related documents as mentioned in relevant sections of the report were reviewed for validation of area details, ownership interests of the Project.
- Physical site inspections were undertaken to assess the status of the Project.

### 7.2 Cash Flow Projections

The cash flows for the Project has been projected separately for each lease, to arrive at their respective value estimates.

Net Operating Income (NOI) has primarily been used to arrive at the value of the Project. The projected future cash flows from the Project are based on existing lease terms for the operational leases till the expiry of the leases or re-negotiation, whichever is earlier, following which, the lease terms have been aligned with market rents achievable by the Project.

For vacant area and under-construction/future development area, the achievable market rent-led cash flows are projected factoring appropriate lease-up timeframe for vacant/under-construction/future development area. These cash flows have been projected for 10-year duration from the date of valuation and for 11<sup>th</sup> year (for estimation of terminal value based on NOI). These future cash flows are then discounted to present-day value (valuation date) at an appropriate discount rate. Each lease is assessed separately for below aspects, for the rent over a 10-year time horizon:

- Projecting the rental income for identified tenancies up to the period of lease expiry, lock-in expiry, escalation milestones, etc. whichever is applicable. In the event of unleased spaces, market-led rent is adopted with suitable lease-up time.
- Generating a market led rental income stream for identified tenancies for the time period similar to the cash flows drawn in the aforementioned step.
- Computing the monthly income based on rent projected above and translating the same to quarterly income (for the next 10 years and 11<sup>th</sup> year is considered for calculation of terminal value).

Further, to arrive at the total value of the leased spaces (from base rentals), appropriate revenues and operational expenses are projected on quarterly basis. Some of such adjustments on revenue and operational expenses are presented in the table below:

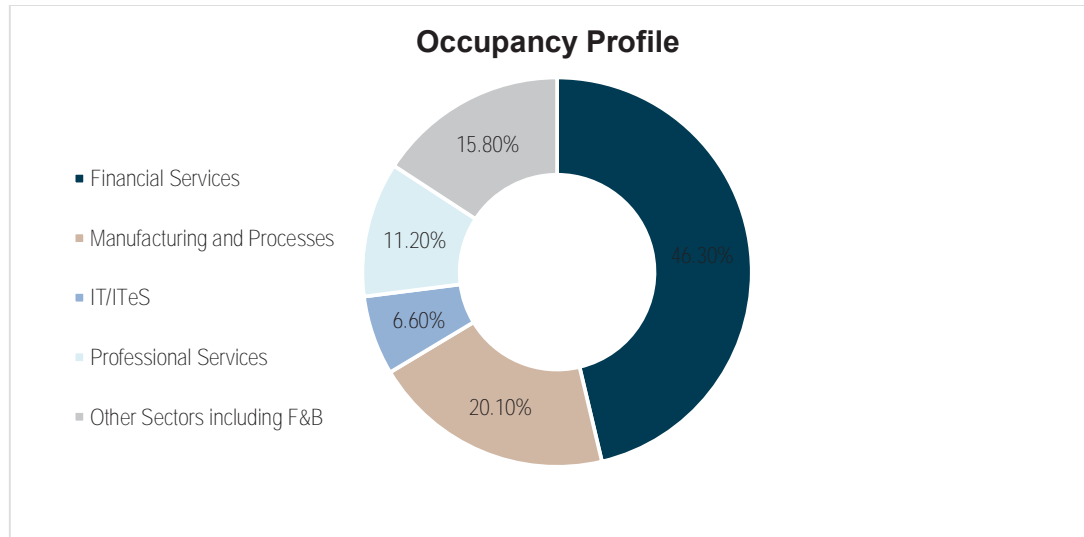
**Table 7.1: Adjustments on Revenues and Operational Expenses**

| Parameters                           | Description / Basis  |
|--------------------------------------|--|
| Parking Income                       | Based on income inputs provided by Client for the leased spaces and market assumption taken for vacant spaces  |
| Miscellaneous Income                 | Based on income inputs provided by Client for the Project  |
| Insurance                            | Based on insurance outflow (if any) provided by Client   |
| Annual Lease Rental / Property Taxes | Based on annual lease rental / property tax assessed for the Project as provided by Client   |
| Asset Management Fee                 | Considered as a recurring expense (in case of an external management team) as a percentage of the lease rental income as per the agreement between respective assets and its asset manager.  |
| Margin on CAM                        | Based on the operational revenues and expenses of the respective assets to understand the recurring, non-recurring, recoverable and non-recoverable expenses and accordingly modelled the common area maintenance income and operational expenses for the asset. |
| Revenue Escalation                   | Based on market-led annual escalation on the market rent   |
| Rent Free Period                     | Based on the trend prevalent in the submarket, appropriate rent-free periods from lease commencement date (for future / new leases) are considered   |
| Brokerage                            | Based on prevalent market dynamics, brokerage for future / new leases are considered   |
| Fit-Out Income                       | Based on fit-out rent (if any) provided by Client till lease expiry of applicable leases (same is not capitalized)   |
| Transaction Cost on Exit             | Considered as a percentage of the terminal value after aforesaid adjustments   |

### 7.3 Absorption/ Leasing Velocity and Occupancy Profile

Occupancy profile of the project is as follows: -

- ~46.3% space is taken by Financial Services
- ~20.1% space is taken by Manufacturing and Processes
- ~6.6% space is taken by IT/ITeS Sector
- ~11.2% space is taken by Professional Services
- ~15.8% space is taken by Other sectors including F&B



## 7.4 Key Assumptions and Inputs

The table below presents key assumptions and/or inputs used in the cash flow configuration used for providing Valuation of the Project.

**Table 7.2: Key Assumptions Used in the Estimate of Operational / Completed Blocks**

| Parameters                                    | Assumptions / Inputs | Remarks / Basis   |
|---|----------------------|---|
| Cash Flow Period                              |                      |   |
| Valuation Date                                | 31-March-2024        | As per workings   |
| Cash Flow Period                              | 10 years             | As per workings   |
| Cash Flow Exit Period                         | 31-March-2034        | As per workings   |
| Asset Details                                 |                      |   |
| Total Leasable Area                           | Table 5.4            | As per the information provided by the Client                       |
| Leased Area                                   | Table 5.4            | As per the information provided by the Client                       |
| Vacant Area / Vacancy                         | 500 sq ft            | As per the information provided by the Client                       |
| Vacancy Allowance                             | 2.0%                 | As per market benchmarks for large scale Grade A office projects. . |
| Area to be Leased                             | 500 sq ft            | As per the information provided by the Client                       |
| Rent Free Period for Existing Lease Rollovers | 2 months             | As prevalent in the micro-market.                                   |
| Rent Free Period for New Leases               | 3 months             | As prevalent in the micro-market.                                   |

| Parameters   | Assumptions / Inputs   | Remarks / Basis   |
|--|--|---|
| Construction Related Assumptions                         |  |   |
| Construction Cost to be incurred                         | INR 418 Mn   | As per the information provided by the Client   |
| Estimated Date by which Expenses Expected to be Incurred | Q2 FY25  | As per the information provided by the Client   |
| Estimates of already carried out major repairs           | INR 0 Mn   | As per the information provided by the Client.  |
| Revenue Assumptions                                      |  |   |
| Lease Rentals  | Actual rentals as per the Rent Roll including additional charges (if any)                              | As per the information provided by the Client   |
| Rent Escalation  | Escalation in rentals as per the Rent Roll for the validity period of the leases i.e. 4.5% every year. | As prevalent in the market it is observed that lease agreements are primarily at 4.5% rent escalations every year.  |
| Market / Marginal Rent – Office for FY25                 | INR 85.0 per sq. ft. per month   | The lease transactions in Grade A office space in the said micro market are recorded in the range of INR 80 – 90 per sq. ft. per month for last 5 years. The asking instances are observed in the range of INR 90 - 95 per sq. ft. per month. Please refer table 6.6 and 6.7.<br><br>Based on the market benchmarking of recent leases on aspects such as location, size of transaction, type of development etc. the achievable rent for the Project is derived. |
| Market Rent - Car Parking Space for FY25                 | INR 2,100.0 per sq. ft. per month  | The Grade A offices offers car parking rates in the range of INR 1,500 – 3,000 per slot per month. Based on the market benchmarking of recent leased rates within the micro-market, the achievable car park rate for the Project Site is derived.   |
| Market / Marginal Rent - Food Court                      | Not Applicable   |   |
| Market / Marginal Rent – Kiosk for FY25                  | INR 141.75 per sq. ft. per month   | As prevalent in the market  |
| Market / Marginal Rent - Terrace                         | Not Applicable   |   |
| Other Income   | 1.0% of base rentals   | As prevalent in the market, we consider a normalized level of other income for future. Hence, we have considered other income at 1.0% of base rental income. Other income   |



| Parameters  | Assumptions / Inputs  | Remarks / Basis  |
|---|---|--|
|   |   | includes components from Events, Telecom Towers, Pop-ups   |
| Market Rent Growth from FY26                      | 5.0% per annum  | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5.0% per annum for the Project  |
| Parking Rent Growth from FY26                     | 5.0% per annum  | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5.0% per annum for the Project  |
| Lease Tenure                                      | 9 years   | As prevalent in the market   |
| Target Efficiency                                 | 76.0%   | Recent re-leasing suggest that the Client has leased the same premises at relatively lower efficiency and received higher rentals for the same carpet area.<br>Going forward, for leases which will expire during the next 10 years, we have considered an efficiency at 76.0% or actual, whichever is lower |
| Maintenance Services Income / CAM Income for FY25 | Building R1 - INR 2.33 per sq.ft per month<br>Building R3 & R4 - INR 10.32 per sq. ft per month | The CAM rate in Grade-A Commercial Development is observed to be in the range of INR 8 – 12 per sq. ft. per month. However, Building R1 is not completely managed by the client, hence the CAM for R1 is lesser.   |
| Operating Cost Assumptions                        |   |  |
| Brokerage - New Leases                            | 2 months receivable on base rent  | As prevalent in the market   |
| Brokerage - Renewals / Release                    | 2 months receivable on base rent  | As prevalent in the market   |
| Maintenance Services Cost for FY25                | Building R1 - INR 1.05 per sq.ft per month<br>Building R3 & R4 - INR 7.64 per sq.ft per month   | The CAM in this project is considered as per the information provided by the Client. However, Building R1 is not completely managed by the client, hence the CAM for R1 is lesser.   |
| Property Tax for FY25                             | INR 4.03 per sq ft per month  | As given by the Client   |
| Insurance for FY25                                | INR 0.38 per sq ft per month  | As given by the Client   |
| Cost Escalation                                   | 3.0% per Annum  | As prevalent in the market.  |
| CAM Escalation (Income+Expense)                   | 5.0% per Annum  | As prevalent in the market.  |
| Other Assumptions                                 |   |  |
| Transaction Cost on Sale                          | 1.0% of Terminal Value  | As prevalent in the market   |

| Parameters                  | Assumptions / Inputs  | Remarks / Basis                              |
|-----------------------------|---|--|
| Other Operating Expenses    | 2.0% of Base Rent + Car Parking Charges   | As prevalent in the market                   |
| Property Management Fees    | 3.5% (Base Rent + Car Parking Charges + Fit out Rent + Other Operating Income)  | As prevalent in the market                   |
| Discounting Rate / WACC     | Suggestive Discount Factor: 11.75%  | Refer Section 3.3 of this report             |
| Cap Rate for Terminal Value | Capitalized using long-term net yield rate of 8.0% (post yield shrinkage).<br>Capitalized based on the net cash flow of the 11 <sup>th</sup> year   | Refer Section 3.2 of this report             |
| Cash Flow Configuration     | Cash flows have been drawn on quarterly basis for a period of 10 years, considering both cash inflows and outflows. Cash flows of terminal year is then capitalized and adjusted with transaction costs, to arrive at terminal value. | Value assumptions as practiced in the market |

**Table 7.3: Key Assumptions Used in the Estimate of Under Construction Block**

| Parameters                                    | Assumptions / Inputs | Remarks / Basis   |
|---|----------------------|---|
| Cash Flow Period                              |                      |   |
| Valuation Date                                | 31-March-2024        | As per workings   |
| Cash Flow Period                              | 10 years             | As per workings   |
| Cash Flow Exit Period                         | 31-March-2034        | As per workings   |
| Asset Details                                 |                      |   |
| Total Leasable Area                           | Table 5.5            | As per the information provided by the Client   |
| Leased Area                                   | Table 5.5            | As per the information provided by the Client   |
| Vacant Area / Vacancy                         | 100%                 | As per the information provided by the Client, the block is Under-construction stage.                                     |
| Vacancy Allowance                             | 2%                   | As per market benchmarks for large scale Grade A office projects.   |
| Area to be Leased                             | 1,007,933 sq.ft      | As per the information provided by the Client   |
| Rent Free Period for Existing Lease Rollovers | 2 months             | As prevalent in the micro-market for Grade A properties, the rent-free period for existing lease rollovers is two months. |
| Rent Free Period for New Leases               | 3 months             | As prevalent in the micro-market for Grade A properties, the rent-free period for new leases is three months.             |

| Parameters                                     | Assumptions / Inputs  | Remarks / Basis   |
|--|---|---|
| Construction Related Assumptions               |   |   |
| Approx. construction Cost to be Incurred       | INR 2,345 Mn  | As per the information provided by the Client   |
| Estimated Completion Date (CAPEX)              | Q2 FY26   | As per the information provided by the Client   |
| Estimates of already carried out major repairs | INR 0 Mn  | As per the information provided by the Client.  |
| Revenue Assumptions                            |   |   |
| Lease Rentals                                  | Actual rentals as per the Rent Roll including additional charges (if any)                             | As per the information provided by the Client   |
| Rent Escalation                                | Escalation in rentals as per the Rent Roll for the validity period of the leases i.e. 4.5% every year | As prevalent in the market it is observed that lease agreements are primarily at 4.5% rent escalations every year.  |
| Market / Marginal Rent – Office for FY25       | INR 85.0 per sq. ft. per month  | The lease transactions in Grade A office space in the said micro market are recorded in the range of INR 80 – 90 per sq. ft. per month for last 5 years. The asking instances are observed in the range of INR 90 - 95 per sq. ft. per month. Please refer table 6.6 and 6.7.<br><br>Based on the market benchmarking of recent leases on aspects such as location, size of transaction, type of development etc. the achievable rent for the Project is derived. |
| Market Rent – Car Parking Space                | Not Applicable  |   |
| Market / Marginal Rent – Food Court            | Not Applicable  |   |
| Market / Marginal Rent – Kiosk                 | Not Applicable  |   |
| Market / Marginal Rent – Terrace               | Not Applicable  |   |
| Other Income                                   | 1.0% of base rentals  | As prevalent in the market, we consider a normalized level of other income for future. Hence, we have considered other income at 1.0% of base rental income. Other income includes components from Events, Telecom Towers, Pop-ups  |

| Parameters  | Assumptions / Inputs                    | Remarks / Basis  |
|---|---|--|
| Market Rent Growth from FY 26                     | 5.0% per Annum                          | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5.0% per annum for the Project  |
| Parking Rent Growth from FY 26                    | 5.0% per Annum                          | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5.0% per annum for the Project  |
| Lease Tenure                                      | 9 years                                 | As prevalent in the market   |
| Target Efficiency                                 | 76.0%                                   | Recent re-leasing suggest that the Client has leased the same premises at relatively lower efficiency and received higher rentals for the same carpet area.<br>Going forward, for leases which will expire during the next 10 years, we have considered an efficiency at 76.0% or actual, whichever is lower |
| Maintenance Services Income / CAM Income for FY25 | INR 10.32 per sq. ft per month          | The CAM rate in Grade-A Commercial Development is observed to be in the range of INR 8 – 12 per sq.ft. per month. The CAM income in the Project is in-line with market trend and is as provided by Client  |
| Operating Cost Assumptions                        |   |  |
| Brokerage – New Leases                            | 2 months receivable on base rent        | As prevalent in the market   |
| Brokerage – Renewals / Release                    | 2 months receivable on base rent        | As prevalent in the market   |
| Maintenance Services Cost for FY25                | INR 7.64 per sq.ft per month            | As given by the Client and as prevalent in the market  |
| Property Tax for FY25                             | INR 4.03 per sq ft per month            | As given by the Client   |
| Insurance for FY25                                | INR 0.38 per sq ft per month            | As given by the Client   |
| Cost Escalation                                   | 3.0% per Annum                          | As prevalent in the market.  |
| CAM Escalation (Income + Expense)                 | 5.0% per Annum                          | As prevalent in the market.  |
| Other Assumptions                                 |   |  |
| Transaction Cost on Sale                          | 1.0% of Terminal Value                  | As prevalent in the market   |
| Other Operating Expenses                          | 2.0% of Base Rent + Car Parking Charges | As prevalent in the market   |

| Parameters                  | Assumptions / Inputs  | Remarks / Basis                              |
|-----------------------------|---|--|
| Property Management Fees    | 3.5% (Base Rent + Car Parking Charges + Fit out Rent + Other Operating Income)  | As prevalent in the market                   |
| Discounting Rate / WACC     | Suggestive Discount Factor: 13.0%   | Refer Section 3.3 of this report             |
| Cap Rate for Terminal Value | Capitalized using long-term net yield rate of 8.0% (post yield shrinkage).<br>Capitalized based on the net cashflows of the 11 <sup>th</sup> year   | Refer Section 3.2 of this report             |
| Cash Flow Configuration     | Cash flows have been drawn on quarterly basis for a period of 10 years, considering both cash inflows and outflows. Cash flows of terminal year is then capitalized and adjusted with transaction costs, to arrive at terminal value. | Value assumptions as practiced in the market |

## 7.5 Power Distribution Services

### 7.5.1 ADOPTED METHODOLOGY

Referring to the commission's latest order for the operational facility, the cash flows from the power distribution services are projected in the following manner:

- Amount of approved Gross Fixed Assets ("GFA") is considered
- Further, Net Fixed Asset (NFA) which is GFA reduced by accumulated depreciation allowed as on date is computed.
- To compute the Net Cash Flows, mainly return on equity, interest on notational debt, recovery of depreciation, interest on working capital have been added.
- Licensee is allowed to charge 14% return on equity which is 30% of GFA. In case of no actual loan, the commission allows a return on normative loan equal to 70% of GFA based on MYT regulations 2019. SLM (Straight Line Method) is considered for depreciation, as per the average rate approved by the commission. Depreciation is considered to the extent of 90% of the GFA.
- Approved power procurement, operational and maintenance expenses are allowed completely pass through.

### 7.5.2 KEY ASSUMPTIONS AND INPUTS

Following are the key details as per the Commission order dated 31<sup>st</sup> Mar 2024:

**Table 7.4 Key Assumptions Used for Power Distribution Services**

| Particulars                                     | Unit        | Figure       |
|---|-------------|--------------|
| Gross Fixed Assets                              | INR Mn      | 323          |
| Notional Equity (30% of GFA)                    | INR Mn      | 97           |
| Notional Debt as on September 2023 (70% of GFA) | INR Mn      | 226          |
| Return on Equity                                | %           | 14%          |
| Depreciation Rate                               | % Per annum | 5.3%         |
| License End Date                                | Date        | 18 June 2042 |

### 7.5.3 KEY PROJECTIONS FOR CASHFLOWS

Following are the key projections, as provided by the Client

**Table 7.5 Key Projections for Power Distribution Services**

| Particulars            | Unit     | Q1 FY 2025 | Q2 FY 2025 | Q3 FY 2025 | Q4 FY 2025 |
|------------------------|----------|------------|------------|------------|------------|
| Number of units sold   | Mn units | 6.7        | 7.1        | 8.0        | 8.6        |
| Revenue from Sales     | INR Mn   | 54         | 57         | 64         | 69         |
| Power purchase expense | INR Mn   | 42         | 45         | 51         | 54         |
| O/M Expenses           | INR Mn   | 7          | 8          | 8          | 9          |
| Planned CAPEX          | INR Mn   | 0.1        | 0.1        | 0.1        | 0.1        |

For the purpose of discounting the future cash flows Weighted Average Cost of Capital (WACC) of 10.5% has been utilized.

Following are the key projections for the purpose of projecting the future cashflows and further discounting the same to arrive at the market value for the Power Distribution Services.

**Table 7.6 Key Assumptions for Operating Parameters**

| Assumption                                 | Unit        | Details |
|--|-------------|---------|
| Power Purchase Cost (Increase % p.a. post) | % per annum | 5.0%    |
| O&M (Increase % p.a.)                      | % per annum | 7.0%    |
| Depreciation (SLM) -MERC                   | %           | 5.3%    |
| Depreciation (SLM) -Companies Act          | %           | 3.8%    |
| Transition Loss                            | %           | 0.7%    |
| Prov for Contingency (% of GB)             | %           | 0.0%    |

## 7.6 Facilities Management Services

### 7.6.1 KEY ASSUMPTIONS AND INPUTS

**Table 7.7 Key Assumptions Used for Facility Management Services**

| Status   | Area (mn sq. ft.) | Remarks  |
|--|-------------------|--|
| Operational Buildings under Facility Management (mix of SEZ and non SEZ buildings) | 27.8              | The revenue of facility management is linked to the expense for such facility plus mark up, the growth in the revenues from existing tenants are in line with the inflation expectation of 5%.   |
| Expansion in Existing business and building under construction.                    | 5.2               | For future development/proposed buildings, revenue and margins of existing properties is considered as a base to compute the projected cash flows of new buildings. Growth in revenue is linked to the improvement in occupancy plus 5% revenue growth from existing tenants. Initially those buildings are likely to have lower margins due to lesser occupancy |

Note: Leasable areas also include certain areas within parks of Mindspace REIT which are maintained by Camplus and are not owned by Mindspace REIT's SPVs. In addition to above, 2.5 msf at Gera Commerzone Kharadi is under Campus Service



For arriving at terminal year income multiple, Indian and International comparable companies listed on various stock exchanges were studied. It was observed that International companies with primary business of facility/property management trade at 10 – 15 times EV/EBITDA multiple. However, there are very limited comparable facility management listed companies. SIS India which is recently listed in Indian stock exchange in India offers facility management services in India including security services, cash logistic etc. Given the fact that facility/property management business is limited to the Subject Properties only with ownership interest of Mindspace REIT, we have considered the EV/EBITDA multiple of 13x to compute the exit value at stabilized year ending March 34

## 7.7 Market Value

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which the Valuer has no knowledge, the Market Value of the complete ownership interest in the Project comprising land and improvements thereon, as explained above, on the below mentioned dates, is estimated to be as follows:

**Table 7.8: Market Value of the Project**

| Component  | Market Value as on          | In Figures (INR Mn) | In Words  |
|--|-----------------------------|---------------------|---|
| Total Market Value (Completed / Operational, including impact of rent equalization, power distribution business of KRC Infrastructure and Projects Pvt. Ltd. And the Facilities Management Business) | 31 <sup>st</sup> March 2024 | 30,432.35           | INR Thirty Billion Four Hundred Thirty Two Million Three Hundred Fifty Thousand Only        |
| Total Market Value (Under construction, including impact of rent equalization and the Facilities Management Business)<br>*Under Construction does not have Power Distribution Services               | 31 <sup>st</sup> March 2024 | 8,427.31            | INR Eight Billion Four Hundred Twenty-Seven Million Three Hundred Ten Thousand Only         |
| TOTAL VALUE  |                             | 38,859.67           | INR Thirty Eight Billion Eight Hundred Fifty Nine Million Six Hundred Seventy Thousand Only |

Note: The above-mentioned value includes proportionate undivided ownership in the Amenity Plot, Utility Areas and Internal Roads and total open spaces of the Entire Campus

With all assumptions as mentioned in this report, we are of the opinion that the Market Value of the Project comprising total leasable area of 2,937,246 sq. ft. of project Gera Commerzone, located in Kharadi, Pune, Maharashtra, India, 412207, power distribution of KRC Infrastructure Projects Pvt. Ltd. and facility management services, as on 31 March 2024 is estimated to be **INR 38,859.67 Million (INR Thirty Eight Billion Eight Hundred Fifty Nine Million Six Hundred Seventy Thousand Only).**

**Table 7.9 Ready Reckoner Rates for the Property**

| Component                  | Ready Reckoner Rate (INR per sq.m) |
|----------------------------|------------------------------------|
| Commercial (Built-Up Area) | 87,520                             |
| Land Area (Open Plot)      | 26,610                             |

**KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)**, the Valuer for the Project, hereby declares that:

- We are fully competent to undertake the valuation;
- We are independent and have prepared the report on a fair and unbiased basis; and
- We have valued the Project based on the valuation standards as specified under sub-regulation 10 of regulation 21 of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended from time to time.



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**Name:** Sachin Gulaty FRICS FIV FIIA,

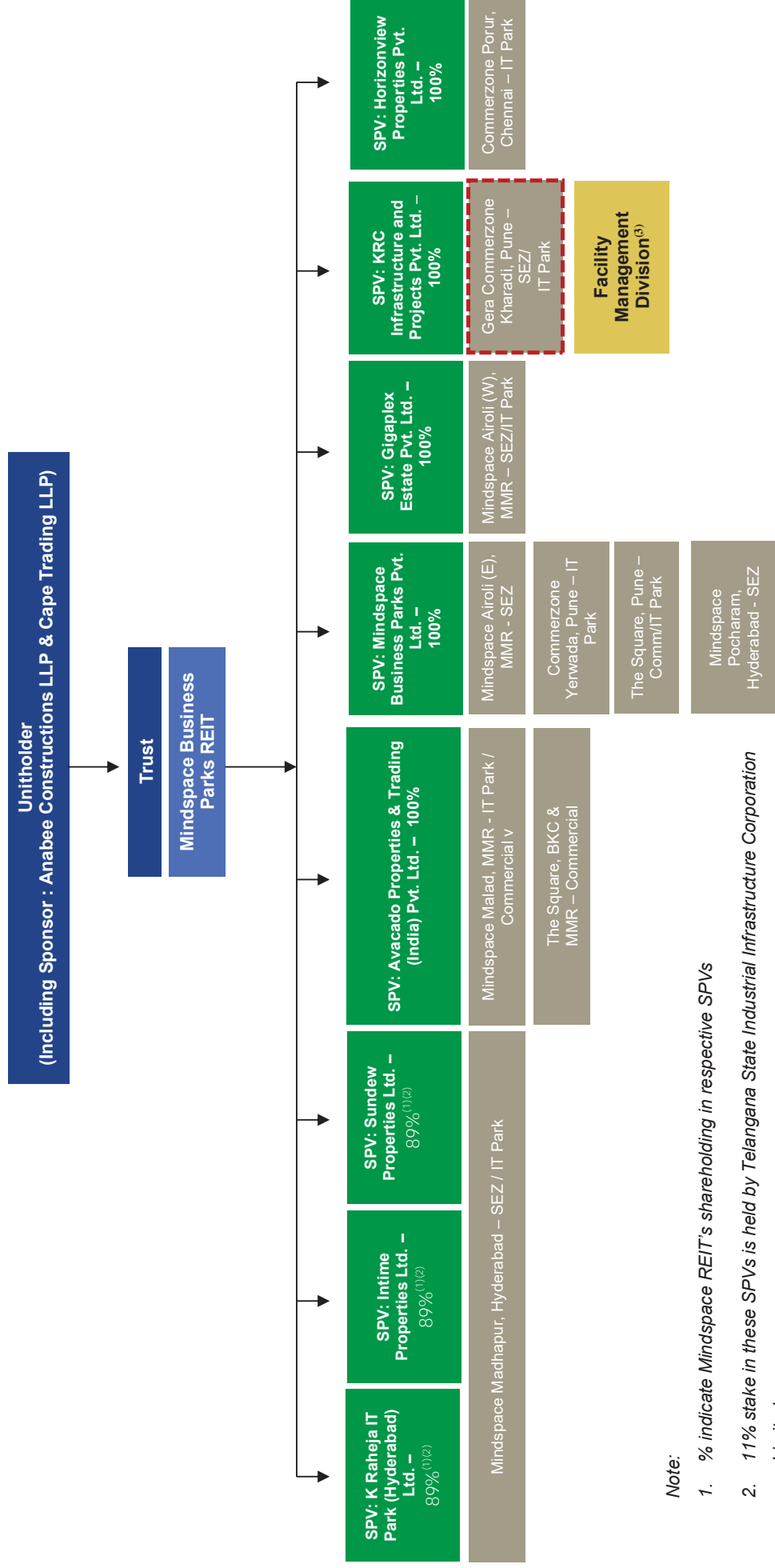
**Designation:** Director

**Valuer Registration No.:** IBBI/RV/02/2021/14284

**Address:** 5<sup>th</sup> Floor, India Accelerator, The Iconic Corenthum, Sector 62, NOIDA – 201309. Uttar Pradesh. INDIA.

**E-Mail ID:** sachin.gulaty@k-zen.in

## Annexure - 1 Ownership Structure of the Project



Note:

1. % indicate Mindspace REIT's shareholding in respective SPVs
2. 11% stake in these SPVs is held by Telangana State Industrial Infrastructure Corporation Limited
3. Facility Management Division is housed in KRC Infrastructure and Projects Pvt. Ltd.

**Annexure - 2**  
**Layout Plan of the Project**



### Annexure - 3

#### Statement of Key Assets within the Project

| Building                      | B3(R1)        | B6(R4)                 | B5(R3)   |
|-------------------------------|---------------|------------------------|--|
| Floor                         | 2B+2P+12F     | 1B+1P+13F              | 2B+3P+13F  |
| Warm Shell / Bare shell       | Warm shell    | Warm shell             | Warm shell   |
| Air Cooled Chiller            | 2 x 350       | 1 x 400                | 2 X 325  |
| Water Cooled Chiller          | 3 x 550       | 3 x 350                | 2 X 650  |
| No of Elevators /Make         | 14 -Schindler | 14 - Toshiba           | 14 - Toshiba   |
| No of DG / Capacity           | 4 x 2250      | 3 x 2000               | 3 x 2000   |
| No of Transformers / Capacity | 4 x 2250      | 3 x 2000               | 4 x 2000   |
| Booster Pump                  |               | 9.3, Graves Cotton     | 9.3 KW/ Wilo   |
| Jockey Pump                   |               | 2 x 11 Crompton Graves | 2 X 11 KW/ CG Power and Industrial Solutions Limited |
| Fire Diesel Pump              |               | 113, Graves Cotton     | 113.2 KW/Greaves Cotton LTD                          |
| Hydrant Pump                  |               | 110, Crompton Graves   | 110 KW/ CG Power and Industrial Solutions Limited    |
| Sprinkle Pump                 |               | 110, Crompton Graves   | 110 KW/ CG Power and Industrial Solutions Limited    |
| STP Rating                    | 350           | 400                    | 325  |

Source: Client

## **Annexure - 4**

### **Approvals and NOCs Received for the Project**

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List of one-time sanctions/approvals which are obtained or pending.

#### **1. Approvals Received**

- a) Approval for masterplans.
- b) Commencement Certificate
- c) Revised Commencement Certificate
- d) Height Clearance NOC from AAI
- e) One-time Fire NOC received and Form B for operational buildings
- f) One-time fire NOC received for Tower Received for all operational buildings
- g) Environmental Clearances
- h) SEZ Notification
- i) Revised Consent for Establishment as per latest EC, received for all buildings.
- j) Consent for Operate for operational Building
- k) Lift Licenses for operational Building
- l) Occupancy Certificate for operational building
- m) LOI for IT Park registration from Directorate of Industry, Maharashtra Govt.
- n) Revalidation/Revised CTE
- o) OC received for part parking areas -B3, 4,6 and 7

#### **2. Approvals Pending**

- a) IT park Registration of G1, G2, R1 , R4 from Directorate of Town Planning – In process.
- b) Provisional Fire NOC for Building R2 – In process.



## Annexure - 5

### Ready Reckoner Rate Applicable for the Project

ASR value as on 31<sup>st</sup> March 2024

| Select     | Subdivision   | Open Land | Residential Plots | Office | Shops | Industrial | Unit (Rs./sq. meter) |
|------------|---|-----------|-------------------|--------|-------|------------|----------------------|
| Survey No. | 55-669-Residential property                         | 26610     | 71400             | 87520  | 95120 | 0          | Sq. meter            |
| Survey No. | 55-670-Industrial Department and other similar uses | 13610     | 65230             | 69570  | 81490 | 0          | Sq. meter            |
| Survey No. | 55-672-Village                                      | 16020     | 39770             | 45740  | 53910 | 0          | Sq. meter            |
| Survey No. | 55-673-Affected Areas by Defense Department         | 11160     | 52430             | 58370  | 65540 | 0          | Sq. meter            |
|            |   | 12214     |                   |        |       |            |                      |

Source: IGR Maharashtra

## Annexure - 6

### Discounted Cash Flow Profile

Table 7.10 Discounted Cash Flow for Completed/Operational Project (INR Mn) – Annual cashflow.

| Sl. No. | Particulars                                | 1-Apr-23<br>31-Mar-24 | 1-Apr-24<br>31-Mar-25 | 1-Apr-25<br>31-Mar-26 | 1-Apr-26<br>31-Mar-27 | 1-Apr-27<br>31-Mar-28 | 1-Apr-28<br>31-Mar-29 | 1-Apr-29<br>31-Mar-30 | 1-Apr-30<br>31-Mar-31 | 1-Apr-31<br>31-Mar-32 | 1-Apr-32<br>31-Mar-33 | 1-Apr-33<br>31-Mar-34 | 1-Apr-34<br>31-Mar-35 |
|---------|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|         |  | Y0                    | Y1                    | Y2                    | Y3                    | Y4                    | Y5                    | Y6                    | Y7                    | Y8                    | Y9                    | Y10                   | Y11                   |
|         | Development / Construction Phasing         |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|         | Total Development Cost to be Incurred      | -                     | 418.35                |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|         | Leasable Area                              | 1,929,312.68          |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|         | Overall occupancy - Existing Leases        |                       | 99.97%                | 99.86%                | 99.48%                | 96.74%                | 93.99%                | 93.51%                | 70.00%                | 62.45%                | 61.63%                | 40.77%                | 15.19%                |
|         | Overall occupancy - Leases Moved to Market |                       | 0.02%                 | 0.14%                 | 0.52%                 | 3.26%                 | 6.01%                 | 6.49%                 | 30.00%                | 37.55%                | 38.37%                | 59.23%                | 84.81%                |
|         | Overall occupancy - of the Project         |                       | 99.99%                | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               |
|         | Vacancy Allowance                          |                       | 2.00%                 | 2.00%                 | 2.00%                 | 2.00%                 | 2.00%                 | 2.00%                 | 2.00%                 | 2.00%                 | 2.00%                 | 2.00%                 | 2.00%                 |
| A       | Base Rental                                |                       | 1,841.99              | 1,920.25              | 2,078.16              | 2,126.32              | 2,201.17              | 2,361.77              | 2,278.72              | 2,505.63              | 2,660.09              | 2,670.33              | 3,040.37              |
| B       | Car Parking Income                         |                       | 7.31                  | 7.31                  | 7.31                  | 7.31                  | 7.31                  | 7.31                  | 7.32                  | 9.19                  | 9.47                  | 12.24                 | 13.95                 |
| C       | Fit-out rentals/ tenant improvements       |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| D       | Facility Rentals                           |                       | 1,849.29              | 1,927.56              | 2,085.47              | 2,133.63              | 2,208.48              | 2,369.08              | 2,286.04              | 2,514.82              | 2,669.56              | 2,682.57              | 3,054.32              |
| E       | Maintenance services Income                |                       | 183.33                | 192.51                | 202.14                | 212.24                | 222.86                | 234.00                | 245.70                | 257.98                | 270.88                | 284.43                | 298.65                |
| F       | Other Operating Income                     |                       | 18.42                 | 19.20                 | 20.78                 | 21.26                 | 22.01                 | 23.62                 | 22.79                 | 25.06                 | 26.60                 | 26.70                 | 30.40                 |
| G       | Revenue from Operations                    |                       | 2,051.05              | 2,139.27              | 2,308.39              | 2,367.14              | 2,453.35              | 2,626.69              | 2,554.53              | 2,797.86              | 2,967.04              | 2,993.71              | 3,383.37              |
|         | Direct Operating Expenses                  |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| H       | Maintenance services Expenses              |                       | 134.23                | 140.94                | 147.99                | 155.39                | 163.16                | 171.32                | 179.88                | 188.88                | 198.32                | 208.24                | 218.65                |
| I       | Property Tax                               |                       | 93.48                 | 96.28                 | 99.17                 | 102.15                | 105.21                | 108.37                | 111.62                | 114.97                | 118.42                | 121.97                | 125.63                |
| J       | Insurance Premium                          |                       | 8.92                  | 9.18                  | 9.46                  | 9.74                  | 10.03                 | 10.34                 | 10.65                 | 10.97                 | 11.29                 | 11.63                 | 11.98                 |
| K       | Net Operating Income (NOI)                 |                       | 1,814.42              | 1,892.86              | 2,051.77              | 2,099.86              | 2,174.94              | 2,336.67              | 2,252.38              | 2,483.05              | 2,639.01              | 2,651.87              | 3,027.11              |
|         | Add: Terminal Cash Flow                    |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | 37,460.51             | -                     |
|         | Indirect Operating Expenses                |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| L       | Brokerage Fees                             |                       | 0.21                  | 0.57                  | 5.51                  | 15.72                 | 0.41                  | 22.60                 | 114.95                | -                     | 11.90                 | 110.39                | -                     |
| M       | Property Management Fee                    |                       | 65.37                 | 68.14                 | 73.72                 | 75.42                 | 78.07                 | 83.74                 | 80.81                 | 88.90                 | 94.37                 | 94.82                 | 107.97                |
| N       | Other operational expenses                 |                       | 36.99                 | 38.55                 | 41.71                 | 42.67                 | 44.17                 | 47.38                 | 45.72                 | 50.30                 | 53.39                 | 53.65                 | 61.09                 |
|         |  |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| O       | Net Cashflows                              |                       | 1,293.50              | 1,785.60              | 1,930.83              | 1,966.04              | 2,052.30              | 2,182.94              | 2,010.90              | 2,343.86              | 2,479.35              | 39,853.51             | -                     |

Note: We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes.

Table 7.11 Discounted Cash Flow of Under-Construction Project – R2 (INR Mn) – Annual Cashflow

|         | 1-Apr-23                                   | 1-Apr-24     | 1-Apr-25   | 1-Apr-26  | 1-Apr-27  | 1-Apr-28  | 1-Apr-29  | 1-Apr-30  | 1-Apr-31  | 1-Apr-32  | 1-Apr-33  | 1-Apr-34  |
|---------|--|--------------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|         | 31-Mar-24                                  | 31-Mar-25    | 31-Mar-26  | 31-Mar-27 | 31-Mar-28 | 31-Mar-29 | 31-Mar-30 | 31-Mar-31 | 31-Mar-32 | 31-Mar-33 | 31-Mar-34 | 31-Mar-35 |
| Sl. No. | Particulars                                | Y0           | Y1         | Y2        | Y3        | Y4        | Y5        | Y7        | Y8        | Y9        | Y10       | Y11       |
|         | Development / Construction Phasing         |              |            |           |           |           |           |           |           |           |           |           |
|         | Total Development Cost to be Incurred      | -            | 1,342.24   | 580.85    | -         | -         | -         | -         | -         | -         | -         | -         |
|         | Leasable Area                              | 1,007,933.06 |            |           |           |           |           |           |           |           |           |           |
|         | Overall occupancy - Existing Leases        |              | 0.00%      | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     | 0.00%     |
|         | Overall occupancy - Leases Moved to Market |              | 2.72%      | 38.11%    | 82.17%    | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   |
|         | Overall occupancy - of the Project         |              | 2.72%      | 38.11%    | 82.17%    | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   | 100.00%   |
|         | Vacancy Allowance                          |              | 0.00%      | 0.00%     | 0.50%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     | 2.00%     |
|         |  |              |            |           |           |           |           |           |           |           |           |           |
| A       | Base Rental                                |              | -          | 273.09    | 737.54    | 1,071.61  | 1,119.83  | 1,170.23  | 1,222.89  | 1,335.42  | 1,370.45  | 1,482.86  |
| B       | Car Parking Income                         |              | -          | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| C       | Fit-out rentals/ tenant improvements       |              | -          | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| D       | Facility Rentals                           |              | -          | 273.09    | 737.54    | 1,071.61  | 1,119.83  | 1,170.23  | 1,222.89  | 1,335.42  | 1,370.45  | 1,482.86  |
| E       | Maintenance services Income                |              | -          | 27.74     | 87.39     | 133.46    | 140.14    | 147.14    | 154.50    | 170.34    | 178.86    | 187.80    |
| F       | Other Operating Income                     |              | -          | 2.73      | 7.38      | 10.72     | 11.20     | 11.70     | 12.23     | 13.35     | 13.70     | 14.83     |
| G       | Revenue from Operations                    |              | -          | 303.56    | 832.30    | 1,215.79  | 1,271.17  | 1,329.07  | 1,389.62  | 1,519.11  | 1,563.01  | 1,685.49  |
|         | Direct Operating Expenses                  |              | -          | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| H       | Maintenance services Expenses              |              | 11.55      | 54.58     | 82.78     | 106.98    | 112.33    | 117.94    | 123.84    | 136.54    | 143.36    | 150.53    |
| I       | Property Tax                               |              | 12.21      | 50.30     | 51.81     | 53.37     | 54.97     | 56.62     | 58.31     | 61.87     | 63.72     | 65.63     |
| J       | Insurance Premium                          |              | 1.16       | 4.80      | 4.94      | 5.09      | 5.24      | 5.40      | 5.56      | 5.90      | 6.08      | 6.26      |
| K       | Net Operating Income (NOI)                 |              | (24.93)    | 193.88    | 692.77    | 1,050.36  | 1,098.63  | 1,149.11  | 1,201.90  | 1,314.81  | 1,349.85  | 1,463.06  |
|         | Add: Terminal Cash Flow                    |              | -          | -         | -         | -         | -         | -         | -         | -         | 18,105.42 | -         |
|         | Indirect Operating Expenses                |              | -          | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| L       | Brokerage Fees                             |              | 17.60      | 73.92     | 81.18     | -         | -         | -         | -         | -         | 27.30     | -         |
| M       | Property Management Fee                    |              | -          | 9.65      | 26.07     | 37.88     | 39.59     | 41.37     | 43.23     | 47.21     | 48.45     | 52.42     |
| N       | Other operational expenses                 |              | -          | 5.46      | 14.75     | 21.43     | 22.40     | 23.40     | 24.46     | 26.71     | 27.41     | 29.66     |
|         |  |              | -          | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| O       | Net Cashflows                              |              | (1,384.76) | (476.00)  | 570.77    | 991.04    | 1,036.65  | 1,084.34  | 1,134.21  | 1,240.90  | 1,352.11  | -         |

Note: We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes.

Table 7.12 Discounted Cash Flow of Under-Construction Project – G1 (INR Mn) – Quarterly cashflows

| Sl. No. | Particulars                                 | 1-Oct-22<br>30-Sep-23 | 1-Apr-24<br>31-Mar-25 | 1-Apr-25<br>31-Mar-26 | 1-Apr-26<br>31-Mar-27 | 1-Apr-27<br>31-Mar-28 | 1-Apr-28<br>31-Mar-29 | 1-Apr-29<br>31-Mar-30 | 1-Apr-30<br>31-Mar-31 |
|---------|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|         | Development / Construction Phasing          |                       |                       |                       |                       |                       |                       |                       |                       |
|         | Construction Cost                           |                       | 156.00                | 266.43                | -                     | -                     | -                     | -                     | -                     |
|         | Project Support Service (PSS)               |                       |                       |                       |                       |                       |                       |                       |                       |
|         | Upgrade                                     |                       |                       |                       |                       |                       |                       |                       |                       |
|         | Total Development Cost to be Incurred       |                       | 156.00                | 266.43                | -                     | -                     | -                     | -                     | -                     |
|         | Leasable Area                               |                       |                       |                       |                       |                       |                       |                       |                       |
|         | Overall occupancy - Existing Leases         |                       |                       |                       |                       |                       |                       |                       |                       |
|         | Overall occupancy - Leases Moved to Market  |                       |                       |                       |                       |                       |                       |                       |                       |
|         | Overall occupancy - of the Project          |                       |                       |                       |                       |                       |                       |                       |                       |
|         | Vacancy Allowance                           |                       |                       |                       |                       |                       |                       |                       |                       |
|         | Overall occupancy - Exclu. Rent Free Period |                       |                       |                       |                       |                       |                       |                       |                       |
| A       | Base Rental                                 |                       |                       |                       |                       |                       |                       |                       |                       |
| B       | Facility Rentals                            |                       |                       |                       |                       |                       |                       |                       |                       |
| C       | Maintenance services income                 |                       |                       |                       |                       |                       |                       |                       |                       |
| D       | Other Operating Income                      |                       |                       |                       |                       |                       |                       |                       |                       |
| E       | Revenue from Operations                     |                       |                       |                       |                       |                       |                       |                       |                       |
|         | Direct Operating Expenses                   |                       |                       |                       |                       |                       |                       |                       |                       |
| F       | Maintenance services Expenses               |                       |                       |                       |                       |                       |                       |                       |                       |
| G       | Property Tax                                |                       |                       |                       |                       |                       |                       |                       |                       |
| H       | Insurance Premium                           |                       |                       |                       |                       |                       |                       |                       |                       |
| I       | Net Operating Income (NOI)                  |                       |                       |                       |                       |                       |                       |                       |                       |
|         | Add: Terminal Cash Flow                     |                       |                       |                       |                       |                       |                       |                       |                       |
|         | Indirect Operating Expenses                 |                       |                       |                       |                       |                       |                       |                       |                       |
| J       | Brokerage Fees                              |                       |                       |                       |                       |                       |                       |                       |                       |
| K       | Property Management Fee                     |                       |                       |                       |                       |                       |                       |                       |                       |
| L       | Other operational expenses                  |                       |                       |                       |                       |                       |                       |                       |                       |
| M       | Net Cashflows                               |                       | (156)                 | (266.43)              | -                     | -                     | -                     | -                     | -                     |

Note: We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes.

Table 7.13 Cash Flow Projections of Power Distribution Services

|               | 1-Apr-24  | 1-Apr-25  | 1-Apr-26  | 1-Apr-27  | 1-Apr-28  | 1-Apr-29  | 1-Apr-30  | 1-Apr-31  | 1-Apr-32  | 1-Apr-33  | 1-Apr-34  | 1-Apr-35  | 1-Apr-36  | 1-Apr-37  | 1-Apr-38  | 1-Apr-39  | 1-Apr-40  | 1-Apr-41  | 1-Apr-42  |
|---------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|               | 31-Mar-25 | 31-Mar-26 | 31-Mar-27 | 31-Mar-28 | 31-Mar-29 | 31-Mar-30 | 31-Mar-31 | 31-Mar-32 | 31-Mar-33 | 31-Mar-34 | 31-Mar-35 | 31-Mar-36 | 31-Mar-37 | 31-Mar-38 | 31-Mar-39 | 31-Mar-40 | 31-Mar-41 | 31-Mar-42 | 18-Jun-42 |
| Particulars   | Unit      |           |           |           |           |           |           |           |           |           |           |           |           |           |           |           |           |           |           |
| Revenue       | INR Mn    | 244.03    | 216.24    | 224.13    | 232.54    | 241.50    | 251.05    | 261.85    | 274.23    | 287.29    | 301.08    | 315.63    | 347.22    | 364.35    | 382.44    | 401.54    | 421.71    | 443.01    | 101.99    |
| Expense       | INR Mn    | 224.55    | 175.36    | 184.82    | 194.80    | 205.33    | 216.44    | 228.16    | 240.54    | 253.60    | 267.38    | 281.94    | 313.52    | 330.65    | 348.73    | 367.83    | 388.00    | 409.30    | 93.56     |
| Planned Capex | INR Mn    | 0.50      |           |           |           |           |           |           |           |           |           |           |           |           |           |           |           |           |           |
| Net Cashflows | INR Mn    | 18.99     | 40.88     | 39.31     | 37.75     | 36.18     | 34.61     | 33.69     | 33.69     | 33.69     | 33.70     | 33.70     | 33.70     | 33.70     | 33.71     | 33.71     | 33.71     | 33.72     | 8.43      |

Table 7.14 Cash Flow Projections of Facility Management Services - Completed Buildings

| Particulars   | Unit   | 31-Mar-24 | 31-Mar-25 | 31-Mar-26 | 31-Mar-27 | 31-Mar-28 | 31-Mar-29 | 31-Mar-30 | 31-Mar-31 | 31-Mar-32 | 31-Mar-33 | 31-Mar-34 | 31-Mar-35 |
|---------------|--------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Revenue       | INR Mn | 1.584     | 1.661     | 1,741     | 1,825     | 1,914     | 2,006     | 2,103     | 2,204     | 2,311     | 2,422     | 2,539     | 2,661     |
| Net Cashflows | INR Mn | 0         | 469       | 495       | 519       | 543       | 569       | 597       | 625       | 655       | 686       | 718       | 750       |

Table 7.15 Cash Flow Projections of Facility Management Services - Under Construction Buildings

| Particulars   | Unit   | 31-Mar-24 | 31-Mar-25 | 31-Mar-26 | 31-Mar-27 | 31-Mar-28 | 31-Mar-29 | 31-Mar-30 | 31-Mar-31 | 31-Mar-32 | 31-Mar-33 | 31-Mar-34 | 31-Mar-35 |
|---------------|--------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Revenue       | INR Mn | -         | 42        | 140       | 300       | 513       | 543       | 570       | 599       | 629       | 660       | 693       | 728       |
| Net Cashflows | INR Mn | -         | 6         | 22        | 63        | 117       | 123       | 129       | 136       | 143       | 150       | 2,305     |           |

**Annexure - 7****Rent Equalization Arrangement Between Gera and KRC**

In the Rent Equalization Agreement dated December 27, 2021; between Gera Resorts Private Limited ("Gera") and KRC Infrastructure and Projects Private Limited ("KRC Infra"), an SPV owned by Mindspace REIT, the revenues (as defined in the said agreement) from identified buildings, namely, G1, R2 and R3 of the property named Gera Commerzone in Pune have been agreed to be distributed between Gera and KRC Infra in the ratio defined in the agreement ("Inter-se Ratio"), for the period between the month of leasing of the first unit to the month of leasing of the last unit ("Agreed Period"). Further party shall settle any shortfall / excess basis the inter-se ratio with the other party at the end of Agreed Period.

As on the date of valuation, only one building (R3) has received occupancy certificate, while R2 and G1 are still under construction and hence assumptions have been made regarding the date from which these buildings may be expected to get leased and generate revenues, using consistent assumptions. Based on these assumptions, the likely differential in revenues expected from these buildings were assessed to be materially insignificant compared to the agreed ratio in the Rent Equalization Agreement, mentioned above.

In a scenario, where the actual revenues in the future do not actualize, the same would be required to be taken into account when the last of the units, as mentioned above, gets leased based on a certificate from a qualified Chartered Accountant, as mentioned in the said agreement.

We expect the outflow/reduction in value of Gera Commerzone Kharadi due to the impact of rent equalization to be INR 68.82 million (Sixty-Eight million Eight hundred Twenty Thousand only) which is apportioned in value of completed and under-construction as below:

| <b>Area type</b>                              | <b>INR Million</b> |
|---|--------------------|
| Reduction in value of Completed Area          | 27.53              |
| Reduction in value of Under-construction Area | 41.29              |



## Annexure - 8

### Material Litigations

#### (i) Title litigation and irregularities

1. Ashok Phulchand Bhandari has instituted a civil suit against Balasaheb Laxman Shivle and 29 others (“**Defendants**”) alleging rights over a portion of land admeasuring approximately 0 hectares 44.15 ares (1.09 acres) (“**Suit Land**”), on which Gera Commerzone Kharadi is situated. KRC Infra is not a party to the suit and further, no summons from the Court have been received by KRC Infra till date. Gera Developments Private Limited, the original purchaser of the Gera Commerzone Kharadi land has also not been joined as a party to the suit.

A Special Civil Suit no. 2102 of 2010 is filed by Ashok Phulchand Bhandari against the Defendants before the Civil Judge, Senior Division, Pune (“**2010 Suit**”) with respect to the Suit Land seeking *inter alia* declaration, specific performance against the Defendants and a decree of permanent injunction restraining the Defendants from causing any construction or development on the Suit Land. Ashok Phulchand Bhandari has also challenged *inter alia* (a) the decree dated September 26, 2008 passed the Civil Judge, Senior Division, Pune, wherein the suit filed in 2005 by Tanhubai Amruta Pathare, (wife of late Amruta Tukaram Pathare, being one of the erstwhile co-owners of a portion of the Suit Land), through her legal heirs, against Popat Amruta Pathare, one of the Defendants (“**2005 Suit**”), was withdrawn on the basis of a compromise pursuis arrived at between the parties to the 2005 Suit and one of the Defendants; (b) registered partition deed / Vatanipatra dated September 15, 1993 pursuant to which Amruta Tukaram Pathare became entitled to a portion of land forming part of the Gera Commerzone land; and (c) will and testament dated January 19, 1995 executed by late Amruta Tukaram Pathare. Further, in view of the 2010 Suit, a notice of lis pendens dated April 10, 2015 was separately filed and registered by Ashok Phulchand Bhandari. The matter is currently pending.

2. The heirs of Balu Laxman Shivle have issued a notice to Gera Developments Private Limited in relation to claim over land admeasuring approximately 0 hectares 80.30 ares (1.98 acres) (“**Disputed Land**”), on which Gera Commerzone Kharadi is situated. No such notice has been received by KRC Infra.

By a notice dated July 16, 2016 (“**Notice**”), the heirs of Balu Laxman Shivle viz. (a) Shobha Balu Shivle, (b) Hrishikesh Balu Shivle, (c) Om Balu Shivle, claimed their share in an area in the Disputed Land, being the share of late Amruta Pathare (“**Land Owner**”). It was also alleged that the registered sale deed dated February 12, 1996 executed in favour of Gera Developments Private Limited was executed without the signatures and consent of the wife and daughter of the Land Owner and that they did not receive any consideration on account of sale of the Disputed Land. By letters dated August 20, 2016 and January 23, 2017, Gera Developments Private Limited has replied to the Notice denying all allegations. No further correspondence has been received.

3. Rahul Bhausaheb Pathare, one of the legal heirs of an erstwhile owner of a portion of land forming part of the Gera Commerzone Kharadi land, through his legal counsel, (“**Claimant**”) has issued a notice dated December 14, 2019 (“**Notice**”) to Gera Developments Private Limited, KRC Infra and others alleging claim over an undivided portion of two lands parcels admeasuring approximately 0 hectares 40 ares (0.98 acres) and 1 hectare 68.6 ares (4.16 acres), respectively, (“**Disputed Lands**”), on which Gera Commerzone Kharadi is situated.

The Claimant has alleged *inter alia* that (a) the Disputed Lands were the undivided property of the Hindu Undivided Family of Pathare family (“**Pathare HUF**”), and his consent / confirmation was not obtained for sale of the same in favour of Gera Developments Private Limited in the year 1996; (b) since the Claimant was a major at the time of execution of the sale deeds executed in the year 1996 in favour of Gera Developments Private Limited, his signature should have been obtained as a coparcener since, in the absence of any reason for sale of the Disputed Lands for the benefit of the Pathare HUF, the Karta of the joint family, Bhausaheb Kaluram Pathare (father of the Claimant), could not have executed the sale deeds on behalf of the joint family; (c) Gera Developments Private Limited has, through forgery, fraudulently added hand-written clauses, regarding right of way, to the sale deeds executed in its favour after the execution thereof; and (d) that the subsequent transactions in respect of the Disputed Lands, including *inter alia* sale of portions thereof in favour of KRC Infra, its mortgage

by KRC Infra, leasing of buildings / premises constructed thereon in favour of various lessees, are illegal and not binding upon the Claimant, to the extent of his share in the Disputed Lands.

The Claimant has also sought to take legal action against the addressees (including KRC Infra) in the event (a) any further agreements / arrangements are entered into in respect of the Disputed Lands, and (b) of failure to revoke and cancel the deeds, documents and agreements executed *inter se* the addressees (including KRC Infra) to the extent of the Claimant's share in the Disputed Lands. KRC Infra, through its legal counsel, has by its letter dated December 24, 2019 sent an interim reply to the Notice *inter alia* denying the allegations made by the Claimant. KRC Infra, through its legal counsel, has by its letter dated June 29, 2020 sent a response to the Claimant stating *inter alia* that in absence of supporting documents received from the Claimant in support of his claim pursuant to the interim reply, the Notice stands withdrawn and his claim does not survive. No further correspondence has been received.

4. Saraswati Malhari Gaikwad (deceased) through her heir and others ("**Appellants**") have filed RTS Appeal No. 805 of 2021 against Gera Developers Private Limited, and another ("**Respondents**") before the Sub Divisional Officer, Haveli, Pune ("**SDO**") being aggrieved by the order passed by the Circle Officer in respect of Mutation Entry No. 13226 for Survey No. 65 Hissa No. 3, Village Kharadi, Taluka Haveli, District Pune. The SDO has issued notice dated December 9, 2021 to the Respondents for appearance in the matter and for filing Vakalatnama. On June 9, 2022 Gera Developers Private Limited has filed its reply *inter alia* seeking dismissal of the RTS Appeal No. 805 of 2021. The application for delay condonation filed by the Appellants has been rejected by the SDO vide order dated November 17, 2022 and the matter has been disposed off.
5. Saraswatibai Malhari Gaikwad (deceased) ("**Plaintiff**") through her heir Sangita Shivaji Kate (acting through her constituted attorney Mr. Amit Jeevan Pathare) has filed Special Civil Suit No. 2040 of 2021 ("**2021 Suit**") against Yashwant Punaji Pathare & 65 others ("**Defendants**") before the Civil Judge, Senior Division, Pune ("**Court**") seeking *inter alia* preliminary decree of partition for 1/5<sup>th</sup> undivided share of the Plaintiff in the suit lands including *inter alia* on which Gera Commerzone Kharadi is situated, cancellation of sale deeds, declaration, permanent injunction and several other reliefs. Gera Developments Private Limited ("**Gera Developments**") and Gera Resorts Private Limited ("**Gera Resorts**"), two of the defendants in the matter, being Defendant No. 16 and 17 respectively, have filed an application for rejection of plaint under Order VII Rule 11 of Code of Civil Procedure, which application was rejected by the Court by way of an order passed on May 5, 2022. Thereafter, on June 22, 2022 Gera Developments and Gera Resorts have filed a written statement in the matter. On June 22, 2022 the Plaintiff has filed an application under section 151 of Code of Civil Procedure seeking injunction against certain Defendants from creating third party rights by way of sale, not to carry out construction or development activities. On June 27, 2022, the defendants, Gera Developments and Gera Resorts filed their reply to the temporary injunction application. An application to recall the order dated May 5, 2022 was filed by defendants 1 to 15. The matter was heard on July 16, 2022, wherein the Court rejected the application filed by the defendants 1 and 15. On August 29, 2022, KRC Infra filed an application for intervention as third party for being impleaded in the suit. The hearing was concluded on September 27, 2022 on the intervention application and the matter was posted to October 1, 2022 for passing of an order on the Application for intervention filed by KRC Infra. On October 1, 2022 the matter was further adjourned to October 6, 2022 and further to October 7, 2022. On October 7, 2022 additional arguments were advanced on the intervention application and the matter has been posted for order on the intervention application. By an order dated November 18, 2022, the Court allowed the intervention application filed by KRC Infra and directed the Plaintiff to implead the intervener i.e. KRC Infra as Defendant No. 66 in the suit within one month of the order. On December 3, 2022 the Plaintiff filed applications for amendment of the plaint and for injunction. On December 13, 2022, KRC Infra filed its say to the application for amendment. By an order dated December 13, 2022, the Court allowed the application of the Plaintiff to amend the plaint in Exhibit 5. Further, by the said Order the Court has directed the Plaintiff to serve the amended compilation upon KRC Infra and KRC Infra to file its written

statement along with its say to the application for temporary injunction filed by the Plaintiff. The matter was posted on January 5, 2023 for compliance. On January 5, 2023, KRC Infra filed on record the written statement and say to application for temporary injunction ("**Injunction Application**") along with an Affidavit in support of the say and Application for production of documents along with the list of documents. Thereafter, Defendant Nos. 1 to 14 filed (a) an application seeking adjournment to file an additional written statement; and (b) an application seeking direction from the Court to the Plaintiff to provide documents referred to in the amended Plaint filed by the Plaintiff to the said Defendants. On January 11, 2023, the Plaintiff advanced oral arguments before the Court on the Injunction Application. Thereafter, the Court adjourned the matter to January 24, 2023. On January 24, 2023, Defendant No. 66 filed an application for production of documents and the Plaintiff filed a copy of the order dated January 13, 2023, thereby granting status quo to the order dated December 5, 2022, passed in RTS Appeal No. 429 of 2022 rejecting the Appeal on merits till the final disposal of the Appeal RTS/2/A/1554/2022 filed before the Hon'ble Additional Collector, Pune and the matter was adjourned to February 7, 2023. On February 7, 2023 and February 21, 2023 the Defendant No. 66 advanced arguments before the Court on the Injunction Application. The matter was further posted to March 2, 2023 wherein the Plaintiff concluded her arguments and Defendant No. 66 filed the written notes of arguments. Thereafter the captioned matter has been adjourned to March 15, 2023, for filing written arguments. On March 15, 2023 the matter was adjourned till March 23, 2023. On March 23, 2023, Defendant Nos. 62 and 63 filed an application for amendment of the Written Statement filed by them and the Plaintiff has filed its say to the said application. Thereafter, the Plaintiff and the Defendant Nos. 62 and 63 argued on the aforesaid application and the Court allowed the amendment application. On July 19, 2023, the Court partly allowed the Application for injunction, restraining Defendant 1 and 2 from alienating and creating third party rights in any manner over suit properties 1 (a), 1 (b) and 1 (f) till disposal of the suit. On September 11, 2023 the Advocate for the Plaintiff filed an application for amendment of the suit, *inter alia*, seeking **(a)** rectification of boundaries in respect of suit property 1(e) of Defendant No. 66 *i.e.* KRC Infra (*viz.* Survey No. 65/3), **(b)** addition/amendment in para No. 8 and 12 stating that Defendant No. 1 to 19, 51 to 54, 63 to 67 and other defendants have refused for partition and undivided share of the Plaintiff, Thereafter, pursuant to Defendants No. 1 to 14 filing their say and matter has been adjourned to October 5, 2023 for say of other Defendants.. Further, a notice of lis pendens dated February 1, 2022 has been registered at the office of Sub Registrar, Haveli no. 11, Pune. On October 13, 2023, certain defendants filed their say to the amendment application. The application was allowed and on November 3, 2023, the Plaintiff carried out the amendment and filed the amended plaint. On December 13, 2023 the defendant sought time to file additional written statement and the Plaintiff filed an application for amendment. Some Defendants filed additional Written Statements. Plaintiff filed further amendment application. Defendant Nos. 16, 17 and 66 (KRC Infra) filed say to amendment application along with application for production of documents. Matter is kept for arguments on amendment application. Being aggrieved by the Impugned Order, (i) the Plaintiff filed Appeal from Order No. 753 of 2023 along with IA No. 5246/2023, and (ii) Respondent Nos. 1 and 2 filed an Appeal from Order No. 32 of 2024, both before the High Court. At the request of Respondent Nos. 1 and 2, the court was pleased to tag the appeals together. The appeals are posted for hearing on April 10, 2024.

6. Saraswati Malhari Gaikwad (deceased) through her heir Sangita Shivaji Kate (acting through her constituted attorney Mr. Amit Jeevan Pathare) ("**Appellant**") filed an RTS Appeal No. 429 of 2022 on June 2, 2022, before the Sub Divisional Officer, Haveli, Pune ("**SDO**") against Gera Resorts Private Limited through Mr. Nilesh Dave and Mr. Ashish Jangda ("**Respondents**") seeking quashing and setting aside of the order passed on May 26, 2022 by the Circle Officer, Kalas in respect of Mutation Entry No. 27115 ("**Impugned Order**") recording the name of Respondents on

the revenue records in pursuance of the duly registered Deed of Confirmation dated March 10, 2021 executed between Gera Developments Pvt Ltd and Gera Resorts Pvt Ltd in respect of Survey No. 65 Hissa No. 3, Village Kharadi, Taluka Haveli, District Pune. The Appellant has filed an application for stay to the Impugned Order passed by the Circle Officer, Kalas. On June 17, 2022 the Sub Division Officer, Haveli granted a stay on the Impugned Order till the next date of hearing i.e. July 4, 2022. By an order dated December 05, 2022, the SDO has rejected the said RTS Appeal on merit and subjected the matter to the final order /outcome of the Special Civil Suit No. 2040 of 2021 filed before the Civil Judge, Senior Division, Pune ("**Court**").

7. Saraswati Malhari Gaikwad (deceased) through her heir Sangita Shivaji Kate (acting through her constituted attorney Mr. Amit Jeevan Pathare) ("**Appellant**") filed an RTS Appeal No. 2/A/1554/2022 on June 6, 2022 before the Additional Collector, Pune ("**Additional Collector**") against Gera Resorts Private Limited through Mr. Ashish Jangda ("**Respondents**") seeking to quash and set aside the order passed on December 5, 2022 by the Sub Division Officer, Haveli ("**Impugned Order**") in respect of the Mutation Entry No. 27115 recording the name of the Respondents on the revenue records in pursuance of the duly registered Deed of Confirmation dated March 10, 2021 executed between Gera Developments Pvt Ltd and Gera Resorts Pvt Ltd in respect of Survey No. 65 Hissa No. 3, Village Kharadi, Taluka Haveli, District Pune. The Appellant filed an application seeking a stay on the Impugned Order. On January 13, 2023, pursuant to the hearing, the Additional Collector granted a stay on the Impugned Order till the final order disposing of the Appeal. The matter was posted to March 27, 2023. On March 27, 2023, the Appellant filed an Application seeking an amendment to the Appeal to implead KRC Infra as a respondent therein. On April 26, 2023, KRC Infra was served a notice of the aforesaid appeal to appear in the matter. On May 8, 2023 KRC Infra filed its appearance and called upon the appellant to furnish the copies of the appeal memo and documents filed along with the appeal. The matter was posted to June 13, 2023 wherein it was adjourned till July 5, 2023 for furnishing the copy of the appeal memo and documents filed along with the appeal by the Appellant. Pursuant to receipt of appeal memo and the relevant documents, on August 29, 2023, the Appellant filed the written notes of arguments and the matter has been adjourned till October 16, 2023. On October 16, 2023, the Appellant filed an Amendment Application for impleading 13 new respondents ("**Amendment Application**") and the same was allowed and notices were issued to the newly added Respondents on October 16, 2023. However, the copies of the aforesaid were not served on KRC Infra and the matter was posted on December 5, 2023 for receipt of records and proceedings of i) Complaint Case no.6 of 2020 before the Ld. Circle Inspector, Kalas; ii) RTS Appeal No. 429 of 2022 before the Ld. Sub-Divisional Officer. On December 5, 2023 KRC Infra filed its say to the Amendment Application and the Appellant filed on record the R.P.A.D slips and Track Consignment Report of the said notices as the notices issued to the proposed Respondents were unserved. Appellant filed an application to issue notices to the proposed Respondents through the Talathi. KRC Infra objected to it and requested for hearing on the Amendment Application before issuing such notices. The Respondent Nos. 1 and 2 objected to the Amendment Application, filed an application seeking directions to the Appellant to provide copies of the documents relied by the Appellant in the Amendment Application and to file reply to it. KRC Infra was directed to conduct the arguments on the Amendment Application and the Respondent Nos.1 and 2 were directed to file their reply to the Amendment Application. The Court noted that no notices will be issued to the proposed Respondents through the Talathi till the said Amendment Application is decided. Respondent No.66 (KRC Infra) filed additional note of written arguments along with list of documents. Respondent 1 and 2 filed application for vacating the Status Quo Order passed by Additional Collector. The matter is pending.

**(ii) Criminal matters**

There are no pending criminal matters against KRC Infra.

**(iii) Regulatory actions**

1. A notice dated July 25, 2019 was issued by PMC to KRC Infra and Gera Developments Private Limited (“**GERA**”) alleging non-compliance with certain provisions of the approval of reservation shifting dated October 3, 2016 issued by the PMC in relation to a cultural centre, parking and hospital area at Gera Commerzone Kharadi on the basis of a complaint received by PMC. GERA and KRC Infra have replied to the notice, by way of a letter dated August 14, 2019, refuting all allegations. The matter is currently pending.
2. KRC Infra and GERA received two notices both dated June 1, 2021 (“**Notices**”) from Tahsildar, Haveli, Pune (“**Tahsildar**”) under the Maharashtra Land Revenue Code, 1966, in relation to alleged unauthorised excavation and transportation of minor minerals by KRC Infra from the lands situated in Village Kharadi, Taluka Haveli, Pune. KRC Infra filed its written submissions dated June 10, 2021 (“**Written Submissions**”) with the Tahsildar denying the allegations made in the Notices and stating that it has not been provided with copies of the panchnama and the report dated January 9, 2019 and July 26, 2019 of the Talhati, Kharadi, Pune as referred in the aforesaid Notices and it has not done any unauthorised excavation and obtained the prior permission for excavation from the concerned/competent authority and paid the royalty in this regard for which orders have been passed by the said authority. The matter is pending before Tahsildar
3. By letter dated November 1, 2021 to Pune Municipal Corporation (“**PMC**”), KRC Infra informed PMC that it is in receipt of challan dated October 25, 2021 for an amount of ₹ 52.19 million being development charges, building development charges and heritage conversion fund stating that PMC ought to have levied development charges at higher rate of 8% with effect from May 10, 2018 and PMC has recovered excess development charges of ₹ 130.38 million for the period 2015 to 2018 by levying development charges at the rate of 8 % instead of 4%. KRC Infra further requested that PMC should adjust the aforesaid amount against the excess amount paid by KRC Infra earlier and that KRC Infra is making the payment of ₹ 52.19 million as per challan under protest and PMC is requested to ensure that the excess amount of ₹ 130.38 million be returned to KRC Infra at the earliest or the said excess amount be adjusted against development charges payable on the next sanction. Thereafter, on April 13, 2022, KRC Infra filed an appeal under section. 124 – G of the Maharashtra Regional and Town Planning Act, 1966 (“**MRTP Act**”) before the Principal Secretary, Urban Development Department, State of Maharashtra. In response to the said appeal, vide letter dated April 28, 2022, Urban Development Department has requested/directed Director, Town Planning, Govt of Maharashtra & the Commissioner, PMC to furnish their report on the said appeal. The matter is pending.
4. Gera Developments Private Limited and its licensed architect received a letter from the Executive Engineer, Building Development Department Zone No. 1, Pune Municipal Corporation (“**PMC**”) stating that Saraswati Gaikwad (deceased) through her legal heir Sangita Gaikwad (“**Applicant**”) has filed an application cum complaint (“**Application**”) dated January 24, 2022 with PMC in relation to alleged unauthorized construction on the land bearing Survey No. 65/3, Village Kharadi, Taluka Haveli, Pune (“**Land**”). By the Application, the Applicant allegedly claimed to be the owner, having an equal and undivided share in the Land and informed that no partition of the Land has taken place and that there is a suit pending before the Civil Judge, Senior Division Pune with regard to the Land. Pursuant to the Application, the Applicant has requested PMC to stop the ongoing construction on the land and requested PMC not to issue occupation certificate (“**OC**”). In view thereof, PMC has requested Gera Developments Private Limited and its licensed architect to provide clarity regarding the allegations made by the Applicant. By reply dated February 7, 2022, Gera Developers inter alia stated that the land bearing S. No 65/3 admeasuring



2 hectares 15.6 ares was sold by late Punaji Hari Pathare as karta and manager of HUF for the benefit of and for legal necessity of the family members of HUF and accordingly possession was handed over to Gera Developers Private Limited, and that part Occupation Certificate has been issued, the layout and building plans have been sanctioned as per the rules and regulations of PMC.

5. KRC Infra has received a demand notice dated March 11, 2022, from the stamp duty and revenue authority in relation to alleged deficit payment of stamp duty aggregating to ₹ 1.1 million along with penalty with respect to lease deed dated 28<sup>th</sup> October 2020 ("**Lease Deed**") entered into by KRC Infra, in its capacity as lessor with a lessee. KRC Infra has, by its letter dated March 24, 2022, replied to the said demand notice *inter alia* stating that the liability for stamp duty on the Lease Deed was that of the lessee.

**(iv) Material civil/commercial litigation**

1. Gigaplex, KRC Infra and MBPPL ("**KRC DISCOMs**") had filed a petition dated December 16, 2021 before the Maharashtra Electricity Regulatory Commission, Mumbai ("**MERC**") under Section 86 (1) (f) of the Electricity Act, 2003 ("**EA, 2003**") seeking approval for additional power purchase cost incurred over the period from October 11, 2021 to October 31, 2021 on account of reasons beyond the control of the KRC DISCOMs. The MERC impleaded (i) M/s Kreate Energy India Pvt Ltd ("**KEIPL**"), (ii) Maharashtra State Load Despatch Centre; and (iii) Lloyds Metals and Energy Limited as Respondents in this matter. By an order dated November 8, 2022, the MERC partly allowed the petition, and directed KEIPL to pay ₹ 19.60 million to KRC DISCOMs within 15 days from the date of the order as compensation for increased power purchase expenses on account of illegal diversion of contracted power to third party. Further, the MERC directed the KRC DISCOMs to adjust such compensation amount in upcoming FAC computation as rebate in power purchase expenses. KEIPL filed an appeal (against the order in the Case No 1/MP of 2022 dated November 8, 2022 ("**Impugned Order**") before the Appellate Tribunal for Electricity at New Delhi ("**APTEL**") seeking stay on the Impugned Order dated November 8, 2022 (Appeal No. 428 of 2022). Hearing in the matter was held on 8<sup>th</sup> and 9<sup>th</sup> December 2022. By interim order dated December 22, 2022, APTEL granted stay of the Impugned Order under appeal, subject to fulfilment of the following conditions: (a) KEIPL shall, within three weeks from December 22, 2022, pay KRC DISCOMs ₹ 1.16 million; and (b) KEIPL shall in addition, within three weeks from December 22, 2022, furnish an unconditional bank guarantee from a Nationalised Bank in favour of the MERC, for an amount of ₹ 17.93 million and the bank guarantee, so furnished, shall be kept alive and in force during the pendency of the appeal and (c) the order further requires KEIPL to file an affidavit of compliance, of the aforesaid directions, with the Registry within four weeks from December 22, 2022. By an order dated January 17, 2023, the APTEL has recorded that a compliance affidavit had been filed by KEIPL in Appeal No. 428 of 2022, stating that the earlier order of the Tribunal, in IA No. 1951 of 2022 dated December 22, 2022 which required KEIPL to remit ₹ 1.16 million to the KRC DISCOMs and to furnish an unconditional bank guarantee in favour of MERC for a sum of ₹ 17.93 million has been complied with. By an order dated May 1, 2023, the APTEL directed to re-include the Appeal in the "*List of Finals*" after pleadings are completed. The matter is pending before the APTEL.
2. Gigaplex, KRC Infra and MBPPL ("**KRC DISCOMs**") had filed a petition before the MERC under Section 86 (1) f of the EA, 2003 against KEIPL for adjudication of dispute between KRC DISCOMs and KEIPL. KRC DISCOMs had entered into a power purchase agreement dated May 27, 2021 (PPA) with KEIPL for supply of power up to 14 MW, for the period from July 2021 to June 2022. However, KEIPL did not supply power to the KRC DISCOMs during the period from April to June 2022. During this period KRC DISCOMs had to procure the power from the other available sources at market rates. This resulted into additional power purchase cost ₹ 101 million to be incurred by KRC DISCOMs on account of material breach of the PPA by KEIPL. Therefore, the KRC DISCOMs have filed this petition (Case No. 162 of 2022) before the MERC seeking compensation of the entire additional power purchase cost incurred by them for the period from April 2022 to June 2022 due to KEIPL's failure to supply power under PPA. The first hearing in this matter was held on November 11, 2022. As directed in the



Order dated November 11, 2022, KEIPL has filed its reply and the KRC DISCOMs have filed their rejoinder to the reply of KEIPL. Pursuant to final e-hearing held by MERC on August 1, 2023 and MERC has reserved the case for its order. By an Order dated September 27, 2023 MERC allowed the petition and directed KEIPL to pay ₹101 million with carrying cost to KRC DISCOMs within one month as compensation for increased power purchase expenses on account of non-performance of contract by KEIPL. KRC DISCOMs have been directed to pay late payment surcharge on the March 2022 bill presented by KEIPL as per the PPA.4.

The Maharashtra Electricity Regulatory Commission, Mumbai (“**MERC**”) issued the Mid Term Review (“**MTR**”) Order for Gigaplex. The MERC in the said order dated March 31, 2023 has disallowed the deferment of tariff recovery proposed by Gigaplex in its petition. Gigaplex filed an appeal before the Appellate Tribunal for Electricity at New Delhi (“**APTEL**”) against the MERC MTR order dated March 31, 2023. By way of order dated August 8, 2023, the APTEL directed to include the Appeal No 529 of 2023 in the “List of Finals” after completion of pleadings. Gigaplex has filed its rejoinder to the reply filed by MERC. Gigaplex proposed to allow MSEDCL tariff as recovery strategy and also agreed to forego the carrying cost on the regulatory asset if created using MSEDCL Tariff. Next date for hearing is on April 08, 2024. The appeal is pending before APTEL

## Annexure - 9

### Caveats and Limitations

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1. The Valuation Report (hereafter referred to as the 'Report') covers specific markets and situations that are highlighted in the Report based on independent market report prepared by JLL and does not entail any comprehensive analysis of the market and the industry given the nature of the scope of the assignment.
2. The opinions expressed in the Report are subject to the limitations expressed below.
  - a) The valuation method adopted is based on the Valuer's expertise and knowledge considering the forecasts on demand, supply and pricing as undertaken by JLL as part of an independent market/ industry research and considered to be relevant and reasonable at that point of time. The Report and the opinions therein do not constitute any recommendation to K Raheja Corp Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP) (or the 'Client') or its affiliates and subsidiaries or its customers or any other party to adopt a particular course of action. The use of the Report at a later date may invalidate the assumptions and bases on which these opinions have been expressed and is not recommended as an input to any financial decision.
  - b) It should be noted that the valuation is based upon the facts and evidence available at the time of conduct of the valuation and applicable on the date of valuation. It is therefore recommended that these valuations be periodically reviewed.
  - c) Changes in socio-economic and political conditions could result in a substantially different situation than those presented herein. The Valuer assumes no responsibility for changes in such external conditions.
  - d) The Valuer has considered the independent market report prepared by JLL and macro understanding of the market through readily available information in public domain. Hence, no direct link is sought to be established between the macro-level understandings on the market with the assumptions estimated for the analysis herein.
  - e) The services provided is limited to valuation of the Project primarily comprising Land and Building and any part thereof and does not constitute any audit, survey, due diligence, tax related services etc. Accordingly, no opinion has been expressed on the financial information of the business of any party, including the Client and its affiliates and subsidiaries. The Report is prepared solely for the purpose stated and should not be used for any other purpose.
  - f) While the information included in the Report is accurate and reliable to the best of the knowledge of the Valuer, no representations or warranties, expressed or implied, as to the completeness of such information is being made. The Valuer shall not undertake any obligation to update or supplement any information contained in the Report save as provided for in the Agreement.
  - g) Apart from the sources already mentioned in the report, the Valuer has relied on readily available public information for the purpose of preparing this report.
3. The Report reflects matters as they currently exist. Any changes thereon may materially affect the information contained in the Report.
4. All assumptions made in order to determine the valuation of the Project is based on information or opinions as current. In the course of the analysis, the Valuer has relied on information or opinions, both written and verbal, as obtained from the Client as well as from third parties provided with, including limited information on the market, financial and operating data, which has been

accepted as accurate in bona-fide belief. No responsibility is assumed for technical or specialised information furnished by the third-party organizations, and this is believed bona-fide to be reliable.

5. No investigation of the title of the assets has been made and owners' claims to the assets is assumed to be valid unless anything contrary is mentioned in the main report. No consideration is given to liens or encumbrances, which may be against the Project or assets. Therefore, no responsibility is assumed for matters of a legal nature.
6. Review of tenants' ability and willingness to continually pay lease rents as per their respective contractual terms is not within the scope of work of Valuer. Valuer has assumed that all tenants' will be able to pay their rents on time as and when demanded as per their contractual terms and that no arrears exist with respect to any tenancy.
7. The Valuer's total aggregate liability to the Client including that of any third party claims, in contract, tort including negligence or breach of statutory duty, misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the services is limited to an aggregate sum as agreed in the LOE (Letter of Engagement). The Valuer shall not be liable for any pure economic loss, loss of profit, loss of business, depletion of goodwill, in each case whether direct or indirect or consequential or any claims for consequential loss compensation whatsoever which, arise out of or in connection with services provided under this engagement.
8. The Client including its agents, affiliates and employees, must not use, reproduce or divulge to any third party any information it receives from the Valuer for any purpose except set out herein.
9. This engagement shall be governed by and construed in accordance with Indian laws and any dispute arising out of or in connection with the engagement, including the interpretation thereof, shall be submitted to the exclusive jurisdiction of courts in New Delhi.

# Valuation Report

The Square, Nagar Road,  
Pune

Maharashtra, India

Submitted To:

K. Raheja Corp. Investment Managers Private  
Limited (formerly known as K Raheja Corp  
Investment Managers LLP)

(acting as the Manager to Mindspace Business Parks  
REIT)

Date of Valuation:

31-March-2024

Date of Report:

24-April-2024



Prepared By:

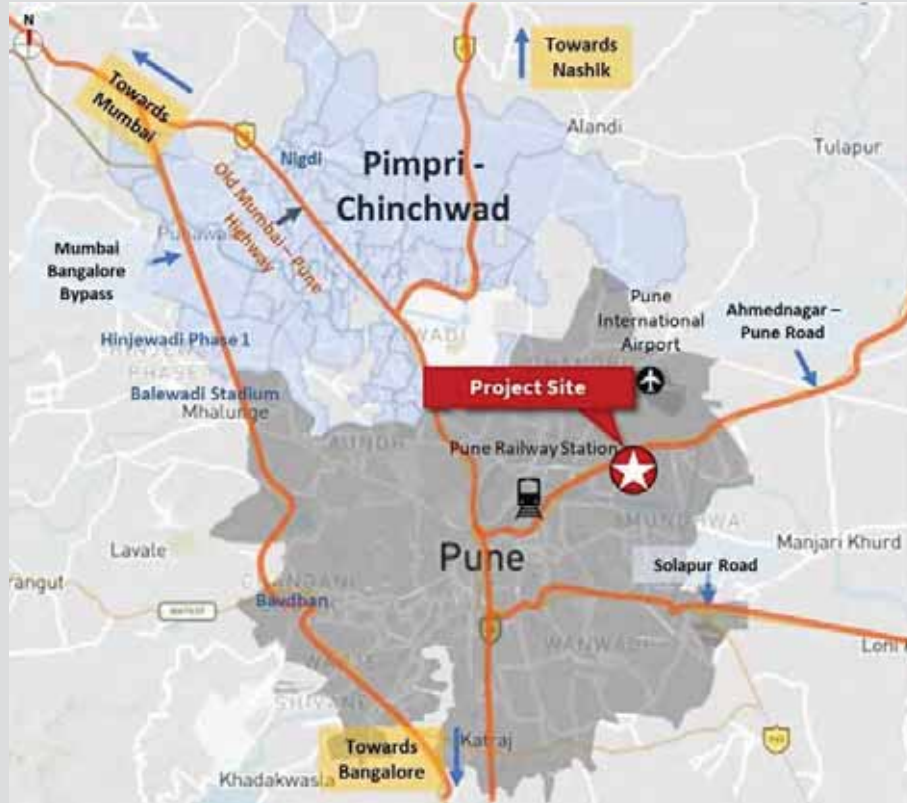
**KZEN VALTECH PRIVATE LIMITED**

**IBBI/RV-E/05/2022/164**

## EXECUTIVE SUMMARY

| Property Name     | The Square, Nagar Road, Pune, Maharashtra, India   |                         |               |                         |    |                          |         |    |  |         |  |                     |         |
|-------------------|--|-------------------------|---------------|-------------------------|----|--------------------------|---------|----|--|---------|--|---------------------|---------|
| Property Address  | The Square Signature Business Chambers (Nagar Road), Kargil Vijay Nagar, Wadgaon Sheri, Pune, Maharashtra 411014   |                         |               |                         |    |                          |         |    |  |         |  |                     |         |
| Land Area         | ~10.1 acres  |                         |               |                         |    |                          |         |    |  |         |  |                     |         |
| Brief Description | <p>The property is located in the north-eastern part, in the Secondary Business District East micro market of Pune City along the Nagar Road. It is located at a distance of about 300 m from the Phoenix Market City.</p> <p>The property is developed as Grade A IT Park with two blocks 1) IT building and 2) a building which was Mall earlier later converted to Commercial office building, collectively comprising of 778,634 sq. ft of leasable area. The main entrance to the Project Site is from Nagar Road. Further, the IT building is also facilitated with a separate gate which is accessible from the lane connecting Nagar Road.</p> <p>The property is surrounded by mixed-use development comprising residential, retail, and commercial developments.</p> |                         |               |                         |    |                          |         |    |  |         |  |                     |         |
| Asset Details     | <p>Leasable area details as shared by the Client is given below:</p> <table><tr><th>Sl. No.</th><th>Building Name</th><th>Leasable Area (sq. ft.)</th></tr><tr><td>1.</td><td>The Square – IT Building</td><td>193,211</td></tr><tr><td>2.</td><td>The Square – Commercial Building Completed</td><td>585,423</td></tr><tr><td></td><td>Total Leasable Area</td><td>778,634</td></tr></table> <p>Based on the site inspection, both IT Building and Commercial Building are fully completed and operational.</p>   | Sl. No.                 | Building Name | Leasable Area (sq. ft.) | 1. | The Square – IT Building | 193,211 | 2. | The Square – Commercial Building Completed | 585,423 |  | Total Leasable Area | 778,634 |
| Sl. No.           | Building Name  | Leasable Area (sq. ft.) |               |                         |    |                          |         |    |  |         |  |                     |         |
| 1.                | The Square – IT Building   | 193,211                 |               |                         |    |                          |         |    |  |         |  |                     |         |
| 2.                | The Square – Commercial Building Completed   | 585,423                 |               |                         |    |                          |         |    |  |         |  |                     |         |
|                   | Total Leasable Area  | 778,634                 |               |                         |    |                          |         |    |  |         |  |                     |         |

Location Map



Key Assumptions

The table below summarizes key Valuation assumptions used in the estimate.

| Particulars                | Description   |                                  |                            |                      |           |                 |
|----------------------------|---|----------------------------------|----------------------------|----------------------|-----------|-----------------|
| Asset Specific Information |   |                                  |                            |                      |           |                 |
| Nature of Asset            | Commercial / Office with Amenities  |                                  |                            |                      |           |                 |
| Current Status             | IT Building – Completed and Operational<br>Mall Building – Completed and Operational  |                                  |                            |                      |           |                 |
| Total Leasable Area        | 778,634 sq. ft.   |                                  |                            |                      |           |                 |
| Asset Details              | Sl. No.   | Building Name                    | Leasable Area (In Sq. Ft.) | Usage Type           | Status    | Age of Building |
|                            | 1   | The Square – IT Building         | 193,211                    | Non – SEZ IT         | Completed | ~13 Years       |
|                            | 2   | The Square – Commercial Building | 585,423                    | Non – SEZ Commercial | Completed | ~13 Years       |
|                            | <p>In addition to the above, the undivided rights, title and interest in the following assets are also part of the Project.</p> <ul style="list-style-type: none"> <li>Total Amenity Plot and the premises on which the Amenity Building is situated.</li> <li>Total utility areas and internal roads.</li> <li>Total open spaces.</li> </ul> |                                  |                            |                      |           |                 |



|              |  |  |
|--------------|--|--|
|              | Revenue Assumptions  |  |
|              | In-Place Rent  | INR 78.3 per sq. ft. per Month             |
|              | Market / Marginal Rent   | INR 78.0 per sq. ft. per Month as of FY 25 |
|              | Parking Rent   | INR 2,363 per CPS per Month as of FY 25    |
|              |  |  |
|              | Financial Assumptions  |  |
|              | Exit Cap Rate  | 8.00%                                      |
|              | Discount Rate / WACC   | For Completed Blocks – 11.75%              |
| Market Value | Total Market Value – INR 9,230.47 Million (INR Nine Billion Two Hundred Thirty Million Four Hundred Seventy Thousand Only) |  |

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## **LIST OF ABBREVIATIONS**

|         |   |
|---------|---|
| CBD     | Central Business District                                       |
| CY      | Current Year  |
| INR     | Indian National Rupees  |
| IT/ITES | Information Technology/IT enabled Services                      |
| IVSC    | International Valuation Standards Committee                     |
| JLL     | Jones Lang LaSalle Property Consultants (India) Private Limited |
| Km      | Kilometre   |
| NH      | National Highway  |
| PBD     | Peripheral Business District                                    |
| REIT    | Real Estate Investment Trust                                    |
| RICS    | Royal Institution of Chartered Surveyors                        |
| SBD     | Secondary Business District                                     |
| SEZ     | Special Economic Zone   |
| sq. ft. | square feet   |

### **CONVERSION OF UNITS**

|          |                  |
|----------|------------------|
| 1 acre   | 43559.66 sq. ft. |
| 1 acre   | 4046.9 sq. m.    |
| 1 sq. m. | 1.196 sq. yards  |
| 1 sq. m. | 10.764 sq. ft.   |
| 1 meter  | 1.0936 yards     |
| 1 meter  | 3.28 ft.         |
| 1 cent   | 435.6 sq. ft.    |

# 1 INTRODUCTION

---

## 1.1 INSTRUCTIONS

K Raheja Corp. Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP) (hereinafter referred to as the 'Client'), in its capacity as Manager of the Mindspace Business Parks REIT (Mindspace REIT), has appointed KZEN VALTECH PRIVATE LIMITED, Registered Valuer Entity with Insolvency and Bankruptcy Board of India ("IBBI") bearing registration no. IBBI/RV-E/05/2022/164 (hereinafter referred to as the 'Valuer') to carry out an independent estimate of Market Value of commercial / office properties located in Chennai, Hyderabad, Mumbai and Pune along with incidental or ancillary activities including a facility management business and power distribution facility, vide Engagement Letter dated 27 March 2023. The Client intends to seek independent estimate of Market Value for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchange.

This Valuation Report has Market Value of a commercial / office project located named '**The Square**' located along, **Nagar Road Pune**, Maharashtra, India (hereinafter referred to as the 'Project').

## 1.2 PURPOSE OF VALUATION

The purpose of this valuation is to estimate the value of the Project as part of the portfolio of Mindspace REIT for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended together with clarifications, guidelines and notifications thereunder in the Indian stock exchange and for accounting purpose.

In addition, other documents in relation to the regulatory filings such as publicity material, research reports, presentations and press releases will also be prepared, wherein copies, summary or extracts of the Valuation Report are intended to be included.

## 1.3 RELIANT PARTIES

The reliance on the Valuation Report prepared as part of this engagement is extended to the Manager, REIT and other parties including the trustee of REIT, debenture trustee(s), stock exchanges, unitholders of REIT, Securities and Exchange Board of India ('SEBI'), credit rating agencies, lenders of the REIT and/or its special purpose vehicles or any other person within or outside India as the Manager may deem fit for the purpose as highlighted in this report (valuation). The Valuer, however, would extend no liability to such reliant parties save and except for gross and willful negligence.

The valuation exercise is conducted strictly and only for the use of the parties as stated above who need to rely on such valuation ('Reliant Party') and for the Purpose specifically stated. The Client shall make all reliant parties aware of the terms and conditions of the engagement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 1.4 VALUER'S CAPABILITY

**KZEN VALTECH PRIVATE LIMITED**, bearing Registered Valuer Entity number IBBI/RV-E/05/2022/164 with IBBI has been appointed as the Valuer for providing opinions on market value of the respective Subject Properties.

Mr. Sachin Gulaty, Director, KZEN VALTECH PRIVATE LIMITED, is registered as a valuer with IBBI for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 13 August 2021. He qualified for the degree of Bachelor of Architecture from School of Planning and Architecture, New Delhi in 1997, and qualified for the degree of Master in Planning with specialization in Urban Planning from School of Planning and Architecture, New Delhi in 2002. He, subsequently, undertook distance learning from SVKM's Narsee Monjee Institute of Management Studies ("NMIMS") Global Access – School for Continuing Education, qualified for the two-years Post Graduate Diploma in Banking & Financial Management and was awarded this Post Graduate Diploma in July 2018.

Mr. Gulaty has more than 26 years of experience, including one and a half years of post-graduate education, spread over domains of architecture, urban planning, urban infrastructure, real estate advisory, and real estate asset valuation. He was the National Head of Valuations for Jones Lang LaSalle Property Consultants (India) Private Limited ("JLL India"), a leading International Property Consulting firm in India, from 2010 to 2021. Prior to this role, Mr. Gulaty gained practical experience in providing architecture services, town and city planning, and research related to regulatory studies and urban governance covering urban infrastructure such as water supply, sanitation, solid waste management, and urban transport, among other aspects. In the early part of his career, he worked with renowned architectural services firm, Kuldip Singh & Associates, and The Energy and Resources Institute ("TERI"). His last employment was with JLL as Senior Director and National Head for Valuations.

As the National Head of Valuations at JLL India, he led numerous valuation exercises for multiple financial institutions, private equity/real estate funds, corporates, industrial houses, government departments, and developers across multiple real estate asset classes of commercial, retail, residential, industrial, healthcare, and hospitality, among others. Clientele served by him across his entire career till date, under various employments, includes Brookfield, GIC, Qatar Investment Authority, JP Morgan, BlackRock, CapitaLand, Citibank, Standard Chartered Bank, Yes Bank, Kotak Mahindra, Maruti Suzuki, Indiabulls, Dubai Port World, World Bank, DLF, RMZ, Shriram Properties, DIPAM, NHAI, NBCC, AAI, and RLDA, among others.

Mr. Gulaty, who carries IBBI Registration Number: IBBI/RV/02/2021/14284, is enrolled with the Institute of Valuers Registered Valuers Foundation ("IOVRVF"), is a Fellow of Royal Institution of Chartered Surveyors ("RICS"), Fellow and Lifetime Member of Institute of Valuers, India ("IOV"), admitted as an Arbitrator (India) on the RICS Panel of Dispute Resolvers & Expert Witnesses, and features in the global list of RICS Trained Assessors, has prepared and signed this report on behalf of RV-E.

## 1.5 INDEPENDENCE, CONFLICT OF INTEREST AND VALUER'S INTEREST

The Valuer confirms that there are no conflicts of interest in so far as discharging his duties as a valuer for the Project is concerned. The Valuer has undertaken the valuation exercise without the presence of any bias, coercion, or undue influence of any party, whether directly connected to the valuation assignment. There has not been any professional association with the Client or the Project in past five years from his engagement as the Valuer, except as valuer under the SEBI (REIT) Regulations, 2014.

The Valuer certifies that he/she does not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the Project (including the parties with whom the Client is dealing, including the lender or selling agent, if any) and accepts instructions to value the Project only from the Client.



## 1.6 ASSUMPTIONS, DEPARTURES AND RESERVATIONS

This Valuation Report has been prepared on the basis of the assumptions within the instructions (Key Assumptions, Qualifications, limitations and Disclosures) detailed after this section of this report. The development mix, built up area, land area and lease details such as lease rent, lease commencement and lease end date, lock-in period, escalation terms, etc. pertaining to the Project is based on the appropriate relevant documents, which has been provided by the Client and the same has been adopted for the purpose of this valuation.

## 1.7 INSPECTION OF THE PROJECT

The Project was inspected on 26 March 2024 by the Valuer in the presence of Client-nominated representative and subsequently no site visits have been conducted. No measurement or building survey has been carried out as part of the valuation exercise. The Valuer has relied entirely on the site areas provided by the Client, which has been assumed to be correct. Based on the discussions with the Client, it has been assumed that no material change in the condition of the property has taken place except for the progress of construction work in accordance with the information shared.

## 1.8 GENERAL COMMENT

A valuation is a prediction of price, not a guarantee. By necessity, it requires the Valuer to make subjective judgments that, even if logical and appropriate, may differ from those made by a purchaser, or another valuer. Historically it has been considered that valuers may properly conclude within a range of possible values.

The purpose of the valuation does not alter the approach to the valuation.

Property values can change substantially, even over short periods of time, and thus the valuation of the Project herein could differ significantly if the date of valuation was to change.

This report should not be relied upon for any other purpose other than for which this valuation exercise has been undertaken.

## 1.9 CONFIDENTIALITY

The contents of this Valuation Report are intended for the specific purpose stated. Consequently, and in accordance with current practice, no responsibility is accepted to any other party in respect of the whole or any part of its contents- except as maybe required in connection with the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, under the applicable law.

## 1.10 AUTHORITY

The Client acknowledges and agrees that the valuation exercise undertaken (including, without limitation, the Reports itself and the contents thereof) is solely for the purpose set out in Section 1.2 herein. If Client desires to use the Report in any offering or other investment material for purpose other than as mentioned in the Section 1.2 herein, then (a) with Valuer will require, and the Client must provide or cause to be provided, an indemnification agreement in his favor, given by parties reasonably satisfactory to him, and (b) the Client will obtain his consent to the references in such materials to the Report.

## 1.11 LIMITATION OF LIABILITY

The Valuer has provided the services exercising due care and skill but does not accept any legal liability arising from negligence or otherwise to any person in relation to possible

environmental site contamination or any failure to comply with environmental legislation which may affect the value of the properties. Further, the Valuer shall not accept liability for any errors, misstatements, omissions in the report caused due to false, misleading or incomplete information or documentation provided to him by the Instructing Party.

The Valuer's maximum aggregate liability for claims arising out of or in connection with the Valuation, under this engagement shall not exceed the professional indemnity insurance obtained by him. As on the date of this report, the professional indemnity insurance maintained by the Valuer is for Indian Rupees Fifty Million.

In the event that the Manager, the sponsors, the trustee, the REIT, or other intermediaries appointed by the Manager and / or REIT or its SPVs be subject to any claim ('Claim Parties') in connection with, arising out of or attributable to the Report, the Claim Parties will be entitled to require the Valuer to be a necessary party/respondent to such claim and he shall not object to his inclusion as a necessary party/ respondent. In all such cases, the Manager, on behalf of the REIT, agrees to reimburse/ refund to the Valuer, the actual cost (which shall include legal fees and external counsel's fee) incurred by them while becoming a necessary party/respondent. If the Valuer does not cooperate to be named as a party/respondent to such claims in providing adequate/successful defense in defending such claims, the Claim Parties jointly or severally will be entitled to initiate a separate claim against the Valuer in this regard.

The Valuer will neither be responsible for any legal due diligence, title search, and physical measurements nor undertake any verification/ validation of the zoning regulations/ development controls with any government departments/authorities, among other aspects., etc.

## **1.12 DISCLOSURE AND PUBLICATION**

The Valuer must not disclose the contents of this Valuation Report to a third party in any way, except as allowed under the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars. As per the terms and regulation 2(1) of the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars, it may be noted that the Valuation report is prepared in accordance with said REIT regulations.

## **1.13 ANTI-BRIBERY AND ANTI-CORRUPTION**

The Valuer represents, warrants and undertakes that:

The Valuer is familiar with applicable Anti-Corruption Laws under this Agreement including but not limited to Prevention of Corruption Act 1988 and will ensure that neither it nor any of its officers, directors, shareholders, employees and agents or any other person acting under its implied or express authority will engage in any activity, practice or conduct which would constitute an offence under, or expose or potentially expose either Party to any direct or indirect liability, under Applicable Anti-Corruption Laws;

It is further agreed that breach of any of the above undertakings shall be deemed to be a material breach of the Agreement and in case the Valuer is insisted upon or asserted by Client to violate any of the above said undertakings including Anti-Corruption regulations in any form or manner, on pretext of business relationship or otherwise, the Valuer shall have a discretionary right to terminate this Agreement without any liability or obligation on his part.

Such termination of this Agreement shall not in any way prejudice the rights and obligations (including payment for the services delivered under this Agreement) already accrued to the Valuer, prior to such termination.

## KEY ASSUMPTIONS, QUALIFICATIONS, LIMITATIONS AND DISCLAIMERS

|    |   |   |
|----|---|---|
| 1. | Type of Estimate                              | The scope of the assignment covers only estimating Market Value of a specified property and not a business valuation for either the Client or any of their subsidiaries or associated companies, etc. The estimate is based on extent of data/information provided by the Client and estimate has limited coverage wherever full data/information is not made available by the Client.  |
| 2. | Legal Due-Diligence                           | Legal due diligence for establishing clarity of title, ownership, encumbrances if any, notices or disputes if any, among other legal-related issues are not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.  |
| 3. | Information Provided by the Client and Others | The Valuer has relied on the information provided by the Client and the same has been assumed to be correct and has been used in the valuation. Where it is stated that another party has supplied information to the Valuer, this information is believed to be reliable. The Valuer cannot accept any responsibility for accuracy and non-reliability of such information.  |
| 4. | Regulatory Due-Diligence                      | Regulatory due diligence is not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.  |
| 5. | Project Status, Schedule and Project Costing  | Assessment of the Project Status and Schedule is based on the information provided by the Client and does not consider any unforeseeable developments which could impact the same in the future. The estimate <u>does account</u> for any capital expenses incurred by the Client on the existing and/or ongoing development works in the Project. Auditing the project figures is not part of the scope of work under this assignment. In all likelihood, an independent auditing agency would be covering this aspect, details of which can be obtained from the Client.  |
| 6. | Market Conditions and Trends                  | The Valuer has taken into consideration the general conditions in the market with respect to broad demand and supply while carrying out the valuation. The Valuer has compared other comparable properties on the basis of many factors and as far as possible tried to remove / account for the differences in type, location and quality of the properties.   |
| 7. | Information on Leases and Sales Performance   | The Valuer has relied on the rent roll including lease terms & conditions of the existing and pre-committed leases, as given by the Client. The Valuer has not verified individual lease agreements and the Valuer has relied on all information provided to him by the Client, upon which the Valuer will rely, is complete and correct. The Valuer has relied on pre-leasing details to the extent data/information made available by the Client.   |
| 8. | Site Investigations and Illustrations         | The Valuer has carried out the site visits and based on the information made available by the Client and the estimate is carried out considering that the Project Site is a contiguous land parcel and is free from any encroachments and encumbrances as on the date of valuation. The Valuer has not carried out any structural survey nor tested the building services. No geographical or geo-physical survey was carried out. No environmental assessment has been carried out. Any sketch, plan or map in the report is included to assist reader while visualizing the Project and assume no responsibility in connection with such matters. |
| 9. | Project Cost Estimates                        | Project Cost Estimates used in the estimate is as given by the Client. Project progress including capital expenditure progress reported is based on the cost incurred data as shared by the Client. The Valuer has reviewed the Project Cost estimates and/or cost incurred data to broadly ascertain their correctness on a normative basis while relying on the same as shared by the Client.   |

|     |  |  |
|-----|--|--|
| 10. | Environmental Compliance                   | The Valuer assumed that the Project Site / Project is not contaminated and is not adversely affected by any existing or proposed environmental law and any processes which are carried out on the Project Site are regulated by environmental legislation and are Project Site licensed by the appropriate authorities.  |
| 11. | Present Ground Conditions                  | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present, which might adversely affect the current or future occupation, development of the Project. The estimate assumes that the Project Site is free from rot, infestation, structural or latent defect and no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the property and comments made in the property details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.  |
| 12. | Town Planning and Statutory Considerations | The Valuer has not made formal search but has generally relied on readily available information to general public. Valuation Report is on current use/ current state basis of the property and the Valuer has not considered any Government proposals for road widening or compulsory purchase/ acquisition, or any other statute in force that might affect the Project.  |
| 13. | Future Market Development and Prospects    | The Valuer has not accounted any future market development and prospects to the extent information known to the Valuer as on the date of valuation. The Valuer does not warrant that such statements are accurate or correct.  |
| 14. | Disclaimer                                 | <p>The estimate of Market Value is based on documents/information shared by the Client. The Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Project.</p> <p>The Valuer has relied on the measurements and information provided at all times, whether from public and private sources, and has ensured to the best of their ability the correctness and the validity of the same, by cross checking from various sources. Whilst every effort has been taken to provide authentic data and analysis, the Valuer, and/or any of their associated companies and/or their employees are not responsible for any loss, major or minor incurred on the basis of the information and analyses provided, nor are liable to any damages in any form or shape.</p> <p>Given the confidential nature of real estate transactions, transaction details for most properties, which are privately actually transacted, are not in the public domain. Consequently, there is reliance on information from market sources, which may not be completely accurate. Thus, information has been crosschecked independently from other market sources to ascertain the broad credibility of information being provided by the market sources. This assignment has been done on best effort and knowledge basis.</p> <p>For ease and simplicity of representation, certain figures may have been rounded.</p> |

## 2 VALUATION APPROACH AND METHODOLOGY

### 2.1 VALUATION STANDARDS ADOPTED

This Report is prepared in accordance and compliance with:

1. Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time ("**SEBI Regulations 2014**"), including Regulation 21 Sub-Regulation (3) and mandatory minimum disclosures as specified in Schedule V of these SEBI Regulation 2014,
2. Companies (Registered Valuers and Valuation) Rules, 2017 as amended from time to time ("**Valuer Rules 2017**"), including reporting requirements as specified in Rule 18 to these rules,
3. International Valuation Standards 2022 ("**IVS 2022**") as set out by International Valuation Standards Committee ("**IVSC**") and adopted by Royal Institution of Chartered Surveyors ("**RICS**") presented in the RICS Valuation Standards and Guidelines 2022 ("**RICS Red Book 2022**"), subject to variation to meet local established law, custom, practice, and market conditions.

### 2.2 BASIS OF VALUATION

Basis of valuation of the Project is **Market Value** as defined by IVSC and adopted by Royal Institution of Chartered Surveyors (RICS) to be: *"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion"*.

### 2.3 APPROACH AND METHODOLOGY

The purpose of this valuation exercise is to estimate the Market Value of the Project, which is a real estate asset. Market Value of the real estate asset can be estimated using different approaches and methodologies.

**Income Approach:** Under this valuation approach, the income generating potential of the real estate asset is estimated while opining on its market value. This approach is typically adopted for assets that are income-generating (completed and operational with multiple tenancies, multiple strata units that can be sold with phased/milestone-based revenue collections, among others). For income-generating assets with single/multiple tenancies, the discounted cash flow entailing term and reversion method is most commonly adopted.

**Market Approach:** Under this valuation approach, the price that an asset could fetch in an open market is estimated. This approach is typically adopted for homogeneous assets in their micro-market and are typically traded on a unit basis. The most commonly adopted valuation method under this valuation approach is the Listed Transaction / Listed Quoted Instances Method, also commonly known as the Direct Comparison or the Comparable Sales/Quoted Instances Method.

**Cost Approach:** Under this valuation approach, the cost required to create an asset of similar or equal utility is estimated. This valuation approach is typically adopted for real estate assets that can be clearly broken down into constituent elements, namely land and built structures. The most commonly adopted valuation method under this valuation approach is the Physical Method, also commonly known as Land and Building Method, which typically entails estimation of the underlying land value (while normally adopting the Market Approach) and the built structures (while adopting the Depreciated Replacement Cost Method) separately.

Table 2.1: Different Valuation Methodologies and Description

| Sl. No. | Valuation Methodology                      | Description   |
|---------|--|---|
| 1.      | Comparable Sales / Quoted Instances Method | This method is based on comparing the subject property directly with other comparable property transaction (actually been sold in the vicinity or are offered for sale). Efforts would be made to collect transacted instances. In case of non-availability of transacted instances in the micro-market, the opinion will be offered based on the available asking/quoted instances in the market with appropriate adjustments for margin for negotiation. Given the homogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative and quantitative differences that may affect the price likely to be achieved by the property under consideration. These adjustments are typically made in the form of premium and/or discount factors for various property attributes, which affect the value. This method demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This method is a fair estimate of the prevailing prices. |
| 2.      | Depreciated Replacement Cost Method        | Replacement cost method is based on the construction cost of assets. The cost to be estimated is the cost of construction as per the construction status at the valuation date. This is based on the inspection of the facility and inputs provided by the Client; however, no structural survey will be conducted. Appropriate depreciation rates will be applied based on schedules given under the Indian Companies Act. This is generally used for estimating the Market Value of only the buildings  |
| 3.      | Discounted Cash Flow Method                | This method is based on the present value of the future receivable net income from the current operational leases / revenues. The current revenues and the future achievable revenues derived from the operational project components of the Project Site would be adjusted for the outgoing expenses to derive 10-year cash flows. The same is then discounted at an appropriate discounting rate linked with risk adjusted discounting factor to estimate the market value for the operational project components. This method is sometimes referred to as 'Rent Roll method as well.   |

#### Approach and Methodology Adopted for Estimating Market Value of the Project

Based on a detailed review of the leases for the Project, the Valuer has noted that a large number of leases of the Project were executed at rent prevalent at the time of signing of such leases or at a discount to prevailing market rental (for a few anchor tenants). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, demand-supply dynamics, quality of spaces, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some properties or submarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to estimate the intrinsic value of the Project Site under review.

Considering the objective of this exercise and the nature of asset involved (completed & operational commercial / office space), the value is estimated using the 'Discounted Cash Flow method' (basis term and rent reversion) under 'Income Approach'



## 3 VALUATION ASSUMPTIONS AND INPUTS

### 3.1 INVESTIGATION, NATURE AND SOURCE OF INFORMATION

The Valuer undertook physical visits of the Project wherein the buildings and related assets were visually inspected to assess the condition of the buildings and the apparent state of its maintenance/upkeep.

Information related to state and structure of the relevant real estate market for the Project was sourced from the industry and market report prepared by Jones Lang LaSalle Property Consultants (India) Private Limited ('JLL'), who were appointed by the Client to undertake market research and portfolio analysis of the properties part of the Mindspace REIT.

Project related information referred to for the valuation exercise have been provided by the Client unless otherwise mentioned. The Valuer has assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, the Valuer has independently revalidated the information by reviewing the originals as provided by the Client.

In addition, the Valuer relied on the following information and documents shared by the Client with respect to the Project:

- Title certificates prepared by the Legal Counsel of the Client covering the type of ownership interest enjoyed and information on ongoing litigation.
- Architect's certificates dated mentioning site areas and property areas
- Relevant approval documents from competent authorities regarding occupancy, operations and fire safety.
- Lease agreements and commercial clauses thereof for top five tenants on a sample basis
- Masterplan/ Development plan applicable in the jurisdiction of the Project
- Management representation regarding the following:
  - Major repairs undertaken and proposed in the Project
  - Statement of assets
  - Revenue pendency if any
  - Pre-emption and any other encumbrances concerning or affecting the property.
  - List of material litigations

### 3.2 CAPITALIZATION RATE

The capitalization rate adopted for valuing the assets has been based on various factors such as:

- Historical entry yields (going in cap rates) for commercial / office asset transactions across various key markets in India, which have steadily shown a downward trend over last 7 - 8 years from 10.5%-11.5% to about 7.5%-8.5% in 2023.
- The increased appetite for income generating assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- The demand supply situation in the respective city and expected dynamics of demand leading supply - given entry challenges such as land availability, higher initial cost outlays etc. developers are expected to focus on fully built to suit or semi-speculative projects (with key tenants tied in prior to launch of construction).
- Inflation (and interest rates) expected to be maintained in check with interventions from the Reserve Bank of India, in case of significant change.
- Liquidity associated with REIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer).

***Based on the above factors, the Valuer has adopted an exit cap rate of 8.00% for the Project, for the purposes of estimating the Market Value, considering the 1 year forward net operating income after 10 years, is utilized for the purpose of calculation of exit value / terminal cash flow.***

### 3.3 DISCOUNT RATE

This discount rate used for discounting the available cash flows represents Cost of equity (the opportunity cost for shareholders) and Cost of Debt (the opportunity cost for creditors), weighted by their respective contribution to the total capital of the company (WACC). The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived using the below formula:

$$\text{Cost of equity} = \text{Risk Free Rate (Rf)} + \text{Beta } (\beta) * (\text{Market Return (Rm)} - \text{Risk Free Rate (Rf)})$$

The cost of debt for completed commercial / office blocks has been considered based on prevalent financing rates for Grade A commercial / office parks in the city. The weightages accorded to equity and debt are derived through benchmarking the subject property against similar portfolios/properties in the market. For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC) which is derived to be 11.75% for the completed portion of the project.

Owing to the various risks pertaining to the under-construction / future development properties, we have considered a risk premium over the discount rate for completed properties to arrive at a discount rate for under-construction / future development properties. The Valuer has considered a risk premium of 125bps, to derive the WACC of 13% for under-construction / future development properties.

These derived discount rates were found to be aligned with the expectations of investors investing in similar assets.

## 4 VALUATION CERTIFICATE

| Property Name   | The Square, Nagar Road, Pune, Maharashtra, India   |  |         |                   |                             |    |                  |  |    |                           |  |    |             |  |    |             |  |    |             |  |    |             |  |    |             |                            |    |             |                            |
|---|--|--|---------|-------------------|-----------------------------|----|------------------|--|----|---------------------------|--|----|-------------|--|----|-------------|--|----|-------------|--|----|-------------|--|----|-------------|----------------------------|----|-------------|----------------------------|
| Property Address  | The Square Signature Business Chambers (Nagar Road), Kargil Vijay Nagar, Wadgaon Sheri, Pune, Maharashtra 411014   |  |         |                   |                             |    |                  |  |    |                           |  |    |             |  |    |             |  |    |             |  |    |             |  |    |             |                            |    |             |                            |
| Land Area   | ~10.1 acres  |  |         |                   |                             |    |                  |  |    |                           |  |    |             |  |    |             |  |    |             |  |    |             |  |    |             |                            |    |             |                            |
| Brief Description                                       | <p>The property is located in the north-eastern part, in the Secondary Business District East micro market of Pune City along the Nagar Road. It is located at a distance of about 300 m from the Phoenix Market City.</p> <p>The property is developed as Grade A IT Park with two blocks 1) IT building and 2) a building which was Mall earlier or Mall building. The main entrance to the Project Site is from Nagar Road. Further, the IT building is also facilitated with a separate gate which is accessible from the lane connecting Nagar Road.</p> <p>The property is surrounded by mixed use development comprising residential, retail, and commercial developments.</p>  |  |         |                   |                             |    |                  |  |    |                           |  |    |             |  |    |             |  |    |             |  |    |             |  |    |             |                            |    |             |                            |
| Valuation Methods                                       | <p>The estimate of Market Value is prepared using following methods:</p> <table border="1"> <thead> <tr> <th>Sl. No.</th><th>Asset Type</th><th>Methodology Adopted</th></tr> </thead> <tbody> <tr> <td>1.</td><td>Completed Assets</td><td>Discounted Cash Flow Method using Rent Reversion</td></tr> <tr> <td>2.</td><td>Under Construction Assets</td><td>Discounted Cash Flow Method using Rent Reversion</td></tr> </tbody> </table>  |  | Sl. No. | Asset Type        | Methodology Adopted         | 1. | Completed Assets | Discounted Cash Flow Method using Rent Reversion               | 2. | Under Construction Assets | Discounted Cash Flow Method using Rent Reversion               |    |             |  |    |             |  |    |             |  |    |             |  |    |             |                            |    |             |                            |
| Sl. No.   | Asset Type   | Methodology Adopted  |         |                   |                             |    |                  |  |    |                           |  |    |             |  |    |             |  |    |             |  |    |             |  |    |             |                            |    |             |                            |
| 1.  | Completed Assets   | Discounted Cash Flow Method using Rent Reversion               |         |                   |                             |    |                  |  |    |                           |  |    |             |  |    |             |  |    |             |  |    |             |  |    |             |                            |    |             |                            |
| 2.  | Under Construction Assets  | Discounted Cash Flow Method using Rent Reversion               |         |                   |                             |    |                  |  |    |                           |  |    |             |  |    |             |  |    |             |  |    |             |  |    |             |                            |    |             |                            |
| Nature of the Interest by the Client                    | 100% freehold interest in the Project as informed by the Client  |  |         |                   |                             |    |                  |  |    |                           |  |    |             |  |    |             |  |    |             |  |    |             |  |    |             |                            |    |             |                            |
| Purchase Price of the Project                           | INR 7,058 million, as given by the Client  |  |         |                   |                             |    |                  |  |    |                           |  |    |             |  |    |             |  |    |             |  |    |             |  |    |             |                            |    |             |                            |
| Historical Valuation of the Project in 3 Previous Years | <p>Below table summarizes historical valuation of the Project as given by the Client:</p> <table border="1"> <thead> <tr> <th>Sl. No.</th><th>Date of Valuation</th><th>Total Market Value (INR Mn)</th></tr> </thead> <tbody> <tr> <td>1.</td><td>30-Sep-2023</td><td>INR 9,351 (INR 9,008 Completed and INR 343 Under Construction)</td></tr> <tr> <td>2.</td><td>31-Mar-2023</td><td>INR 9,223 (INR 8,891 Completed and INR 332 Under Construction)</td></tr> <tr> <td>3.</td><td>30-Sep-2022</td><td>INR 9,078 (INR 8,557 Completed and INR 521 Under Construction)</td></tr> <tr> <td>4.</td><td>31-Mar-2022</td><td>INR 9,043 (INR 8,595 Completed and INR 448 Under Construction)</td></tr> <tr> <td>5.</td><td>30-Sep-2021</td><td>INR 8,694 (INR 8,261 Completed and INR 432 Under Construction)</td></tr> <tr> <td>6.</td><td>31-Mar-2021</td><td>INR 8,468 (INR 8,115 Completed and INR 354 Under Construction)</td></tr> <tr> <td>7.</td><td>30-Sep-2020</td><td>INR 8,092 (only completed)</td></tr> <tr> <td>8.</td><td>31-Mar-2020</td><td>INR 8,094 (only completed)</td></tr> </tbody> </table> |  | Sl. No. | Date of Valuation | Total Market Value (INR Mn) | 1. | 30-Sep-2023      | INR 9,351 (INR 9,008 Completed and INR 343 Under Construction) | 2. | 31-Mar-2023               | INR 9,223 (INR 8,891 Completed and INR 332 Under Construction) | 3. | 30-Sep-2022 | INR 9,078 (INR 8,557 Completed and INR 521 Under Construction) | 4. | 31-Mar-2022 | INR 9,043 (INR 8,595 Completed and INR 448 Under Construction) | 5. | 30-Sep-2021 | INR 8,694 (INR 8,261 Completed and INR 432 Under Construction) | 6. | 31-Mar-2021 | INR 8,468 (INR 8,115 Completed and INR 354 Under Construction) | 7. | 30-Sep-2020 | INR 8,092 (only completed) | 8. | 31-Mar-2020 | INR 8,094 (only completed) |
| Sl. No.   | Date of Valuation  | Total Market Value (INR Mn)                                    |         |                   |                             |    |                  |  |    |                           |  |    |             |  |    |             |  |    |             |  |    |             |  |    |             |                            |    |             |                            |
| 1.  | 30-Sep-2023  | INR 9,351 (INR 9,008 Completed and INR 343 Under Construction) |         |                   |                             |    |                  |  |    |                           |  |    |             |  |    |             |  |    |             |  |    |             |  |    |             |                            |    |             |                            |
| 2.  | 31-Mar-2023  | INR 9,223 (INR 8,891 Completed and INR 332 Under Construction) |         |                   |                             |    |                  |  |    |                           |  |    |             |  |    |             |  |    |             |  |    |             |  |    |             |                            |    |             |                            |
| 3.  | 30-Sep-2022  | INR 9,078 (INR 8,557 Completed and INR 521 Under Construction) |         |                   |                             |    |                  |  |    |                           |  |    |             |  |    |             |  |    |             |  |    |             |  |    |             |                            |    |             |                            |
| 4.  | 31-Mar-2022  | INR 9,043 (INR 8,595 Completed and INR 448 Under Construction) |         |                   |                             |    |                  |  |    |                           |  |    |             |  |    |             |  |    |             |  |    |             |  |    |             |                            |    |             |                            |
| 5.  | 30-Sep-2021  | INR 8,694 (INR 8,261 Completed and INR 432 Under Construction) |         |                   |                             |    |                  |  |    |                           |  |    |             |  |    |             |  |    |             |  |    |             |  |    |             |                            |    |             |                            |
| 6.  | 31-Mar-2021  | INR 8,468 (INR 8,115 Completed and INR 354 Under Construction) |         |                   |                             |    |                  |  |    |                           |  |    |             |  |    |             |  |    |             |  |    |             |  |    |             |                            |    |             |                            |
| 7.  | 30-Sep-2020  | INR 8,092 (only completed)                                     |         |                   |                             |    |                  |  |    |                           |  |    |             |  |    |             |  |    |             |  |    |             |  |    |             |                            |    |             |                            |
| 8.  | 31-Mar-2020  | INR 8,094 (only completed)                                     |         |                   |                             |    |                  |  |    |                           |  |    |             |  |    |             |  |    |             |  |    |             |  |    |             |                            |    |             |                            |

|  |   |
|--|---|
| Ready Reckoner Rate                                      | Built-up Area (Office) – INR 101,780 per sq mt<br>Land Area – INR 26,920 per sq mt  |
| Date of Valuation  | 31-March-2024   |
| Date of Inspection                                       | 26-March-2024   |
| Market Value as on 31-March-2024                         | Total Market Value – INR 9,230.47 Million (INR Nine Billion Two Hundred Thirty Million Four Hundred Seventy Thousand Only)  |
| Matters Affecting the Property and its Value             | Please refer to Chapter 7 of this Valuation Report  |
| Assumptions, Disclaimers, Limitations and Qualifications | This Valuation Report is provided subject to assumptions, disclaimers, limitations, and qualifications detailed throughout this report, which are made in conjunction with those included within the Assumptions, Limitations & Qualifications section located within this report. Reliance on this report and extension of Valuer's liability is conditional upon the reader's acknowledgement and understanding of these statements. This Valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party, who may use or rely on the whole or any part of the content of this Valuation Report. The Valuer has no pecuniary interest that would conflict with the proper valuation of the Project |
| Prepared by  | KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)<br>Represented through its Director<br>Mr. Sachin Gulaty FRICS FIV FIIA<br>IBBI/RV/02/2021/14284   |



**Name:** Sachin Gulaty FRICS FIV FIIA  
**Designation:** Director  
**Valuer Registration No.:** IBBI/RV/02/2021/14284

## 5 PROJECT SITE AND PROJECT ANALYSIS

### 5.1 DETAILS OF THE PROJECT SITE AND/OR PROJECT

The table below presents details of the Project Site and/or Project.

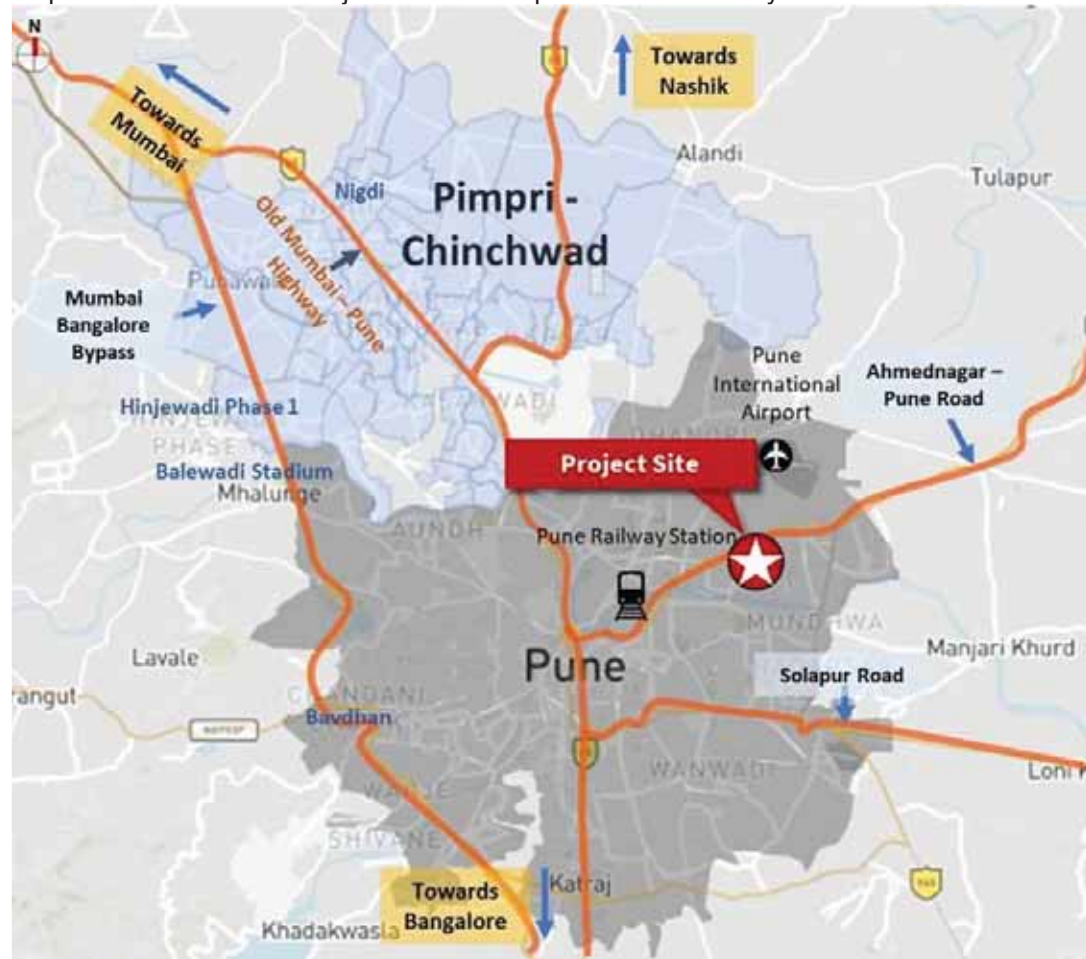
Table 5.1: Details of the Project Site and/or Project

| DETAILS OF PROPERTY                                     |  |
|---|--|
| Property Name   | The Square, Nagar Road, Pune, Maharashtra, India   |
| Property Address  | The Square Signature Business Chambers (Nagar Road), Kargil Vijay Nagar, Wadgaon Sheri, Pune, Maharashtra 411014                     |
| Land Area   | ~10.1 acres  |
| Block-Wise Break-Up of Leasable Area and Current Status | Block wise Leasable area details are mentioned above in Executive summary. Based on the site inspection, all blocks are operational. |
| Access  | Accessible through approx. 60 m. wide Nagar Road   |
| Frontage  | Approximately 100 m. frontage along Nagar Road   |
| Shape and Visibility                                    | Regular in shape. Relatively flat terrain. Excellent visibility from Nagar Road  |
| Approval Status   | Project has requisite approvals in place as confirmed by the Client.   |
| INFRASTRUCTURE  |  |
| Water Supply, Sewerage & Drainage                       | Available within the Project   |
| Power & Telecommunication                               | Available within the Project   |

### 5.2 LOCATION OF THE PROJECT

The Project is located in the north-eastern part, Secondary Business District (SBD) East micro market of the city along the Nagar Road. It is located at a distance of about 300 m from Phoenix Market City. The map on the following page presents the location of the Project with respect to the city.

Map 5.1: Location of the Project Site with respect to the Pune City



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The distance of the Project from major landmarks in the city is given in the table below.

Table 5.2: Distances of the Project from Major Landmarks in the City

| Location / Landmark        | Approximate Distance from Project Site (km) |
|----------------------------|---|
| Pune Railway Station       | 7.3   |
| Pune International Airport | 4.4   |
| Phoenix Market city        | 0.3   |
| Shivaji Nagar              | 11.0  |
| Pune University            | 12.0  |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### 5.3 DESCRIPTION OF THE PROJECT AND ITS SURROUNDINGS

The Project is developed as commercial / office space along Nagar Road. The Project is surrounded by mixed use development comprising residential, retail, and commercial asset classes. The Project is spread across 10.1 acres of land. The Project has good frontage along the access road and has a relatively flat topography with no significant variations in the height of the land and has 2 entrances. The map on the following page presents location of the Project and its surroundings.



Map 5.2: Location of Project and its Surrounding Developments

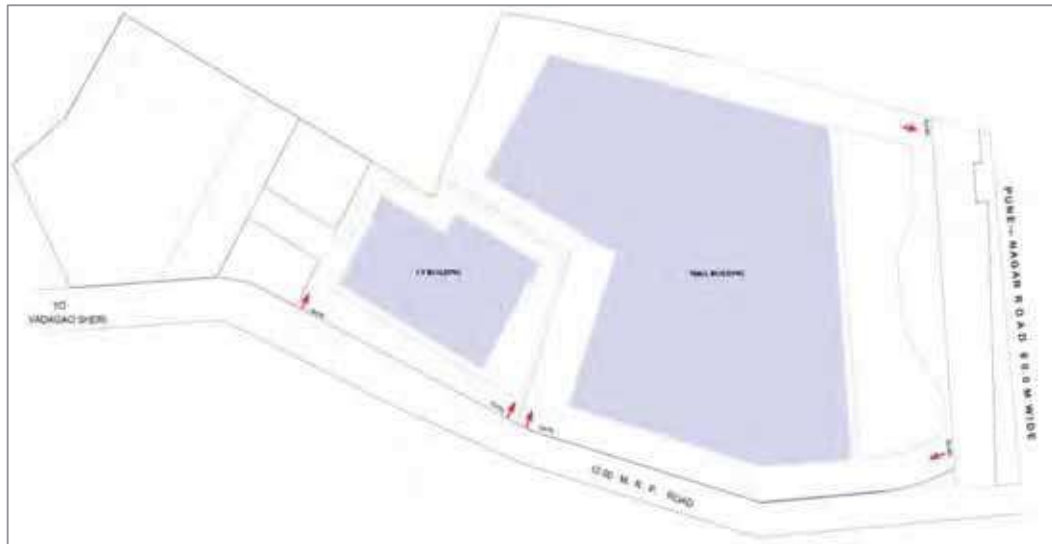


Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

Existing Metro Aqua Line and BRTS Corridor enhanced the connectivity of Project with other parts of the city and reduced travel time.

The map below presents the conceptual Layout Plan of the Project as shared by the Client.

Map 5.3: Conceptual Layout Plan for the Project



Source: Client, 31<sup>st</sup> March 2024

The table below presents the boundary/edge conditions of the Project Site.

**Table 5.3: Project Site and its Site Boundaries**

|       |                                      |
|-------|--------------------------------------|
| North | Nagar Road                           |
| South | Residential Development              |
| West  | Commercial & Residential Development |
| East  | Internal Road                        |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The Project is predominantly surrounded by commercial, residential and hospitality developments in the vicinity. Grade A commercial / office developments and premium residential developments are also present in the micro-market.

## 5.4 DESCRIPTION OF THE PROJECT

The table below presents key asset specific information.

**Table 5.4: Key Asset Specific Information of the Project – Completed Portion**

| Particulars  | Description  |
|--|--|
| Name of the Entity   | Mindspace Business Parks Private Limited   |
| Interest owned by Mindspace REIT   | 778,634 sq.ft of leasable area is owned by Mindspace Business Parks Private Limited which is 100% owned and controlled by the Mindspace REIT <sup>1/</sup> |
| Land Extent of Project (included Completed, under-construction and future development) | ~10.1 acres  |
| Asset Type   | IT Park (Non-SEZ buildings)  |
| Sub-Market   | SBD East   |
| Approved and Existing Usage  | Commercial Building - Office<br>IT Building - IT   |
| Current Status   | IT Building – Completed and Operational<br>Commercial Building – Completed and Operational   |
| Approvals Status   | List of approvals are specified in annexure 4  |
| Freehold/Leasehold   | The underlying land is taken on freehold basis   |
| Leasable Area  | 0.78 mn sq. ft.  |
| Occupied Area  | 0.78 mn sq. ft.  |
| Committed Area   | 0.78 mn sq.ft  |
| Occupancy <sup>2/</sup>  | 100.0%   |
| Committed Occupancy <sup>3/</sup>  | 100.0%   |
| Number of Tenants  | 4  |

<sup>1/</sup> Refer company structure set out in Annexure 1

<sup>2/</sup> Occupancy refers to proportion of area leased, which is actively occupied by the tenants/occupiers

<sup>3/</sup> Committed occupancy also includes area, which has been pre-leased to tenants/occupier







## 5.5 PROJECT INSPECTION

The Project is part of a larger campus having total leasable area of 778,634 sq. ft. spread across One IT Building and One Commercial Buildings. Both buildings are completed & operational. They are non-SEZ buildings. The Project was inspected by the Valuer on 26 March 2024.

The inspection comprised visual inspection of operational buildings comprising the property and visits to key utility areas like LT Electric Room, Pump Room, HVAC installations, Power Back up, STP. The common areas within the buildings were visited on a sample basis as the areas under tenant occupation had access restriction.

The visual inspection of the buildings did not reveal any cause of concern with no visible signs of any disrepair or ill maintenance within the operational buildings. The utility areas also appeared well maintained, visually. No instances of any major logging or water accumulation were observed during the inspections. The inspections did not comprise any structural survey, technical/engineering review or safety audit and the assessment of the condition of the building, its utilities and campus infrastructure is based completely on visual survey.

Some of the photographs of the Project and surroundings are given below.

|   |  |
|---|--|
|   |   |
| External View of Commercial Building  | External View of Commercial Building   |
|  |  |
| External View of IT Building  | View of entrance   |
|  |  |
| View of Services  | View of Parking  |

|  |   |
|--|---|
|   |   |
| View of Terrace area   | View of Terrace area  |
|   |   |
| View of common areas   | View of common areas  |
|  |  |
| View of Internal areas   | View of Internal areas  |

## 5.6 OTHER RELEVANT INFORMATION RELATED TO THE PROJECT

### Developable Area of the Project

The total site area of the project is ~10.1 Acres with total leasable area of 0.78 Mn sq ft under 2 Buildings (1 IT Building and 1 Commercial Building)

### Site Services and Finishes

The visual inspection was done for all the buildings including common areas and key utility areas such as LT Electric Room, Pump Room, STP, Chillers, HVAC Installations etc. As per the visual survey there was no concern related to finishes and site services. The campus is well maintained with proper landscaping in common areas.

### Condition and Repairs

The visual inspection was done for all the buildings including common areas and key utility areas such as LT Electric Room, Pump Room, STP, Chillers, HVAC Installations etc. The inspection of key utility areas was done on a sample basis, and it did not reveal any cause of concern or ill maintenance in any of the operational buildings. Only some of the lifts in commercial building are gone under maintenance.

### Environmental Considerations

The Valuer has not carried out any investigations or tests or been supplied with any information from the Client or from any relevant expert that determines the presence or



otherwise of pollution or contaminative substances in the subject or any other land (including any ground water).

For the purpose of assessing the vulnerability of the Project to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Pune where the Project is located falls in Seismic Zone III with moderate risk. The city faces low risk in terms of high winds or cyclones too. The Project is not likely to face any higher risk than the overall risk profile of the city. No hazardous activity was noted in the vicinity of the Project, which may expose it for any induced disaster.

The Project is located at a relatively higher elevation compared to its immediate surroundings, indicating low risk of flooding and perennial water logging.

### **Option or Pre-Emption Rights and Encumbrances**

Unless disclosed and recorded by the Client, the Project is considered to possess a good and marketable title and is free from any unusually onerous encumbrances with no option or pre-emption rights in relation to the assets except for those created in favor of the lenders, based on the information given in the Title Reports prepared by Hariani & Co. (hereinafter collectively referred to as 'Legal Counsel'). The Valuer has not checked and verified the title of the Project.

### **Revenue Pendencies**

On the basis of the Title Reports prepared by the Legal Counsel and discussion with the Client, there are no revenue pendencies including local authority taxes associated with the Project or any compounding charges. No independent verification of this has been made from revenue authorities and reliance has been made on the Client information for the same.

### **Material Litigation**

Based on discussions with the Client and Title Reports shared, there are no material litigation including tax disputes other than the litigation disclosed to the Valuer (which are specified in Annexure 7), relating to the Project or any compounding charges..

## **5.7 TENANCY ANALYSIS**

### **Tenant Profile of Top Tenants for Completed Project**

As on 31<sup>st</sup> March 2024, Project Site has 4 tenants (for office space) which include companies like Bajaj Finserv Health Limited, Fiserv India Pvt Ltd, Amazon and ADP Pvt. Ltd.

The top Tenants as per Leasable areas is listed below: -

Table 5.5: Tenants arranged as per Leasable areas\*

| Sl. No. | Tenant                       | Leasable Area |
|---------|------------------------------|---------------|
| 1       | Fiserv India Private Limited | 333,021       |
| 2       | ADP Private Limited          | 252,402       |
| 3       | Bajaj Finserv Health Limited | 97,000        |
| 4       | Amazon                       | 96,211        |
|         | Total                        | 778,634       |

\* Includes contracted areas for which rent may start at a future date

The top Tenants as per Gross Rents are listed below: -

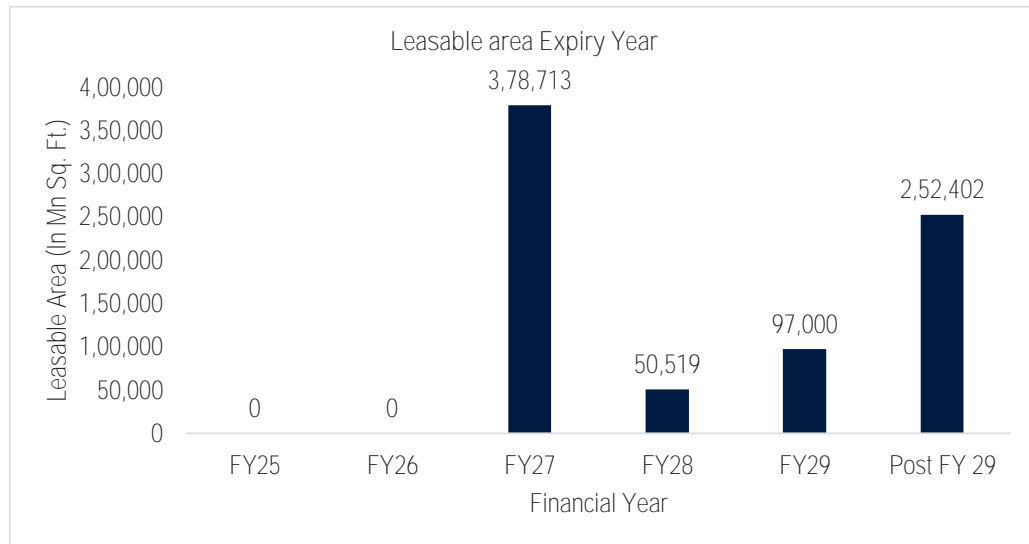
**Table 5.6: Tenants arranged as per Gross Rentals\***

| Sl. No. | Tenant                       | Share of Gross Rentals |
|---------|------------------------------|------------------------|
| 1       | Fiserv India Pvt Ltd         | 39.3%                  |
| 2       | ADP Private Limited          | 38.6%                  |
| 3       | Bajaj Finserv Health Limited | 11.9%                  |
| 4       | Amazon                       | 10.2%                  |
|         | Total                        | 100.0%                 |

\* Includes contracted areas for which rent may start at a future date

### **Lease Expiry Analysis**

The WALE of the property is 4.4 years, with ~67.6% of occupied area expiring between FY 2025 and FY 2029 as shown in the chart below:



Source: Analysis, 31<sup>st</sup> March 2024

### **Escalation Analysis**

The leases of the Project Site have typically seen rental escalation of 4.5% every year or 15.0% every 3 years.



## 6 MARKET SCAN OF THE CITY AND THE MICRO-MARKET

### 6.1 INTRODUCTION

The valuation exercise takes into account the market performance and various other indicators that are relied upon the industry report which has been prepared by Jones Lang LaSalle India Property Consultants, who are appointed as an independent consultant by the Client.

### 6.2 CITY OVERVIEW

Pune is popularly known as the 'Queen of Deccan India' which has ranked within the top 20 cities globally in JLL's City Momentum Index (CMI) since 2017. Pune has now been declared as the largest city in the state of Maharashtra in terms of geographical area coverage. The city has been a major educational hub since many decades having presence of premium educational institutes in the country. Pune is also an important industrial hub having presence of prominent foreign as well as domestic automobile, automobile ancillaries and electronics manufacturers. Attractive demographics and readily available skilled workforce have attracted corporates from various sectors like IT/ITeS, manufacturing/industrial, BFSI, consulting etc. to have their set-up in the city. Other drivers like proximity to Mumbai, good connectivity through air, rail and roads, flow of Foreign Direct Investments (FDIs) have been instrumental in its growth. The city was also ranked 2nd among the top three best Indian cities (along with Hyderabad and Bengaluru) in Mercer's Quality of Living Rankings, 2023. All the above factors, in addition to large-scale urban infrastructure upgrade currently underway in Pune, have made it one of the most attractive real estate investment hubs in the state of Maharashtra after Mumbai.

### 6.3 INFRASTRUCTURE INITIATIVES

Pune is currently undergoing three major infrastructure development projects. Pune Metropolitan Region Development Authority (PMRDA), Maharashtra Metro Rail Corporation Limited (MMRC), Pune Municipal Corporation (PMC), Maharashtra State Road Development Corporation (MSRDC) and City and Industrial Development Corporation of Maharashtra (CIDCO) are involved in the development of Pune Metro Line 3, Pune Metro Line 1 and 2, Pune Ring Road and New International Airport at Purandar, respectively. Another infrastructure project – Mula Mutha Rejuvenation Project, has been passed for execution in the central part of the city.

#### Existing infrastructure

Table 6.1 Existing Infrastructure in the City

| Existing Project           | Completion timeline         | Details  | Key impact zones                                   |
|----------------------------|-----------------------------|--|--|
| Pune International Airport | 2004-05                     | It is a Military as well as Public airport owned by the Indian Airforce and operated by AAI. | Viman nagar, Yerawada, Kalyani nagar, Kharadi      |
| Pune Junction              | Opened: 1858, Rebuilt: 1925 | One of the major junctions in Maharashtra connecting Pune to all the major cities of India.  | Bund garden road, Camp, Koregaon park              |
| Swargate bus depot         | 1976                        | Contains inter-city and intra-city transportation facilities.                                | Core Pune area / Peth areas                        |
| Pune - Mumbai expressway   | 2002                        | India's first 6-lane wide concrete, access-controlled tolled expressway. Distance – 94.5 km; | Bavdhan. Pashan, Baner, Balewadi, Hinjewadi, Wakad |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### **Upcoming Infrastructure**

**Proposed Pune Ring Road** - The proposed Outer Ring Road in Pune will be developed as an eight-lane expressway with a total length of approximately 140 km. It will be developed through a public-private partnership (PPP), and the project will be divided into two parts. The first part will be a 74.08-km stretch from Urse, located on the Yashwantrao Chavan Expressway, to Shivare on the Pune-Satara National Highway, which will be referred to as the Eastern Ring Road. The second part will be a 65.45-km stretch from Shivare to Urse, known as the Western Ring Road. Six key highways passing through the city will be linked to the proposed Ring Road, namely Pune-Bengaluru highway (NH-48), Pune-Mumbai highway (NH-48), Pune-Nashik highway (NH-60), Pune-Solapur highway (NH-65), Pune-Ahmednagar highway (NH-753F) and Pune-Saswad Palkhi Marg (NH-965). According to the proposed alignment, the Ring Road will feature eight flyovers, four bridges over railroad tracks, seven viaducts, 14 underground roads and 13 tunnels. A total of 1,900 hectares of land will be acquired from 87 villages encircling the city, with the total estimated cost of the project being INR 18,000 crore. The expected completion of the Outer Ring Road in Pune is December 2026.

**New Airport Terminal at Lohegaon and Proposed International Airport** - A new terminal of around 500,000 sq ft, next to the existing Pune International Airport terminal in Lohegaon, was inaugurated on 10th March 2024 by PM Narendra Modi through a virtual platform. After missing successive deadlines set by the Airports Authority of India (AAI), the new terminal building at Pune International Airport is now complete and open for public use. The new terminal has been integrated with the existing terminal, taking the total built-up area to 750,000 square feet, and the combined passenger handling capacity to 16 million passengers per annum. The new terminal is equipped with three gates each for departure and arrival, which aims to reduce the crowd congestion experienced in the older facility. A new airport, Chhatrapati Sambhaji Raje International Airport, was supposed to be constructed in Purandar Taluka, but the Ministry of Defence cancelled the No Objection Certificate it issued in August 2021, and the project has been put on hold.

**Mula Mutha Rejuvenation Project** - Another infrastructure project namely Mula Mutha Rejuvenation Project, has been proposed for development. The rejuvenation project, modelled on the Sabarmati riverfront in Ahmedabad includes the development of 44 km of river stretch, including 22.2 km of Mula river, 10.4 km of Mutha river and 11.8 km of Mula-Mutha river. Work on two stretches (13 km) from Sangamwadi to Bund Garden and Bund Garden to Mundhwa bridge has been started. Also, a 300m sample stretch has been completed to showcase it to the authorities.

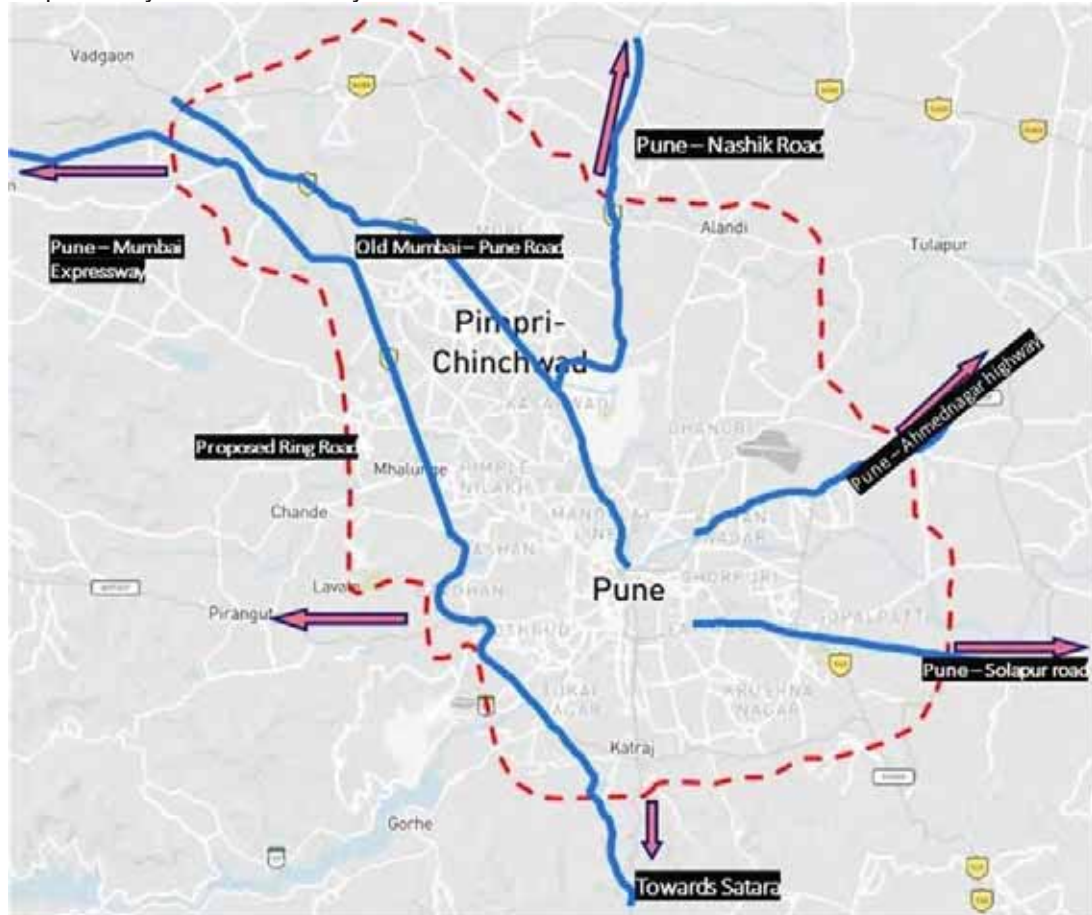
Table 6.2 Upcoming Infrastructure in the City

| Upcoming Project               | Completion timeline | Details  | Key Impact Zones  |
|--------------------------------|---------------------|--|---|
| Pune Ring Road                 | May 2026            | Eight-lane expressway with total length of 173 km. Land acquisition work is under progress. It would be developed using a PPP model in 4 parts.  | Talegaon Dabhade, Hinjewadi, Mahalunge, Sus, Lavale, Bhugaon, Bavdhan, Warje, Shivane, Dhayari, Kondhwa, Loni Kalbhor, Manjari, Wagholi, Alandi, Chakan |
| New Airport Terminal, Lohegaon | Dec 2023            | The total built-up area of new terminal is 500,000 sq ft, which after integration with the old terminal will be an area of 750,000 sq ft with a total passenger handling capacity of 16 mn passengers per annum (MPPA) | Viman nagar, Yerawada, Kalyani Nagar, Kharadi, Wagholi.   |

|                                 |            |   |   |
|---------------------------------|------------|---|---|
| Mula Mutha Rejuvenation Project | March 2025 | Development of 44 km of river stretch, including 22.2 km of Mula river, 10.4 km of Mutha river and 11.8 km of Mula-Mutha river. | Sangamwadi, Bund Garden, Koregaon Park, Mundhwa, Kalyani nagar, Wadgaon sheri, Kharadi, Shivaji nagar, J.M Road, Deccan |
|---------------------------------|------------|---|---|

### **Pune – Key roads in the city**

Map 6.1 Key Roads in the City



Source: Real Estate Market Research & Analysis; JLL, 31st March 2024

### **Upcoming Metro Rail Lines**

**Pune Metro Lines** - The Pune Metro Rail has three lines under construction with a total coverage of 54.58 km. Line 1 will run from PCMC Building to Swargate, and Line 2 will run from Vanaz to Ramwadi. Both lines are being implemented by MahaMetro and the Central Government in a 50:50 joint venture. Both lines are partially operational: Line 1 is operational from PCMC Bhavan to Shivaji Nagar, and Line 2 is operational from Vanaz to Ruby Hall Clinic. The extended stretches were inaugurated on 1 August 2023. Currently, Pune Metro Line 1 is in the final stage of completion, expected to become fully operational by the end 2024. As of March 2024, the entire stretch of Pune Metro Line 2 from Vanaz to Ramwadi has become operational. Line 3, which will run from Megapolis Circle in Hinjewadi IT Park Phase 3 to Shivaji Nagar, is being constructed through a public-private partnership involving Pune Metropolitan Region Development Authority and Tata-Siemens. Construction has begun, and the route is expected to be completed by 2026–27. The proposed extension of Pune Metro Line 1 from Swargate to Katraj, which will be completely underground, has been approved by the civic body and is expected to be operational by 2027.

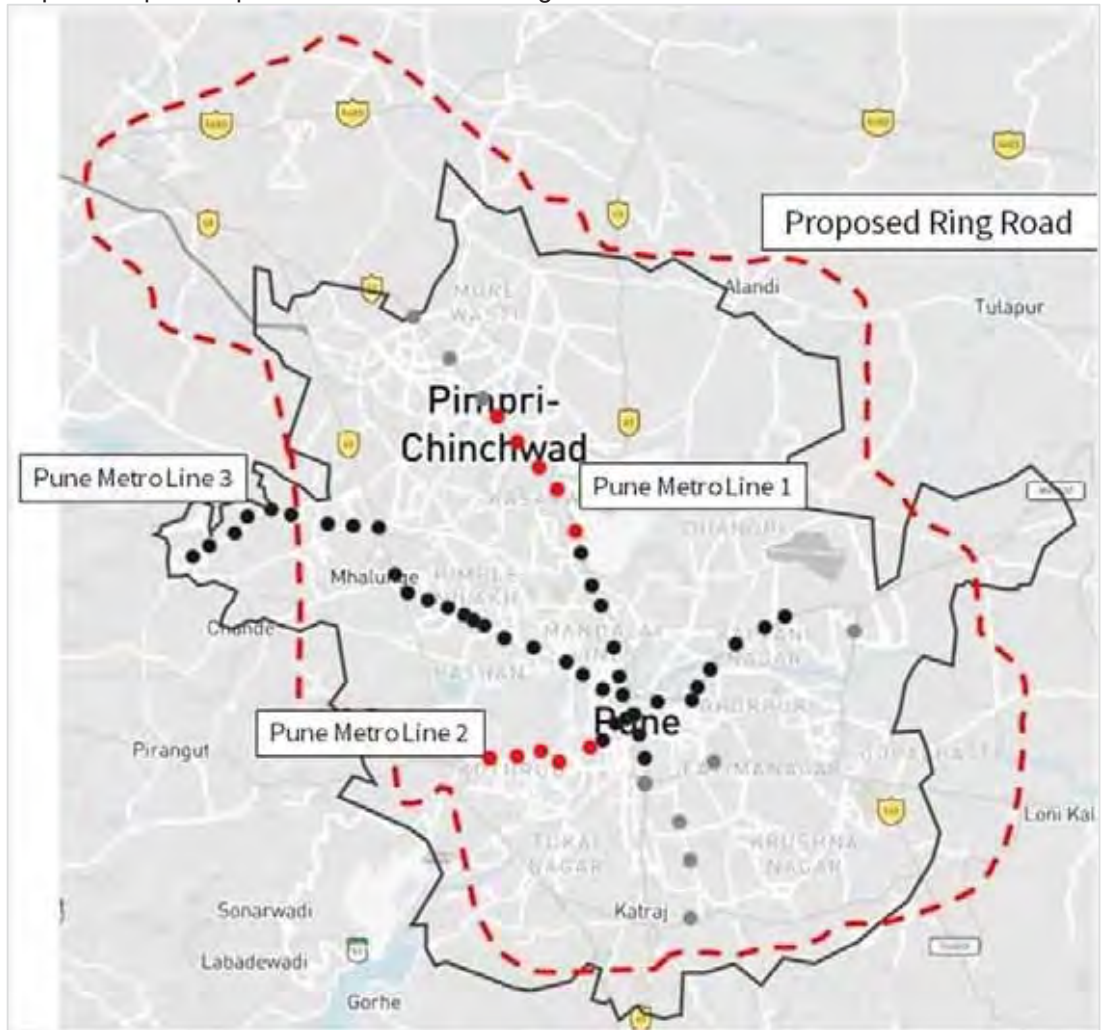
**Upcoming Metro Rail Lines****Table 6.3 Upcoming Metro in the City**

| Upcoming Project                       | Completion timeline   | Details  | Key impact zones  |
|--|---|--|---|
| Pune Metro Line 1 or Purple line       | PCMC Bhavan to Shivajinagar – August 2023.<br>Entire line – 2024. | Will run from PCMC Bhavan to Swargate.<br>Total length: 16.6 km.<br>No. of stations: 14 out of which 9 stations are elevated and 5 stations are underground.<br>Proposed extension: Swargate to Katraj and PCMC Bhavan to Nigdi. | Pimpri, Chinchwad, Kasarwadi, Pimple Gurav, Sanghvi, Khadki, Range Hills, Shivajinagar, Peth areas (Old Pune).                                  |
| Pune Metro Line 2 or Aqua line         | Entire line operational – March 2024.                             | Will run from Vanaz to Ramwadi.<br>Total length – 14.7 km.<br>No. of stations – 16 (all elevated).<br>Proposed extension – Ramwadi to Wagholi.   | Kothrud, Erandwane, Deccan Gymkhana, J.M Road, PMC Bhavan, Pune Junction, Bund Garden Road, Yerwada, Kalyani nagar, Viman nagar, KharadiYerwada |
| Pune Metro Line 3 or Metropolitan line | 2026-27   | Will run from Megapolis circle in Hinjewadi Phase 3 to Civil court in Shivaji nagar.<br>Total length – 23.3 km.<br>No. of stations – 23 (all elevated)   | Hinjewadi Phase 1,2,3, Wakad, Balewadi, Mahalunge, Baner, Aundh, Pune university, Ganeshkhind road, Shivajinagar.                               |

Source: Real Estate Market Research &amp; Analysis; JLL, 31st March 2024

**Pune - Map of upcoming metro lines and proposed ring road**

Map 6.2 Map of Proposed Metro Line and Ring Roads



Source: Real Estate Market Research & Analysis: JLL, 31st March 2024



## 6.4 PUNE - OFFICE SUB MARKETS

The office sub-markets of Pune City are classified into six micro markets based on the market trend as mentioned below.

Table 6.4 Pune Commercial Micro-markets

| Submarket    | Locations  | Map of Pune office market |
|--------------|--|---------------------------|
| CBD          | Camp, Station Road, Raja Bahadur Mills Road, Dhole Patil Road, Bund Garden Road, Sangamwadi, Koregaon Park, Fergusson College Road, Ganesh Khind Road, Senapati Bapat Road, Shivaji Nagar, Wakdevwadi, Shankar Seth Road |                           |
| SBD East     | Airport Road, Jail Road, Yerawada, Nagar Road, Viman nagar, Kalyani Nagar, Kharadi, Hadapsar   |                           |
| SBD West     | Aundh, Baner, Balewadi, Bavdhan, Nanded Phata, Kothrud, Erandwane, Warje   |                           |
| Suburbs East | Fursungi, Wagholi  |                           |
| Suburbs West | Hinjewadi, Pimple Saudagar, Pimpri, Chinchwad, Bhosari.  |                           |

Source: Real Estate Market Research & Analysis; JLL, 31st March 2024

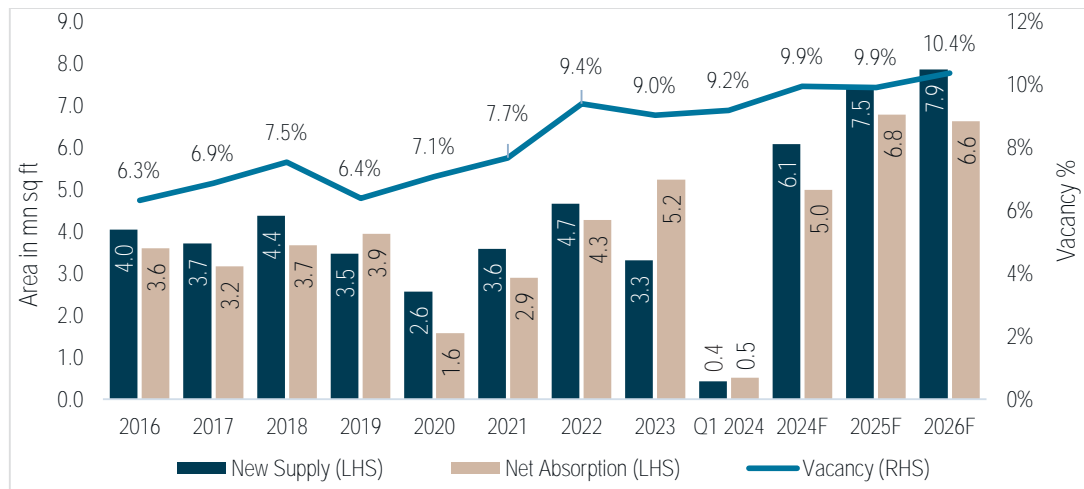
### Leasing Activity

#### City Market Trends

Table 6.5 City Market Trends

| Micro Market | Total Stock (mn sq ft) | Net Absorption (mn sq ft) |                        |                        | Vacancy % |                        |                        |
|--------------|------------------------|---------------------------|------------------------|------------------------|-----------|------------------------|------------------------|
|              |                        | Q1 2024                   | Q4 2023 (Q-O-Q Change) | Q1 2023 (Y-O-Y Change) | Q1 2024   | Q4 2023 (Q-O-Q Change) | Q1 2023 (Y-O-Y Change) |
| Overall      | 78,784,210             | 504,812                   | -72.0%                 | -67.1%                 | 9.2%      | 20 bps                 | -40 bps                |
| CBD          | 6,487,236              | 0                         | -100%                  | -100%                  | 3.2%      | 0 bps                  | -300 bps               |
| SBD East     | 44,187,635             | 364,889                   | -70%                   | -63%                   | 7.1%      | 80 bps                 | -60 bps                |
| SBD West     | 11,395,869             | 135,969                   | -75%                   | -62%                   | 7.0%      | -120 bps               | 190 bps                |
| Suburbs East | 1,882,000              | 0                         | NA                     | NA                     | 28.5%     | 0 bps                  | 1020 bps               |
| Suburbs West | 14,831,469             | 3,954                     | +119%                  | -98%                   | 17.2%     | -60 bps                | -150 bps               |





Source: Real Estate Market Research & Analysis; JLL, 31st March 2024

Pune's office market activity was sluggish in Q1 2024. Net absorption of 0.5 mn sq ft was recorded in Q1 2024, which was largely driven by fresh leasing in existing office stock. Majority of the net absorption in Q1 was contributed by SBD East sub-market which accounted for a 72% share followed by SBD West with a share of 27%. Suburbs West recorded a minimal net absorption with a share of 1% whereas Suburbs East and CBD sub-markets did not witness leasing activity in Q1.

Gross leasing of around 1.81 mn sq ft was recorded during the quarter, up by 41.4% y-o-y. Healthy pre-commitments were witnessed in the upcoming projects which accounted for a share of 48% in the total gross leasing of Q1 2024. Pre-commitments of around 0.87 mn sq ft took place all of which were signed by co-working players. Gross leasing activity in the quarter was largely driven by the co-working segment with an occupier share of around 49.6%, followed by manufacturing/industrial and IT/ITeS segments with occupier shares of 24.0% and 22.4%, respectively.

The occupier share of IT/ITeS has declined while correspondingly the share of co-working operators in the leasing activity has increased. This is because the corporates especially in the IT/ITeS segment require a more flexible work set-up in times of uncertainty and for more dynamic portfolio planning. Co-working operators like Table Space, Smartworks, WeWork, Indiqube, Redbrick etc. are the key players in the Pune office market.

In Q1 2024, majority of the key transactions are by the co-working players leasing space for their managed offices. Some of the notable transactions in Pune in Q1 2024 include – Smartworks pre-leased the entire building named Autograph of 550,000 sq ft in Balewadi, Faurecia leased 190,000 sq ft in Capitaland Nalanda in Hinjewadi, Redbrick pre-leased 168,000 sq ft in Panchshil Avenue in Kalyani Nagar and Smartworks pre-leased the entire building named Solitaire Business Hub III of 150,000 sq ft in Balewadi.

### **Vacancy**

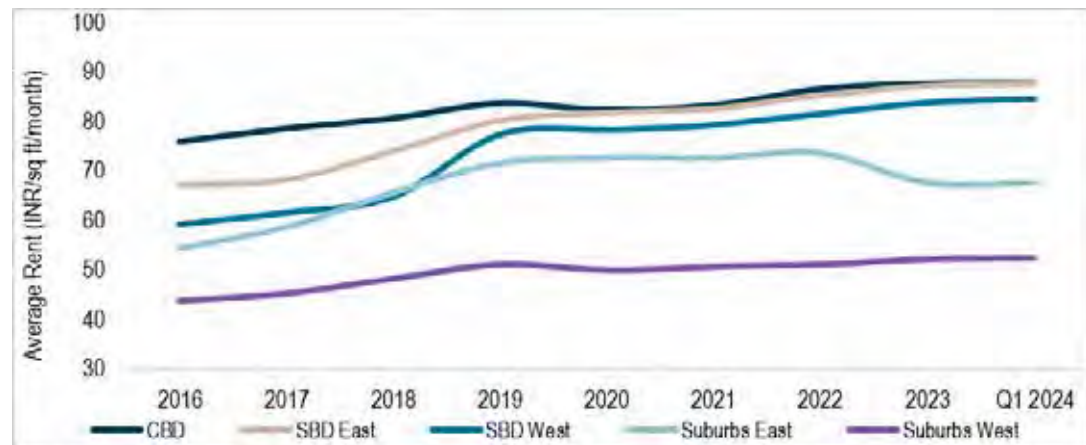
The overall vacancy rate of the Pune office market in Q1 2024 settled at 9.2%, up by 20 bps q-o-q whereas down by 40 bps y-o-y. The quarterly increase in the vacancy rate was due to the new supply addition in the market and a comparatively low net absorption. In Q1 2024, the CBD submarket recorded the lowest vacancy rate in the city of 3.2%, which was stable q-o-q, whereas it declined by 300 bps y-o-y, mainly because there is no new supply addition in the sub-market in the last 5-6 quarters and the existing buildings have low availability of office space. SBD West sub-market has a vacancy rate of 7.0% in Q1 2024, down by 120 bps q-o-q as there has been limited supply addition in the sub-market and the existing stock has limited available space. SBD East sub-market has a vacancy rate of 7.1% in Q1 2024, up by 80 bps

q-o-q, whereas down by 60 bps y-o-y. This sub-market has been the favoured sub-market in terms of healthy supply as well as demand and thus enjoys a stable vacancy range. Suburbs East sub-market recorded the highest vacancy rate in the city of 28.5% in Q1 2024, which was stable q-o-q, whereas on a y-o-y basis it has increased by 1020 bps. Suburbs West sub-market has a vacancy rate of 17.2% in Q1 2024, down by 60 bps q-o-q, as well as on a y-o-y basis it was down by 150 bps.

### Submarket Rents

Table 6.6 Submarket Gross Rents

|              | Gross Rent (INR/sq ft/PM) GFA |              |              |
|--------------|-------------------------------|--------------|--------------|
|              | Q1 2024                       | Q-o-Q Change | Y-o-Y Change |
| Overall      | 80.1                          | 0.6%         | 2.4%         |
| CBD          | 87.9                          | 0.2%         | 1.4%         |
| SBD East     | 87.6                          | 0.4%         | 2.1%         |
| SBD West     | 84.6                          | 0.9%         | 3.1%         |
| Suburbs East | 67.8                          | 0.0%         | -8.1%        |
| Suburbs West | 52.5                          | 0.5%         | 2.4%         |



Source: Real Estate Market Research & Analysis; JLL, 31st March 2024

*Note : Mindspace REIT micro markets, the rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 10% depending upon negotiations, final structuring of the lease agreement and other parameters.*

The overall average rents in the city in Q1 2024 settled at INR 80.1 per sq ft per month, up 0.6% q-o-q as well as 2.4% y-o-y. In Q1 2024, CBD sub-market recorded the highest average rent in the city at INR 87.9 per sq ft per month, closely followed by SBD East sub-market which is INR 87.6 per sq ft per month. Average rents in the Suburbs West sub-market are the lowest in the city, which is INR 52.5 per sq ft per month in Q1 2024. Average rent in SBD West and Suburbs East sub-markets in Q1 2024 settled at INR 84.6 and INR 67.8 per sq ft per month. Rental growth in Q1 2024 was witnessed in all the sub-markets except for the Suburbs East sub-market. The city witnessed healthy rental growth every quarter till 2019, however, since 2020, the rents have largely remained stable with marginal growth every quarter.

Prominent projects in the CBD sub-market like ICC Tech Park, ICC trade tower and ICC Pavillion on Senapati Bapat Road have rents in the range of INR 115-125 per sq ft per month, whereas AP81 in Koregaon Park has rent in the range of INR 90-100 per sq ft per month which are higher than the sub-market average rent. SBD East sub-market has the highest share of grade A stock with a large share of premium projects like World trade centre, Eon Free Zone, Gera Commerzone, International Tech Park Pune in Kharadi and Panchshil Business Park in Viman nagar that command rents higher than the sub-market and overall city average. Suburbs West has limited grade A office leasable stock which is majorly owned by institutional players and that is mainly SEZ in nature. This and factors like poor connectivity to the city

centre and lower land prices has kept the rents of the sub-market competitive compared to the city..

### **New supply**

In Q1 2024, Pune witnessed completion of one office project namely Gera Commerzone STPI – Building 1 in Kharadi in the SBD East sub-market, which added a new supply of around 0.77 mn sq ft to the total Grade A stock of the city. The project had no pre-leasing during the time it got operational. However, there was withdrawal of 0.34 mn sq ft of projects which were downgraded to Grade B. Thus, the net increase in the total stock was 0.43 mn sq ft. The new supply is entering the city's office market in a slow and steady pace as the pre-commitment levels are low. However, in Q1 2024, a healthy pre-leasing of 0.87 mn sq ft was witnessed in the upcoming projects unlike the previous 2-3 quarters where pre-leasing did not take place.

### **Outlook**

Pune expects a total new supply of 6.42 mn sq ft in 2024, out of which 0.77 mn sq ft has become operational in Q1 2024. The pre-commitment level in the upcoming projects in 2024 is around 5-10% whereas it is around 10-15% in the upcoming projects in 2025. Some of the key completions in the city by the end of 2026 include Amar AP4 Phase 1, Panchshil Business Hub – S.no 40, International Tech Park Pune - Block 2, Keppel Kohinoor upcoming project in Kharadi, EON West Phase 1 in Wakad and Godrej Centre in Koregaon Park. Between the period Q2 2024 to end-2026, Pune office market is likely to see total new supply of 21 mn sq ft, out of which majority supply, comprising around 50% belongs to SBD East submarket which is followed by CBD sub-market which constitutes around 20-25% of the total supply. CBD sub-market has not witnessed a substantial new supply since Q1 2022. Thus, with the introduction of new supply of around 5 mn sq ft over the next three years, demand as well as rentals in the sub-market are expected to increase. This new supply in CBD sub-market is by prominent developers like RMZ Corp, Godrej, Amar builders and Poonawalla Group etc. Majority of the new supply in the next three years is located in the Kharadi micro-market in SBD East is by prominent developers like K Raheja Corp, Capitaland Group, Panchshil Realty, Keppel land and Kohinoor, Amar builders etc. Similarly, Suburbs West sub-market expects a limited but premium quality supply in the next three years with the completion of EON West Phase 1 and Phoenix Millennium Towers in Wakad. These projects are expected to drive the rental growth the sub-market in the coming years.

The demand is expected to grow at a slow and steady pace in 2024 and 2025. The premium quality upcoming supply that will be entering the market in 2025 and 2026 is likely to command higher rentals, and thus is expected to drive the rental growth in the city.

## 6.5 MICRO MARKET : SECONDARY BUSINESS DISTRICT EAST

The Square, Nagar Road project lies in the Secondary Business District East.

### Supply, Demand Trend

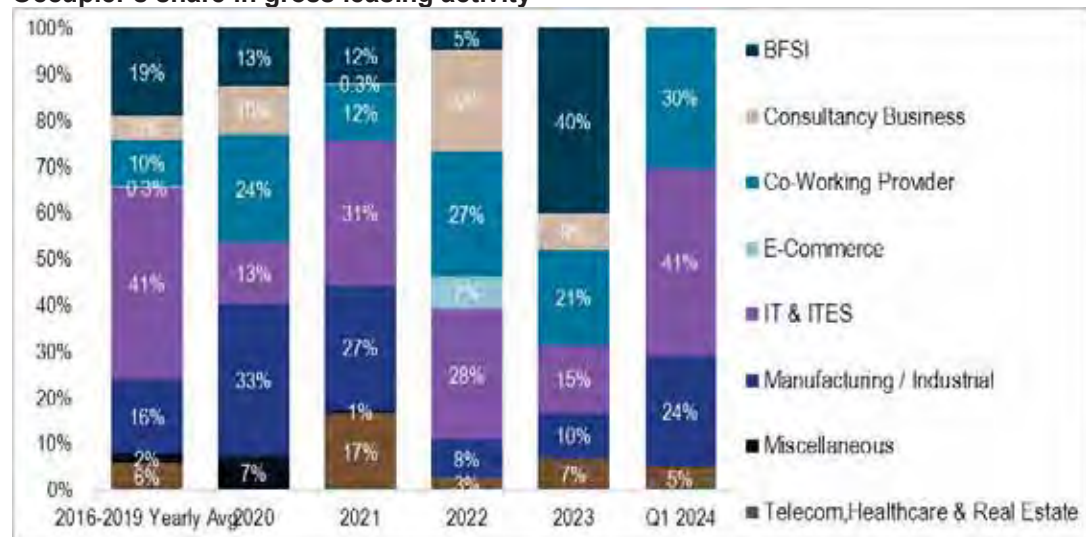
#### Total Completions, Net Absorption and Vacancy Rate



Source: Real Estate Market Research & Analysis; JLL, 31st March 2024

### Leasing activity

#### Occupier's share in gross leasing activity



Source: Real Estate Market Research & Analysis; JLL, 31st March 2024

SBD East comprises key micro-markets like Yerawada, Kalyani Nagar, Viman Nagar, Kharadi and Hadapsar. It has accounted for around 72% of the total net absorption in the city in the first quarter of 2024, whereas, in 2023 it accounted for around 70% of the total annual net absorption. This highlights the occupiers' preference for the sub-market. It recorded a net absorption of 0.36 mn sq ft in Q1 2024, which was down by 70% q-o-q as well as down by 63% y-o-y. The net absorption comprised new leasing and exits. The sub-market witnessed a gross leasing volume of 0.65 mn sq ft in Q1 2024, which was driven by the IT/ ITeS segment

with an occupier share of 41%, followed by co-working and manufacturing/industrial segments with occupier shares of 30% and 24%, respectively. Some of the notable transactions in the submarket include Redbrick pre-leasing 168,000 sq ft in Panchshil Avenue in Kalyani Nagar, Vertiv leasing 91,661 sq ft in Sky One Corporate Park Tower A in Viman Nagar, Amdocs taking up 76,531 sq ft in Magarpatta Cybercity in Hadapsar and Coforge leasing 50,000 sq ft in Shanti One in Yerawada. This thus indicates that SBD East is a very dynamic micro-market which is preferred by various tenant industries, mainly BFSI and IT/ITeS GCCs, thus attracting majority demand in the city. This is due to the availability of premium grade supply by institutional players along with green certifications which are now a key ask from global occupiers. In the recent quarters, co-working segment is also seen increasing its footprint in the sub-market.

### **Supply**

The entire new supply that entered the Pune Office market in Q1 2024 was witnessed in the SBD East submarket. Gera Commerzone STPI – Building 1 in Kharadi got completed in Q1 2024, thus adding a new supply of 0.77 mn sq ft to the total Grade A stock of the sub-market. However, there was a withdrawal of 0.17 mn sq ft due to a project downgrade. Thus, the net increase in the total stock of SBD East submarket was 0.60 mn sq ft.

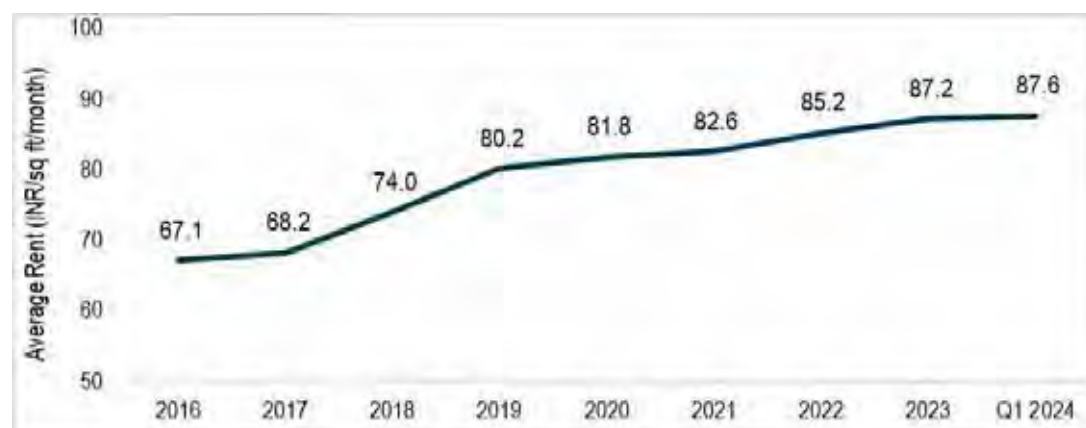
### **Vacancy**

Vacancy in Q1 2024 in the SBD East sub-market settled at 7.1%, up by 80 bps q-o-q from 6.3% in Q4 2023, due to the new supply entering the sub-market. This sub-market has been the favoured sub-market in terms of healthy supply as well as demand and thus enjoys a stable vacancy range.

### **Rents**

The average rents in the SBD East sub-market in Q1 2024 settled at INR 87.6 per sq ft per month, which have seen a growth of 0.4% q-o-q as well as a growth of 2.1% y-o-y.

Premium projects along with healthy demand have kept the rentals in the sub-market strong and range bound even during the pandemic. Prominent projects in the submarket like Panchshil Business Bay and Panchshil Tech Park One in Yerawada command rents in the range of INR 120-130 and INR 110-120 per sq ft per month respectively. Panchshil Business Park in Viman Nagar commands rent in the range of INR 100-110 per sq ft per month whereas Eon Free Zone and World Trade Centre in Kharadi command rents in the range of INR 90-100 per sq ft per month. Similar quality projects like, Gera Commerzone Kharadi and ITPP Kharadi command rents in the range of INR 80-85 per sq ft per month. The lease transactions in SBD East micro-market are recorded in the range of INR 60-90 per sq ft per month. The lease transactions in SBD East where the project is located are in the range of 70-85 per sq ft per month.



*Note : Mindspace REIT micro markets, the rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 10% depending upon negotiations, final structuring of the lease agreement and other parameters.*

Source: Real Estate Market Research & Analysis; JLL, 31st March 2024



**Prominent Lease Transactions within the Micro-Market**

Below are some of the lease transactions witnessed in the micro-market

**Table 6.7: Major Lease Transactions in the Micro-Market of the Project**

| Sl. No. | Name of the Building             | Name of the Occupier | Location      | Area Leased (sq. ft.) | Lease Rental Range (INR per sq. ft. per Month) | Transacted Period |
|---------|----------------------------------|----------------------|---------------|-----------------------|--|-------------------|
| 1       | Cybercity                        | Amdocs               | Hadapsar      | 76,531                | 80   | Q1 2024           |
| 2       | Panchshil Avenue                 | Redbrick             | Kalyani Nagar | 168,000               | 100-102  | Q1 2024           |
| 3       | Phoenix Fountain Head - Tower 2  | Keyence              | Viman Nagar   | 42,000                | 70-75  | Q1 2024           |
| 4       | Cybercity Tower 12               | John Deere           | Hadapsar      | 23,400                | 90-100   | Q1 2024           |
| 5       | Shanti One                       | AWFIS                | Yerawada      | 30,000                | 75-78  | Q1 2024           |
| 6       | Sky One Corporate Park - Tower A | Vertiv               | Viman Nagar   | 91,661                | 80-85  | Q1 2024           |
| 7       | Weikfield IT Park                | IGT Solutions        | Viman Nagar   | 36,000                | 75-80  | Q1 2024           |
| 8       | Shanti One                       | Coforge              | Yerawada      | 50,000                | 65-70  | Q1 2024           |
| 9       | Suzlon One Earth                 | Figmd                | Hadapsar      | 11,000                | 70-75  | Q1 2024           |
| 10      | ITPP Kharadi Block 1             | Kanini Software      | Kharadi       | 30,000                | 85-90  | Q1 2024           |
| 11      | ITPP Kharadi Block 1             | Airtel               | Kharadi       | 32,000                | 85-90  | Q1 2024           |
| 12      | ITPP Kharadi Block 1             | HP                   | Kharadi       | 40,000                | 85-90  | Q1 2024           |
| 13      | ITPP Kharadi Block 1             | SAP                  | Kharadi       | 10,000                | 85-90  | Q1 2024           |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The lease transactions in the micro market are largely recorded in the range of INR 70 - 90 per sq. ft. per month. The lease transactions in Viman Nagar location where the Project is located are in the range of INR 70 to 90 per sq. ft per month. Market rent for The Square – Nagar Road Project has been considered in line with the achievable market rent for completed buildings at INR 78 per sq. ft per month for FY 25.

**Investment Activities within the Micro-Market**

The city has witnessed few institutional office transactions of varying size. It is observed that the transaction value is based on the nature of the development, the micro-market location, Project, and leases prevailing etc. The table below present details of few large sale transactions in major cities in India. Net yield for these transactions is arrived based on the Capital Value at which the property was transacted and rentals applicable for the same property during transaction. The net yield for such large transactions is witnessed in the range of 7.75% to 9.50%.

**Investment Activities within India**

The table below present details of few large sale transactions in major cities in India. Net yield for these transactions is arrived based on the Capital Value at which the property was transacted and rentals applicable for the same property during transaction. The net yield for such large transactions is witnessed in the range of 7.75% to 9.50%.



Table 6.8: List of transactions / deals in major cities recent past

| Sl. No | City             | Property Name              | Location                     | Micro Market                 | Leasable Area (sq. ft.)  | Capital Value (INR per sq. ft.)                        | Net Yield   | Transacted Period |
|--------|------------------|----------------------------|------------------------------|------------------------------|--|--|---|-------------------|
| 1      | Mumbai           | One BKC                    | BKC, Mumbai                  | BKC                          | ~700,000   | 35,000-36,000  | 8.00% - 8.25%   | 2019              |
| 2      | Mumbai           | Equinox Business Park      | Kurla, Mumbai                | BKC Fringe                   | ~1,250,000   | 19,000 - 20,000  | 8.25% - 8.50%   | 2018              |
| 3      | Mumbai           | Express Towers             | Nariman Point                | CBD                          | ~472,377   | 40,000 - 43,000  | 7.25% - 7.75%   | 2021              |
| 4      | Chennai          | Sandhya Info city          | Navalur                      | PBD OMR                      | ~1,418,174   | 5,500 – 6,000  | 8.00% - 8.50%   | 2021              |
| 5      | Chennai          | Global Info city           | Perungudi                    | SBD OMR                      | ~2,700,000   | 8,500 – 9,000  | 7.75% - 8.00%   | 2018              |
| 6      | Chennai          | One India bulls Park       | Ambattur                     | PBD West                     | ~1,900,000   | 4,500 – 5,000  | 8.00% - 8.50%   | 2018              |
| 7      | Hyderabad        | Phoenix aVance Building 6  | HITEC City                   | PBD West                     | ~640,000   | 7,500 – 8,000  | 9.00% – 9.50%   | 2021              |
| 8      | Hyderabad        | Phoenix Aquila Tower A     | Gachibowli                   | PBD West                     | ~1,180,000   | 8,200 - ,8700  | 8.00% - 8.25%   | 2021              |
| 9      | Hyderabad        | Waverock                   | Gachibowli                   | PBD West                     | ~2,350,000   | 7,200 - 7,700  | 8.00% - 8.25%   | 2017              |
| 10     | Pune             | E Park 2                   | Kharadi                      | SBD East                     | ~180,000   | 7,000-9,000  | 7.75% - 8.00%   | 2022              |
| 11     | Pune             | WTC Tower A                | Kharadi                      | SBD East                     | ~28,342  | 10,000-11,500  | 7.50% - 8.00%   | 2019              |
| 12     | Bengaluru        | Prestige RMZ Star Tech     | Bangalore                    | SBD East                     | ~1,370,000   | -  | 7.60% - 7.80%   | 2022              |
| 13     | Bengaluru        | Embassy Tech Village       | Bangalore                    | SBD East                     | ~9,100,000   | 9,500 – 11,000   | 8.00% - 8.25%   | 2020              |
| 14     | Gurgaon          | One Horizon Centre         | Gurgaon                      | SBD East                     | ~421,134   | 22,000 – 24,000  | 8.00% - 8.25%   | 2020              |
| 15     | Mumbai           | Godrej BKC                 | BKC                          | BKC & Annex                  | ~200,000   | 40,000 – 45,000  | 8.00 – 8.50%  | 2023              |
| 16     | Mumbai & Gurgaon | Downtown Powai & Candor G1 | Powai & Sohna Road           | Eastern Suburbs & Sohna Road | ~2,700,000 + ~3,700,000  | Enterprise value INR 11,225                            | 7.90- 8.20%   | 2023              |
| 17     | Chennai          | Embassy Splendid TechZone  | Pallavaram-Thoraipakkam Road | PBD OMR                      | ~1,400,000 (Completed) + 1,600,000 (UC) + 2,000,000 (Proposed) | Enterprise value INR 1,269 Cr. (61% economic interest) | 8.50% on the completed portion 10% on the u/c portion | 2024              |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

Project Site is **The Square IT Park** which is one of the known developments for IT/ITeS companies located in the Northeast Micro-Market at Viman Nagar in Pune City. The Project is a part of **Mindspace Business Parks REIT** (Mindspace REIT) portfolio. The location has excellent connectivity to residential locations and social infrastructure too.

The project offers Grade A space spread across one IT Building and one Commercial Building. with good amenities and facilities. This project is a preferred commercial development in this micro-market due to the quality of buildings, ease of connectivity and nature of campus

development. Considering the past transactions in the city and Project attributes in terms of size, occupancy profile, micro market trend etc. the cap rate is arrived for the Project.

The Cap Rate applied to arrive at the terminal value of the property is 8.00%.

### **Outlook**

In 2024, SBD east sub-market expects total new completions of 3.6 mn sq ft out of which 0.77 mn sq ft became operational in Q1 2024. Between the period Q2 2024 to end-2026, SBD East sub-market is likely to see cumulative new supply of 10.6 mn sq ft. Around 50% of the total upcoming supply in the city during this period (Q2 2024 to 2026F) belongs to this submarket. Key completions in this sub-market include Amar AP4 Phase1, International Tech Park Pune Block 2, Panchshil Business Hub – S.no 40, Keppel and Kohinoor upcoming project and Gera Commerzone STPI – Building 4 – all located in Kharadi. With quality supply entering the submarket in the next three years and a good number of RFPs from the BFSI, IT/ITeS and manufacturing companies – largely for GCCs and Centres of Excellence operations in the submarket, demand is expected to outshine other submarkets. Rents, therefore, are expected to see a steady growth in 2025 and 2026.

## 7 MARKET VALUE ESTIMATE

### 7.1 ADOPTED PROCEDURE

The market practice in most commercial/ office developments involves contracting tenants / occupiers in the form of pre-commitments at sub-market rent to increase attractiveness of the property to prospective tenants - typically extended to anchor tenants. Additionally, there are instances of tenants paying above-market rent for certain properties as well (primarily owing to market conditions at the time of contracting the lease). In order to arrive at a unit value for these tenancies, the Valuer has considered the impact of such sub/above market rents on the valuation of the Project.

For the purpose of this valuation exercise, the Valuer has analyzed the tenancy details provided by the Client, to identify variances vis-à-vis prevailing market/marginal rent. Each lease is assessed separately for below aspects, for the rent over a 10 year time horizon:

- The rent rolls (and the corresponding lease deeds on a sample basis) were reviewed to identify tenancy characteristics for the asset. As part of the rent roll review, major tenancy agreements belonging to top 5 tenants were reviewed on a sample basis.
- Title certificates, architect certificates and other related documents as mentioned in relevant sections of the report were reviewed for validation of area details, ownership interests of the Project.
- Physical site inspections were undertaken to assess the status of the Project.

### 7.2 CASH FLOW PROJECTIONS

The cash flows for the Project has been projected separately for each lease, to arrive at their respective value estimates.

Net Operating Income (NOI) has primarily been used to arrive at the value of the Project. The projected future cash flows from the Project are based on existing lease terms for the operational leases till the expiry of the leases or re-negotiation, whichever is earlier, following which, the lease terms have been aligned with market rents achievable by the Project.

For vacant area and under-construction/future development area, the achievable market rent-led cash flows are projected factoring appropriate lease-up timeframe for vacant/under-construction/future development area. These cash flows have been projected for 10-year duration from the date of valuation and for 11<sup>th</sup> year (for estimate of terminal value based on NOI). These future cash flows are then discounted to present-day value (valuation date) at an appropriate discount rate. Each lease is assessed separately for below aspects, for the rent over a 10-year time horizon:

- Projecting the rental income for identified tenancies up to the period of lease expiry, lock-in expiry, escalation milestones, etc. whichever is applicable. In the event of unleased spaces, market-led rent is adopted with suitable lease-up time.
- Generating a market led rental income stream for identified tenancies for the time period similar to the cash flows drawn in the aforementioned step.
- Computing the monthly income based on rent projected above and translating the same to quarterly income (for the next 10 years and 11<sup>th</sup> year is considered for calculation of terminal value).

Further, to arrive at the total value of the leased spaces (from base rentals), appropriate revenues and operational expenses are projected on quarterly basis. Some of such adjustments on revenue and operational expenses are presented in the table below:

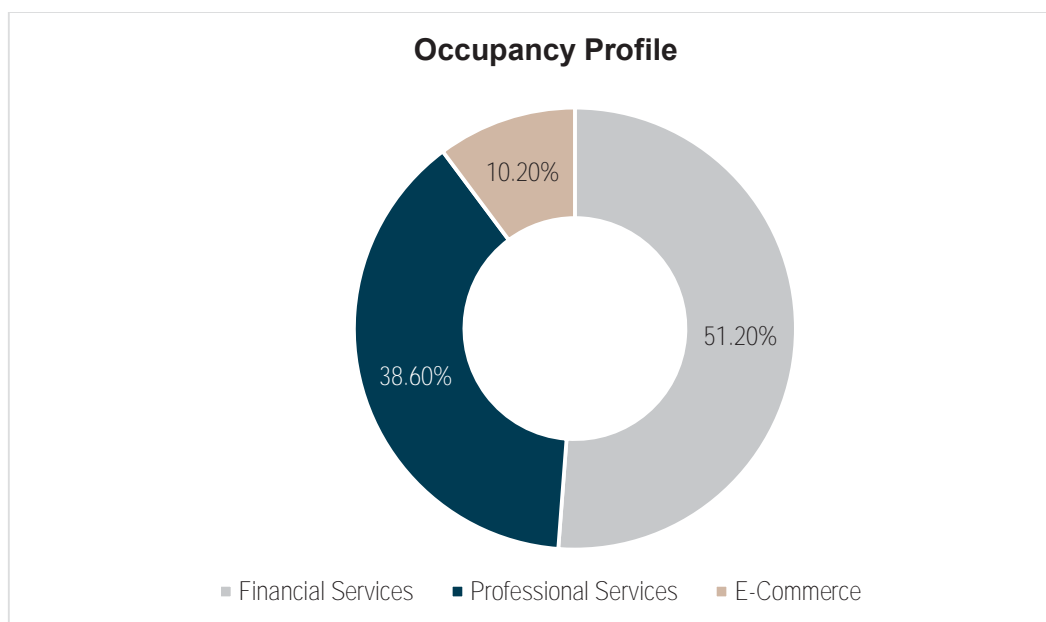
**Table 7.1: Adjustments on Revenues and Operational Expenses**

| Parameters                           | Description / Basis  |
|--------------------------------------|--|
| Parking Income                       | Based on income inputs provided by Client for the leased spaces and market assumption taken for vacant spaces  |
| Miscellaneous Income                 | Based on income inputs provided by Client for the Project  |
| Insurance                            | Based on insurance outflow (if any) provided by Client   |
| Annual Lease Rental / Property Taxes | Based on annual lease rental / property tax assessed for the Project as provided by Client   |
| Asset Management Fee                 | Considered as a recurring expense (in case of an external management team) as a percentage of the lease rental income as per the agreement between respective assets and its asset manager.  |
| Margin on CAM                        | Based on the operational revenues and expenses of the respective assets to understand the recurring, non-recurring, recoverable and non-recoverable expenses and accordingly modelled the common area maintenance income and operational expenses for the asset. |
| Revenue Escalation                   | Based on market-led annual escalation on the market rent   |
| Rent Free Period                     | Based on the trend prevalent in the submarket, appropriate rent-free periods from lease commencement date (for future / new leases) are considered   |
| Brokerage                            | Based on prevalent market dynamics, brokerage for future / new leases are considered   |
| Fit-Out Income                       | Based on fit-out rent (if any) provided by Client till lease expiry of applicable leases (same is not capitalized)   |
| Transaction Cost on Exit             | Considered as a percentage of the terminal value after aforesaid adjustments   |

### 7.3 ABSORPTION/ LEASING VELOCITY AND OCCUPANCY PROFILE

Occupancy profile of the project is as follows: -

- ~51.2% space is taken by Financial services.
- ~38.6% space is taken by Professional Services
- ~10.2% of the space is taken by E Commerce.



## 7.4 KEY ASSUMPTIONS AND INPUTS

The table below presents key assumptions and/or inputs used in the cash flow configuration used for providing Valuation of the Project.

**Table 7.2: Key Assumptions Used in the Estimate of Operational / Completed Blocks**

| Parameters                                    | Assumptions / Inputs | Remarks / Basis   |
|---|----------------------|---|
| Cash Flow Period                              |                      |   |
| Valuation Date                                | 31-March-2024        | As per workings   |
| Cash Flow Period                              | 10 years             | As per workings   |
| Cash Flow Exit Period                         | 31-March-2034        | As per workings   |
| Asset Details                                 |                      |   |
| Total Leasable Area                           | Table 5.4            | As per the information provided by the Client                     |
| Leased Area                                   | Table 5.4            | As per the information provided by the Client                     |
| Vacant Area / Vacancy                         | 0.0%                 | As per the information provided by the Client                     |
| Vacancy Allowance                             | 2.0%                 | As per market benchmarks for large scale Grade A office projects. |
| Area to be Leased                             | 00 sq ft             | As per the information provided by the Client                     |
| Rent Free Period for Existing Lease Rollovers | 2 months             | As prevalent in the micro-market                                  |
| Rent Free Period for New Leases               | 3 months             | As prevalent in the micro-market                                  |

| Parameters                                       | Assumptions / Inputs   | Remarks / Basis  |
|--|--|--|
| Construction Related Assumptions                 |  |  |
| Approx. construction Cost to be incurred (CAPEX) | 09 Mn  | CAPEX for Upgrade work, as informed by Client.   |
| Estimated Completion Date (CAPEX)                | Q1 FY 25   | As per the information provided by the Client.   |
| Estimates of already carried out major repairs   | 306 Mn   | As per the information provided by the Client.   |
| Revenue Assumptions                              |  |  |
| Lease Rentals                                    | Actual rentals as per the Rent Roll including additional charges (if any)                              | As per the information provided by the Client  |
| Rent Escalation                                  | Escalation in rentals as per the Rent Roll for the validity period of the leases i.e. 4.5% every years | As prevalent in the market it is observed that lease agreements are primarily at 4.5% rent escalations every year.   |
| Market / Marginal Rent – Office for FY 25        | INR 78.00 per sq. ft. per month  | The lease transactions in Grade A office space in the said micro market are recorded in the range of INR 70 – 85 per sq. ft. per month for last 5 years. The asking instances are observed in the range of INR 70 - 90 per sq. ft. per month. Please refer table 6.6 and 6.7<br><br>Based on the market benchmarking of recent leases on aspects such as location, size of transaction, type of development etc. the achievable rent for the Project is derived. |
| Market Rent - Car Parking Space for FY 25        | INR 2,363.00 per sq. ft. per month   | The Grade A offices offers car parking rates in the range of INR 1,500 – 3,000 per slot per month. Based on the market benchmarking of recent leased rates within the micro-market, the achievable car park rate for the Project Site is derived.  |
| Market / Marginal Rent - Food Court              | Not Applicable   |  |
| Market / Marginal Rent - Kiosk                   | Not Applicable   |  |
| Market / Marginal Rent - Terrace                 | Not Applicable   |  |
| Other Income                                     | 1.0% of base rentals   | As prevalent in the market, we consider a normalized level of other income for future. Hence, we have considered other income at 1.0% of base rental income. Other income includes components from Events, Telecom Towers, Pop-ups   |



| Parameters   | Assumptions / Inputs   | Remarks / Basis  |
|--|--|--|
| Market Rent Growth from FY 26                      | 5.0% per annum   | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5.0% per annum for the Project  |
| Parking Rent Growth from FY 26                     | 5.0% per annum   | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5% per annum for the Project  |
| Lease Tenure                                       | 9 years  | As prevalent in the market   |
| Target Efficiency                                  | 76.0%  | Recent re-leasing suggest that the Client has leased the same premises at relatively lower efficiency and received higher rentals for the same carpet area.<br>Going forward, for leases which will expire during the next 10 years, we have considered an efficiency at 76.0% or actual, whichever is lower |
| Maintenance Services Income / CAM Income for FY 25 | INR 17.27 per sq.ft per month  | As given by the Client and as prevalent in the market  |
| Operating Cost Assumptions                         |  |  |
| Brokerage - New Leases                             | 2 months receivable on base rent   | As prevalent in the market   |
| Brokerage - Renewals / Release                     | 2 months receivable on base rent   | As prevalent in the market   |
| Maintenance Services Cost for FY 25                | INR 14.72 per sq.ft per month  | As given by the Client and as prevalent in the market  |
| Property Tax for FY 25                             | INR 4.21 per sq ft per month   | As given by the Client   |
| Insurance for FY 25                                | INR 0.43 per sq ft per month   | As given by the Client   |
| Cost Escalation                                    | 3.0% per Annum   | As prevalent in the market.  |
| CAM Escalation (Income+Expense)                    | 5.0% per Annum   | As prevalent in the market.  |
| Other Assumptions                                  |  |  |
| Transaction Cost on Sale                           | 1.0% of Terminal Value   | As prevalent in the market   |
| Other Operating Expenses                           | 2.0% of Base Rent + Car Parking Charges  | As prevalent in the market   |
| Property Management Fees                           | 3.5% (Base Rent + Car Parking Charges + Fit out Rent + Other Operating Income) | As prevalent in the market   |
| Discounting Rate / WACC                            | Suggestive Discount Factor: 11.75%   | Refer Section 3.3 of this report   |
| Cap Rate for Terminal Value                        | Capitalized using long-term net yield rate of 8.0% (post yield shrinkage).     | Refer Section 3.2 of this report   |

| Parameters              | Assumptions / Inputs  | Remarks / Basis                              |
|-------------------------|---|--|
|                         | Capitalized based on the Net Cashflows of the 11 <sup>th</sup> year   |  |
| Cash Flow Configuration | Cash flows have been drawn on quarterly basis for a period of 10 years, considering both cash inflows and outflows. Cash flows of terminal year is then capitalized and adjusted with transaction costs, to arrive at terminal value. | Value assumptions as practiced in the market |

## 7.5 MARKET VALUE

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which the Valuer has no knowledge, the Market Value of the complete ownership interest in the Project comprising land and improvements thereon, as explained above, on the below mentioned dates, is as follows:

**Table 7.3: Market Value of the Project**

| Component   | Leasable Area (sq. ft.) | Market Value (INR Mn) | Percentage Share |
|---|-------------------------|-----------------------|------------------|
| Commercial / Office Space incl. Amenities - Total | 778,634                 | 9,230.47              | 100.0%           |

Note: The above-mentioned value includes proportionate undivided ownership in the Amenity Plot, Utility Areas and Internal Roads and total open spaces of the Entire Campus

With all assumptions as mentioned in this report, we are of the opinion that the Market Value of the Project comprising total leasable area of 778,634 sq. ft. of project The Square, located on Nagar Road, Pune, Maharashtra, India, 411014, as on 31 March 2024 is estimated to be **INR 9,230.47 Million (INR Nine Billion Two Hundred Thirty Million Four Hundred Seventy Thousand Only).**

**Table 7.4 Ready Reckoner Rates for the Property**

| Component                  | Ready Reckoner Rate (INR per sq.m) |
|----------------------------|------------------------------------|
| Commercial (Built-Up Area) | 101,780                            |
| Land Area (Open Plot)      | 26,920                             |

**KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)**, the Valuer for the Project, hereby declares that:

- We are fully competent to undertake the valuation;
- We are independent and have prepared the report on a fair and unbiased basis; and
- We have valued the Project based on the valuation standards as specified under sub-regulation 10 of regulation 21 of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended from time to time.



**Name:** Sachin Gulaty FRICS FIV FIIA,

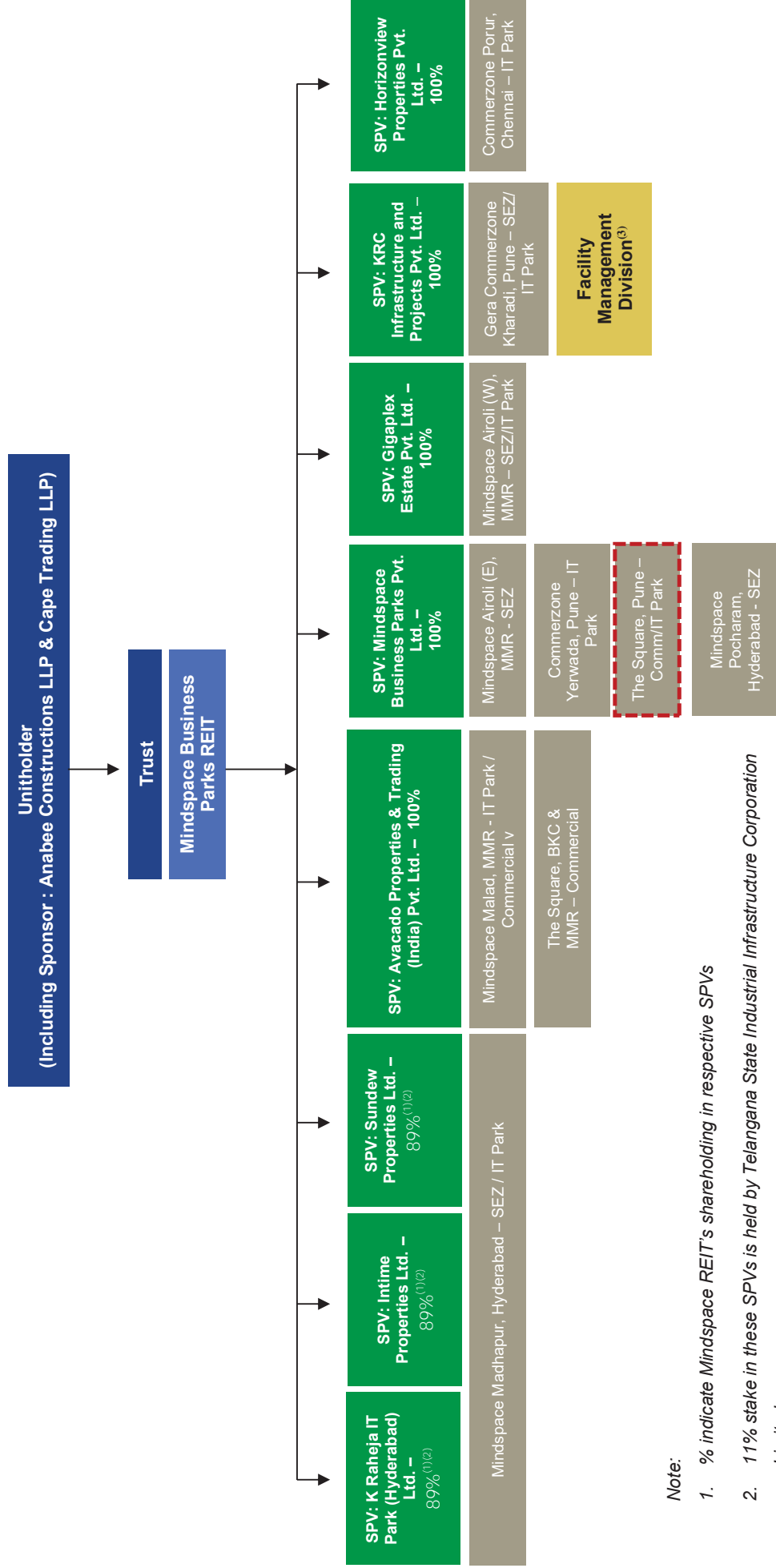
**Designation:** Director

**Valuer Registration No.:** IBBI/RV/02/2021/14284

**Address:** 5<sup>th</sup> Floor, India Accelerator, The Iconic Corenthum, Sector 62, NOIDA – 201309. Uttar Pradesh. INDIA.

**E-Mail ID:** sachin.gulaty@k-zen.in

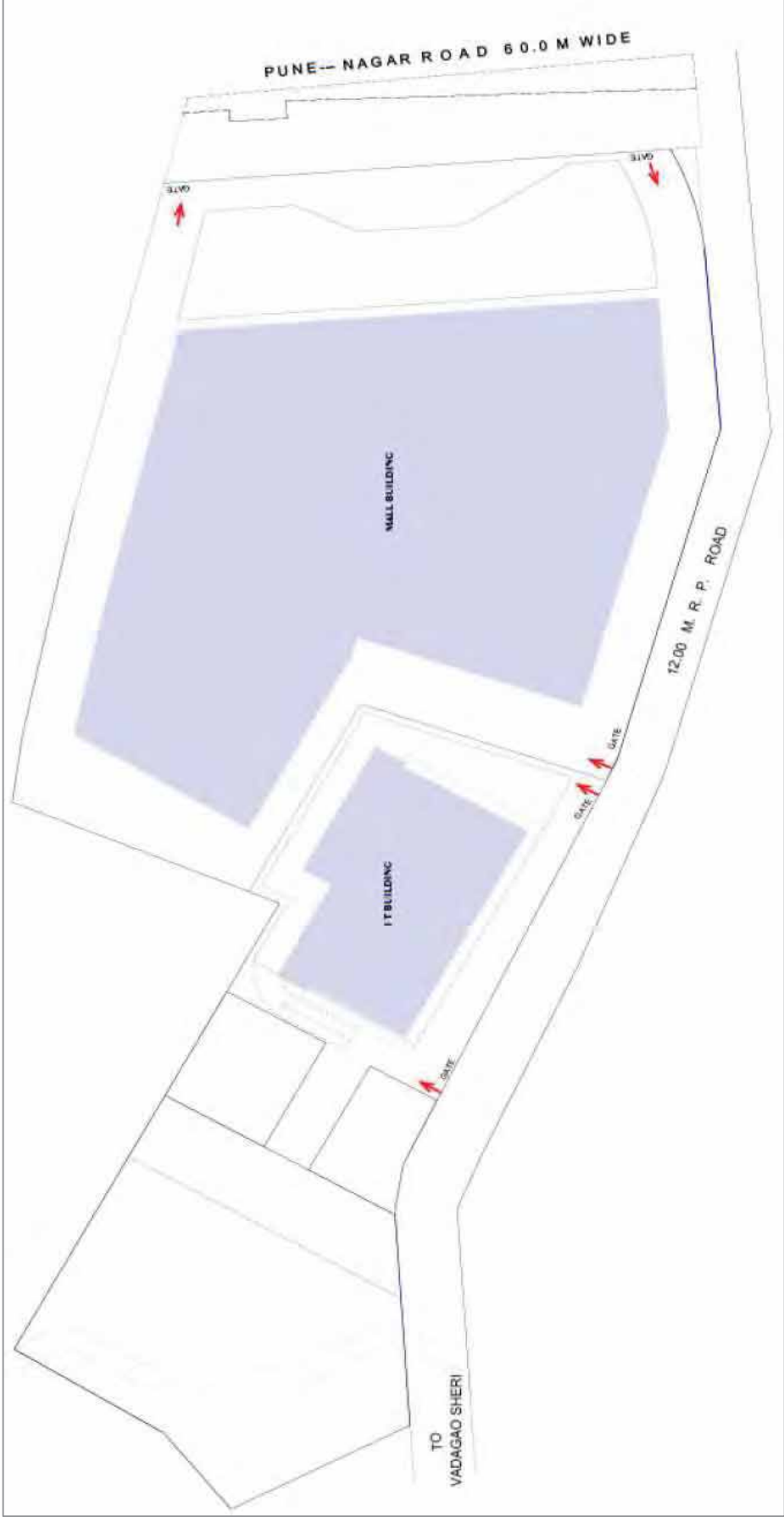
## Annexure - 1 Ownership Structure of the Project



Note:

1. % indicate Mindspace REIT's shareholding in respective SPVs
2. 11% stake in these SPVs is held by Telangana State Industrial Infrastructure Corporation Limited
3. Facility Management Division is housed in KRC Infrastructure and Projects Pvt. Ltd.

**Annexure - 2**  
**Layout Plan of the Project**



### Annexure - 3

#### Statement of Key Assets within the Project

| Complex                       | Name<br>No. / Name | Trion              |                           |
|-------------------------------|--------------------|--------------------|---------------------------|
|                               |                    | IT                 | Mall                      |
| Floor                         | Nos                | B1+G+6F            | B1+2P+4F                  |
| Warm Shell / Bare shell       |                    | Warm shell         | Warm shell                |
| Air Cooled Chiller            | TR                 | 200                |                           |
| Water Cooled Chiller          | TR                 | 1 x 180, 1 x 350   | 1 x 380, 4 x 450          |
| No of Elevators /Make         | No/ Make           | 6- Hyundai         | 6-Hyundai, 5-Thyssenkrupp |
| No of DG / Capacity           | No. / KVA          | 2 x 1250           | 4 x 1500                  |
| No of Transformers / Capacity | No/ KVA            | 2 X 1250           | 4 x 2000                  |
| Booster Pump                  | KW / Make          | 10.5, Mother Plant | 5.5, Crompton Greaves     |
| Jockey Pump                   | KW / Make          | 2 x 7.5, Wilo      | 2 x 15, Crompton Greaves  |
| Fire Diesel Pump              | KW / Make          | 75, Graves Cotton  | 75, Graves Cotton         |
| Hydrant Pump                  | KW / Make          | 75, Bharat Bijlee  | 75, Crompton Greaves      |
| Sprinkle Pump                 | KW / Make          | 75, Bharat Bijlee  | 75, Crompton Greaves      |
| STP Rating                    | KLD                | 380                |                           |

Source : Client



## Annexure - 4

### Approvals and NOCs Received for the Project

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List of one-time sanctions/approvals which are obtained or pending:

#### 1. Approvals Received

- a) Approved masterplans
- b) Commencement Certificate
- c) Consent to Operate (for Commercial Block completed portions and IT Building)
- d) Occupancy Certificates for all operational buildings (Revised OC for Commercial Block to be obtained post conversion)
- e) Height Clearance NOC from AAI
- f) One-time Fire NOC and Form B for all buildings
- g) Environmental Clearances
- h) Consent to Establishment
- i) Revised CC for Commercial / Multiplex Building Modification / alteration to IT/office Space. 2nd and 3rd Floor.
- j) Revised Final Fire NOC Received for 2nd Floor of Modified IT/ Office Space. Received
- k) Occupancy Certificate obtained for 2nd Floor of Modified IT/ office Space.
- l) Revised Final Fire NOC for 3<sup>rd</sup> Floor of Modified IT/ Office Space.
- m) Revised CTO as per the modification in 2nd and 3rd Floor.
- n) Occupancy Certificate of 3<sup>rd</sup> Floor

#### 2. Pending Approvals

None

## Annexure - 5

### Ready Reckoner Rate Applicable for the Project

ASR Value as on 31<sup>st</sup> March 2024

| S.No.    | Subdivision   | Area (sq. feet) | Residential Plot | Height | Depth  | Industrial | Unit (Rs.) |
|----------|---|-----------------|------------------|--------|--------|------------|------------|
| 29-434   | Karmachi Village                                    | 16470           | 50620            | 71150  | 103970 | 0          | Sq. meter  |
| 29-436.1 | Residential Project of Tyson Properties Pvt. Ltd.   | 50920           | 77210            | 101780 | 133100 | 0          | Sq. meter  |
| 29-436.2 | Residential Project of Wakfield India Co. Pvt. Ltd. | 16920           | 80150            | 102450 | 133100 | 0          | Sq. meter  |
| 29-436   | Property on Pune Nagar Road - Road (New Boundary)   | 50920           | 77670            | 89330  | 112800 | 0          | Sq. meter  |
| 29-437.1 | Residential Projects                                | 10560           | 78230            | 118510 | 170620 | 0          | Sq. meter  |
|          |   | 1224            |                  |        |        |            |            |

Source : IGR Maharashtra

## Annexure - 6

### Discounted Cash Flow Profile

Table 7.5 Discounted Cash Flow for Completed/Operational Project (INR Mn)

| Sl. No. | Particulars                                | 1-APR-23<br>31-Mar-24 | 1-APR-24<br>31-Mar-25 | 1-APR-25<br>31-Mar-26 | 1-APR-26<br>31-Mar-27 | 1-APR-27<br>31-Mar-28 | 1-APR-28<br>31-Mar-29 | 1-APR-29<br>31-Mar-30 | 1-APR-30<br>31-Mar-31 | 1-APR-31<br>31-Mar-32 | 1-APR-32<br>31-Mar-33 | 1-APR-33<br>31-Mar-34 | 1-APR-34<br>31-Mar-35 |
|---------|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|         |  | Y0                    | Y1                    | Y2                    | Y3                    | Y4                    | Y5                    | Y6                    | Y7                    | Y8                    | Y9                    | Y10                   | Y11                   |
|         | Development / Construction Phasing         |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|         | Total Development Cost to be Incurred      | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
|         | Leasable Area                              | 746,134.23            |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|         | Overall occupancy - Existing Leases        |                       | 100.00%               | 100.00%               | 60.66%                | 45.86%                | 37.06%                | 29.47%                | 29.47%                | 18.34%                | 0.00%                 | 0.00%                 | 0.00%                 |
|         | Overall occupancy - Leases Moved to Market |                       | 0.00%                 | 0.00%                 | 39.34%                | 54.14%                | 62.94%                | 70.53%                | 70.53%                | 81.66%                | 100.00%               | 100.00%               | 100.00%               |
|         | Overall occupancy - of the Project         |                       | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               | 100.00%               |
|         | Vacancy Allowance                          |                       | 0.00%                 | 0.00%                 | 2.00%                 | 2.00%                 | 2.00%                 | 2.00%                 | 2.00%                 | 2.00%                 | 2.00%                 | 2.00%                 | 2.00%                 |
| A       | Base Rental                                |                       | 708.79                | 745.69                | 723.06                | 821.62                | 855.35                | 912.80                | 953.88                | 925.85                | 977.03                | 1,020.99              | 1,066.94              |
| B       | Car Parking Income                         |                       | 3.54                  | 3.54                  | 3.37                  | 3.63                  | 3.69                  | 3.75                  | 3.81                  | 3.55                  | 4.25                  | 4.44                  | 4.64                  |
| C       | Fit-out rentals/ tenant improvements       |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| D       | Facility Rentals                           |                       | 712.33                | 749.23                | 726.43                | 825.25                | 859.05                | 916.55                | 957.69                | 929.39                | 981.27                | 1,025.43              | 1,071.58              |
| E       | Maintenance services Income                |                       | 154.63                | 162.36                | 167.07                | 175.42                | 184.19                | 193.40                | 203.07                | 213.23                | 223.89                | 235.08                | 246.84                |
| F       | Other Operating Income                     |                       | 7.09                  | 7.46                  | 7.23                  | 8.22                  | 8.55                  | 9.13                  | 9.54                  | 9.26                  | 9.77                  | 10.21                 | 10.67                 |
| G       | Revenue from Operations                    |                       | 874.05                | 919.04                | 900.73                | 1,008.89              | 1,051.79              | 1,119.08              | 1,170.30              | 1,151.88              | 1,214.93              | 1,270.72              | 1,329.08              |
|         | Direct Operating Expenses                  |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| H       | Maintenance services Expenses              |                       | 131.80                | 138.39                | 145.31                | 152.57                | 160.20                | 168.21                | 176.62                | 185.45                | 194.72                | 204.46                | 214.68                |
| I       | Property Tax                               |                       | 37.70                 | 38.84                 | 40.00                 | 41.20                 | 42.44                 | 43.71                 | 45.02                 | 46.37                 | 47.76                 | 49.20                 | 50.67                 |
| J       | Insurance Premium                          |                       | 3.87                  | 3.99                  | 4.11                  | 4.23                  | 4.36                  | 4.49                  | 4.62                  | 4.76                  | 4.90                  | 5.05                  | 5.20                  |
| K       | Net Operating Income (NOI)                 |                       | 700.68                | 737.83                | 711.32                | 810.89                | 844.80                | 902.68                | 944.04                | 915.30                | 967.54                | 1,012.02              | 1,058.53              |
|         | Add: Terminal Cash Flow                    |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | 13,099.26             | -                     |
|         | Indirect Operating Expenses                |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| L       | Brokerage Fees                             |                       | -                     | -                     | 65.34                 | 9.36                  | 18.15                 | -                     | -                     | 47.64                 | -                     | -                     | -                     |
| M       | Property Management Fee                    |                       | 25.18                 | 26.48                 | 25.68                 | 29.17                 | 30.37                 | 32.40                 | 33.85                 | 32.85                 | 34.69                 | 36.25                 | 37.88                 |
| N       | Other operational expenses                 |                       | 14.25                 | 14.98                 | 14.53                 | 16.51                 | 17.18                 | 18.33                 | 19.15                 | 18.59                 | 19.63                 | 20.51                 | 21.43                 |
|         |  |                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| O       | Net Cashflows                              |                       | 661.25                | 696.37                | 605.77                | 755.85                | 779.10                | 851.95                | 891.03                | 816.22                | 913.23                | 14,054.53             | -                     |

Note: We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes.

Table 7.6 Discounted Cash Flow of Completed Project that was Under-Construction in September - 2023 (INR Mn) and received OC in H2 FY24

| Sl. No. | Particulars                                | 1-Apr-23<br>31-Mar-24<br>Y0 | 1-Apr-24<br>31-Mar-25<br>Y1 | 1-Apr-25<br>31-Mar-26<br>Y2 | 1-Apr-26<br>31-Mar-27<br>Y3 | 1-Apr-27<br>31-Mar-28<br>Y4 | 1-Apr-28<br>31-Mar-29<br>Y5 | 1-Apr-29<br>31-Mar-30<br>Y6 | 1-Apr-30<br>31-Mar-31<br>Y7 | 1-Apr-31<br>31-Mar-32<br>Y8 | 1-Apr-32<br>31-Mar-33<br>Y9 | 1-Apr-33<br>31-Mar-34<br>Y10 | 1-Apr-34<br>31-Mar-35<br>Y11 |
|---------|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------------|------------------------------|
|         | Development / Construction Phasing         |                             |                             |                             |                             |                             |                             |                             |                             |                             |                             |                              |                              |
|         | Total Development Cost to be Incurred      | -                           | 9.70                        | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                            | -                            |
|         | Leasable Area                              | 32,500.00                   |                             |                             |                             |                             |                             |                             |                             |                             |                             |                              |                              |
|         | Overall occupancy - Existing Leases        |                             | 100.00%                     | 100.00%                     | 100.00%                     | 100.00%                     | 100.00%                     | 100.00%                     | 100.00%                     | 62.22%                      | 0.00%                       | 0.00%                        | 0.00%                        |
|         | Overall occupancy - Leases Moved to Market |                             | 0.00%                       | 0.00%                       | 0.00%                       | 0.00%                       | 0.00%                       | 0.00%                       | 0.00%                       | 37.78%                      | 100.00%                     | 100.00%                      | 100.00%                      |
|         | Overall occupancy - of the Project         |                             | 100.00%                     | 100.00%                     | 100.00%                     | 100.00%                     | 100.00%                     | 100.00%                     | 100.00%                     | 100.00%                     | 100.00%                     | 100.00%                      | 100.00%                      |
|         | Vacancy Allowance                          |                             | 0.00%                       | 0.00%                       | 0.00%                       | 0.00%                       | 0.00%                       | 0.00%                       | 0.00%                       | 1.00%                       | 2.00%                       | 2.00%                        | 2.00%                        |
| A       | Base Rental                                |                             | 33.78                       | 35.30                       | 36.89                       | 38.55                       | 40.29                       | 42.10                       | 44.00                       | 36.93                       | 42.66                       | 44.58                        | 46.59                        |
| B       | Car Parking Income                         |                             | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                            | -                            |
| C       | Fit-out rentals/ tenant improvements       |                             | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                            | -                            |
| D       | Facility Rentals                           |                             | 33.78                       | 35.30                       | 36.89                       | 38.55                       | 40.29                       | 42.10                       | 44.00                       | 36.93                       | 42.66                       | 44.58                        | 46.59                        |
| E       | Maintenance services Income                |                             | 6.74                        | 7.07                        | 7.43                        | 7.80                        | 8.19                        | 8.60                        | 9.03                        | 9.38                        | 9.75                        | 10.24                        | 10.75                        |
| F       | Other Operating Income                     |                             | 0.34                        | 0.35                        | 0.37                        | 0.39                        | 0.40                        | 0.42                        | 0.44                        | 0.37                        | 0.43                        | 0.45                         | 0.47                         |
| G       | Revenue from Operations                    |                             | 40.86                       | 42.73                       | 44.69                       | 46.74                       | 48.88                       | 51.12                       | 53.46                       | 46.68                       | 52.84                       | 55.27                        | 57.80                        |
|         | Direct Operating Expenses                  |                             | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                            | -                            |
| H       | Maintenance services Expenses              |                             | 5.74                        | 6.03                        | 6.33                        | 6.65                        | 6.98                        | 7.33                        | 7.69                        | 8.08                        | 8.48                        | 8.91                         | 9.35                         |
| I       | Property Tax                               |                             | 1.64                        | 1.69                        | 1.74                        | 1.79                        | 1.85                        | 1.90                        | 1.96                        | 2.02                        | 2.08                        | 2.14                         | 2.21                         |
| J       | Insurance Premium                          |                             | 0.17                        | 0.17                        | 0.18                        | 0.18                        | 0.19                        | 0.20                        | 0.20                        | 0.21                        | 0.21                        | 0.22                         | 0.23                         |
| K       | Net Operating Income (NOI)                 |                             | 33.31                       | 34.84                       | 36.44                       | 38.11                       | 39.86                       | 41.69                       | 43.61                       | 36.37                       | 42.06                       | 44.00                        | 46.02                        |
|         | Add: Terminal Cash Flow                    |                             | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | 569.49                       | -                            |
|         | Indirect Operating Expenses                |                             | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                            | -                            |
| L       | Brokerage Fees                             |                             | -                           | -                           | -                           | -                           | -                           | -                           | -                           | 7.04                        | -                           | -                            | -                            |
| M       | Property Management Fee                    |                             | 1.19                        | 1.25                        | 1.30                        | 1.36                        | 1.42                        | 1.49                        | 1.56                        | 1.31                        | 1.51                        | 1.58                         | 1.65                         |
| N       | Other operational expenses                 |                             | 0.68                        | 0.71                        | 0.74                        | 0.77                        | 0.81                        | 0.84                        | 0.88                        | 0.74                        | 0.85                        | 0.89                         | 0.93                         |
|         |  |                             | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                           | -                            | -                            |
| O       | Net Cashflows                              |                             | 21.74                       | 32.88                       | 34.40                       | 35.98                       | 37.63                       | 39.36                       | 41.17                       | 27.29                       | 39.70                       | 611.02                       | -                            |

**Note:** We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes.

## Annexure - 7

### Material Litigations

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**(i) Title Litigation and irregularities**

There are no pending Title Litigation and irregularities against The Square.

**(ii) Criminal matters**

There are no pending criminal matters against The Square.

**(iii) Regulatory Actions**

1. MPCB, pursuant to the meeting of its Consent Appraisal Committee (“**CAC**”) held on December 12, 2017, issued a show cause notice dated June 5, 2018 to Trion Properties Pvt. Ltd. (prior to demerger of mall and IT undertakings from Trion Properties Pvt. Ltd. to MBPPL) in relation to certain non-compliances with environmental clearance for one commercial building (approximately 0.56 msf of leasable area as per lease deeds) forming part of The Square, Nagar Road project, and directed MBPPL to stop work on the project until a valid consent is obtained from it.

Earlier, Trion Properties Pvt. Ltd. had obtained environment clearance on May 8, 2007 and consent to operate dated September 30, 2011 which was renewed from time to time. In the renewal of consent to operate application dated August 27, 2013, MPCB had specified the requirement for applying separately for environment clearance and consent to operate for additional construction area. By application dated March 17, 2017 Trion Properties applied for renewal of consent to establish for IT building and for correction of built-up area of the mall building.

By letter dated March 20, 2018, MBPPL (as the successor of Trion) referred to the observations requested the MPCB to grant the consent to establish and replied to the alleged non-compliances observed by the MPCB. MBPPL replied to the show cause notice by way of its letter dated July 6, 2018 stating that it had received amended environment clearance dated June 15, 2018 and complied with the other requirements and requested for withdrawal of the show cause notice and grant of renewed consent. Further, on August 18, 2018, the CAC requested for certain details for considering MBPPL's consent to establish application. MBPPL provided the requested details to the CAC on September 4, 2018. CAC in its meeting held on December 11, 2018 observed that MBPPL had applied for re-validation for consent to establish for remaining BUA for IT activity, and was operating IT activity without obtaining consent from MPCB, and deferred the case and requested MBPPL to provide a presentation along with the relevant documents. On January 19, 2019, CAC requested MBPPL to contact the concerned person for taking prior appointment of the chairman for the presentation.

MBPPL has made an application dated December 11, 2019 to MPCB to obtain consent to operate, for the IT building at The Square, Nagar Road. CAC issued a show cause notice dated August 17, 2020 as to why the application for consent to operate should not be refused, *inter alia* as environment clearance was not in the name of the project and sought clarity and details *inter alia* relating to occupation certificate. By reply dated August 24, 2020, MBPPL provided the required clarifications and details, and requested for processing the application and issuing the necessary consent to operate. The CAC, in its meeting held on December 4, 2020, has approved to grant the consent to operate subject to MBPPL submitting the amended environmental clearance in the name of MBPPL and after payment of additional consent fees. The amended environment clearance dated June 15, 2018 was inadvertently issued in the

individual name of Mr. Anil Mathur. Mr. Anil Mathur has issued the no objection certificate on June 19, 2021 in favour of SEAC-111, Environment Department, Mantralaya, Mumbai for change of name in the said amended environmental clearance from Mr. Anil Mathur to MBPPL and the consent letter has also been submitted to CAC on June 19, 2021 by MBPPL in this regard. By its letter dated September 3, 2021 to MBPPL, SEIAA, Environment & Climate Change Department, Mantralaya, Mumbai has communicated the decision taken by it and SEAC-3 in their respective meetings to transfer the name from Mr. Anil Mathur to MBPPL for the said amended environmental clearance. The consent to 1<sup>st</sup> operate (Part II) was issued on October 6, 2021 ("**CTO**"). By letter dated October 14, 2021 to Member Secretary, CAC, MBBPL stated that MBPPL had issued a bank guarantee for ₹ 1 million ("**BG**"). However, MBPPL observed that the CTO had a condition that the BG was being forfeited since the IT park was operative since 2016 without obtaining consent to operate by MBPPL. MBPPL further stated that since the date of application i.e. December 30, 2015, no objection was received and it was deemed approved and accordingly, the proposed forfeiture of the aforesaid BG should not be effected and thereby requested for withdrawal of the proposal of forfeiture of BG.

2. The Tahsildar, Revenue Department, Collectorate Office Pune ("**Tahsildar**"), by letter dated March 22, 2021 ("**Letter**") to MBPPL (addressed to Mr. Anil Mathur) requesting MBPPL to provide details (as per the format provided in the said Letter) of the expenditure/provision for ₹ 27.22 million towards the Corporate Environment Responsibility ("**CER**") in respect of revalidation and proposed amendment in environment clearance to accommodate mixed use occupancies at the Square, Nagar Road and requested for hearing at the Collectorate Office Pune and response to the Letter. The Letter was issued with reference to the office memorandum dated May 1, 2018 ("**OM**") issued by the Ministry of Environment, Forest and Climate Change, Impact Assessment Division, New Delhi ("**MoEF**") relating to the CER.

By letter dated March 24, 2021, MBPPL sought additional time to submit its detailed response to the Letter. By letter dated May 6, 2021 to the Tahsildar, MBPPL submitted, among other things, that (i) the environment clearance dated June 15, 2018 issued to MBPPL does not contain any condition or requirement/liability on MBPPL to spend/make provision for CER; (ii) the revalidation and proposed amendment in the environment clearance neither involved expansion in area nor any enhancement in cost of the project; and (iii) there is no liability on MBBPL since the OM specifically provided that CER is not applicable in case of an amendment involving no additional project investment. No further correspondence has been received.

3. Ministry of Environment, Forest & Climate Change ("**MOEF & CC**"), by its letter dated August 13, 2021 to MBPPL (addressed to Mr. Anil Mathur), informed MBPPL that they are directed by National Green Tribunal, Principal Bench, New Delhi ("**NGT**") to bring to MBPPL's attention the order dated July 26, 2021 ("**NGT Order**") passed by the NGT on the application made by Navnath Namdeo Jadhav pursuant to which NGT has instructed the MOEF & CC to ensure the compliance of conditions of environmental clearance granted to the 10 projects located in Mumbai and Pune which includes IT and Mall building at The Square, Nagar Road. MOEF & CC has by the said letter dated August 13, 2021 requested MBPPL to provide information and documents as mentioned therein. By letter dated October 19, 2021 to MOEF & CC, MBPPL has provided the details and documents pertaining to the queries raised.
4. The Collector and Competent Authority, Pune Urban Agglomeration issued a notice dated March 13, 2023 to M/s Semi Conductors Ltd ("**Semi Conductors**") stating that: (a) the exemption order under Section 20 of the Urban Land Ceiling Act, 1976 was granted in respect of the property being the Square, Nagar Road project and as per the said order, the use or utilization of the land was to be done for industrial purpose and the transfer of the said property was prohibited, (b) pursuant to the documents in respect of building permission submitted by Pune Municipal Corporation to the Urban Land Ceiling authorities, it has been observed that



Semi Conductors changed the user of the property to another user and obtained development permission. Hence, as per the Government Resolution dated August 1, 2019 in order to make the payment of premium, Semi Conductors was called to appear on March 23, 2023, failing which it was to be construed that the transfer was done and user was changed without obtaining permission, and a charge would be entered on the revenue records or property card in respect of the said property. MBPPL submitted a holding reply on March 23, 2023 and sought time to detailed submissions to the notice. On April 18, 2023 MBPPL filed detailed submissions. The matter has been adjourned till July 5, 2023 for the receipt of site report from Village Talathi, Vadgaonsheri regarding actual status of land. The matter has been further adjourned till July 25, 2023 and is currently pending.

5. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 ("**Income Tax Act**") against Avacado, Gigaplex, KRIT, MBPPL, Chalet Hotels, Genext, Inorbit Malls, KRCPL, KRPL, Shoppers Stop and others ("**Parties**"). Pursuant to the Warrant, the Income Tax Department carried out a search on November 30, 2017. The search covered various matters for which notices were already issued from time to time. The search was concluded on December 6, 2017 at the office and residence of the Parties. Pursuant to the search, the Income Tax Department issued notices to each of the Parties under Section 153A of the Income Tax Act directing them to prepare and furnish true and correct returns of total income for assessment years ("**AY**") from 2008-2009, 2012-13 to 2017-18 within a stipulated timeline from the date of service of the notices and these returns have been furnished before the Income Tax Department. Further, the Income Tax Department issued notices under Section 142(1)/143(2) of the Income Tax Act for assessment years 2008-2009, 2012-13 to 2017-2018/2018-19, to the Parties seeking certain information. These details have been furnished before the Income Tax Department by the Parties from time to time.
6. MBPPL filed appeals before the CIT(A) against the order for AY 2012-13 to AY 2017-18 and against order for AY 2018-19. MBPPL made an application under the VsV for AY 2012-13, AY 2013-14 & AY 2014-15. MBPPL received final order for AY 2012-13, accepting the VsV Application. The appeal for AY 2015-16 and 2016-17 were disposed by the CIT(A) in favour of MBPPL with direction to the assessing officer. The appeal for AY 2012-13 was dismissed by the CIT(A) in view of VsV order for the said year. VsV application for AY 2013-14 was rejected and the final order under VsV for AY 2014-15 is currently pending. The appeal for AY 2013-14 was disposed by the CIT(A) against MBPPL and an appeal has been filed before the ITAT against the same. Appeal filed before ITAT for AY 2013-14 has been withdrawn by MBPPL. The Income Tax Department filed an appeal for AY 2015-16 and AY 2016-17 before ITAT against the order of the CIT(A) and the same were disposed by the ITAT in favour of MBPPL. MBPPL received a notice under section 148 for assessment year 2014-15. MBPPL filed return of income under protest in response to the said notice for assessment year 2014-15 and also sought reasons for reopening the assessment. MBPPL received reasons for reopening and response against the same has been submitted objecting to the reopening of assessment. The Income Tax Department passed an order rejecting the objections filed. MBPPL filed a writ petition with the Bombay High Court against the notice under section 148 and rejection order. Bombay High Court has passed the order quashing the notice under section 148. Subsequently, Supreme Court has upheld the validity of the notice. MBPPL received notice u/s 148A(b) and response against the same has been submitted objecting to the reopening of assessment. The Income Tax Department passed an order under section 148A(d) rejecting the objections filed and served notice under section 148 of the Income Tax Act. The return of income was filed under protest in response to the said notice. MBPPL has filed Writ Petition before Bombay High Court against the notice u/s 148 and order u/s 148A(d).

**(iv) Material civil/commercial litigation**

There are no material civil/commercial litigation involving The Square.

Table 7.7 Summary of Pending Tax Litigations

| Assessment Year | Significant Issue In Dispute   |  |  |  |  | Authority - Raising Issue | Authority - Passing Order | Appeal Preferred By | Authority - Issue Pending Before | Next Date Of Hearing If Applicable | Exposure - Tax, Interest And Penalty |
|-----------------|--|--|--|--|--|---------------------------|---------------------------|---------------------|----------------------------------|------------------------------------|--------------------------------------|
| MBPPL           |  |  |  |  |  |                           |                           |                     |                                  |                                    |                                      |
| 2014-15         | Rental Income assessed under the head IHP instead of Business.   |  |  |  |  | Assessing Officer         | Assessing Officer         | Company             | CIT(A)                           | Not available                      | -                                    |
| 2017-18         | Rental Income assessed under the head IHP instead of Business & no speaking order on the losses & unabsorbed depreciation of demerged undertaking  |  |  |  |  | Assessing Officer         | Assessing Officer         | Company             | CIT(A)                           | Not available                      | -                                    |
| 2018-19         | Depreciation to be Computed on assets from the year in which income from such asset is taxed under the head PGBP & Disallowance of Interest on TDS |  |  |  |  | Assessing Officer         | Assessing Officer         | Company             | CIT(A)                           | Not available                      | -                                    |

Note : Direct Tax Litigations are at the SPV Level

Table 7.8 Indirect Tax Litigation

| Sl.No | Entity                                   | Park                | Tax Type    | Authority Pending  | Tax Demand (In 'Mn) | Interest (Quantified) | Penalty (Quantified) | Issue In Brief  | Period                  | Interest       | Penalty        |
|-------|--|---------------------|-------------|--|---------------------|-----------------------|----------------------|---|-------------------------|----------------|----------------|
| 1     | Mindspace Business Parks Private Limited | Commerzone Yerawada | Service Tax | Reply to SCN filed with Commissioner of Central Excise & Service Tax, Pune | 33.39               | -                     | -                    | Service tax on reimbursement of electricity and allied charges                                  | April 2008 to June 2017 | as applicable  | as applicable  |
| 2     | Mindspace Business Parks Private Limited | Commerzone Yerawada | Service Tax | Reply to SCN filed with Commissioner of Central Excise & Service Tax, Pune | 5.83                | -                     | -                    |   |                         | as applicable  | as applicable  |
| 3     | Mindspace Business Parks Private Limited | Commerzone Yerawada | Service Tax | Reply to SCN filed with Commissioner of Central Excise & Service Tax, Pune | 35.45               | -                     | -                    |   |                         | as applicable  | as applicable  |
| 4     | Mindspace Business Parks Private Limited | Commerzone Yerawada | Service Tax | Reply to SCN filed with Commissioner of Service Tax, Pune                  | 7.24                | -                     | -                    |   |                         | as applicable  | as applicable  |
| 5     | Mindspace Business Parks Private Limited | Commerzone Yerawada | Service Tax | Reply to SCN filed with Commissioner of Central Excise & Service Tax, Pune | 5.35                | -                     | -                    |   |                         | as applicable  | as applicable  |
| 6     | Mindspace Business Parks Private Limited | Commerzone Yerawada | Service Tax | Reply to SCN filed with Assistant Commissioner Central Tax (GST), Pune     | 4.76                | -                     | -                    |   |                         | as applicable  | as applicable  |
| 7     | Mindspace Business Parks Private Limited | Commerzone Yerawada | Customs     | CESTAT   | 11.06               | -                     | -                    | Refund claim filed for excess payment of Customs duty at the time of debonding from STPI Scheme | Aug-16                  | not applicable | not applicable |

## Annexure - 8

### Caveats and Limitations

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1. The Valuation Report (hereafter referred to as the 'Report') covers specific markets and situations that are highlighted in the Report based on independent market report prepared by JLL and does not entail any comprehensive analysis of the market and the industry given the nature of the scope of the assignment.
2. The opinions expressed in the Report are subject to the limitations expressed below.
  - a) The valuation method adopted is based on the Valuer's expertise and knowledge considering the forecasts on demand, supply and pricing as undertaken by JLL as part of an independent market/ industry research and considered to be relevant and reasonable at that point of time. The Report and the opinions therein do not constitute any recommendation to K Raheja Corp Investment Managers Private Limited (formerly known as K Raheja Corp Investment Managers LLP) (or the 'Client') or its affiliates and subsidiaries or its customers or any other party to adopt a particular course of action. The use of the Report at a later date may invalidate the assumptions and bases on which these opinions have been expressed and is not recommended as an input to any financial decision.
  - b) It should be noted that the valuation is based upon the facts and evidence available at the time of conduct of the valuation and applicable on the date of valuation. It is therefore recommended that these valuations be periodically reviewed.
  - c) Changes in socio-economic and political conditions could result in a substantially different situation than those presented herein. The Valuer assumes no responsibility for changes in such external conditions.
  - d) The Valuer has considered the independent market report prepared by JLL and macro understanding of the market through readily available information in public domain. Hence, no direct link is sought to be established between the macro-level understandings on the market with the assumptions estimated for the analysis herein.
  - e) The services provided is limited to valuation of the Project primarily comprising Land and Building and any part thereof and does not constitute any audit, survey, due diligence, tax related services etc. Accordingly, no opinion has been expressed on the financial information of the business of any party, including the Client and its affiliates and subsidiaries. The Report is prepared solely for the purpose stated and should not be used for any other purpose.
  - f) While the information included in the Report is accurate and reliable to the best of the knowledge of the Valuer, no representations or warranties, expressed or implied, as to the completeness of such information is being made. The Valuer shall not undertake any obligation to update or supplement any information contained in the Report save as provided for in the Agreement.
  - g) Apart from the sources already mentioned in the report, the Valuer has relied on readily available public information for the purpose of preparing this report.
3. The Report reflects matters as they currently exist. Any changes thereon may materially affect the information contained in the Report.
4. All assumptions made in order to determine the valuation of the Project is based on information or opinions as current. In the course of the analysis, the Valuer has relied on information or opinions, both written and verbal, as obtained from the Clients as well as from third parties provided with, including limited information on the market, financial and operating data, which has been accepted as accurate in bona-fide belief. No responsibility is assumed for technical or

specialised information furnished by the third-party organizations and this is believed bona-fide to be reliable.

5. No investigation of the title of the assets has been made and owners' claims to the assets is assumed to be valid unless anything contrary is mentioned in the main report. No consideration is given to liens or encumbrances, which may be against the Project or assets. Therefore, no responsibility is assumed for matters of a legal nature.
6. Review of tenants' ability and willingness to continually pay lease rents as per their respective contractual terms is not within the scope of work of Valuer. Valuer has assumed that all tenants' will be able to pay their rents on time as and when demanded as per their contractual terms and that no arrears exist with respect to any tenancy.
7. The Valuer's total aggregate liability to the Client including that of any third party claims, in contract, tort including negligence or breach of statutory duty, misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the services is limited to an aggregate sum as agreed in the LOE (Letter of Engagement). The Valuer shall not be liable for any pure economic loss, loss of profit, loss of business, depletion of goodwill, in each case whether direct or indirect or consequential or any claims for consequential loss compensation whatsoever which, arise out of or in connection with services provided under this engagement.
8. The Client including its agents, affiliates and employees, must not use, reproduce or divulge to any third party any information it receives from the Valuer for any purpose except set out herein.
9. This engagement shall be governed by and construed in accordance with Indian laws and any dispute arising out of or in connection with the engagement, including the interpretation thereof, shall be submitted to the exclusive jurisdiction of courts in New Delhi.

# Valuation Report

## Commerzone, Porur, Chennai

Tamil Nadu, India

Submitted To:

K. Raheja Corp. Investment Managers Private  
Limited (formerly known as K Raheja Corp  
Investment Managers LLP)

(acting as Manager to Mindspace Business Parks REIT)

Date of Valuation:

31-Mar-2024

Date of Report:

24-April-2024



Prepared By:

**KZEN VALTECH PRIVATE LIMITED**

**IBBI/RV-E/05/2022/164**

## EXECUTIVE SUMMARY

|                   |   |
|-------------------|---|
| Property Name     | Commerzone, Porur, Chennai, Tamil Nadu, India   |
| Property Address  | Commerzone Porur, Bus Stop, Mount Poonamallee High Road, Adithi Colony, Sriram Nagar, Mugalivakkam, Chennai, Tamil Nadu 600116  |
| Land Area         | ~6.13 acres   |
| Brief Description | <p>The Project is located in the western part, in the Secondary Business District micro market of Chennai City along Mount Poonamallee Road. It is located at a distance of about 2 km from the Porur Junction and about 5km from the Kathipara Flyover, which is the major interchange junction connecting various parts of the city.</p> <p>The project is developed as Grade A IT Park with two (2) blocks (Block A &amp; B) comprising of 1,132,622 sq. ft. of leasable area*. The Project has excellent visibility and frontage along the access road.</p> <p>The project is surrounded by mixed-use developments comprising commercial, residential, retail, and hospitality developments.</p> <p>*Includes 241,694 sq.ft of leasable area acquired by Horizonview Properties Private Limited from RPIL Signaling Systems Limited in September 2023 in Tower A and Tower B (Floor 1 and Floor 2). Post the acquisition, the entire area of the project is now held by Horizonview Properties Private Limited. The acquisition price for the said area including transaction costs was INR 1,816 Mn which was arrived based on the negotiations between the parties.</p> <p>The value of the Project (including the acquired area) has been arrived at using the valuation methodology specified in section APPROACH AND METHODOLOGY of this report.</p> |

Asset Details Leasable area details of the project as shared by the Client is given below:

| Sl. No. | Building Name        | Leasable Area (sq. ft.) |
|---------|----------------------|-------------------------|
| 1.      | Commerzone - Block A | 498,033                 |
| 2.      | Commerzone - Block B | 634,589                 |
|         | Total Leasable Area  | 1,132,622               |

Based on the site inspection, all buildings are operational. There are no under-construction buildings within the project.

In addition to the above, the undivided rights, title and interest in the following assets are also part of the Project.

- Total amenities
- Total utility areas and internal roads.
- Total open spaces.



Location Map



Key Assumptions

The table below summarizes key valuation assumptions used in the estimate.

| Particulars                | Description               |                      |                     |  |
|----------------------------|---------------------------|----------------------|---------------------|--|
| Asset Specific Information |                           |                      |                     |  |
| Nature of Asset            | Commercial / Office       |                      |                     |  |
| Current Status             | Completed and Operational |                      |                     |  |
| Total Leasable Area        | 1,132,622 sq. ft.         |                      |                     |  |
| Age of the Buildings       | Sl. No.                   | Building Name        | Age of the Building |  |
|                            | 1.                        | Commerzone - Block A | 3 years 10 months   |  |

|                        |  |                      |                  |  |
|------------------------|--|----------------------|------------------|--|
|                        | 2.   | Commerzone - Block B | 3 years 10months |  |
| Revenue Assumptions    |  |                      |                  |  |
| In-Place Rent          | INR 59.12 per sq. ft. per Month  |                      |                  |  |
| Market / Marginal Rent | INR 66.15 per sq. ft. per Month for FY2024-25  |                      |                  |  |
| Parking Rent           | INR 2,625 per CPS per Month for FY2024-25  |                      |                  |  |
| Financial Assumptions  |  |                      |                  |  |
| Exit Cap Rate          | 8.00%  |                      |                  |  |
| Discount Rate / WACC   | 11.75%   |                      |                  |  |
| Market Value           | For Completed Projects - INR 11,363.39 million (INR Eleven Billion Three Hundred Sixty Three Million Three Hundred Ninety Thousand Only) |                      |                  |  |

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## **LIST OF ABBREVIATIONS**

|         |  |
|---------|--|
| BSE     | Bombay Stock Exchange                                |
| CBD     | Central Business District                            |
| CMA     | Chennai Metropolitan Area                            |
| CMDA    | Chennai Metropolitan Development Authority           |
| CMWSSB  | Chennai Metropolitan Water Supply and Sewerage Board |
| DCR     | Development Controls & Regulations                   |
| FSI     | Floor Space Index                                    |
| GNT     | Grand Northern Trunk                                 |
| GST     | Grand Southern Trunk                                 |
| HVAC    | Heating, Ventilation, and Air Conditioning           |
| INR     | Indian National Rupees                               |
| IT      | Information Technology                               |
| ITES    | IT enabled Services                                  |
| IVSC    | International Valuation Standards Committee          |
| km      | kilometer  |
| MPR     | Mount Poonamallee Road                               |
| NH      | National Highway                                     |
| NPV     | Net Present Value                                    |
| OMR     | Old Mahabalipuram Road                               |
| PBD     | Peripheral Business District                         |
| REIT    | Real Estate Investment Trust                         |
| RICS    | Royal Institution of Chartered Surveyors             |
| SBD     | Secondar Business District                           |
| SEZ     | Special Economic Zone                                |
| SH      | State Highway  |
| STP     | Sewage Treatment Plant                               |
| sq. ft. | square feet  |
| sq. m   | square meter   |
| TNCDBR  | Tamil Nadu Combined Development and Building Rules   |
| TNEB    | Tamil Nadu Electricity Board                         |

## **CONVERSION OF UNITS**

|          |                  |
|----------|------------------|
| 1 acre   | 43559.66 sq. ft. |
| 1 acre   | 4046.9 sq. m.    |
| 1 sq. m. | 1.196 sq. yards  |
| 1 sq. m. | 10.764 sq. ft.   |
| 1 meter  | 1.0936 yards     |
| 1 meter  | 3.28 ft.         |
| 1 cent   | 435.6 sq. ft.    |

# 1 INTRODUCTION

---

## 1.1 INSTRUCTIONS

K Raheja Corp. Investment Managers Private Limited (hereinafter referred to as the 'Client'), in its capacity as Manager of the Mindspace Business Parks REIT (Mindspace REIT), has appointed KZEN VALTECH PRIVATE LIMITED, Registered Valuer Entity with Insolvency and Bankruptcy Board of India ("IBBI") bearing registration no. IBBI/RV-E/05/2022/164 (hereinafter referred to as the 'Valuer') to carry out an independent estimate of Market Value of commercial / office properties located in Chennai, Hyderabad, Mumbai and Pune along with incidental or ancillary activities including a facility management business and power distribution facility, vide Engagement Letter dated 27 March 2023. The Client intends to seek independent estimate of Market Value for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchange.

This Valuation Report has Market Value of a commercial / office project named '**Commerzone Porur**' located along **Mount Poonamallee Road, Porur**, Chennai, Tamil Nadu, India (hereinafter referred to as the 'Project').

Source: Client, 31 March 2024

## 1.2 PURPOSE OF VALUATION

The purpose of this valuation is to estimate the value of the Project as part of the portfolio of Mindspace REIT for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended together with clarifications, guidelines and notifications thereunder in the Indian stock exchange and for accounting purpose.

In addition, other documents in relation to the regulatory filings such as publicity material, research reports, presentations and press releases will also be prepared, wherein copies, summary or extracts of the Valuation Report are intended to be included.

## 1.3 RELIANT PARTIES

The reliance on the Valuation Report prepared as part of this engagement is extended to the Manager, REIT and other parties including the trustee of REIT, debenture trustee(s), stock exchanges, unitholders of REIT, Securities and Exchange Board of India ('SEBI'), credit rating agencies, lenders of the REIT and/or its special purpose vehicles or any other person within or outside India as the Manager may deem fit for the purpose as highlighted in this report (valuation). The Valuer, however, would extend no liability to such reliant parties save and except for gross and willful negligence.

The valuation exercise is conducted strictly and only for the use of the parties as stated above who need to rely on such valuation ('Reliant Party') and for the Purpose specifically stated. The Client shall make all reliant parties aware of the terms and conditions of the engagement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 1.4 VALUER'S CAPABILITY

**KZEN VALTECH PRIVATE LIMITED**, bearing Registered Valuer Entity number IBBI/RV-E/05/2022/164 with IBBI has been appointed as the Valuer for providing opinions on market value of the respective Subject Properties.



Mr. Sachin Gulaty, Director, KZEN VALTECH PRIVATE LIMITED, is registered as a valuer with IBBI for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 13 August 2021. He qualified for the degree of Bachelor of Architecture from School of Planning and Architecture, New Delhi in 1997, and qualified for the degree of Master's in Planning with specialization in Urban Planning from School of Planning and Architecture, New Delhi in 2002. He, subsequently, undertook distance learning from SVKM's Narsee Monjee Institute of Management Studies ("NMIMS") Global Access – School for Continuing Education, qualified for the two-years Post Graduate Diploma in Banking & Financial Management and was awarded this Post Graduate Diploma in July 2018.

Mr. Gulaty has more than 26 years of experience, including one and a half years of post-graduate education, spread over domains of architecture, urban planning, urban infrastructure, real estate advisory, and real estate asset valuation. He was the National Head of Valuations for Jones Lang LaSalle Property Consultants (India) Private Limited ("JLL India"), a leading International Property Consulting firm in India, from 2010 to 2021. Prior to this role, Mr. Gulaty gained practical experience in providing architecture services, town and city planning, and research related to regulatory studies and urban governance covering urban infrastructure such as water supply, sanitation, solid waste management, and urban transport, among other aspects. In the early part of his career, he worked with renowned architectural services firm, Kuldip Singh & Associates, and The Energy and Resources Institute ("TERI"). His last employment was with JLL as Senior Director and National Head for Valuations.

As the National Head of Valuations at JLL India, he led numerous valuation exercises for multiple financial institutions, private equity/real estate funds, corporates, industrial houses, government departments, and developers across multiple real estate asset classes of commercial, retail, residential, industrial, healthcare, and hospitality, among others. Clientele served by him across his entire career till date, under various employments, includes Brookfield, GIC, Qatar Investment Authority, JP Morgan, BlackRock, CapitaLand, Citibank, Standard Chartered Bank, Yes Bank, Kotak Mahindra, Maruti Suzuki, Indiabulls, Dubai Port World, World Bank, DLF, RMZ, Shriram Properties, DIPAM, NHAI, NBCC, AAI, and RLDA, among others.

Mr. Gulaty, who carries IBBI Registration Number: IBBI/RV/02/2021/14284, is enrolled with the Institute of Valuers Registered Valuers Foundation ("IOVRVF"), is a Fellow of Royal Institution of Chartered Surveyors ("RICS"), Fellow and Lifetime Member of Institute of Valuers, India ("IOV"), admitted as an Arbitrator (India) on the RICS Panel of Dispute Resolvers & Expert Witnesses, and features in the global list of RICS Trained Assessors, has prepared and signed this report on behalf of RV-E.

## 1.5 INDEPENDENCE, CONFLICT OF INTEREST AND VALUER'S INTEREST

The Valuer confirms that there are no conflicts of interest in so far as discharging his duties as a valuer for the Project is concerned. The Valuer has undertaken the valuation exercise without the presence of any bias, coercion, or undue influence of any party, whether directly connected to the valuation assignment. There has not been any professional association with the Client or the Project in past five years from his engagement as the Valuer.

The Valuer certifies that he/she does not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the Project (including the parties with whom the Client is dealing, including the lender or selling agent, if any) and accepts instructions to value the Project only from the Client.

## 1.6 ASSUMPTIONS, DEPARTURES AND RESERVATIONS

This Valuation Report has been prepared on the basis of the assumptions within the instructions (Key Assumptions, Qualifications, Limitations and Disclosures) detailed after this section of this report. The development mix, built up area, land area and lease details such as lease rent, lease commencement and lease end date, lock-in period, escalation terms, etc. pertaining to the Project is based on the appropriate relevant documents, which has been provided by the Client and the same has been adopted for the purpose of this valuation.

## 1.7 INSPECTION OF THE PROJECT

The Project was inspected on 21 March 2024 by the Valuer in the presence of Client-nominated representative and subsequently no site visits have been conducted. No measurement or building survey has been carried out as part of the valuation exercise. The Valuer has relied entirely on the site areas provided by the Client, which has been assumed to be correct. Based on the discussions with the Client, it has been assumed that no material change in the condition of the Project has taken place except for acquisition of leasable area amounting to 241,694 sq. ft. in September 2023 and the progress of construction work in accordance with the information shared.

## 1.8 GENERAL COMMENT

A valuation is an estimation of price, not a guarantee. By necessity, it requires the Valuer to make subjective judgments that, even if logical and appropriate, may differ from those made by a purchaser, or another valuer. Historically it has been considered that valuers may properly conclude within a range of possible values.

The purpose of the valuation does not alter the approach to the valuation.

Property values can change substantially, even over short periods of time, and thus the valuation of the Project herein could differ significantly if the date of valuation was to change.

This report should not be relied upon for any other purpose other than for which this valuation exercise has been undertaken.

## 1.9 CONFIDENTIALITY

The contents of this Valuation Report are intended for the specific purpose stated. Consequently, and in accordance with current practice, no responsibility is accepted to any other party in respect of the whole or any part of its contents- except as maybe required in connection with the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, under the applicable law.

## 1.10 AUTHORITY

The Client acknowledges and agrees that the valuation exercise undertaken (including, without limitation, the Reports itself and the contents thereof) is solely for the purpose set out in Section 1.2 herein. If Client desires to use the Report in any offering or other investment material for purpose other than as mentioned in the Section 1.2 herein, then (a) with Valuer will require, and the Client must provide or cause to be provided, an indemnification agreement in his favor, given by parties reasonably satisfactory to him, and (b) the Client will obtain his consent to the references in such materials to the Report.

## 1.11 LIMITATION OF LIABILITY

The Valuer has provided the services exercising due care and skill but does not accept any legal liability arising from negligence or otherwise to any person in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the properties. Further, the Valuer shall not accept liability for any errors, misstatements, omissions in the report caused due to false, misleading or incomplete information or documentation provided to him by the Instructing Party.

The Valuer's maximum aggregate liability for claims arising out of or in connection with the Valuation, under this engagement shall not exceed the professional indemnity insurance obtained by him. As on the date of this report, the professional indemnity insurance maintained by the Valuer is for Indian Rupees Fifty Million.

In the event that the Manager, the sponsors, the trustee, the REIT, or other intermediaries appointed by the Manager and / or REIT or its SPVs be subject to any claim ('Claim Parties') in connection with, arising out of or attributable to the Report, the Claim Parties will be entitled to require the Valuer to be a necessary party/respondent to such claim and he shall not object to his inclusion as a necessary party/ respondent. In all such cases, the Manager, on behalf of the REIT, agrees to reimburse/ refund to the Valuer, the actual cost (which shall include legal fees and external counsel's fee) incurred by them while becoming a necessary party/respondent. If the Valuer does not cooperate to be named as a party/respondent to such claims in providing adequate/successful defense in defending such claims, the Claim Parties jointly or severally will be entitled to initiate a separate claim against the Valuer in this regard.

The Valuer will neither be responsible for any legal due diligence, title search, and physical measurements nor undertake any verification/ validation of the zoning regulations/ development controls with any government departments/authorities, among other aspects.

## 1.12 DISCLOSURE AND PUBLICATION

The Valuer must not disclose the contents of this Valuation Report to a third party in any way, except as allowed under the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars. As per the terms and regulation 2(1) of the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars, it may be noted that the Valuation report is prepared in accordance with said REIT regulations.

## 1.13 ANTI-BRIBERY AND ANTI-CORRUPTION

The Valuer represents, warrants and undertakes that:

The Valuer is familiar with applicable Anti-Corruption Laws under this Agreement including but not limited to Prevention of Corruption Act 1988 and will ensure that neither it nor any of its officers, directors, shareholders, employees and agents or any other person acting under its implied or express authority will engage in any activity, practice or conduct which would constitute an offence under, or expose or potentially expose either Party to any direct or indirect liability, under Applicable Anti-Corruption Laws. It is further agreed that breach of any of the above undertakings shall be deemed to be a material breach of the Agreement and in case the Valuer is insisted upon or asserted by Client to violate any of the above said undertakings including Anti-Corruption regulations in any form or manner, on pretext of business relationship or otherwise, the Valuer shall have a discretionary right to terminate this Agreement without any liability or obligation on his part.

Such termination of this Agreement shall not in any way prejudice the rights and obligations (including payment for the services delivered under this Agreement) already accrued to the Valuer, prior to such termination.

## KEY ASSUMPTIONS, QUALIFICATIONS, LIMITATIONS AND DISCLAIMERS

|     |   |   |
|-----|---|---|
| 1.  | Type of Estimate                              | The scope of the assignment covers only estimating Market Value of a specified property and not a business valuation for either the Client or any of their subsidiaries or associated companies, etc. The estimate is based on extent of data/information provided by the Client and estimate has limited coverage wherever full data/information is not made available by the Client.  |
| 2.  | Legal Due-Diligence                           | Legal due diligence for establishing clarity of title, ownership, encumbrances if any, notices or disputes if any, among other legal-related issues are not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.  |
| 3.  | Information Provided by the Client and Others | The Valuer has relied on the information provided by the Client and the same has been assumed to be correct and has been used in the valuation. Where it is stated that another party has supplied information to the Valuer, this information is believed to be reliable. The Valuer cannot accept any responsibility for accuracy and non-reliability of such information.  |
| 4.  | Regulatory Due-Diligence                      | Regulatory due diligence is not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.  |
| 5.  | Project Status, Schedule and Project Costing  | Assessment of the Project Status and Schedule is based on the information provided by the Client and does not consider any unforeseeable developments which could impact the same in the future. The estimate <u>does account</u> for any capital expenses incurred by the Client on the existing and/or ongoing development works in the Project. Auditing the project figures is not part of the scope of work under this assignment. In all likelihood, an independent auditing agency would be covering this aspect, details of which can be obtained from the Client.  |
| 6.  | Market Conditions and Trends                  | The Valuer has taken into consideration the general conditions in the market with respect to broad demand and supply while carrying out the valuation. The Valuer has compared other comparable properties on the basis of many factors and as far as possible tried to remove / account for the differences in type, location and quality of the properties.   |
| 7.  | Information on Leases and Sales Performance   | The Valuer has relied on the rent roll including lease terms & conditions of the existing and pre-committed leases, as given by the Client. The Valuer has not verified individual lease agreements and the Valuer has relied on all information provided to him by the Client, upon which the Valuer will rely, is complete and correct. The Valuer has relied on pre-leasing details to the extent data/information made available by the Client.   |
| 8.  | Site Investigations and Illustrations         | The Valuer has carried out the site visits and based on the information made available by the Client and the estimate is carried out considering that the Project Site is a contiguous land parcel and is free from any encroachments and encumbrances as on the date of valuation. The Valuer has not carried out any structural survey nor tested the building services. No geographical or geo-physical survey was carried out. No environmental assessment has been carried out. Any sketch, plan or map in the report is included to assist reader while visualizing the Project and assume no responsibility in connection with such matters. |
| 9.  | Project Cost Estimates                        | Project Cost Estimates used in the estimate is as given by the Client. Project progress including capital expenditure progress reported is based on the cost incurred data as shared by the Client. The Valuer has reviewed the Project Cost estimates and/or cost incurred data to broadly ascertain their correctness on a normative basis while relying on the same as shared by the Client.   |
| 10. | Environmental Compliance                      | The Valuer assumed that the Project Site / Project is not contaminated and is not adversely affected by any existing or proposed environmental law and any processes which are carried  |

|     |  |  |
|-----|--|--|
|     |  | out on the Project Site are regulated by environmental legislation and are Project Site licensed by the appropriate authorities.   |
| 11. | Present Ground Conditions                  | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present, which might adversely affect the current or future occupation, development of the Project. The estimate assumes that the Project Site is free from rot, infestation, structural or latent defect and no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the property and comments made in the property details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.  |
| 12. | Town Planning and Statutory Considerations | The Valuer has not made formal search but has generally relied on readily available information to general public. Valuation Report is on current use/ current state basis of the property and the Valuer has not considered any Government proposals for road widening or compulsory purchase/ acquisition, or any other statute in force that might affect the Project.  |
| 13. | Future Market Development and Prospects    | The Valuer has not accounted any future market development and prospects to the extent information known to the Valuer as on the date of valuation. The Valuer does not warrant that such statements are accurate or correct.  |
| 14. | Disclaimer                                 | <p>The estimate of Market Value is based on documents/information shared by the Client. The Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Project.</p> <p>The Valuer has relied on the measurements and information provided at all times, whether from public and private sources, and has ensured to the best of their ability the correctness and the validity of the same, by cross checking from various sources. Whilst every effort has been taken to provide authentic data and analysis, the Valuer, and/or any of their associated companies and/or their employees are not responsible for any loss, major or minor incurred on the basis of the information and analyses provided, nor are liable to any damages in any form or shape.</p> <p>Given the confidential nature of real estate transactions, transaction details for most properties, which are privately actually transacted, are not in the public domain. Consequently, there is reliance on information from market sources, which may not be completely accurate. Thus, information has been crosschecked independently from other market sources to ascertain the broad credibility of information being provided by the market sources. This assignment has been done on best effort and knowledge basis.</p> <p>For ease and simplicity of representation, certain figures may have been rounded.</p> |



## 2 VALUATION APPROACH AND METHODOLOGY

### 2.1 VALUATION STANDARDS ADOPTED

This Report is prepared in accordance and compliance with:

1. Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time ("**SEBI Regulations 2014**"), including Regulation 21 Sub-Regulation (3) and mandatory minimum disclosures as specified in Schedule V of these SEBI Regulation 2014,
2. Companies (Registered Valuers and Valuation) Rules, 2017 as amended from time to time ("**Valuer Rules 2017**"), including reporting requirements as specified in Rule 18 to these rules,
3. International Valuation Standards 2022 ("**IVS 2022**") as set out by International Valuation Standards Committee ("**IVSC**") and adopted by Royal Institution of Chartered Surveyors ("**RICS**") presented in the RICS Valuation Standards and Guidelines 2022 ("**RICS Red Book 2022**"), subject to variation to meet local established law, custom, practice, and market conditions.

### 2.2 BASIS OF VALUATION

Basis of valuation of the Project is **Market Value** as defined by IVSC and adopted by Royal Institution of Chartered Surveyors (RICS) to be:

*"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".*

### 2.3 APPROACH AND METHODOLOGY

The purpose of this valuation exercise is to estimate the Market Value of the Project, which is a real estate asset. Market Value of the real estate asset can be estimated using different approaches and methodologies.

**Income Approach:** Under this valuation approach, the income generating potential of the real estate asset is estimated while opining on its market value. This approach is typically adopted for assets that are income-generating (completed and operational with multiple tenancies, multiple strata units that can be sold with phased/milestone-based revenue collections, among others). For income-generating assets with single/multiple tenancies, the discounted cash flow entailing term and reversion method is most commonly adopted.

**Market Approach:** Under this valuation approach, the price that an asset could fetch in an open market is estimated. This approach is typically adopted for homogeneous assets in their micro-market and are typically traded on a unit basis. The most commonly adopted valuation method under this valuation approach is the Listed Transaction / Listed Quoted Instances Method, also commonly known as the Direct Comparison or the Comparable Sales/Quoted Instances Method.

**Cost Approach:** Under this valuation approach, the cost required to create an asset of similar or equal utility is estimated. This valuation approach is typically adopted for real estate assets that can be clearly broken down into constituent elements, namely land and built structures. The most commonly adopted valuation method under this valuation approach is the Physical Method, also commonly known as Land and Building Method, which typically entails estimation of the underlying land value (while normally adopting the Market Approach) and the built structures (while adopting the Depreciated Replacement Cost Method) separately.

The table below presents different valuation methodologies and their brief description.

**Table 2.1: Different Valuation Methodologies and Description**

| Sl. No. | Valuation Methodology                      | Description   |
|---------|--|---|
| 1.      | Comparable Sales / Quoted Instances Method | This method is based on comparing the subject property directly with other comparable property transaction (actually been sold in the vicinity or are offered for sale). Efforts would be made to collect transacted instances. In case of non-availability of transacted instances in the micro-market, the opinion will be offered based on the available asking/quoted instances in the market with appropriate adjustments for margin for negotiation. Given the homogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative and quantitative differences that may affect the price likely to be achieved by the property under consideration. These adjustments are typically made in the form of premium and/or discount factors for various property attributes, which affect the value. This method demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This method is a fair estimate of the prevailing prices. |
| 2.      | Depreciated Replacement Cost Method        | Replacement cost method is based on the construction cost of assets. The cost to be estimated is the cost of construction as per the construction status at the valuation date. This is based on the inspection of the facility and inputs provided by the Client; however, no structural survey will be conducted. Appropriate depreciation rates will be applied based on schedules given under the Indian Companies Act. This is generally used for estimating the Market Value of only the buildings  |
| 4.      | Discounted Cash Flow Method                | This method is based on the present value of the future receivable net income from the current operational leases / revenues. The current revenues and the future achievable revenues derived from the operational project components of the Project Site would be adjusted for the outgoing expenses to derive 10-year cash flows. The same is then discounted at an appropriate discounting rate linked with risk adjusted discounting factor to estimate the market value for the operational project components. This method is sometimes referred to as 'Rent Roll method as well.   |

#### Approach and Methodology Adopted for Estimating Market Value of the Project

Based on a detailed review of the leases for the Project, the Valuer has noted that a large number of leases of the Project were executed at rent prevalent at the time of signing of such leases or at a discount to prevailing market rental (for a few anchor tenants). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, demand-supply dynamics, quality of spaces, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some properties or submarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to estimate the intrinsic value of the property under review.

Considering the objective of this exercise and the nature of the asset involved (completed & operational commercial / office space), the value is estimated using the 'Discounted Cash Flow Method' (basis term and rent reversion) under 'Income Approach'.

## 3 VALUATION ASSUMPTIONS AND INPUTS

### 3.1 INVESTIGATION, NATURE AND SOURCE OF INFORMATION

The Valuer undertook physical visits of the Project wherein the buildings and related assets were visually inspected to assess the condition of the buildings and the apparent state of its maintenance/upkeep.

Information related to state and structure of the relevant real estate market for the Project was sourced from the industry and market report prepared by Jones Lang LaSalle Property Consultants (India) Private Limited ('JLL'), who were appointed by the Client to undertake market research and portfolio analysis of the properties part of the Mindspace REIT.

Project related information referred to for the valuation exercise have been provided by the Client unless otherwise mentioned. The Valuer has assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, the Valuer has independently revalidated the information by reviewing the originals as provided by the Client.

In addition, the Valuer relied on the following information and documents shared by the Client with respect to the Project:

- Title certificates prepared by the Legal Counsel of the Client covering the type of ownership interest enjoyed and information on ongoing litigation.
- Architect's certificates dated mentioning site areas and property areas
- Relevant approval documents from competent authorities regarding occupancy, operations and fire safety.
- Lease agreements and commercial clauses thereof for top five tenants on a sample basis
- Masterplan/ Development plan applicable in the jurisdiction of the Project
- Management representation regarding the following:
  - Major repairs undertaken and proposed in the Project
  - Statement of assets
  - Revenue pendency if any
  - Options or Rights of Pre-emption and any other encumbrances concerning or affecting the property.
  - List of material litigations

### 3.2 CAPITALIZATION RATE

The capitalization rate adopted for valuing the assets has been based on various factors such as:

- Historical entry yields (going in cap rates) for commercial / office asset transactions across various key markets in India, which have steadily shown a downward trend over last 7 - 8 years from 10.5%-11.5% to about 7.5%-8.5% in 2024.
- The increased appetite for income generating assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- The demand supply situation in the respective city and expected dynamics of demand leading supply - given entry challenges such as land availability, higher initial cost outlays etc. developers are expected to focus on fully built to suit or semi-speculative projects (with key tenants tied in prior to launch of construction).
- Inflation (and interest rates) expected to be maintained in check with interventions from the Reserve Bank of India, in case of significant change.
- Liquidity associated with REIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer).

***Based on the above factors, the Valuer has adopted a exit cap rate of 8.00% for the Project, for the purposes of estimating the Market Value, considering the 1 year forward net operating income after 10 years, is utilized for the purpose of calculation of exit value / terminal cash flow.***

### 3.3 DISCOUNT RATE

This discount rate used for discounting the available cash flows represents Cost of equity (the opportunity cost for shareholders) and Cost of Debt (the opportunity cost for creditors), weighted by their respective contribution to the total capital of the company (WACC).

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived using the below formula:

$$\text{Cost of equity} = \text{Risk Free Rate (Rf)} + \text{Beta } (\beta) * (\text{Market Return (Rm)} - \text{Risk Free Rate (Rf)})$$

The cost of debt for completed commercial / office blocks has been considered based on prevalent financing rates for Grade A commercial / office parks in the city. The weightages accorded to equity and debt are derived through benchmarking the subject property against similar portfolios/properties in the market. For discounting the cash flows, an appropriate discount rate considering the location of Project and market dynamics of the micro market, has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC) which is derived to be 11.75% for the completed portion of the project.

This derived discount rate was found to be aligned with the expectations of investors investing in similar assets.

## 4 VALUATION CERTIFICATE

| Property Name   | Commerzone, Porur, Chennai, Tamil Nadu, India   |  |         |                   |                              |    |                  |  |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
|---|---|--|---------|-------------------|------------------------------|----|------------------|--|----|-------------|-------|----|-------------|-------|----|-------------|-------|----|-------------|-------|----|-------------|-------|----|-------------|-------|----|-------------|-------|
| Property Address  | Commerzone Porur, Bus Stop, Mount Poonamallee High Road, Adithi Colony, Sriram Nagar, Mugalivakkam, Chennai, Tamil Nadu 600116  |  |         |                   |                              |    |                  |  |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| Land Area   | ~6.13 acres   |  |         |                   |                              |    |                  |  |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| Brief Description                                       | <p>The Project is located in the western part, in the Secondary Business District micro market of Chennai City along Mount Poonamallee Road. It is located at a distance of about 2 km from the Porur Junction and about 5km from the Kathipara Flyover, which is the major interchange junction connecting various parts of the city.</p> <p>The project is developed as Grade A IT Park with two (2) blocks (Block A &amp; B). The Project has excellent visibility and frontage along the access road.</p> <p>The project is surrounded by mixed-use developments comprising commercial, residential, retail, and hospitality developments.</p>  |  |         |                   |                              |    |                  |  |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| Valuation Methods                                       | <p>The estimate of Market Value is prepared using following method:</p> <table border="1"> <thead> <tr> <th>Sl. No.</th><th>Asset Type</th><th>Methodology Adopted</th></tr> </thead> <tbody> <tr> <td>1.</td><td>Completed Assets</td><td>Discounted Cash Flow Method using Rent Reversion</td></tr> </tbody> </table>   |  | Sl. No. | Asset Type        | Methodology Adopted          | 1. | Completed Assets | Discounted Cash Flow Method using Rent Reversion |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| Sl. No.   | Asset Type  | Methodology Adopted                              |         |                   |                              |    |                  |  |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| 1.  | Completed Assets  | Discounted Cash Flow Method using Rent Reversion |         |                   |                              |    |                  |  |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| Nature of the Interest by the Client                    | Project is a freehold asset and it is owned by the Horizonview Properties Private Limited. Mindspace Business Parks REIT (Mindspace REIT) holds 100% ownership of the Horizonview Properties Private Limited.   |  |         |                   |                              |    |                  |  |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| Purchase Price of the Project                           | <p>INR 7,001 million*, as given by the Client</p> <p>Note*: Includes acquisition of 0.24 mn sq. ft. acquired on September 02, 2023 for INR 1,816 mn including transaction costs (as per information provided by the Client)</p>   |  |         |                   |                              |    |                  |  |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| Historical Valuation of the Project in 3 Previous Years | <p>Below table summarizes historical valuation of the Project as given by the Client:</p> <table border="1"> <thead> <tr> <th>Sl. No.</th><th>Date of Valuation</th><th>Market Value (INR Million) *</th></tr> </thead> <tbody> <tr> <td>1.</td><td>30-Sep-2023</td><td>11,048</td></tr> <tr> <td>2.</td><td>31-Mar-2023</td><td>8,205</td></tr> <tr> <td>3.</td><td>30-Sep-2022</td><td>7,873</td></tr> <tr> <td>4.</td><td>31-Mar-2022</td><td>7,562</td></tr> <tr> <td>5.</td><td>30-Sep-2021</td><td>7,314</td></tr> <tr> <td>6.</td><td>31-Mar-2021</td><td>6,993</td></tr> <tr> <td>7.</td><td>30-Sep-2020</td><td>6,204</td></tr> <tr> <td>8.</td><td>31-Mar-2020</td><td>5,946</td></tr> </tbody> </table> <p>*Does not include the valuation of 0.24msf leasable area which was acquired on 02 Sep 2023.</p> |  | Sl. No. | Date of Valuation | Market Value (INR Million) * | 1. | 30-Sep-2023      | 11,048   | 2. | 31-Mar-2023 | 8,205 | 3. | 30-Sep-2022 | 7,873 | 4. | 31-Mar-2022 | 7,562 | 5. | 30-Sep-2021 | 7,314 | 6. | 31-Mar-2021 | 6,993 | 7. | 30-Sep-2020 | 6,204 | 8. | 31-Mar-2020 | 5,946 |
| Sl. No.   | Date of Valuation   | Market Value (INR Million) *                     |         |                   |                              |    |                  |  |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| 1.  | 30-Sep-2023   | 11,048   |         |                   |                              |    |                  |  |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| 2.  | 31-Mar-2023   | 8,205  |         |                   |                              |    |                  |  |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| 3.  | 30-Sep-2022   | 7,873  |         |                   |                              |    |                  |  |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| 4.  | 31-Mar-2022   | 7,562  |         |                   |                              |    |                  |  |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| 5.  | 30-Sep-2021   | 7,314  |         |                   |                              |    |                  |  |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| 6.  | 31-Mar-2021   | 6,993  |         |                   |                              |    |                  |  |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| 7.  | 30-Sep-2020   | 6,204  |         |                   |                              |    |                  |  |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |
| 8.  | 31-Mar-2020   | 5,946  |         |                   |                              |    |                  |  |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |    |             |       |

|  |  |
|--|--|
| Ready Reckoner Rate                                      | Land Area – INR 5,800 per sq. ft. as on 31 <sup>st</sup> March 2024  |
| Date of Valuation  | 31-Mar-2024  |
| Date of Inspection                                       | 21-Mar-2024  |
| Market Value as on 31-Mar-2024                           | For Completed Project - INR 11,363.39 million (INR Eleven Billion Three Hundred Sixty Three Million Three Hundred Ninety Thousand Only)  |
| Matters Affecting the Property and its Value             | Please refer to Chapter 7 of this Valuation Report   |
| Assumptions, Disclaimers, Limitations and Qualifications | This Valuation Report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report, which are made in conjunction with those included within the Assumptions, Limitations & Qualifications section located within this report. Reliance on this report and extension of Valuer's liability is conditional upon the reader's acknowledgement and understanding of these statements. This Valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party, who may use or rely on the whole or any part of the content of this Valuation Report. The Valuer has no pecuniary interest that would conflict with the proper valuation of the Project |
| Prepared by  | KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)<br>Represented through its Director<br>Mr. Sachin Gulaty FRICS FIV FIIA<br>IBBI/RV/02/2021/14284  |



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**Name:** Sachin Gulaty FRICS FIV FIIA  
**Designation:** Director  
**Valuer Registration No.:** IBBI/RV/02/2021/14284



## 5 PROJECT SITE AND PROJECT ANALYSIS

### 5.1 DETAILS OF THE PROJECT SITE AND/OR PROJECT

The table below presents details of the Project Site and/or Project.

Table 5.1: Details of the Project Site and/or Project

| DETAILS OF PROJECT                                      |  |
|---|--|
| Property Name   | Commerzone, Porur, Chennai, Tamil Nadu, India  |
| Property Address  | Commerzone Porur, Bus Stop, Mount Poonamallee High Road, Adithi Colony, Sriram Nagar, Mugalivakkam, Chennai, Tamil Nadu 600116 |
| Land Area   | ~6.13 acres  |
| Block-Wise Break-Up of Leasable Area and Current Status | Leasable area details of Project as shared by the Client are as mentioned in the Executive Summary section                     |
| Access  | Accessible through 30m wide Mount Poonamallee Road   |
| Frontage  | Approximately ~98m frontage along Mount Poonamallee Road   |
| Shape and Visibility                                    | Regular in shape. Relatively flat terrain. Excellent visibility from access road   |
| Approval Status   | Project has requisite approvals in place as confirmed by the Client.   |
| INFRASTRUCTURE  |  |
| Water Supply, Sewerage & Drainage                       | Available within the Project   |
| Power & Telecommunication                               | Available within the Project   |

### 5.2 LOCATION OF THE PROJECT

The Project is located at Porur which is classified as SBD Southwest office market of Chennai. It is well accessed by 30m wide Mount Poonamallee Road on the Southern Side. Porur Junction and Kathipara Junction are located approx. 2kms and 5kms from the Project respectively which are the major interchange junctions to various parts of the city. Chennai International Airport is just 9kms from Project. The upcoming metro corridor 4, which would connect lighthouse to Poonamallee Bus Depot, would have a station at Porur Junction. This would strengthen the connectivity and accessibility along MPR as well as to the Project. The Phase 2 Metro is estimated to be completed by 2026. There are many IT/ITes developments located along Mount Poonamallee Road and the larger development being DLF Cybercity located at a distance of ~1km from Project.

Map 5.1: Location of the Project Site with respect to the Chennai City



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

Distance and accessibility to the Project from major landmarks in the city is given below:

Table 5.2: Distance of the Project from Major Landmarks of Chennai City

| Location / Landmark         | Approximate Distance from Project (km) |
|-----------------------------|--|
| DLF Cybercity               | 1.0                                    |
| Chennai Trade Centre        | 2.0                                    |
| Kathipara Junction          | 5.0                                    |
| Chennai Airport             | 11.0                                   |
| CMBT                        | 11.0                                   |
| MGR Central Railway Station | 18.0                                   |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### 5.3 DESCRIPTION OF THE PROJECT AND ITS SURROUNDINGS

The Project is developed as Grade A commercial office space along Mount Poonamallee Road (MPR). The Project is surrounded by mixed use development comprising residential, retail, and commercial asset classes. The Project has trapezoidal plot and contiguous in nature, having flat topography with no significant variations in the elevation of the site. It has excellent visibility and frontage along the access road.

The Project is spread across ~6.13 acres of land. It enjoys good frontage along the access road and has one main entrance. The map below presents location of the Project Site and its surroundings.

Map 5.2: Location of Project Site and its Surrounding Developments



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The map below presents the conceptual Layout Plan of the Project as shared by the Client.

Map 5.3: Conceptual Layout Plan for the Project



The table below presents the boundary/edge conditions of the Project.

**Table 5.3: Project and its Site Boundaries**

|       |                                       |
|-------|---------------------------------------|
| North | One Paramount Campus 20 & 30          |
| South | Mount Poonamallee Road (Access Road)  |
| West  | One Paramount (Campus 10)             |
| East  | Industrial & Residential Developments |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The Project is surrounded by commercial, residential, retail and hospitality developments in the vicinity. Grade A commercial / office developments and premium residential developments are also present in the micro-market.

## 5.4 DESCRIPTION OF THE PROJECT

The table below presents key asset specific information.

**Table 5.4: Key Asset Specific Information of the Project**

| Particulars                       | Description  |
|-----------------------------------|--|
| Name of the Entity                | Horizonview Properties Private Limited                       |
| Interest owned by Mindspace REIT  | 100% owned and controlled by the Mindspace REIT <sup>1</sup> |
| Land Extent                       | ~6.13 acres  |
| Asset Type                        | IT Park with Non-SEZ buildings                               |
| Sub-Market                        | SBD Southwest  |
| Approved and Existing Usage       | IT – Non SEZ Office development                              |
| Current Status                    | 100% Complete and Operational                                |
| Approvals Status                  | List of approvals are specified in annexure 4                |
| Freehold/Leasehold                | The underlying land is taken on freehold basis               |
| Leasable Area                     | 1.13 mn sq. ft.  |
| Occupied Area                     | 0.86 mn sq. ft.  |
| Committed Area                    | 0.95 mn sq. ft.  |
| Occupancy <sup>3/</sup>           | 76.0%  |
| Committed Occupancy <sup>4/</sup> | 84.0%  |
| Number of Tenants                 | 11   |

Note: <sup>1/</sup> Refer company structure set out in Annexure 1

<sup>2/</sup> Client has obtained occupation certificate for entire leasable area measuring 1.13 million sq. ft.

<sup>3/</sup> Occupancy refers to proportion of area leased, which is actively occupied by the tenants/occupiers

<sup>4/</sup> Committed occupancy also includes area, which has been pre-leased to tenants/occupiers

## 5.5 PROJECT INSPECTION









The Project is part of a larger campus spread across two (2) blocks (Block A & B). All building blocks are completed & operational and are non-SEZ buildings, as on the date of inspection by the Valuer. The Project was inspected by the Valuer on 21 March 2024.









The inspection comprised visual inspection of operational buildings comprising the Project and visits to key utility areas like LT Electric Room, Pump Room, HVAC installations, Power Back up, STP. The common areas within the buildings were visited on a sample basis as the areas under tenant occupation had access restrictions.

The visual inspection of the buildings did not reveal any cause of concern with no visible signs of any disrepair or ill maintenance within the operational buildings. The utility areas also appeared well maintained, visually. No instances of any major logging or water accumulation were observed during the inspections. The inspections did not comprise any structural survey, technical/engineering review or safety audit and the assessment of the condition of the building, its utilities and campus infrastructure are based completely on visual survey.

Some of the photographs of the Project and surroundings are given below.

|   |  |
|---|--|
|    |    |
| Primary Access Road – Mount Poonamallee Road  | Exterior View of the Project   |
|   |   |
| Exterior View of the Project  | Main Lobby Area at Ground Floor  |
|  |  |
| Lift Lobby Area   | Cafeteria located in Block B   |
|  |  |
| Meeting Room in Lobby Area  | Utility Area   |

|   |  |
|---|--|
|  |  |
| Basement – Parking Area   | Utility Area   |
|  |  |
| Food Court Area located in Block B  | Vacant Floor   |
|  |  |
| Landscaped Area   | Landscaped Area  |

## 5.6 OTHER RELEVANT INFORMATION RELATED TO THE PROJECT

### Site Services and Finishes

The visual inspection was done for all the buildings including common areas and key utility areas such as LT Electric Room, Pump Room, STP, Chillers, HVAC Installations etc. As per the visual survey there was no concern related to finishes and site services. The campus is well maintained with proper landscaping in common areas.

### Condition and Repairs

The Project is sought to be in good condition. The inspection of key utility areas was done on a sample basis, and it did not reveal any cause of concern or ill maintenance in any of the operational buildings. Hence, no major building repair works are required except the general testing of plants and machineries in regular intervals.

### Environmental Considerations

The Valuer has not carried out any investigations or tests or been supplied with any information from the Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the subject or any other land (including any ground water).

For the purpose of assessing the vulnerability of the Project to any natural or induced disaster the location of the Project with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Chennai where the Project is located falls in Seismic Zone III with moderate risk. The city faces low to moderate risk in terms of high winds or cyclones too. The



Project is not likely to face any higher risk than the overall risk profile of the city. No hazardous activity was noted in the vicinity of the Project, which may expose it for any induced disaster.

The Project lies in highly vulnerable flood prone area as per the assessment carried out by Tamil Nadu State Disaster Management Authority (TNSDMA) after the event of Chennai flood took place in December 2015 and classified the areas with water level more than 5 feet due to heavy rains as high vulnerability areas. Since the Project is located at a relatively higher elevation compared to its immediate surroundings, indicating low to moderate risk of flooding and perennial water logging. It is also understood that the Project has followed required measures to mitigate the risks from any potential flooding:

#### **Option or Pre-Emption Rights and Encumbrances**

Unless disclosed and recorded by the Client, the Project is considered to possess a good and marketable title and is free from any unusually onerous encumbrances with no option or pre-emption rights in relation to the assets except for those created in favor of the lenders, based on the information given in the Title Reports prepared by Hariani & Co. (hereinafter collectively referred to as 'Legal Counsel'). The Valuer has not checked and verified the title of the Project.

#### **Revenue Pendencies**

On the basis of the Title Reports prepared by the Legal Counsel and discussion with the Client, there are no revenue pendencies including local authority taxes associated with the Project or any compounding charges. No independent verification of this has been made from revenue authorities and reliance has been made on the Client information for the same.

#### **Material Litigation**

Based on discussions with the Client and Title Reports shared, there are no material litigation including tax disputes other than the litigation disclosed to the Valuer, relating to the Project or any compounding charges

## **5.7 TENANCY ANALYSIS**

#### **Tenant Profile of Top Tenants in Project**

As on 31<sup>st</sup> March 2024, the Project has 11 tenants which include companies like Hitachi, R1 RCM, Tablespace, Simpliwork, HDFC Bank Limited, etc. The top tenants as per leasable areas is listed below: -

The top tenants as per leasable areas are listed below:

**Table 5.5: Top 10 Tenants Arranged as per Leasable Areas\***

| Sl. No. | Tenant                                     | Leasable Area (Sq Ft) |
|---------|--|-----------------------|
| 1       | Hitachi Energy Technology Services Pvt Ltd | 360,904               |
| 2       | HDFC Bank Limited                          | 306,211               |
| 3       | Tablespace Technologies Pvt. Ltd.          | 109,514               |
| 4       | Simpliwork Offices Pvt Ltd                 | 68,655                |
| 5       | Ramboll India Private Ltd                  | 50,938                |
| 6       | R1 RCM Global Pvt Ltd                      | 50,299                |
| 7       | Qual-et Global                             | 2,634                 |
| 8       | Tata Starbucks Private Limited             | 1,202                 |

| Sl. No. | Tenant                   | Leasable Area (Sq Ft) |
|---------|--------------------------|-----------------------|
| 9       | Bakya Veg Restaurant     | 570                   |
| 10      | Shree Foods And Services | 560                   |
|         | Total                    | 951,487               |

Source: Analysis, 31<sup>st</sup> March 2024

**Note\*:** Includes contracted areas for which rent may start at a future date

The Tenants as per Gross Rents are listed below:

**Table 5.6: Tenants 10 arranged as per Gross Rents**

| Sl. No. | Tenant*                                    | Share of Gross Rents (%) |
|---------|--|--------------------------|
| 1       | Hitachi Energy Technology Services Pvt Ltd | 52.0%                    |
| 2       | HDFC Bank Limited                          | 22.5%                    |
| 3       | Tablespace Technologies Pvt. Ltd.          | 9.7%                     |
| 4       | Simpliwork Offices Pvt Ltd                 | 6.1%                     |
| 5       | Ramboll India Private Ltd                  | 4.8%                     |
| 6       | R1 RCM Global Pvt Ltd                      | 4.5%                     |
| 7       | Tata Starbucks Private Limited             | 0.2%                     |
| 8       | Bakya Veg Restaurant                       | 0.1%                     |
| 9       | Shree Foods And Services                   | 0.1%                     |
| 10      | Qual-et Global                             | 0.1%                     |
|         | Total                                      | 100.0%                   |

Source: Analysis, 31<sup>st</sup> March 2024

**Note: \*** - For some of the tenants rent commencement may not have happened. For Bakya Veg Restaurant and Shree Foods and Services Limited rentals are basis estimated revenue share numbers.

### **Lease Expiry Analysis**

The WALE of the Project is 8.5 years, with expiry as shown in the chart below.



Source: Analysis, 31<sup>st</sup> March 2024

### **Escalation Analysis**

The leases of the Project has typically seen rental escalation of 5% every year or 15% every 3 years.

## 6 MARKET SCAN OF THE CITY AND THE MICRO-MARKET

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### 6.1 INTRODUCTION

The valuation exercise takes into account the market performance and various other indicators that are relied upon the industry report which has been prepared by Jones Lang LaSalle India Property Consultants, who are appointed as an independent consultant by the Client.

### 6.2 CITY OVERVIEW

Chennai is the fourth-largest metropolitan city in India. Located on the coast of Bay of Bengal, it is one of the largest cultural, economic, and educational centres of South India. Chennai has been ranked as the world's fifth-most dynamic city, as per the JLL City Momentum Index (CMI) for the year 2020. This ranking was supported by the rapidly evolving real estate sector, which is benefiting from the strong growth of the IT and Manufacturing industries and improving infrastructure. The city is culturally diverse and socially cosmopolitan and has been ranked fourth in the Ease of Living Index 2020, published by the Ministry of Housing and Urban Affairs. Chennai's real estate industry showed strong growth in 2019 after a lull of five years, despite a sluggish auto sector and a slowdown in the city's economy. This growth can be attributed to the strengthening of the IT sector, the resurrection of the electronics industry and increased demand for Grade A offices from a host of occupier segments including manufacturing and flex. Just when Chennai's skyline was opening to a robust pipeline of commercial projects, the growth momentum of the city was affected by the onset of the COVID-19 pandemic, which brought the entire city to a standstill amid a complete lockdown. The rapid spread of the virus and the lockdown measures imposed delayed the expansion of business, curtailed capital expenditure and caused disruptions in the business cycle and, thereby, impacted investments and projects. In Q3 2020, with the phased unlocking of the economy, business activities gradually resumed. The strong development potential combined with the city's resilient nature helped the real estate sector get back on track and in Q4 2020 the city showed early signs of recovery. Although 2020 ended on a positive note as the office market in Chennai showed signs of recovery, there was still uncertainty in the market with respect to complete resumption of business-as-usual. Further, the rapid rise of COVID-19 cases in the first half of 2021 impacted leasing activity in the commercial market and compelled several occupiers to go into a 'wait-and-watch' mode.

However, in the second half of 2021, the office market gained stability backed by low COVID infection rates and active demand that translated into improved leasing activity. Occupiers were able to make real estate decisions with greater clarity as confidence recovered. Also, the re-opening of offices provided a further boost to confidence. The year 2022 started on the right note for Chennai's office sector with resurgent demand from occupiers. Chennai's office market started its post pandemic recovery from 2022, with strong demand and robust supply pipeline. In Q4 2022, quarterly net absorption reached its highest level since 2019 and touched 1.24 million sq ft. The leasing momentum sustained despite global market headwinds and the rate-hike cycle, on account of quality supply and healthy pre-commitments in prominent projects. The year 2023 built on the momentum of the previous year and turned out to be one of historic highs for the city's office market. Gross leasing hit a record 9.5 mn sq ft for the year with an especially strong second half. In fact H2 2023 was 25% higher compared to H1 signalling a strongly growing occupier interest in the city. The entry of new GCCs and the ongoing expansion of the manufacturing and flex space segments along with the tech sector were the major factors for the widening of office sector demand base. Net absorption for the year also stood at a historic high of 6.6 mn sq ft with just Q4 accounting for 50% of this number with a strong finish to the year, driven by strong pre-commitments in newly completed assets and robust leasing activity. In Q1 2024, the momentum has continued with the city's first quarter performance the strongest ever with 2.67 mn sq ft of gross leasing activity, a strong 42% growth y-o-y. The driving force behind this leasing activity was domestic occupiers,

contributing approximately 64% of the total leasing. Among the domestic occupiers, tech companies held the leading position, spearheading the demand. Net absorption though was lower, impacted by limited completions and fast lowering of vacancies in quality assets. However, even the Q1 net absorption figures were up by 7.2% on a y-o-y basis.

### 6.3 INFRASTRUCTURE INITIATIVES

The city bus service network, operated by the Metropolitan Transport Corporation (Chennai) Limited (MTC), the Chennai Metro and Chennai Suburban Railway form the key mass rapid transit system (MRTS) of Chennai. The city has an intricate road network of 2,780 km connected by MTC. These roads are further extended by the development of 250 km of radial roads in and around the Chennai metropolitan area (CMA).

The Tamil Nadu Vision 2023 aims to achieve a GSDP growth of 11% per annum at a sustained pace for the upcoming years. Vision 2023 will focus on developing an array of projects to strengthen the state's infrastructure. The state is increasingly becoming the destination for start-ups in SaaS. The emergence of NH-4, large sized SEZs and IT parks have spurred commercial real estate demand in the city.

#### Existing infrastructure

| Existing Project   | Completion timeline | Details  | Key impact zones                  |
|--|---------------------|--|-----------------------------------|
| Outer Ring Road (ORR),officially State Highway 234                               | Feb 2021            | Along the periphery of Chennai metropolitan area. It's a 62 Km stretch connecting GST Road at Perungalathur, and Vandalur, NH 48 (GWT Road) at Nazarethpettai, NH 716 (CTH Road) at Pattabiram to NH 16 (GNT Road) at Vijayanaallur and to TPP road at Minjur.       | PBD GST, South West               |
| The Inner Ring Road (IRR), also known as Jawaharlal Nehru Salai or 100-Foot road | Feb 2021            | It is 25.2 km long connecting SH 49A (Rajiv Gandhi Salai) in Tiruvanmiyur, Velachery main road at Vijayanagar, NH 32 (GST road) at Kathipara, NH 4 at Koyambedu, NH 205 at Padi, NH 5 at Madhavaram and joins SH 104 (TPP Road) at Manali. The IRR is a 6-lane road. | CBD, South West, SBD OMR, PBD OMR |
| Chennai –Trichy Highway/Grand Southern Trunk Road or National Highway 45         | Feb 2021            | The Road starts from Kathipara Junction in St Thomas Mount, Chennai towards Tiruchirappalli. It's a 460 Km road. The highway has a 4 lane. The Chennai International Airport is located on this highway within the Chennai City limits.                              | South West, PBD GST, PBD OMR      |
| Chennai-Kolkata NH 16  | May 2013            | NH 16 has a total length of 1,764 km of which 43 Km pass through Tamil nadu. It connects Andhra Pradesh, Telangana and further northern states to the Chennai port.  | CBD, PBD WEST                     |
| Chennai-Bengaluru Highway/ NH 48   | May 2013            | It's a 326 KM stretch between Chennai and Bengaluru. 4 lanes in the stretch between Sriperumbudur and walajah road and six lanes between walajah-Bengaluru and Koyembedu and Sriperumbudur stretch   | CBD, South West, PBD GST          |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

#### Upcoming Infrastructure

The upcoming Bengaluru–Chennai Expressway will not only reduce travel time between the two cities by two to three hours, but it is also anticipated to trigger real estate growth in key micro-markets falling along the corridor. A total of INR 200 billion has been sanctioned for

successful completion of the project by the Government of Tamil Nadu. The state government has prioritised mega projects like upgrading the state's major roads, the ultra-mega power plant project in Uppur and the Madurai-Thoothukudi Industrial Corridor in par with the need for TN Vision 2023. The city also has multiple road development projects like Chennai Port–Maduravoyal Expressway by NHAI, and the greenfield project, Chennai–Salem Expressway, which are in progress under programmes like the PM Gati Shakti and Bharatmala Pariyojana (BMP).

#### **Chennai – Key roads in the city**



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

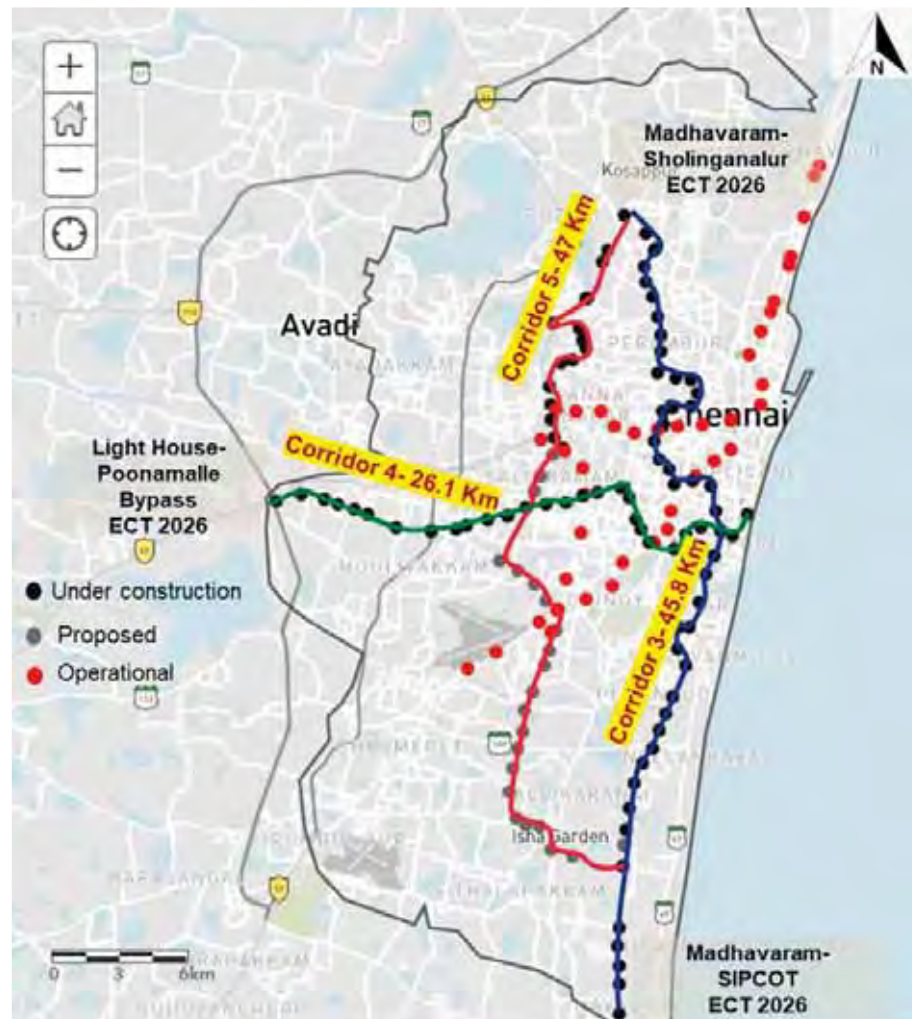
#### **Existing Metro Rail Lines**

Chennai Metro Rail Phase 1 is fully operational with coverage of 45.1 km and 32 stations. Since the announcement of the Metro Rail Project in 2009, Chennai's real estate witnessed a boost along its corridors. Phase II of this project traverses 118.9 km of the city with 128 stations and will be fully operational by 2026. Construction work for Phase II commenced in the last quarter of 2020. The total cost of the project is INR 691 billion, funded in part by the Government of Tamil Nadu (INR 31 billion), with the rest funded by Asian Infrastructure Investment Bank (AIIB) in the form of a long-term loan for completion down to the last mile. Other projects, such as major flyovers, upcoming link roads and ring roads (planned or under-construction), have opened up new land parcels for commercial and residential developments in Chennai.



**Upcoming Metro Rail Lines**

| Project    | Completion timeline | Details  | Key impact zones                   |
|------------|---------------------|--|------------------------------------|
| Corridor 3 | 2026                | 45.8 Km- Stretch connecting Madhavaram and SIPCOT (Purple line) The line will consist of 50 stations, out of which 30 are underground and 20 are elevated.             | CBD, SBD OMR, PBD OMR              |
| Corridor 4 | 2026                | 26.1 Km –Stretch connecting Light house to Poonamalle Bypass (Orange line) The line will consist of 30 stations, out of which 12 are underground and 18 are elevated.  | CBD, South West                    |
| Corridor 5 | 2026                | 47 Km- stretch connecting Madhavaram to Sholinganalur (Red line) The line will consist of 48 stations, out of which 6 are underground, 1 at grade and 41 are elevated. | PTR, South West, SBD OMR, PBD WEST |

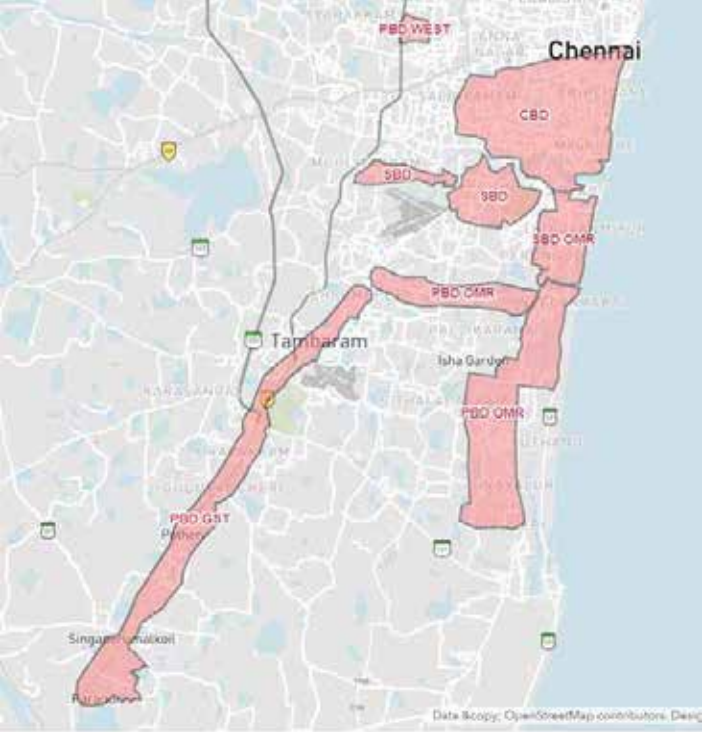
Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024



## 6.4 CHENNAI - OFFICE SUB MARKETS

The office sub-markets of Chennai City are classified into six micro markets based on the market trend as mentioned below.

**Table 6.1: Chennai Office Sub-Market**

| Sub-market  | Locations   | Map of Chennai office market  |
|---|---|---|
| CBD   | Anna Salai, Cathedral Road, NH Road junction, RK Salai, RA Puram, Santhome, MRC Nagar, Egmore, T Nagar, Alwarpet.   |  |
| South West  | Guindy, Mount Poonamalle Road, Anna Nagar, Velachery, Vadapalani, LB Road, SP Road, Adyar and Nelson Manickam Road. |   |
| SBD OMR   | Pre-toll Old Mahabalipuram Road   |   |
| PBD OMR   |   |   |
| Post-toll Old Mahabalipuram Road and Pallavaram-Thoraipakkam Road (PTR) |   |   |
| PBD GST   | GST Road  |   |

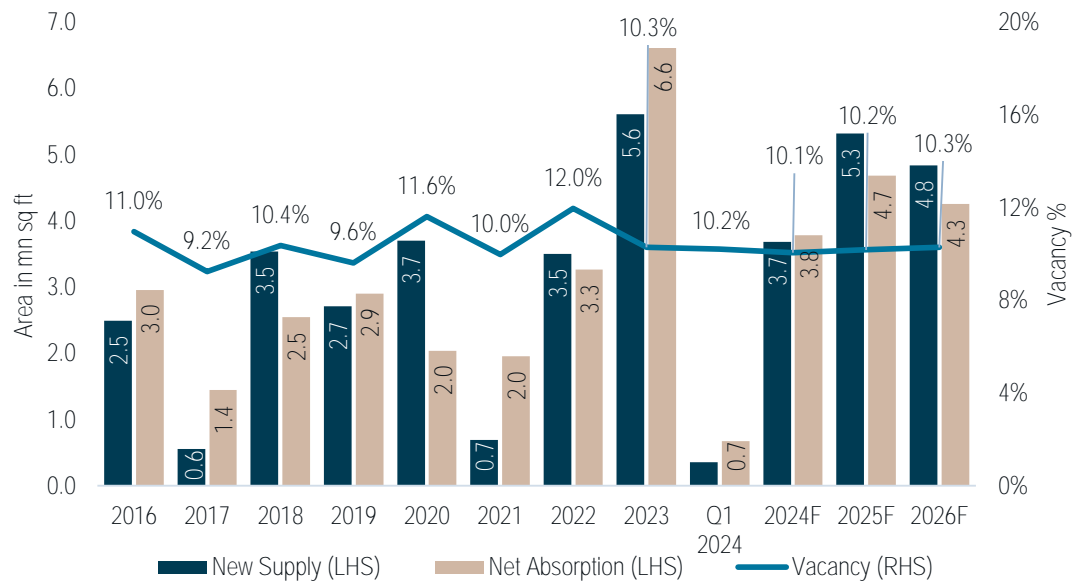
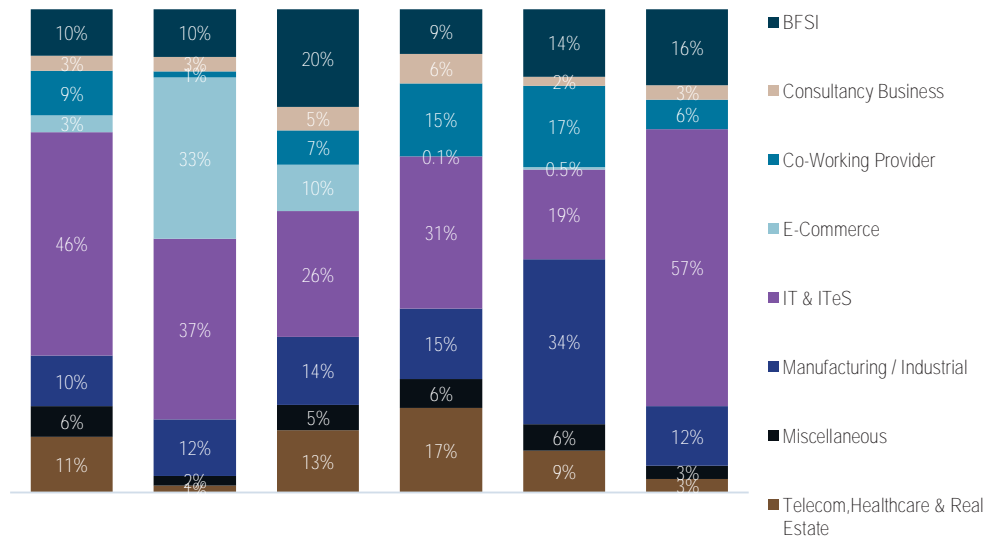
Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### City Market Trends

**Table 6.2: City Market Trends**

| Sub-Market | Total Stock (sq. ft.) | Net Absorption (sq. ft.) |                        |                        | Vacancy (%) |                        |                        |
|------------|-----------------------|--------------------------|------------------------|------------------------|-------------|------------------------|------------------------|
|            |                       | Q1 2024                  | Q4 2023 (Q-O-Q Change) | Q3 2023 (Y-O-Y Change) | Q1 2024     | Q4 2023 (Q-O-Q Change) | Q3 2023 (Y-O-Y Change) |
| Overall    | 75,345,059            | 671,998                  | -79.8%                 | 7.2%                   | 10.2%       | 10 bps                 | -180 bps               |
| CBD        | 7,69,851              | 254,032                  | 324.0%                 | NA                     | 2.5%        | -40 bps                | -20 bps                |
| Southwest  | 20,343,264            | -74,958                  | -107.3%                | -133.4%                | 12.5%       | 50 bps                 | -330 bps               |
| SBD OMR    | 21,342,920            | 160,802                  | -90.6%                 | -139.5%                | 6.8%        | 20 bps                 | -200 bps               |
| PBD OMR    | 17,539,601            | 278,172                  | -37.0%                 | -64.7%                 | 12.7%       | -90 bps                | 110 bps                |
| PBD GST    | 4,137,550             | 10,000                   | -67.4%                 | NA                     | 23.6%       | -20 bps                | -100 bps               |
| PBD West   | 4,282,873             | 43,950                   | -26.7%                 | 99.8%                  | 6.8%        | -110 bps               | -710 bps               |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

**Total Completions, Net Absorption and Vacancy Rate – Overall**Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024**Leasing Activity**Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

The resurgence in the office real estate market in the city started in 2022 and surged to record levels in 2023 with gross leasing volumes in the city reaching 9.5 mn sq ft in the year. The Q1 of 2024 started on a similar note with healthy occupier activity sustaining itself. As office occupancies have risen and there are indications of a strong office-first approach even in the hybrid working models, occupiers are on firm ground in terms of space planning. This makes the market more traction-oriented.

Q1 2024 leasing activity was driven by space take-up in quality assets and a strong pre-commitment deal recorded in an upcoming assets in the South West submarket. Tech occupiers were the most active in Q1, followed by the manufacturing/engineering and BFSI segments. Global sluggishness has caused minimal disruption in the office market in the city, with strong demand from GCCs and flex players driving market momentum. Developers

remain optimistic and continue to add/announce quality supply additions to the city's office stock. Also, the favourable ecosystem incubated by the state government to promote business and attract MNCs to the city through policies like the Startup and Innovation Policy, the Data Centre Policy of Tamil Nadu, The Micro, Small and Medium Enterprise (MSME) Policy, etc. is bearing fruit.

The South West and the SBD OMR submarkets were the key drivers of market activity during the quarter, both combining for over 85% of total market activity in Q1. IT/ITeS occupiers had a commanding 57.4% share in the quarterly leasing activity. Co-working spaces saw sustained demand from both large and medium sized IT companies with improved focus on employee wellbeing. The South West submarket is a prominent destination for flex operators due to factors like good connectivity and limited availability driving the need for fully-managed solutions. Occupiers are showing more interest in managed spaces due to the flexibility in lease terms, customised solutions and ease of operation offered in a flex setup. The sector accounted for around 7% of market activity with over 4,400 seats leased by operators to big and medium-sized firms in Q1 2024. The demand for both conventional and flex space will continue to sustain the city's office real estate market.

The net absorption in Q1 2024 in the city was recorded at 0.67 mn sq ft, impacted q-o-q by slower completions and some occupier exits and vacancies entering the market. However, the pre-commitments in upcoming projects and ongoing transaction activity which includes expansion plans of companies are expected to keep net absorption on an upward trajectory through the year.

The quarter recorded 0.65 million sq ft of new Grade A Office supply, which was the lowest in seven quarters. The prominent submarkets continued to operate at high occupancy levels. The South West submarket, especially in Guindy, is seeing sustained demand traction which can be attributed to its strategic location, accessibility and supply that aligns with demand. This market is also on the radar of flex operators, as startups and medium sized IT companies go for smaller floor plates and flexibility in lease terms. The vacancy in the submarket has now dropped by 330 bps y-o-y to 12.5% in Q1 2024, indicating the undeterred appetite for office spaces in this market.

Of the established submarkets, South West (27%) and SBD OMR (28%) comprise 55% of the Grade A Office stock, while the emerging submarket, PBD OMR accounts for 23% of the city's Grade A Office stock.

### **Vacancy**

While the limited new supply infusion of 0.65 mn sq ft had little to no pre-commitments, the healthy space take-up in existing stock resulted in overall city vacancy dropping slightly by 10 bps q-o-q to 10.2%. On a y-o-y basis, the city vacancy has declined by 180 bps, a strong indication of expansion-driven occupier activity despite healthy supply infusion in the city. The CBD and SBD OMR submarkets have tighter vacancy levels of 2.5% and 6.8%, respectively. Going forward as well, the demand-supply gap is expected to remain steady with a downward bias, indicating a stronger market activity compared to supply addition.

### **Submarket Rents**

Table 6.3: Submarket Rent

|            | Gross Rent (INR/Sq ft/pm) GFA |              |              |
|------------|-------------------------------|--------------|--------------|
|            | Q1 2024                       | Q-o-Q Change | Y-o-Y Change |
| Overall    | 71.5                          | 1.1%         | 4.8%         |
| CBD        | 76.6                          | 0.9%         | 0.9%         |
| South West | 76.9                          | 0.9%         | 4.0%         |
| SBD OMR    | 87.3                          | 0.8%         | 4.1%         |

|          | Gross Rent (INR/Sq ft/pm) GFA |              |              |
|----------|-------------------------------|--------------|--------------|
|          | Q1 2024                       | Q-o-Q Change | Y-o-Y Change |
| PBD OMR  | 55.6                          | 0.0%         | 5.0%         |
| PBD GST  | 47.2                          | 0.0%         | 0.0%         |
| PBD West | 46.4                          | 12.6%        | 15.0%        |

Source: Real Estate Market Research & Analysis: JLL, 31<sup>st</sup> March 2024

The overall rental growth in the city is 4.8% y-o-y attributed to quality completions quoting higher rentals, and reinstated confidence in developers in commanding higher rentals due to sustained demand. As of now, developers are optimistic about the market and rent growth in the city.

### **New supply**

The quarter recorded 0.65 million sq ft addition to city's stock from smaller-sized projects across the CBD, SBD OMR and PBD OMR. Total city stock now stands at 75.3 mn sq ft. The supply pipeline looks healthy, supported by developers bringing in quality projects against the prevailing low vacancy levels in key submarkets like CBD and SBD OMR.

### **Outlook**

The supply pipeline for the upcoming quarters looks healthy, with about 3.32 million sq ft of stock lined for completion across the city. Around 58% of this upcoming supply over the next three quarters is slated to come up in South West with pre-commitment levels of 62% - all in the upcoming L&T Innovation Campus. Supply in the medium-term is headlined by PBD OMR, with some quality additions in South West as well.

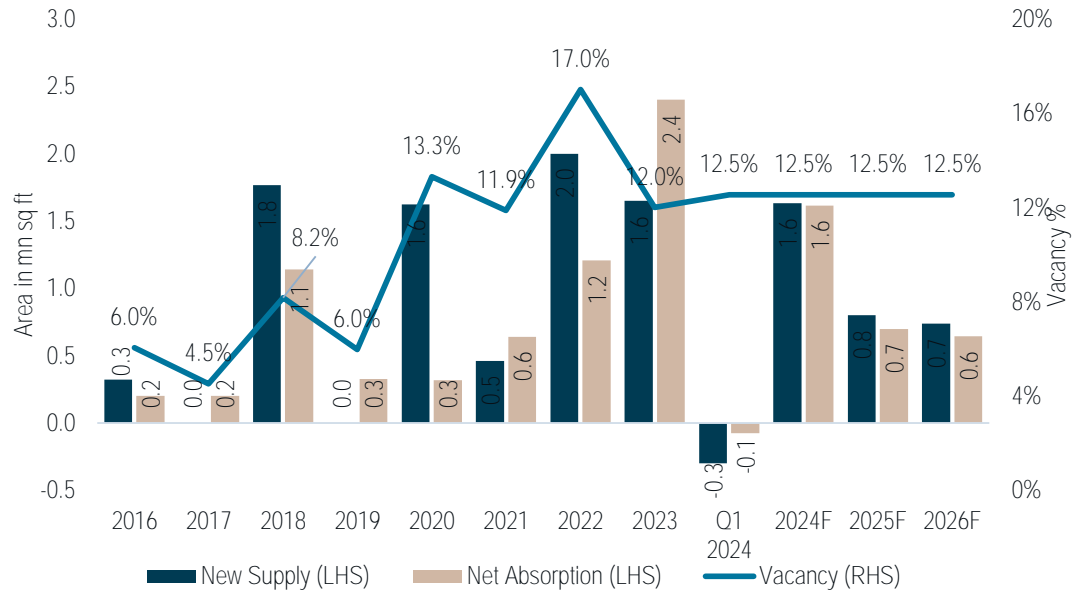
The demand-supply pattern in the medium-term is expected to remain robust, with a sustained demand from IT sector and Manufacturing and Automobile industries. The vacancy levels are expected to remain range-bound on an overall basis, with a similar trend anticipated in the prime submarkets too. However, quality assets are likely to witness tighter vacancy levels. Upcoming quality supply is expected to command premium rents and support further rental growth in the city. In the near-term, rents are expected to inch up by 4-5% on average, backed by pre-commitments, ongoing RFPs and new quality completions, particularly in the PBD OMR submarket. Current market trends also point towards tightening flexibility as developers with limited vacancy are quoting higher rents and able to hold their ground given the strong demand dynamics.

## 6.5 MICRO MARKET : SOUTHWEST

The Commerzone project lies in the Southwest micro market.

### Supply, Demand Trend

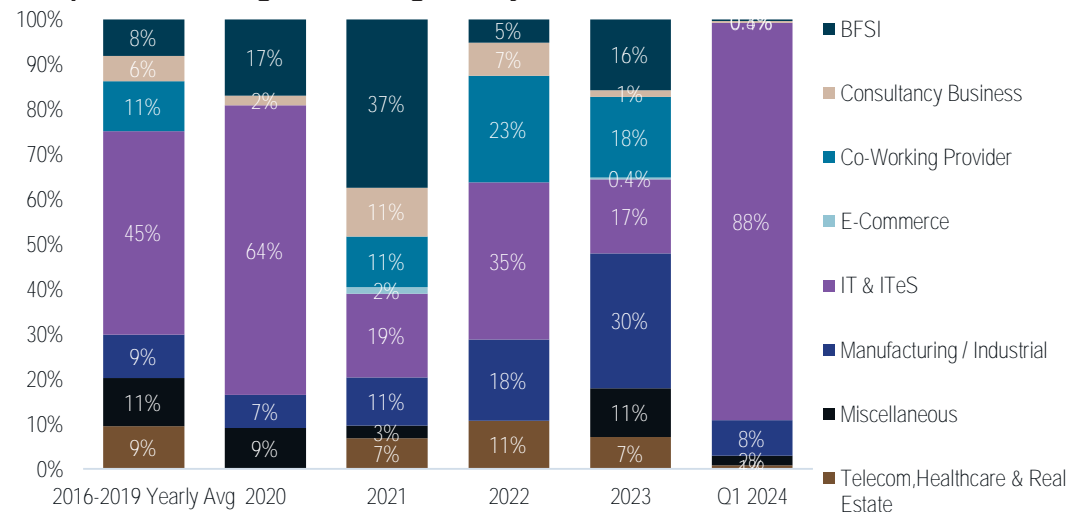
#### Total Completions, Net Absorption and Vacancy Rate



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### Leasing activity

#### Occupier's share in gross leasing activity



Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

While gross leasing activity was headlined by strong pre-commitment activity, some occupier exits and lease expiries resulted in net absorption turning negative in Q1 2024. These new vacant spaces on offer are however expected to get leased out soon, keeping market the market in steady state. The IT/ITeS sector was the chief contributor to leasing activity in the

quarter. The demand in the submarket is driven by good accessibility and building stock with smaller floor plates, which is favourable for start-ups.

### **Supply**

No new supply was added in Q1 2024 in the South-West submarket with Grade A stock now at 20.3 mn sq ft. L&T Innovation Campus is 100% pre-leased to LTI Mindtree and expected to be completed in 2024 along with ASV Hussainy Tech Park, ASV CRN and The Wings slated for completion as well in the year. In the medium-term, projects by Baashyam and Casagrad are in the pipeline.

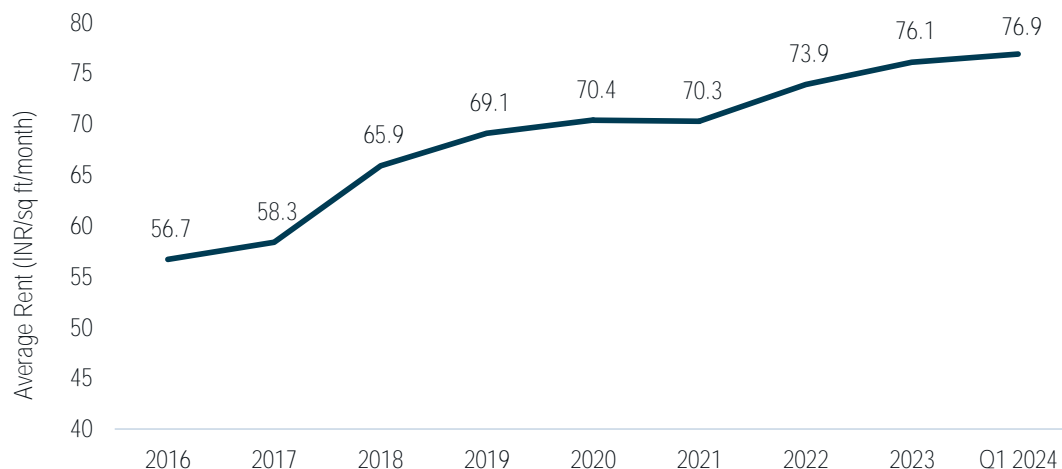
### **Vacancy**

The vacancy level in the submarket rose by 50 bps q-o-q due to the negative net absorption, but has actually declined by 330 bps y-o-y. The strong supply pipeline with existing pre-commitments and ongoing requirements is likely to be exhausted to its fullest extent, keeping vacancy mostly stable in the near to medium term. This is indicative of the strong demand-supply dynamics that allow for retaining a positive outlook for the market in the medium-term.

### **Rents**

The rentals have risen by 0.9% q-o-q while showing a strong 4.0% y-o-y growth and stand at an average of INR 76.9 per sq ft per month. **The lease transactions in the Southwest micro market are recorded in the range of INR 60 – 75 per sq. ft. per month. The lease transaction in Porur where the project is located are in the range of INR 65 – 69 per sq. ft. per month.**

#### **Rental Trend in Southwest micro market**



*Mindspace REIT micro markets, the rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 10% depending upon negotiations, final structuring of the lease agreement and other parameters.*

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

### **Prominent Lease Transactions within the Micro-Market**

Some of the lease transactions witnessed in the micro-market are presented in the following page:



Table 6.4: Major Lease Transactions in the Micro-Market of the Project

| Sl. No. | Occupier Name                 | Name of the Building            | Location               | Area Leased (sq. ft.) | Lease Rental Range (INR per sq. ft. per Month) | Transacted Period |
|---------|-------------------------------|---------------------------------|------------------------|-----------------------|--|-------------------|
| 1       | LTI Mindtree                  | L&T Innovation Campus – Tower 1 | Mount Poonamallee Road | 600,000               | 65   | Q1 2024           |
| 2       | LTI Mindtree                  | L&T Innovation Campus – Tower 2 | Mount Poonamallee Road | 600,000               | 65   | Q1 2024           |
| 3       | JSW                           | Olympia Cyberscape              | Guindy                 | 55,000                | 65   | Q1 2024           |
| 4       | TVS Nxt                       | Olympia Cyberscape              | Guindy                 | 30,000                | 65   | Q1 2024           |
| 5       | WPP                           | RMZ One Paramount Block 20      | Mount Poonamallee Road | 31,519                | 69   | Q1 2024           |
| 6       | Kaar Technologies             | Ceebros Shyamala Towers         | Saligramam             | 29,000                | 65   | Q1 2024           |
| 7       | L&T Infrastructure (Assystem) | RMZ One Paramount Campus 10     | Mount Poonamallee Road | 24,523                | 69   | Q1 2024           |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

Market rent for Commerzone Porur Project has been considered in line with the achievable market rent for completed buildings at INR 63 per sq. ft per month.

#### **Investment Activities within the Micro-Market**

The city has witnessed few institutional office transactions of varying size. It is observed that the transaction value is based on the nature of the development, the micro-market location, Project, and leases prevailing etc.

#### **Investment Activities within the country**

The table below present details of few large sale transactions in major cities in India. Net yield for these transactions is arrived based on the Capital Value at which the property was transacted and rentals applicable for the same property during transaction. The net yield for such large transactions is witnessed in the range of 7.75% to 9.50%.

Table 6.5: List of transactions / deals in major cities recent past

| Sl. No. | City   | Property Name         | Location      | Micro Market  | Leasable Area (sq. ft.) | Capital Value (INR per sq. ft.) | Net Yield     | Transacted Period |
|---------|--------|-----------------------|---------------|---------------|-------------------------|---------------------------------|---------------|-------------------|
| 1       | Mumbai | One BKC               | BKC, Mumbai   | BKC & Annex   | ~700,000                | 35,000-36,000                   | 8.00% - 8.25% | 2019              |
| 2       | Mumbai | Equinox Business Park | Kurla, Mumbai | BKC Outskirts | ~1,250,000              | 19,000 - 20,000                 | 8.25% - 8.50% | 2018              |
| 3       | Mumbai | Express Towers        | Nariman Point | CBD           | ~472,377                | 40000 - 43,000                  | 7.25% - 7.75% | 2021              |

| Sl. No. | City             | Property Name              | Location                     | Micro Market                 | Leasable Area (sq. ft.)                                     | Capital Value (INR per sq. ft.)                        | Net Yield                      | Transacted Period |
|---------|------------------|----------------------------|------------------------------|------------------------------|---|--|--------------------------------|-------------------|
| 4       | Chennai          | Sandhya Infocity           | Navalur                      | PBD OMR                      | ~1,418,174  | 5,500 – 6,000  | 8.00% – 8.50%                  | 2021              |
| 5       | Chennai          | Global Infocity            | Perungudi                    | SBD OMR                      | ~2,700,000  | 8,500 – 9,000  | 7.75% – 8.00%                  | 2018              |
| 6       | Chennai          | One India bulls Park       | Ambattur                     | PBD West                     | ~1,900,000  | 4,500 – 5,000  | 8.00% – 8.50%                  | 2018              |
| 7       | Hyderabad        | Phoenix aVance Building 6  | HITEC City                   | PBD West                     | ~640,000  | 7,500 - 8,000  | 9.00% – 9.50%                  | 2021              |
| 8       | Hyderabad        | Phoenix Aquila Tower A     | Gachibowli                   | PBD West                     | ~1,180,000  | 8,200 - ,8700  | 8.00% – 8.25%                  | 2021              |
| 9       | Hyderabad        | Waverock                   | Gachibowli                   | PBD West                     | ~2,350,000  | 7,200 - 7,700  | 8.00% – 8.25%                  | 2017              |
| 10      | Pune             | E Park 2                   | Kharadi                      | SBD East                     | ~180,000  | 7,000-9,000  | 7.75% – 8.00%                  | 2022              |
| 11      | Pune             | WTC Tower A                | Kharadi                      | SBD East                     | ~28,342   | 10,000-11,500  | 7.50% – 8.00%                  | 2019              |
| 12      | Bengaluru        | Prestige RMZ Star Tech     | Bangalore                    | SBD East                     | ~1,370,000  | -  | 7.60% – 7.80%                  | 2022              |
| 13      | Bengaluru        | Embassy Tech Village       | Bangalore                    | SBD East                     | ~9,100,000  | 9,500 – 11,000   | 8.00% – 8.25%                  | 2020              |
| 14      | Gurgaon          | One Horizon Centre         | Gurgaon                      | SBD East                     | ~421,134  | 22,000 – 24,000  | 8.00% – 8.25%                  | 2020              |
| 15      | Mumbai           | Godrej BKC                 | BKC                          | BKC & Annex                  | ~200,000  | 40,000 – 45,000  | 8.00 – 8.50%                   | 2023              |
| 16      | Mumbai & Gurgaon | Downtown Powai & Candor G1 | Powai & Sohna Road           | Eastern Suburbs & Sohna Road | ~2,700,000 + ~3,700,000                                     | Enterprise value INR 11,225                            | 7.90-8.20%                     | 2023              |
| 17      | Chennai          | Embassy Splendid TechZone  | Pallavaram-Thoraipakkam Road | PBD OMR                      | ~1,400,000 (Completed) +1,600,000 (UC)+2,000,000 (Proposed) | Enterprise value INR 1,269 Cr. (61% economic interest) | 8.50% on the completed portion | 2024              |

Source: Real Estate Market Research & Analysis; JLL, 31<sup>st</sup> March 2024

Project Site is **Commerzone IT Park** which is one of the known developments for IT/ITeS companies located in the Southwest Micro-Market at Porur in Chennai City. The Project is a part of **Mindspace Business Parks REIT** (Mindspace REIT) portfolio. The location has excellent connectivity to residential locations and social infrastructure too.

The project offers Grade A space spread across two blocks with good amenities and facilities. There are prominent clients in the larger campus such as HDFC, Hitachi, Simpliwork, R1 RCM, Ramboll, NPCI etc., and is preferred commercial development in this micro-market due to the quality of buildings, ease of connectivity and nature of campus development. Considering the past transactions in the city and Project attributes in terms of size, occupancy profile, micro market trend etc. the cap rate is arrived for the Project.

The Cap Rate applied to arrive at the terminal value of the Project is 8.00%.

### **Outlook**

The South-West submarket is set to witness an additional supply of 1.92 mn sq ft million sq ft by the end of 2024. Net absorption is expected to touch 1.61 million sq ft by the end of the year as well. The submarket continues to enjoy active demand from IT/ITeS occupiers, GCCs from the manufacturing and BFSI segments and from co-working providers as well. The popularity of this submarket among occupiers can be attributed to its proximity to multi-modal transit options and the CBD, as well as the quality supply. The demand-supply gap for this submarket is expected to remain steady with strong occupier interest ensuring a healthy growth in occupied stock and keeping pace with new supply.

## 7 MARKET VALUE ESTIMATE

### 7.1 ADOPTED PROCEDURE

The market practice in most commercial/ office developments involves contracting tenants / occupiers in the form of pre-commitments at sub-market rent to increase attractiveness of the property to prospective tenants - typically extended to anchor tenants. Additionally, there are instances of tenants paying above-market rent for certain properties as well (primarily owing to market conditions at the time of contracting the lease). In order to arrive at a unit value for these tenancies, the Valuer has considered the impact of such sub/above market rents on the valuation of the Project.

For the purpose of this valuation exercise, the Valuer has analyzed the tenancy details provided by the Client, to identify variances vis-à-vis prevailing market/marginal rent. Each lease is assessed separately for below aspects, for the rent over a 10 year time horizon:

- The rent rolls (and the corresponding lease deeds on a sample basis) were reviewed to identify tenancy characteristics for the asset. As part of the rent roll review, major tenancy agreements belonging to top tenants were reviewed on a sample basis.
- Title certificates, architect certificates and other related documents as mentioned in relevant sections of the report were reviewed for validation of area details, ownership interests of the Project.
- Physical site inspections were undertaken to assess the status of the Project.

### 7.2 CASH FLOW PROJECTIONS

The cash flows for the Project has been projected separately for each lease, to arrive at their respective value estimates.

Net Operating Income (NOI) has primarily been used to arrive at the value of the Project. The projected future cash flows from the Project are based on existing lease terms for the operational leases till the expiry of the leases or re-negotiation, whichever is earlier, following which, the lease terms have been aligned with market rents achievable by the Project.

For vacant area and under-construction/future development area, the achievable market rent-led cash flows are projected factoring appropriate lease-up timeframe for vacant/under-construction/future development area. These cash flows have been projected for 10-year duration from the date of valuation and for 11<sup>th</sup> year (for estimate of terminal value based on NOI). These future cash flows are then discounted to present-day value (valuation date) at an appropriate discount rate. Each lease is assessed separately for below aspects, for the rent over a 10-year time horizon:

- Projecting the rental income for identified tenancies up to the period of lease expiry, lock-in expiry, escalation milestones, etc. whichever is applicable. In the event of unleased spaces, market-led rent is adopted with suitable lease-up time.
- Generating a market led rental income stream for identified tenancies for the time period similar to the cash flows drawn in the aforementioned step.
- Computing the monthly income based on rent projected above and translating the same to quarterly income (for the next 10 years and 11<sup>th</sup> year is considered for calculation of terminal value).

Further, to arrive at the total value of the leased spaces (from base rentals), appropriate revenues and operational expenses are projected on quarterly basis. Some of such adjustments on revenue and operational expenses are presented in the table on the following page:

Table 7.1: Adjustments on Revenues and Operational Expenses

| Parameters                           | Description / Basis  |
|--------------------------------------|--|
| Parking Income                       | Based on income inputs provided by Client for the leased spaces and market assumption taken for vacant spaces  |
| Miscellaneous Income                 | Based on income inputs provided by Client for the Project  |
| Insurance                            | Based on insurance outflow (if any) provided by Client   |
| Annual Lease Rental / Property Taxes | Based on annual lease rental / property tax assessed for the Project as provided by Client   |
| Asset Management Fee                 | Considered as a recurring expense (in case of an external management team) as a percentage of the lease rental income as per the agreement between respective assets and its asset manager.  |
| Margin on CAM                        | Based on the operational revenues and expenses of the respective assets to understand the recurring, non-recurring, recoverable and non-recoverable expenses and accordingly modelled the common area maintenance income and operational expenses for the asset. |
| Revenue Escalation                   | Based on market-led annual escalation on the market rent   |
| Rent Free Period                     | Based on the trend prevalent in the submarket, appropriate rent free periods from lease commencement date (for future / new leases) are considered   |
| Brokerage                            | Based on prevalent market dynamics, brokerage for future / new leases are considered   |
| Fit-Out Income                       | Based on fit-out rent (if any) provided by Client till lease expiry of applicable leases (same is not capitalized)   |
| Transaction Cost on Exit             | Considered as a percentage of the terminal value after aforesaid adjustments   |

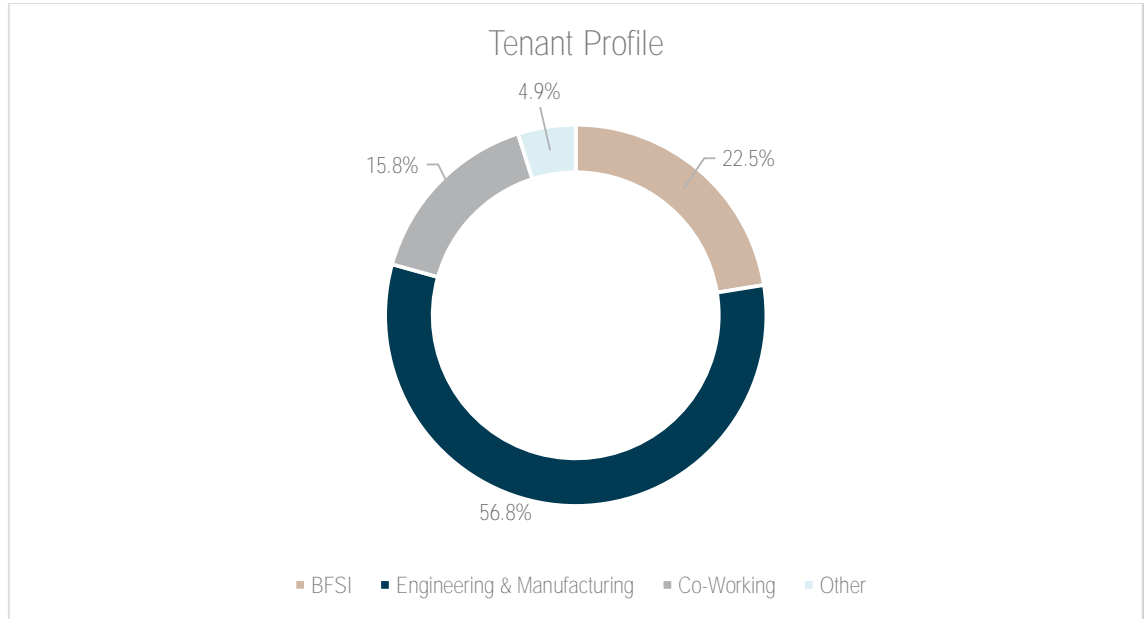
### 7.3 CONSTRUCTION TIMELINES

The project has received full occupancy certificate. However, there are certain fit-out cost to be incurred to the tune of INR 625.10 Mn which shall be paid by Q2 FY25.

### 7.4 ABSORPTION/ LEASING VELOCITY AND OCCUPANCY PROFILE

Occupancy profile of the project is as follows:

- 56.8% occupied by Engineering & Manufacturing
- 22.5% of the space is occupied by BFSI
- Co-working has taken up 15.8%
- Balance is held by others 4.9%



Source: Analysis, 31<sup>st</sup> March 2024

## 7.5 KEY ASSUMPTIONS AND INPUTS

The table below presents key assumptions and/or inputs used in the cash flow configuration used for providing Valuation of the Project.

**Table 7.2: Key Assumptions Used in the Estimate of Operational / Completed Blocks**

| Parameters                                    | Assumptions / Inputs              | Remarks / Basis   |
|---|-----------------------------------|---|
| Cash Flow Period                              |                                   |   |
| Valuation Date                                | 31 March 2024                     | As per workings   |
| Cash Flow Period                              | 10 years                          | As per workings   |
| Cash Flow Exit Period                         | 31 March 2034                     | As per workings   |
| Asset Details                                 |                                   |   |
| Total Leasable Area                           | As indicated in Executive Summary | As per the information provided by the Client                       |
| Leased Area                                   | As indicated in Executive Summary | As per the information provided by the Client                       |
| Vacant Area / Vacancy                         | 181,033 sq. ft. /15.98%           | As per the information provided by the Client                       |
| Vacancy Allowance                             | 2%                                | As per market benchmarks for large scale Grade A office projects. . |
| Area to be Leased                             | 181,033 sq. ft.                   | As per the information provided by the Client                       |
| Rent Free Period for Existing Lease Rollovers | 2 months                          | As prevalent in the micro-market                                    |
| Rent Free Period for New Leases               | 3 months                          | As prevalent in the micro-market                                    |
| Total No. of Car Parking Spaces               | 759 Nos                           | As per the information provided by the Client                       |



| Parameters                               | Assumptions / Inputs  | Remarks / Basis   |
|--|---|---|
| No. of Car Parking Spaces Leased         | 40 Nos  | As per the information provided by the Client   |
| Revenue Assumptions                      |   |   |
| Lease Rentals                            | Actual rentals as per the Rent Roll including additional charges (if any)   | As per the information provided by the Client   |
| Rent Escalation                          | Escalation in rentals as per the Rent Roll for the validity period of the leases i.e. 15% every 3 years and 4.5% every year | As prevalent in the market it is observed that lease agreements are primarily at 15% rent escalations every 3 years or 4.5% every year.   |
| Market / Marginal Rent – Office for FY25 | INR 66.15 per sq. ft. per month   | The lease transactions in Grade A office space in the said micro market are recorded in the range of INR 60 – 75 per sq. ft. per month. The asking instances are observed in the range of INR 70 – 80 per sq. ft. per month. Please refer table 6.1 and 6.3<br>Based on the market benchmarking of recent leases on aspects such as location, size of transaction, type of development etc. the achievable rent for the Project is derived. |
| Market / Marginal Rent - Amenities       | Not Applicable  | -   |
| Market Rent - Car Parking Space for FY25 | INR 2,625 per sq. ft.   | The Grade A office offers car parking rates in the range of INR 1,500 – 3,000 per slot per month. Based on the market benchmarking of recent leased rates within the micro-market, the achievable car park rate for the Project is derived.   |
| Market / Marginal Rent - Food Court      | Not Applicable  | -   |
| Market / Marginal Rent - Kiosk for FY25  | INR 105.00 per sq. ft.  | -   |
| Market / Marginal Rent – F&B for FY25    | INR 89.25 per sq. ft.   | -   |
| Other Income                             | 1.0% of base rentals  | As prevalent in the market, we consider a normalized level of other income for future. Hence, we have considered other income at 1.0% of base rental income. Other income includes components from Events, Telecom Towers, Pop-ups  |
| Market Rent Growth from FY26             | 5.00%   | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5.0% per annum for the Project   |

| Parameters  | Assumptions / Inputs  | Remarks / Basis   |
|---|---|---|
| Parking Rent Growth from FY26                     | 5.0%  | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5.0% per annum for the Project   |
| Lease Tenure                                      | 9 years   | As prevalent in the market  |
| Market Rent Escalation from FY26                  | 5.0% per annum  | As prevalent in the market  |
| Target Efficiency                                 | 76%   | Recent re-leasing suggest that the Client has leased the same premises at relatively lower efficiency for the same carpet area. Going forward, for leases which will expire during the next 10 years, we have considered an efficiency at 76.0% or actual, whichever is lower   |
| Maintenance Services Income / CAM Income for FY25 | INR 12.44 per sq. ft. per month for existing tenants<br><br>INR 10.60 per sq ft per month for releasing | As provided by Client and in-line with market trend.  |
| Operating Cost Assumptions                        |   |   |
| Brokerage - New Leases                            | 2 months receivable on base rent  | As prevalent in the market  |
| Brokerage - Renewals / Release                    | 2 month receivable on base rent   | As prevalent in the market  |
| Maintenance Services Cost for FY25                | -INR 7.82 per sq. ft. per month   | Being a newly constructed project and a modern Grade A building, we foresee the current expenses to be low in the Project with higher margin until the expiry of current contractual agreements. We expect the CAM margins to remain at current levels of -INR 5 psf pm for the contracted period. Post expiry of expiry of contracted period, the margin is expected to revert to market standard. |
| Property Tax                                      | -INR 3.59 per sq. ft. per month   | As provided by the Client   |
| Insurance   | -INR 0.39 per sq. ft. per month   | As provided by the Client   |
| Cost Escalation                                   | 3.0%  | As prevalent in the market  |
| CAM Escalation (Income+Expense) from FY26 onwards | 0.0% escalation in CAM income for existing tenants<br><br>5.0% escalation in CAM income for re-leasing  | As prevalent in the market  |

| Parameters                  | Assumptions / Inputs  | Remarks / Basis   |
|-----------------------------|---|---|
|                             | 5.0% escalation in CAM Expenses for existing tenants  |   |
| Other Assumptions           |   |   |
| Transaction Cost on Sale    | 1.0%  | As prevalent in the market. This is to be incurred towards brokerage and transaction cost |
| Other Operating Expenses    | 2.0% of Base Rent + Car Parking Charges   | As prevalent in the market  |
| Property Management Fees    | 3.5% (Base Rent + Car Parking Charges + Fit out Rent + Other Operating Income)  | As prevalent in the market  |
| Discounting Rate / WACC     | Suggestive Discount Factor 11.75%   | Refer Section 3.3 of this report  |
| Cap Rate for Terminal Value | Capitalized using long-term net yield rate of 8.00% (post yield shrinkage). Capitalized based on the net cash flows of the 11 <sup>th</sup> year  | Refer Section 3.2 of this report  |
| Cash Flow Configuration     | Cash flows have been drawn on quarterly basis for a period of 10 years, considering both cash inflows and outflows. Cash flows of terminal year is then capitalized and adjusted with transaction costs, to arrive at terminal value. | Value assumptions as practiced in the market  |

## 7.6 MARKET VALUE

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which the Valuer has no knowledge, the Market Value of the complete ownership interest in the Project comprising land and improvements thereon, as explained above, on the below mentioned dates, is as follows:

**Table 7.3: Market Value of the Project**

| Component                             | Leasable Area (sq. ft.) | Market Value (INR Million) | Percentage Share |
|---------------------------------------|-------------------------|----------------------------|------------------|
| Commercial / Office Space - Completed | 1,132,622               | 11,363.39                  | 100%             |

Note: The above-mentioned value includes proportionate undivided ownership in the Amenity Plot, Utility Areas and Internal Roads and total open spaces of the Entire Campus

With all assumptions as mentioned in this report, we are of the opinion that the Market Value of the Project comprising total leasable area of 1,132,622 sq. ft. of Project Commerzone (Block A & B), located in Porur, Chennai, Tamil Nadu, India, 600116, as on 31 March 2024 is estimated to be **INR 11,363.39 million (INR Eleven Billion Three Hundred Sixty Three Million Three Hundred Ninety Thousand Only)**

Table 7.4 Ready Reckoner Rates of the Project

| Component             | Ready Reckoner Rate (INR per sq. ft.) |
|-----------------------|---------------------------------------|
| Land Area (Open Plot) | 5,800                                 |

Note: The mentioned guideline value is as on 31 March 2024

**KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)**, the Valuer for the Project, hereby declares that:

- We are fully competent to undertake the valuation;
- We are independent and have prepared the report on a fair and unbiased basis; and
- We have valued the Project based on the valuation standards as specified under sub-regulation 10 of regulation 21 of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended from time to time.



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**Name:** Sachin Gulaty FRICS FIV FIIA,

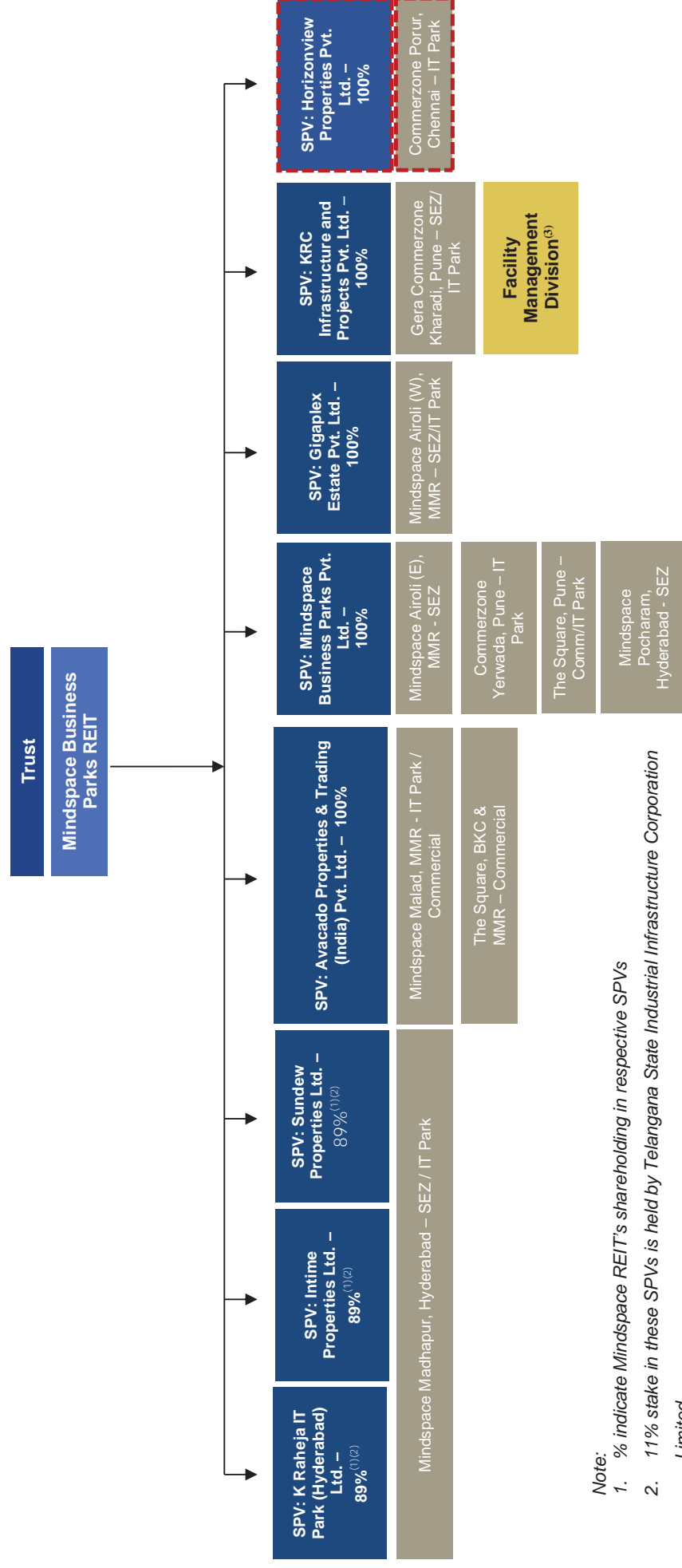
**Designation:** Director

**Valuer Registration No.:** IBBI/RV/02/2021/14284

**Address:** 5<sup>th</sup> Floor, India Accelerator, The Iconic Corenthum, Sector 62, NOIDA – 201309. Uttar Pradesh. INDIA.

**E-Mail ID:** sachin.gulaty@k-zen.in

## Annexure - 1 Ownership Structure of the Project



**Annexure - 2**  
**Layout Plan of the Project**





Annexure - 3  
Statement of Key Assets within the Project

| Complex                       | Name       | CZ Porur     | CZ Porur     |
|-------------------------------|------------|--------------|--------------|
| Building                      | No. / Name | A            | B            |
| Floor                         | Nos        | 3B+GF+9F     | 3B+GF+9F     |
| Warm Shell / Bare shell       |            | Warm Shell   | Warm Shell   |
| Air Cooled Chiller            | TR         | 2 x 250      | 2 x 300      |
| Water Cooled Chiller          | TR         | 2 x 500      | 2 x 600      |
| No of DG / Capacity           | No. / KVA  | 4 x 1750     | 4 x 2000     |
| No of Transformers / Capacity | No. / KVA  | 2 x 2500     | 3 x 2000     |
| Booster Pump                  | KW / Make  | 1 x 900 LPM  | 1 x 900 LPM  |
| Jockey Pump                   | KW / Make  | 2 x 180 LPM  | 2 x 180 LPM  |
| Fire Diesel Pump              | KW / Make  | 1 x 2850 LPM | 1 x 2850 LPM |
| Hydrant Pump                  | KW / Make  | 1 x 2850 LPM | 1 x 2850 LPM |
| Sprinkle Pump                 | KW / Make  | 1 x 2850 LPM | 1 x 2850 LPM |
| STP Rating                    | KLD        | 370          |              |

Source: Client, 31<sup>st</sup> March 2024

## Annexure - 4

### Approvals and NOCs Received for the Project

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List of one-time sanctions/approvals which are obtained or pending

#### A. APPROVALS RECEIVED

- Completion Certificate
- Lift License
- HSD License (post NOC)
- Power Connection
- Chief Electrical Inspector General Approval (CEIG)
- Fire Compliance
- Fire License
- Consent to Operate (CTO)
- TNRERA NOC
- TNPCB Monthly Submission Form 1
- MOEF, SEIA and TNPCB Six monthly Compliance Report and Annual Report
- Fire License (Yearly)
- CTO (Valid till 31 March 2027)
- Lift License (Every 3 Years)
- HSD License (Valid till 31 Dec 2030)

#### Pending

- None

**Annexure - 5**

**Ready Reckoner Rate Applicable for the Project**

**Guideline Value as on 31<sup>st</sup> March 2024**[illegible]

Source: Registration Department, Govt. of Tamil Nadu

## Annexure - 6

## Discounted Cash Flow Profile

|         |                                       | 1-Apr-23     | 1-Apr-24  | 1-Apr-25  | 1-Apr-26  | 1-Apr-27  | 1-Apr-28  | 1-Apr-29  | 1-Apr-30  | 1-Apr-31  | 1-Apr-32  | 1-Apr-33  | 1-Apr-34  |
|---------|---------------------------------------|--------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|         |                                       | 31-Mar-24    | 31-Mar-25 | 31-Mar-26 | 31-Mar-27 | 31-Mar-28 | 31-Mar-29 | 31-Mar-30 | 31-Mar-31 | 31-Mar-32 | 31-Mar-33 | 31-Mar-34 | 31-Mar-35 |
| Sl. No. | Particulars                           | Y0           | Y1        | Y2        | Y3        | Y4        | Y5        | Y6        | Y7        | Y8        | Y9        | Y10       | Y11       |
|         |                                       |              |           |           |           |           |           |           |           |           |           |           |           |
|         | Development / Construction Phasing    |              | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
|         | Total Development Cost to be Incurred |              | 625.10    | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
|         | Leasable Area                         | 1,132.621.67 | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| A       | Base Rental                           |              | 661.27    | 810.83    | 883.99    | 916.50    | 951.47    | 1,013.48  | 1,041.73  | 1,042.70  | 1,144.26  | 1,184.06  | 1,359.47  |
| B       | Car Parking Income                    |              | 1.10      | 1.15      | 1.39      | 1.39      | 1.47      | 1.60      | 1.60      | 1.37      | 1.77      | 1.77      | 1.87      |
| C       | Fit-out rentals/ tenant improvements  |              | 311.49    | 339.17    | 339.17    | 339.17    | 339.17    | 166.25    | 27.90     | -         | -         | -         | -         |
| D       | Facility Rentals                      |              | 973.86    | 1,151.15  | 1,224.55  | 1,257.07  | 1,292.11  | 1,181.33  | 1,071.23  | 1,044.08  | 1,146.03  | 1,185.84  | 1,361.34  |
| E       | Maintenance services income           |              | 143.23    | 165.70    | 165.72    | 165.74    | 165.99    | 166.19    | 166.75    | 170.53    | 176.61    | 199.14    | 204.00    |
| F       | Other Operating Income                |              | 6.61      | 8.11      | 8.84      | 9.17      | 9.51      | 10.13     | 10.42     | 10.43     | 11.44     | 11.84     | 13.59     |
| G       | Revenue from Operations               |              | 1,123.70  | 1,324.96  | 1,399.11  | 1,431.97  | 1,467.52  | 1,357.66  | 1,248.40  | 1,225.03  | 1,334.08  | 1,396.82  | 1,578.93  |
|         | Direct Operating Expenses             |              | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| H       | Maintenance services Expenses         |              | 86.26     | 101.26    | 101.29    | 101.31    | 102.04    | 103.11    | 104.05    | 109.59    | 118.19    | 144.32    | 151.34    |
| I       | Property Tax                          |              | 48.77     | 50.23     | 51.74     | 53.29     | 54.89     | 56.53     | 58.23     | 59.98     | 61.78     | 63.63     | 65.54     |
| J       | Insurance Premium                     |              | 5.33      | 5.49      | 5.65      | 5.82      | 5.99      | 6.17      | 6.36      | 6.55      | 6.75      | 6.95      | 7.16      |
| K       | Net Operating Income (NOI)            |              | 983.35    | 1,167.99  | 1,240.44  | 1,271.55  | 1,304.59  | 1,191.84  | 1,079.77  | 1,048.92  | 1,147.36  | 1,181.93  | 1,354.89  |
|         | Add: Terminal Cash Flow               |              | -         | -         | -         | -         | -         | -         | -         | -         | -         | 16,766.78 | -         |
|         | Indirect Operating Expenses           |              | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| L       | Brokerage Fees                        |              | 23.95     | -         | 0.38      | -         | 10.90     | 0.59      | 4.29      | 49.42     | 31.36     | 94.55     | -         |
| M       | Property Management Fee               |              | 34.32     | 40.57     | 43.17     | 44.32     | 45.56     | 41.70     | 37.86     | 36.91     | 40.51     | 41.92     | 48.12     |
| N       | Other operational expenses            |              | 13.25     | 16.24     | 17.71     | 18.36     | 19.06     | 20.30     | 20.87     | 20.88     | 22.92     | 23.72     | 27.23     |
|         |                                       |              |           |           |           |           |           |           |           |           |           |           | -         |
| O       | EBIDTA                                |              | 286.73    | 1,111.17  | 1,179.19  | 1,208.87  | 1,229.08  | 1,129.25  | 1,016.75  | 941.71    | 1,052.57  | 17,788.52 | -         |

## Annexure - 7

### Material Litigations

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**(i) Title litigation and irregularities**

Based on legal advice received, the following documents granting development rights in favour of Horizonview for the purposes of constructing an IT Park, have not been registered:

- a. The development agreement, dated November 7, 2006, executed by RPIL, the owner of the land and Horizonview ("**Development Agreement**");
- b. The award dated March 22, 2016, passed by the arbitrator in relation to disputes between RPIL and Horizonview in relation to the Development Agreement ("**Award**");
- c. The letter dated May 18, 2017 executed between RPIL and Horizonview; and
- d. The written arrangement dated February 20, 2019, executed by RPIL and Horizonview modifying the terms of the Development Agreement and the Award.

**(ii) Criminal matters**

There are no pending criminal matters against Horizonview.

**(iii) Regulatory actions**

Horizonview executed conveyance deeds for acquiring property from RPIL Signalling Systems Pvt. Ltd. and lodged them for registration with the Sub-Registrar of Assurances, Kundrathur ("**Registrar**"). The Registrar has issued demand notices for deficit of stamp duty and registration fees aggregating to ₹ 221.28 million in respect of the conveyance deeds. Horizonview has responded to the demand notices, objecting to the same. The Sub-Registrar further issue letters dated December 23, 2023 and January 18, 2024 respectively for payment of a deficit of stamp duty and registration fee. Horizonview vide its letters both dated February 01, 2024 addressed to IGR objected to any deficit amount and sought release of documents.

**(iv) Material civil/commercial litigation**

There are no material civil/commercial litigation involving Horizonview.

## Annexure - 8

### Caveats and Limitations

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1. The Valuation Report (hereafter referred to as the 'Report') covers specific markets and situations that are highlighted in the Report based on independent market report prepared by JLL and does not entail any comprehensive analysis of the market and the industry given the nature of the scope of the assignment.
2. The opinions expressed in the Report are subject to the limitations expressed below.
  - a) The valuation method adopted is based on the Valuer's expertise and knowledge considering the forecasts on demand, supply and pricing as undertaken by JLL as part of an independent market/ industry research and considered to be relevant and reasonable at that point of time. The Report and the opinions therein do not constitute any recommendation to K Raheja Corp Investment Managers Private Limited (or the 'Client') or its affiliates and subsidiaries or its customers or any other party to adopt a particular course of action. The use of the Report at a later date may invalidate the assumptions and bases on which these opinions have been expressed and is not recommended as an input to any financial decision.
  - b) It should be noted that the valuation is based upon the facts and evidence available at the time of conduct of the valuation and applicable on the date of valuation. It is therefore recommended that these valuations be periodically reviewed.
  - c) Changes in socio-economic and political conditions could result in a substantially different situation than those presented herein. The Valuer assumes no responsibility for changes in such external conditions.
  - d) The Valuer has considered the independent market report prepared by JLL and macro understanding of the market through readily available information in public domain. Hence, no direct link is sought to be established between the macro-level understandings on the market with the assumptions estimated for the analysis herein.
  - e) The services provided is limited to valuation of the Project primarily comprising Land and Building and any part thereof and does not constitute any audit, survey, due diligence, tax related services etc. Accordingly, no opinion has been expressed on the financial information of the business of any party, including the Client and its affiliates and subsidiaries. The Report is prepared solely for the purpose stated and should not be used for any other purpose.
  - f) While the information included in the Report is accurate and reliable to the best of the knowledge of the Valuer, no representations or warranties, expressed or implied, as to the completeness of such information is being made. The Valuer shall not undertake any obligation to update or supplement any information contained in the Report save as provided for in the Agreement.
  - g) Apart from the sources already mentioned in the report, the Valuer has relied on readily available public information for the purpose of preparing this report.
3. The Report reflects matters as they currently exist. Any changes thereon may materially affect the information contained in the Report.
4. All assumptions made in order to determine the valuation of the Project is based on information or opinions as current. In the course of the analysis, the Valuer has relied on information or opinions, both written and verbal, as obtained from the Client as well as from third parties provided with, including limited information on the market, financial and operating data, which has been accepted as accurate in bona-fide belief. No responsibility is assumed for technical or specialised information furnished by the third-party organizations and this is believed bona-fide to be reliable.



5. No investigation of the title of the assets has been made and owners' claims to the assets is assumed to be valid unless anything contrary is mentioned in the main report. No consideration is given to liens or encumbrances, which may be against the Project or assets. Therefore, no responsibility is assumed for matters of a legal nature.
6. Review of tenants' ability and willingness to continually pay lease rents as per their respective contractual terms is not within the scope of work of Valuer. Valuer has assumed that all tenants' will be able to pay their rents on time as and when demanded as per their contractual terms and that no arrears exist with respect to any tenancy.
7. The Valuer's total aggregate liability to the Client including that of any third party claims, in contract, tort including negligence or breach of statutory duty, misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the services is limited to an aggregate sum as agreed in the LOE (Letter of Engagement). The Valuer shall not be liable for any pure economic loss, loss of profit, loss of business, depletion of goodwill, in each case whether direct or indirect or consequential or any claims for consequential loss compensation whatsoever which, arise out of or in connection with services provided under this engagement.
8. The Client including its agents, affiliates and employees, must not use, reproduce or divulge to any third party any information it receives from the Valuer for any purpose except set out herein.
9. This engagement shall be governed by and construed in accordance with Indian laws and any dispute arising out of or in connection with the engagement, including the interpretation thereof, shall be submitted to the exclusive jurisdiction of courts in New Delhi.

# Valuation Report

## Mindspace Pocharam, Hyderabad

Telangana, India

Submitted To:

K. Raheja Corp. Investment Managers  
Privated Limited (formerly known as K Raheja  
Corp Investment Managers LLP)

(acting as Manager to Mindspace Business Parks REIT)

Date of Valuation:

31-Mar-2024

Date of Report:

24-Apr-2024



Prepared By:

**KZEN VALTECH PRIVATE LIMITED**

**IBBI/RV-E/05/2022/164**

## EXECUTIVE SUMMARY

|                   |  |
|-------------------|--|
| Property Name     | Mindspace Pocharam, Hyderabad – SEZ  |
| Property Address  | Mindspace, TSIC software layout, Hyderabad, Telangana, 500088  |
| Land Area         | 26.464 Acres   |
| Brief Description | <p>The Project is located in the eastern part of Hyderabad at Pocharam, in Suburb-Others micro market. It is located ~1.3 km off Hyderabad - Warangal Highway and is accessible through 24 m wide road. It is at a distance of about ~15 km and ~ 41 km from Uppal and Hyderabad International Airport respectively.</p> <p>The Project is developed as IT Park with ~ 0.57 million sq. ft. of leasable area spread across two buildings (Building 8 and 9) developed over ~ 7.464 acre of land and the Project has ~ 19 acres of land earmarked for future development.</p> |

### Asset Details

| Sl. No. | Land               | Extent (acres) |
|---------|--------------------|----------------|
| 1.      | Developed          | 7.464          |
| 2.      | Future Development | 19.00          |
|         | Total Land Area    | 26.464         |

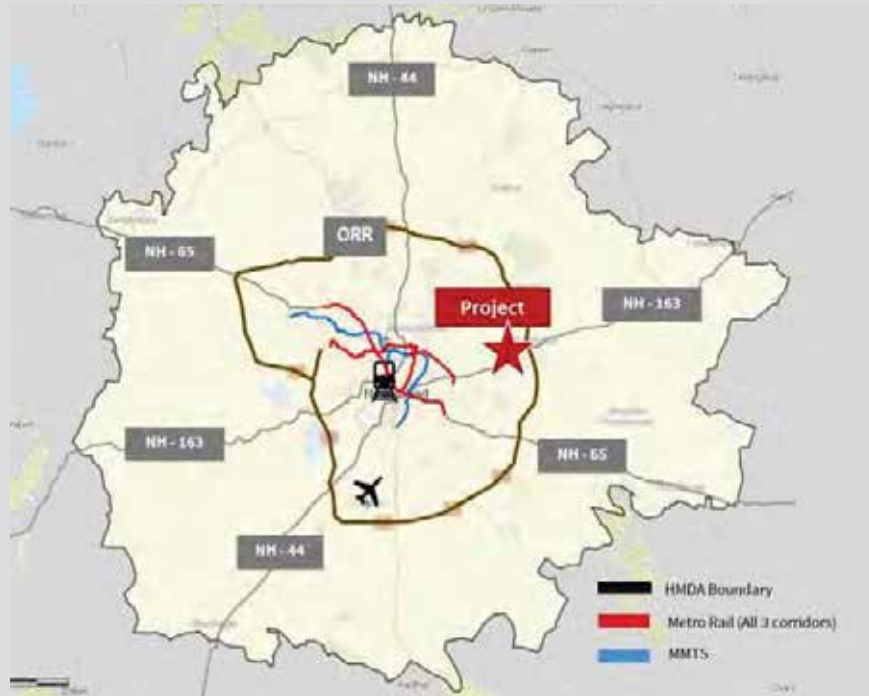
Leasable area details as shared by the Client are given below:

| Sl. No. | Building Name          | Leasable Area (mn sq. ft.) |
|---------|------------------------|----------------------------|
| 1.      | Building 8 (Completed) | 0.38                       |
| 2.      | Building 9 (Completed) | 0.19                       |
|         | Total Leasable Area    | 0.57                       |

The Project has two completed and vacant buildings and ~ 19 acres of land earmarked with development potential of 429,897 sq. ft. leasable area.

Subject Property has undergone significant changes over the last six months with the existing tenant(s) having moved out of the property. Both leasable buildings in the Subject Property are currently vacant and considerable challenges have been observed over these last six months in leasing this Subject Property. Further, recent market feedback indicates that Subject Property micro-market is no longer being considered as an active destination for IT/ITeS spaces. The IT/ITeS activity in the city has been largely concentrated in the western quadrant and there is no immediate visibility of demand in the eastern quadrant. Given these constraints, the approach to valuation of Subject Property has been changed, in line with guidance provided under International Valuation Standards 2022, to Cost Approach from Income Approach considered previously, as there is currently no direct evidence of rent and no other identifiable income streams and does not appear likely in the near foreseeable future from the Subject Property. The land component has been valued while considering the Comparable Sales Method (under the Market Approach) and built component and plant and machinery component have been valued considering the Depreciated Replacement Cost Method.

Location Map



Key Assumptions The table below summarizes key valuation assumptions used in the estimate.

| Particulars   | Description  |
|---|--|
| Asset Specific Information  |  |
| Nature of Asset   | Commercial / Office with Amenities                               |
| Current Status  | Operational and vacant   |
| Total Land Area (land under existing buildings and land earmarked for future development)                                 | ~ 26.464 acres   |
| Total Leasable Area (Building 8 & 9)  | 0.57 mn sq. ft.  |
| Age of the Building   | Building 8: 14 years and 6 months<br>Building 9: 1 year 5 months |
| Cost Assumption   |  |
| Replacement Construction Cost of Building (Core & Shell <i>incl. finishes, structural glazing, external development</i> ) | INR 2,200 per sq. ft. (on leasable area)                         |
| Depreciation Rate   | As per Part "C" of Schedule II of The Companies Act 2013)        |
| Building / Structure – RCC (Cold Shell / Bare-shell)  | 4.87%  |
| Financial Assumptions   |  |
| Additional Transaction Costs anticipated given likely higher marketing and agency costs                                   | 1.00%  |

|              |   |
|--------------|---|
| Market Value | <p>Market value of land admeasuring 26.464 acres and 0.57 million sq. ft. of leasable area and plant &amp; machinery – INR1,487.86 million (INR One Billion Four Hundred Eighty Seven Million Eight Hundred Sixty Thousand Only)</p> <ul style="list-style-type: none"> <li>- Land Component <ul style="list-style-type: none"> <li>- Market value of the ~ 26.464 acre land currently accommodating existing built structures – INR818.18 million (INR Eight Hundred Eighteen Million One Hundred Eighty Thousand Only)</li> <li>- Market value of the ~ 7.464 acre land currently accommodating existing built structures – INR230.76 million (INR Two Hundred Thirty Million Seven Hundred Sixty Thousand Only)</li> <li>- Market value of the ~ 19 acre land earmarked for future development - INR587.42 million (INR Five Hundred Eighty Seven Million Four Hundred Twenty Thousand Only)</li> </ul> </li> <li>- Building Component <ul style="list-style-type: none"> <li>- Market value of the Completed buildings developed over ~ 7.464 acre of land with ~ 0.57 million sq. ft. of leasable area (excluding land value) - INR590.68 million (INR Five Hundred Ninety Million Six Hundred Eighty Thousand Only)</li> </ul> </li> <li>- Plant &amp; Machinery Component <ul style="list-style-type: none"> <li>- Market value of plant and machinery for the completed buildings – INR79.00 million (INR Seventy Nine Million Only)</li> </ul> </li> </ul> |
|--------------|---|

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## **LIST OF ABBREVIATIONS**

|         |   |
|---------|---|
| BPO     | Business Process Outsourcing                                    |
| CBD     | Central Business District                                       |
| DCR     | Development Controls & Regulations                              |
| GHMC    | Greater Hyderabad Municipal Corporation                         |
| HMDA    | Hyderabad Metropolitan Development Authority                    |
| INR     | Indian National Rupees  |
| IT/ITES | Information Technology/IT enabled Services                      |
| IVSC    | International Valuation Standards Committee                     |
| JLL     | Jones Lang LaSalle Property Consultants (India) Private Limited |
| NH      | National Highway  |
| ORR     | Outer Ring Road   |
| PBD     | Peripheral Business District                                    |
| RICS    | Royal Institution of Chartered Surveyors                        |
| SEBI    | Securities and Exchange Board of India                          |
| SBD     | Secondary Business District                                     |
| SEZ     | Special Economic Zone   |
| sq. ft. | square feet   |
| sq. m.  | square metre  |
| REIT    | Real Estate Investment Trust                                    |
| Y-o-Y   | Year-on-Year  |

### **CONVERSION OF UNITS**

|          |                  |
|----------|------------------|
| 1 acre   | 43559.66 sq. ft. |
| 1 acre   | 4046.9 sq. m.    |
| 1 sq. m. | 1.196 sq. yards  |
| 1 sq. m. | 10.764 sq. ft.   |
| 1 meter  | 1.0936 yards     |
| 1 meter  | 3.28 ft.         |
| 1 cent   | 435.6 sq. ft.    |

# 1 INTRODUCTION

## 1.1 INSTRUCTIONS

K Raheja Corp. Investment Managers Private Limited (hereinafter referred to as the 'Client'), in its capacity as Manager of the Mindspace Business Parks REIT (Mindspace REIT), has appointed KZEN VALTECH PRIVATE LIMITED, Registered Valuer Entity with Insolvency and Bankruptcy Board of India ("IBBI") bearing registration no. IBBI/RV-E/05/2022/164 (hereinafter referred to as the 'Valuer') to carry out an independent estimate of Market Value of commercial / office properties located in Chennai, Hyderabad, Mumbai and Pune along with incidental or ancillary activities including a facility management business and power distribution facility, vide Engagement Letter dated 27 March 2023. The Client intends to seek independent estimate of Market Value for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchange.

This Valuation Report has Market Value of a commercial / office project named '**Mindspace REIT**' located in **Pocharam, Hyderabad**, Telangana, India (hereinafter referred to as the 'Project'). The project is an IT Park having leasable area of about 0.57 million sq. ft. spread across two completed buildings and the project has ~ 19 acre of land earmarked for future development. As instructed by the Client and based on information provided, the following blocks/ buildings have been considered under the purview of this valuation exercise along with the land earmarked for future development.

Table 1-1: Details of the Project in terms of Buildings and Leasable Area

| Sl. No. | Building Name                   | Leasable Area<br>(mn sq. ft.) |
|---------|---------------------------------|-------------------------------|
| 1.      | Mindspace Pocharam – Building 8 | 0.38                          |
| 2.      | Mindspace Pocharam – Building 9 | 0.19                          |
|         | Total Leasable Area             | 0.57                          |

Source: Client, March 2024

## 1.2 PURPOSE OF VALUATION

The purpose of this valuation is to estimate the value of the Project as part of the portfolio of Mindspace REIT for the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended together with clarifications, guidelines and notifications thereunder in the Indian stock exchange and for accounting purpose.

In addition, other documents in relation to the regulatory filings such as publicity material, research reports, presentations and press releases will also be prepared, wherein copies, summary or extracts of the Valuation Report are intended to be included.

## 1.3 RELIANT PARTIES

The reliance on the Valuation Report prepared as part of this engagement is extended to the Manager, REIT and other parties including the trustee of REIT, debenture trustee(s), stock exchanges, unitholders of REIT, Securities and Exchange Board of India ('SEBI'), credit rating agencies, lenders of the REIT and/or its special purpose vehicles or any other person within or outside India as the Manager may deem fit for the purpose as highlighted in this report

(valuation). The Valuer, however, would extend no liability to such reliant parties save and except for gross and willful negligence.

The valuation exercise is conducted strictly and only for the use of the parties as stated above who need to rely on such valuation ('Reliant Party') and for the Purpose specifically stated. The Client shall make all reliant parties aware of the terms and conditions of the engagement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 1.4 VALUER'S CAPABILITY

**KZEN VALTECH PRIVATE LIMITED**, bearing Registered Valuer Entity number IBBI/RV-E/05/2022/164 with IBBI has been appointed as the Valuer for providing opinions on market value of the respective Subject Properties.

Mr. Sachin Gulaty, Director, KZEN VALTECH PRIVATE LIMITED, is registered as a valuer with IBBI for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 13 August 2021. He qualified for the degree of Bachelor of Architecture from School of Planning and Architecture, New Delhi in 1997, and qualified for the degree of Master's in Planning with specialization in Urban Planning from School of Planning and Architecture, New Delhi in 2002. He, subsequently, undertook distance learning from SVKM's Narsee Monjee Institute of Management Studies ("NMIMS") Global Access – School for Continuing Education, qualified for the two-years Post Graduate Diploma in Banking & Financial Management and was awarded this Post Graduate Diploma in July 2018.

Mr. Gulaty has more than 26 years of experience, including one and a half years of post-graduate education, spread over domains of architecture, urban planning, urban infrastructure, real estate advisory, and real estate asset valuation. He was the National Head of Valuations for Jones Lang LaSalle Property Consultants (India) Private Limited ("JLL India"), a leading International Property Consulting firm in India, from 2010 to 2021. Prior to this role, Mr. Gulaty gained practical experience in providing architecture services, town and city planning, and research related to regulatory studies and urban governance covering urban infrastructure such as water supply, sanitation, solid waste management, and urban transport, among other aspects. In the early part of his career, he worked with renowned architectural services firm, Kuldip Singh & Associates, and The Energy and Resources Institute ("TERI"). His last employment was with JLL as Senior Director and National Head for Valuations.

As the National Head of Valuations at JLL India, he led numerous valuation exercises for multiple financial institutions, private equity/real estate funds, corporates, industrial houses, government departments, and developers across multiple real estate asset classes of commercial, retail, residential, industrial, healthcare, and hospitality, among others. Clientele served by him across his entire career till date, under various employments, includes Brookfield, GIC, Qatar Investment Authority, JP Morgan, BlackRock, CapitaLand, Citibank, Standard Chartered Bank, Yes Bank, Kotak Mahindra, Maruti Suzuki, Indiabulls, Dubai Port World, World Bank, DLF, RMZ, Shriram Properties, DIPAM, NHAI, NBCC, AAI, and RLDA, among others.

Mr. Gulaty, who carries IBBI Registration Number: IBBI/RV/02/2021/14284, is enrolled with the Institute of Valuers Registered Valuers Foundation ("IOVRVF"), is a Fellow of Royal Institution of Chartered Surveyors ("RICS"), Fellow and Lifetime Member of Institute of Valuers, India ("IOV"), admitted as an Arbitrator (India) on the RICS Panel of Dispute Resolvers & Expert Witnesses, and features in the global list of RICS Trained Assessors, has prepared and signed this report on behalf of RV-E.

## 1.5 INDEPENDENCE, CONFLICT OF INTEREST AND VALUER'S INTEREST

The Valuer confirms that there are no conflicts of interest in so far as discharging his duties as a valuer for the Project is concerned. The Valuer has undertaken the valuation exercise

without the presence of any bias, coercion, or undue influence of any party, whether directly connected to the valuation assignment. There has not been any professional association with the Client or the Project in past five years from his engagement as the Valuer, except as valuer under the SEBI (REIT) Regulations, 2014.

The Valuer certifies that he/she does not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the Project (including the parties with whom the Client is dealing, including the lender or selling agent, if any) and accepts instructions to value the Project only from the Client.

## **1.6 ASSUMPTIONS, DEPARTURES AND RESERVATIONS**

This Valuation Report has been prepared on the basis of the assumptions within the instructions (Key Assumptions, Qualifications, limitations and Disclosures) detailed after this section of this report. Built up area, land area and plant and machinery pertaining to this Subject Property is based on the appropriate relevant documents, which has been provided by the Client and the same has been adopted for the purpose of this valuation.

## **1.7 INSPECTION OF THE PROJECT**

The project was inspected on 24 March 2024 by the Valuer in the presence of client-nominated representative, and subsequently no site visits have been conducted by the Valuer. A subsequent visit to this property related to plant and machinery has been done on 11 April 2024 by a representative of Mr. Amitava Mukhopadhyay, who is registered as valuer with IBBI for the plant and machinery asset class, who has been engaged by Valuer to opine on market value of the plant and machinery component at the Subject Property. No measurement or building survey has been carried out as part of the valuation exercise. The Valuer has relied entirely on the site areas provided by the Client, which has been assumed to be correct. Based on the discussions with the Client, it has been assumed that no material change in the condition of the property has taken place.

## **1.8 GENERAL COMMENT**

A valuation is a prediction of price, not a guarantee. By necessity, it requires the Valuer to make subjective judgments that, even if logical and appropriate, may differ from those made by a purchaser, or another valuer. Historically it has been considered that valuers may properly conclude within a range of possible values.

The purpose of the valuation does not alter the approach to the valuation.

Property values can change substantially, even over short periods of time, and thus the valuation of the Project herein could differ significantly if the date of valuation was to change.

This report should not be relied upon for any other purpose other than for which this valuation exercise has been undertaken.

## **1.9 CONFIDENTIALITY**

The contents of this Valuation Report are intended for the specific purpose stated. Consequently, and in accordance with current practice, no responsibility is accepted to any other party in respect of the whole or any part of its contents- except as maybe required in connection with the disclosure of valuation of assets, forming part of the portfolio of Mindspace REIT, under the applicable law.

## 1.10 AUTHORITY

The Client acknowledges and agrees that the valuation exercise undertaken (including, without limitation, the Reports itself and the contents thereof) is solely for the purpose set out in Section 1.2 herein. If Client desires to use the Report in any offering or other investment material for purpose other than as mentioned in the Section 1.2 herein, then (a) with Valuer will require, and the Client must provide or cause to be provided, an indemnification agreement in his favor, given by parties reasonably satisfactory to him, and (b) the Client will obtain his consent to the references in such materials to the Report.

## 1.11 LIMITATION OF LIABILITY

The Valuer has provided the services exercising due care and skill but does not accept any legal liability arising from negligence or otherwise to any person in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the properties. Further, the Valuer shall not accept liability for any errors, misstatements, omissions in the report caused due to false, misleading or incomplete information or documentation provided to him by the Instructing Party.

The Valuer's maximum aggregate liability for claims arising out of or in connection with the Valuation, under this engagement shall not exceed the professional indemnity insurance obtained by him. As on the date of this report, the professional indemnity insurance maintained by the Valuer is for Indian Rupees Fifty Million.

In the event that the Manager, the sponsors, the trustee, the REIT, or other intermediaries appointed by the Manager and / or REIT or its SPVs be subject to any claim ('Claim Parties') in connection with, arising out of or attributable to the Report, the Claim Parties will be entitled to require the Valuer to be a necessary party/respondent to such claim and he shall not object to his inclusion as a necessary party/ respondent. In all such cases, the Manager, on behalf of the REIT, agrees to reimburse/ refund to the Valuer, the actual cost (which shall include legal fees and external counsel's fee) incurred by them while becoming a necessary party/respondent. If the Valuer does not cooperate to be named as a party/respondent to such claims in providing adequate/successful defense in defending such claims, the Claim Parties jointly or severally will be entitled to initiate a separate claim against the Valuer in this regard.

The Valuer will neither be responsible for any legal due diligence, title search, and physical measurements nor undertake any verification/ validation of the zoning regulations/ development controls with any government departments/authorities, among other aspects., etc.

## 1.12 DISCLOSURE AND PUBLICATION

The Valuer must not disclose the contents of this Valuation Report to a third party in any way, except as allowed under the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars. As per the terms and regulation 2(1) of the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars, it may be noted that the Valuation report is prepared in accordance with said REIT regulations.

## 1.13 ANTI-BRIBERY AND ANTI-CORRUPTION

The Valuer represents, warrants and undertakes that:

The Valuer is familiar with applicable Anti-Corruption Laws under this Agreement including but not limited to Prevention of Corruption Act 1988 and will ensure that neither it nor any of its



officers, directors, shareholders, employees and agents or any other person acting under its implied or express authority will engage in any activity, practice or conduct which would constitute an offence under, or expose or potentially expose either Party to any direct or indirect liability, under Applicable Anti-Corruption Laws;

It is further agreed that breach of any of the above undertakings shall be deemed to be a material breach of the Agreement and in case the Valuer is insisted upon or asserted by Client to violate any of the above said undertakings including Anti-Corruption regulations in any form or manner, on pretext of business relationship or otherwise, the Valuer shall have a discretionary right to terminate this Agreement without any liability or obligation on his part.

Such termination of this Agreement shall not in any way prejudice the rights and obligations (including payment for the services delivered under this Agreement) already accrued to the Valuer, prior to such termination.

## KEY ASSUMPTIONS, QUALIFICATIONS, LIMITATIONS AND DISCLAIMERS

|    |   |  |
|----|---|--|
| 1. | Type of Estimate  | The scope of the assignment covers only estimating Market Value of a specified property and not a business valuation for either the Client or any of their subsidiaries or associated companies, etc. The estimate is based on extent of data/information provided by the Client and estimate has limited coverage wherever full data/information is not made available by the Client.   |
| 2. | Legal Due-Diligence   | Legal due diligence for establishing clarity of title, ownership, encumbrances if any, notices or disputes if any, among other legal-related issues are not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.   |
| 3. | Information Provided by the Client and Others               | The Valuer has relied on the information provided by the Client and the same has been assumed to be correct and has been used in the estimate. Where it is stated that another party has supplied information to the Valuer, this information is believed to be reliable. The Valuer cannot accept any responsibility for accuracy and non-reliability of such information.  |
| 4. | Regulatory Due-Diligence                                    | Regulatory due diligence is not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client.   |
| 5. | Project Status, Schedule and Project Costing                | Assessment of the Project Status and Schedule is based on the information provided by the Client and does not consider any unforeseeable developments which could impact the same in the future. The estimate <u>does account</u> for any capital expenses incurred by the Client on the existing and/or ongoing development works in the Project. Auditing the project figures is not part of the scope of work under this assignment. In all likelihood, an independent auditing agency would be covering this aspect, details of which can be obtained from the Client. |
| 6. | Market Conditions and Trends                                | The Valuer has taken into consideration the general conditions in the market with respect to broad demand and supply while carrying out the valuation. The Valuer has compared other comparable properties on the basis of many factors and as far as possible tried to remove / account for the differences in type, location and quality of the properties.  |
| 7. | Information on movable and immovable components of Property | The Valuer has relied on land area, built up area, and plant and machinery as given by the Client. The Valuer has relied on all information provided to him by the Client, assuming this to be complete and correct. The Valuer has relied on all details to the extent data/information made available by the Client.   |

|     |  |   |
|-----|--|---|
| 8.  | Site Investigations and Illustrations      | The Valuer has carried out the site visits and based on the information made available by the Client and the estimate is carried out considering that the Project Site is a contiguous land parcel and is free from any encroachments and encumbrances as on the date of valuation. The Valuer has not carried out any structural survey nor tested the building services. No geographical or geo-physical survey was carried out. No environmental assessment has been carried out. Any sketch, plan or map in the report is included to assist reader while visualizing the Project and assume no responsibility in connection with such matters.   |
| 9.  | Project Cost Estimates                     | Replacement Cost of the built structures and site development have been estimated by Valuer.  |
| 10. | Environmental Compliance                   | The Valuer assumed that the Project Site / Project is not contaminated and is not adversely affected by any existing or proposed environmental law and any processes which are carried out on the Project Site are regulated by environmental legislation and are Project Site licensed by the appropriate authorities.   |
| 11. | Present Ground Conditions                  | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present, which might adversely affect the current or future occupation, development of the Project. The estimate assumes that the Project Site is free from rot, infestation, structural or latent defect and no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the property and comments made in the property details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.   |
| 12. | Town Planning and Statutory Considerations | The Valuer has not made formal search but has generally relied on readily available information to general public. Valuation Report is on current use/ current state basis of the property and the Valuer has not considered any Government proposals for road widening or compulsory purchase/ acquisition, or any other statute in force that might affect the Project.   |
| 13. | Future Market Development and Prospects    | The Valuer has not accounted any future market development and prospects to the extent information known to the Valuer as on the date of valuation. The Valuer does not warrant that such statements are accurate or correct.   |
| 14. | Disclaimer                                 | <p>The estimate of Market Value is based on documents/information shared by the Client. The Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Project.</p> <p>The Valuer has relied on the measurements and information provided at all times, whether from public and private sources, and has ensured to the best of their ability the correctness and the validity of the same, by cross checking from various sources. Whilst every effort has been taken to provide authentic data and analysis, the Valuer, and/or any of their associated companies and/or their employees are not responsible for any loss, major or minor incurred on the basis of the information and analyses provided, nor are liable to any damages in any form or shape.</p> <p>Given the confidential nature of real estate transactions, transaction details for most properties, which are privately actually transacted, are not in the public domain. Consequently, there is reliance on information from market sources, which may not be completely accurate. Thus, information has been crosschecked independently from other market sources to ascertain the broad credibility of information being provided by the market sources. This assignment has been done on best effort and knowledge basis.</p> |

## 2 VALUATION APPROACH AND METHODOLOGY

### 2.1 VALUATION STANDARDS ADOPTED

This Report is prepared in accordance and compliance with:

1. Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time ("**SEBI Regulations 2014**"), including Regulation 21 Sub-Regulation (3) and mandatory minimum disclosures as specified in Schedule V of these SEBI Regulation 2014,
2. Companies (Registered Valuers and Valuation) Rules, 2017 as amended from time to time ("**Valuer Rules 2017**"), including reporting requirements as specified in Rule 18 to these rules,
3. International Valuation Standards 2022 ("**IVS 2022**") as set out by International Valuation Standards Committee ("**IVSC**") and adopted by Royal Institution of Chartered Surveyors ("**RICS**") presented in the RICS Valuation Standards and Guidelines 2022 ("**RICS Red Book 2022**"), subject to variation to meet local established law, custom, practice, and market conditions.

### 2.2 BASIS OF VALUATION

Basis of valuation of the Project is **Market Value** as defined by IVSC and adopted by Royal Institution of Chartered Surveyors (RICS) to be: *"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion"*.

### 2.3 APPROACH AND METHODOLOGY

The purpose of this valuation exercise is to estimate the Market Value of the Project, which is a real estate asset. Market Value of the real estate asset can be estimated using different approaches and methodologies.

**Income Approach:** Under this valuation approach, the income generating potential of the real estate asset is estimated while opining on its market value. This approach is typically adopted for assets that are income-generating (completed and operational with multiple tenancies, multiple strata units that can be sold with phased/milestone-based revenue collections, among others). For income-generating assets with single/multiple tenancies, the discounted cash flow entailing term and reversion method is most commonly adopted.

**Market Approach:** Under this valuation approach, the price that an asset could fetch in an open market is estimated. This approach is typically adopted for homogeneous assets in their micro-market and are typically traded on a unit basis. The most commonly adopted valuation method under this valuation approach is the Listed Transaction / Listed Quoted Instances Method, also commonly known as the Direct Comparison or the Comparable Sales/Quoted Instances Method.

**Cost Approach:** Under this valuation approach, the cost required to create an asset of similar or equal utility is estimated. This valuation approach is typically adopted for real estate assets that can be clearly broken down into constituent elements, namely land and built structures. The most commonly adopted valuation method under this valuation approach is the Physical Method, also commonly known as Land and Building Method, which typically entails estimation of the underlying land value (while normally adopting the Market Approach) and the built structures (while adopting the Depreciated Replacement Cost Method) separately.

The table below presents different valuation methodologies and their brief description.

**Table 2.1: Different Valuation Methodologies and Description**

| Sl. No. | Valuation Methodology                      | Description   |
|---------|--|---|
| 1.      | Comparable Sales / Quoted Instances Method | This method is based on comparing the subject property directly with other comparable property transaction (actually been sold in the vicinity or are offered for sale). Efforts would be made to collect transacted instances. In case of non-availability of transacted instances in the micro-market, the opinion will be offered based on the available asking/quoted instances in the market with appropriate adjustments for margin for negotiation. Given the homogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative and quantitative differences that may affect the price likely to be achieved by the property under consideration. These adjustments are typically made in the form of premium and/or discount factors for various property attributes, which affect the value. This method demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This method is a fair estimate of the prevailing prices. |
| 2.      | Depreciated Replacement Cost Method        | Replacement cost method is based on the construction cost of assets. The cost to be estimated is the cost of construction as per the construction status at the valuation date. This is based on the inspection of the facility and inputs provided by the Client; however, no structural survey will be conducted. Appropriate depreciation rates will be applied based on schedules given under the Indian Companies Act. This is generally used for estimating the Market Value of buildings and plant and machinery   |
| 4.      | Discounted Cash Flow Method                | This method is based on the present value of the future receivable net income from the current operational leases / revenues. The current revenues and the future achievable revenues derived from the operational project components of the Project Site would be adjusted for the outgoing expenses to derive 10-year cash flows. The same is then discounted at an appropriate discounting rate linked with risk adjusted discounting factor to estimate the market value for the operational project components. This method is sometimes referred to as 'Rent Roll method as well.   |

#### Approach and Methodology Adopted for Estimated Market Value of the Project

Based on a detailed review of the Project, the Valuer has noted that the existing buildings are vacant, and the earlier leases have expired. No demand has also been observed for this vacant space for quite some time, and in particular over the last six months since the previous valuation of this Project. Further, based on market research, Project micro market was observed to have no demand for office, with demand for office spaces being primarily concentrated to western part of Hyderabad. The Project micro-market also appears to be beginning to emerge as a residential destination with significant upcoming supply of residential strata units. However, the Subject Property can only be used for IT / ITeS purposes. Overall, the Subject Project is now characterized by the following three aspects:

- 1) Previous tenants have moved out of the Project, and Project has no current evidence of revenue generation,
- 2) Further leasing of this space appears to be unlikely in the near to medium foreseeable future given the apparent lack of demand for spaces in the Project micro-market, and.
- 3) Project is earmarked for a specific use, which while being common at the city and national level, it is still a regulatory constraint that determines the uses to which the Project can be put.

Point 60.2 under IVS 105 – Valuation Approaches and Methods on Pages 48-49 of International Valuation Standards 2022 ("IVS 2022") clearly states that:

*"The cost approach should be applied and afforded significant weight under the following circumstances:*

- (a) participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that a participant would not be willing to pay a significant premium for the ability to use the subject asset immediately,*
- (b) the asset is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible, and/or*
- (c) the basis of value being used is fundamentally based on replacement cost, such as replacement value."*

Further, Point 70.3 under IVS 400 – Real Property Interests on Page 113 of IVS 2022, clearly states that:

*"70.3 It may be used as the primary approach when there is either no evidence of transaction prices for similar property or no identifiable actual or notional income stream that would accrue to the owner of the relevant interest."*

In addition, Point 70.2 under IVS 300 – Plant and Equipment on Page 107 of IVS 2022 clearly states that:

*"70.2 An entity's actual costs incurred in the acquisition or construction of an asset may be appropriate for use as the replacement cost of an asset under certain circumstances. However, prior to using such historical cost information, the valuer should consider the following:*

- (a) Timing of the historical expenditures: An entity's actual costs may not be relevant, or may need to be adjusted for inflation/indexation to an equivalent as of the valuation date, if they were not incurred recently due to changes in market prices, inflation/deflation or other factors ..."*

Under the same section, Point 70.3 on Page 107 of IVS 2022 clearly states that:

*"70.3 Having established the replacement cost, deductions must be made to reflect the physical, functional, technological and economic obsolescence as applicable ..."*

Considering the above guidance from IVS 2022 in light of the circumstances and scenario of Subject Property, the Cost Approach has been considered for this valuation of Project as of 31 March 2024 instead of Income Approach that was considered in the previous valuations of this Project.

Under the Cost Approach, the Summation Method of valuation has been considered, which is *"... a method that calculates the value of an asset by the addition of the separate values of its component parts."* The following components has been considered while valuing this Project under the Cost Approach:

- 1) Land Component: Market Approach adopting the Comparable Sales /Quoted Instances Method,
- 2) Built Component: Depreciated Replacement Cost Method (adjusted for obsolescence), and
- 3) Plant & Machinery Component: Depreciated Replacement Cost Method.

## 3 VALUATION ASSUMPTIONS AND INPUTS

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### 3.1 INVESTIGATION, NATURE AND SOURCE OF INFORMATION

The Valuer undertook physical visits of the Project wherein the buildings and related assets were visually inspected to assess the condition of the buildings and the apparent state of its maintenance/upkeep.

Information related to state and structure of the relevant real estate market for the Project was sourced from the industry and market report prepared by Jones Lang LaSalle Property Consultants (India) Private Limited ('JLL'), who were appointed by the Client to undertake market research and portfolio analysis of the properties part of the Mindspace REIT.

Project related information referred to for the valuation exercise have been provided by the Client unless otherwise mentioned. The Valuer has assumed the documents to be a true copy of the original documents. Additionally, wherever possible, the Valuer has independently revalidated the information by reviewing the originals as provided by the Client.

In addition, the Valuer relied on the following information and documents shared by the Client with respect to the Project:

- Title certificates prepared by the Legal Counsel of the Client covering the type of ownership interest enjoyed and information on ongoing litigation.
- Architect's certificates dated mentioning site areas and property areas
- Relevant approval documents from competent authorities regarding occupancy, operations and fire safety.
- Masterplan/ Development plan applicable in the jurisdiction of the Project
- Fixed Asset Register for plant and machinery in the Project
- Management representation regarding the following:
  - Major repairs undertaken and proposed in the Project
  - Statement of assets
  - Revenue pendency if any
  - Pre-emption and any other encumbrances concerning or affecting the property.
  - List of material litigations



## 4 VALUATION CERTIFICATE

| Property Name     | Mindspace Pocharam, Hyderabad - SEZ  |  |         |            |                     |    |                |  |    |                    |       |  |                 |        |         |               |                            |    |                        |      |    |                        |      |  |                     |      |
|-------------------|--|--|---------|------------|---------------------|----|----------------|--|----|--------------------|-------|--|-----------------|--------|---------|---------------|----------------------------|----|------------------------|------|----|------------------------|------|--|---------------------|------|
| Property Address  | Mindspace, TSIC software layout, Hyderabad, Telangana, 500088  |  |         |            |                     |    |                |  |    |                    |       |  |                 |        |         |               |                            |    |                        |      |    |                        |      |  |                     |      |
| Land Area         | 26.464 Acres<br><i>Note: The current Valuation assessment is limited to ~ 26.464 acre (including developed and land earmarked for future development)</i>  |  |         |            |                     |    |                |  |    |                    |       |  |                 |        |         |               |                            |    |                        |      |    |                        |      |  |                     |      |
| Brief Description | <p>The Project is located in the eastern part of Hyderabad at Pocharam in Suburb-Others micro market. It is located ~1.3 km off Hyderabad -Warangal Highway and is accessible through 24 m wide road. It is at a distance of about ~15 km and ~ 41 km from Uppal and Hyderabad International Airport respectively.</p> <p>The Project is developed as IT Park with ~ 0.57 million sq. ft. of leasable area spread across two buildings (Building 8 and 9) developed over ~ 7.464 acre of land and the Project has ~ 19 acres of land earmarked for future development.</p>   |  |         |            |                     |    |                |  |    |                    |       |  |                 |        |         |               |                            |    |                        |      |    |                        |      |  |                     |      |
| Asset Details     | <table border="1"> <thead> <tr> <th>Sl. No.</th><th>Land</th><th>Extent (acres)</th></tr> </thead> <tbody> <tr> <td>1.</td><td>Developed</td><td>7.464</td></tr> <tr> <td>2.</td><td>Future Development</td><td>19.00</td></tr> <tr> <td></td><td>Total Land Area</td><td>26.464</td></tr> </tbody> </table> <p>Leasable area details as shared by the Client are given below:</p> <table border="1"> <thead> <tr> <th>Sl. No.</th><th>Building Name</th><th>Leasable Area (mn sq. ft.)</th></tr> </thead> <tbody> <tr> <td>1.</td><td>Building 8 (Completed)</td><td>0.38</td></tr> <tr> <td>2.</td><td>Building 9 (Completed)</td><td>0.19</td></tr> <tr> <td></td><td>Total Leasable Area</td><td>0.57</td></tr> </tbody> </table> <p>The Project has two completed and vacant buildings and ~ 19 acres of land earmarked with development potential of 429,897 sq. ft. leasable area. However currently the development potential is valued at Land Value.</p> <p>Plant and machinery details as shared by Client are presented in Table 7.7 in Annexure 6 to this report.</p> |  | Sl. No. | Land       | Extent (acres)      | 1. | Developed      | 7.464  | 2. | Future Development | 19.00 |  | Total Land Area | 26.464 | Sl. No. | Building Name | Leasable Area (mn sq. ft.) | 1. | Building 8 (Completed) | 0.38 | 2. | Building 9 (Completed) | 0.19 |  | Total Leasable Area | 0.57 |
| Sl. No.           | Land   | Extent (acres)   |         |            |                     |    |                |  |    |                    |       |  |                 |        |         |               |                            |    |                        |      |    |                        |      |  |                     |      |
| 1.                | Developed  | 7.464  |         |            |                     |    |                |  |    |                    |       |  |                 |        |         |               |                            |    |                        |      |    |                        |      |  |                     |      |
| 2.                | Future Development   | 19.00  |         |            |                     |    |                |  |    |                    |       |  |                 |        |         |               |                            |    |                        |      |    |                        |      |  |                     |      |
|                   | Total Land Area  | 26.464   |         |            |                     |    |                |  |    |                    |       |  |                 |        |         |               |                            |    |                        |      |    |                        |      |  |                     |      |
| Sl. No.           | Building Name  | Leasable Area (mn sq. ft.)                                   |         |            |                     |    |                |  |    |                    |       |  |                 |        |         |               |                            |    |                        |      |    |                        |      |  |                     |      |
| 1.                | Building 8 (Completed)   | 0.38   |         |            |                     |    |                |  |    |                    |       |  |                 |        |         |               |                            |    |                        |      |    |                        |      |  |                     |      |
| 2.                | Building 9 (Completed)   | 0.19   |         |            |                     |    |                |  |    |                    |       |  |                 |        |         |               |                            |    |                        |      |    |                        |      |  |                     |      |
|                   | Total Leasable Area  | 0.57   |         |            |                     |    |                |  |    |                    |       |  |                 |        |         |               |                            |    |                        |      |    |                        |      |  |                     |      |
| Valuation Methods | <p>Considering the dynamics of the Project, demand scenario of the micro-market and no plan of any future development by the Client, the Valuer has prepared the estimate of Market Value using the following approach(es) / method(s):</p> <table border="1"> <thead> <tr> <th>Sl. No.</th><th>Asset Type</th><th>Methodology Adopted</th></tr> </thead> <tbody> <tr> <td>1.</td><td>Land Component</td><td>Market Approach (Comparable Sales / Quoted Instances Method)</td></tr> </tbody> </table>  |  | Sl. No. | Asset Type | Methodology Adopted | 1. | Land Component | Market Approach (Comparable Sales / Quoted Instances Method) |    |                    |       |  |                 |        |         |               |                            |    |                        |      |    |                        |      |  |                     |      |
| Sl. No.           | Asset Type   | Methodology Adopted  |         |            |                     |    |                |  |    |                    |       |  |                 |        |         |               |                            |    |                        |      |    |                        |      |  |                     |      |
| 1.                | Land Component   | Market Approach (Comparable Sales / Quoted Instances Method) |         |            |                     |    |                |  |    |                    |       |  |                 |        |         |               |                            |    |                        |      |    |                        |      |  |                     |      |

|   |   |                               |  |
|---|---|-------------------------------|--|
|   | 2.  | Completed Assets / Buildings  | Depreciated Replacement Cost (adjusted for obsolescence) Method                          |
|   | 3   | Plant and Machinery Component | Depreciated Replacement Cost Method  |
| Nature of the Interest by the Client                    | 100% freehold interest in the Project as informed by the Client   |                               |  |
| Purchase Price of the Project                           | INR 2,602.14 million, as given by the Client (including the purchase price for land of 39.996 acres area which was subsequently sold)   |                               |  |
| Historical Valuation of the Project in 3 Previous Years | Below table summarizes historical valuation of the Project as given by the Client:  |                               |  |
|   | Sl. No.   | Date of Valuation             | Market Value (INR Million)   |
|   | 1   | 30-Sep-2023                   | 1,923.12<br>(Completed: 1,336.49,<br>Under-construction / Future<br>Development: 586.63) |
|   | 2   | 31-Mar-2023                   | 2,326.7<br>(Completed:1,740.27,<br>Under-construction / Future<br>Development: 586.63)   |
|   | 3.  | 30-Sep-2022                   | 2,137 (Completed:1,217,<br>Under-construction / Future<br>Development: 920)              |
|   | 4.  | 31-Mar-2022                   | 2,138 (Completed:1,225,<br>Under-construction / Future<br>Development: 913)              |
|   | 5.  | 30-Sep-2021                   | 2,838 (Completed:1,260,<br>Under-construction / Future<br>Development: 1,578)            |
|   | 6.  | 31-Mar-2021                   | 2,746 (Completed:1,177,<br>Under-construction / Future<br>Development: 1,568)            |
| Ready Reckoner Rate                                     | Built -up area:<br>Ground Floor – INR 2,200 per sq. ft.<br>First & Other Floors - INR 2,200 per sq. ft.<br>Land Area:<br>INR 6,388 per sq. yd. or INR 30.92 million per acre  |                               |  |
| Date of Valuation                                       | 31-Mar-2024   |                               |  |
| Date of Inspection                                      | 24-Mar-2024   |                               |  |
| Market Value as on 31-Mar-2024                          | Market value of land admeasuring 26.464 acres and 0.57 million sq. ft. of leasable area and plant & machinery – INR1,487.86 million (INR One Billion Four Hundred Eighty Seven Million Eight Hundred Sixty Thousand Only)<br><br>- Land Component |                               |  |

- Market value of the ~ 26.464 acre land currently accommodating existing built structures – INR818.18 million (INR Eight Hundred Eighteen Million One Hundred Eighty Thousand Only)
- Market value of the ~ 7.464 acre land currently accommodating existing built structures – INR230.76 million (INR Two Hundred Thirty Million Seven Hundred Sixty Thousand Only)
- Market value of the ~ 19 acre land earmarked for future development - INR587.42 million (INR Five Hundred Eighty Seven Million Four Hundred Twenty Thousand Only)
- Building Component
  - Market value of the Completed buildings developed over ~ 7.464 acre of land with ~ 0.57 million sq. ft. of leasable area (excluding land value) - INR590.68 million (INR Five Hundred Ninety Million Six Hundred Eighty Thousand Only)
- Plant & Machinery Component
  - Market value of plant and machinery for the completed buildings – INR79.00 million (INR Seventy Nine Million Only)

Matters  
Affecting the  
Property and  
its Value

Please refer to Chapter 7 of this Valuation Report

Assumptions,  
Disclaimers,  
Limitations and  
Qualifications

This Valuation Report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report, which are made in conjunction with those included within the Assumptions, Limitations & Qualifications section located within this report. Reliance on this report and extension of Valuer's liability is conditional upon the reader's acknowledgement and understanding of these statements. This Valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party, who may use or rely on the whole or any part of the content of this Valuation Report. The Valuer has no pecuniary interest that would conflict with the proper valuation of the Project

Prepared by

KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)  
Represented through its Director  
Mr. Sachin Gulaty FRICS FIV FIIA  
IBBI/RV/02/2021/14284



**Name:** Sachin Gulaty FRICS FIV FIIA

**Designation:** Director

**Valuer Registration No.:** IBBI/RV/02/2021/14284

## 5 PROJECT SITE AND PROJECT ANALYSIS

### 5.1 DETAILS OF THE PROJECT SITE AND/OR PROJECT

The table below presents details of the Project Site and/or Project

Table 5-1: Details of the Project Site and/or Project

| DETAILS OF PROPERTY                                     |  |                     |                               |
|---|--|---------------------|-------------------------------|
| Property Name   | Mindspace Pocharam, Hyderabad - SEZ  |                     |                               |
| Property Address  | Mindspace, TSIC software layout, Hyderabad, Telangana, 500088  |                     |                               |
| Land Area   | 26.464 Acres<br><i>Note: The current Valuation assessment is limited to ~ 26.464 acre (including developed and land earmarked for future development)</i>                        |                     |                               |
| Block-Wise Break-Up of Leasable Area and Current Status | Leasable area details as shared by the Client is given below:  |                     |                               |
|   | Sl. No.  | Building Name       | Leasable Area<br>(mn sq. ft.) |
|   | 1.   | Building 8          | 0.38                          |
|   | 2.   | Building 9          | 0.19                          |
|   |  | Total Leasable Area | 0.57                          |
|   | Based on the information provided by the Client, the Project has two buildings (completed and vacant) developed over ~ 7.464 acres and ~ 19 acre of land for future development. |                     |                               |
| Access  | Accessible through approx. 24 m. wide internal road  |                     |                               |
| Frontage  | Excellent frontage along the access road   |                     |                               |
| Shape and Visibility                                    | Regular in shape and has excellent visibility from access road   |                     |                               |
| Approval Status   | Project has requisite approvals in place as confirmed by the Client  |                     |                               |
| INFRASTRUCTURE  |  |                     |                               |
| Water Supply, Sewerage & Drainage                       | Available within the Project   |                     |                               |
| Power & Telecommunication                               | Available within the Project   |                     |                               |

### 5.2 LOCATION OF THE PROJECT

The Project is located in the eastern part of Hyderabad at Pocharam in Suburb-Others micro market. It is located ~1.3 km off Hyderabad -Warangal Highway and is accessible through 24m wide road. It is at a distance of about ~15 km and ~ 41 km from Uppal and Hyderabad International Airport respectively.

The map below presents the location of the Project Site with respect to the city.

Map 5.1: Location of the Project Site with respect to the Hyderabad City



Source: Real Estate Market Research & Analysis; JLL, March 2024

The distance of the Project from major landmarks in the city is given in the table below.

Table 5-2: Distances of the Project from Major Landmarks in the City

| Location / Landmark          | Approximate Distance from Project Site (km) |
|------------------------------|---|
| Outer Ring Road (ORR)        | ~ 3   |
| Secunderabad Railway Station | ~ 20  |
| Hyderabad RGIA Airport       | ~ 41  |
| Singapore Township           | ~ 1   |
| Infosys Campus               | ~ 2   |

Source: Real Estate Market Research & Analysis; JLL, March 2024

### 5.3 DESCRIPTION OF THE PROJECT AND ITS SURROUNDINGS

The Project is developed as IT Park and is located in Pocharam in Suburb-Others micro market of Hyderabad. It is located accessible through 24m wide road from the Hyderabad – Warangal Highway. In terms of Project Site attributes, the Project Site is regular in shape and has relatively flat terrain.

The Project consists of two buildings with total leasable area of ~ 0.57 million sq. ft. developed over ~ 7.464 acres of land and ~ 19 acres of land earmarked for future development.

The Project micro market has only Infosys Campus as the other commercial development. In terms of real estate activity, the Project is predominantly surrounded by residential plotted development and few apartment projects including Singapore Township.

The Project enjoys good frontage along the access road. The map below presents location of the Project Site and its surroundings.

Map 5.2: Location of Project and its Surrounding Developments

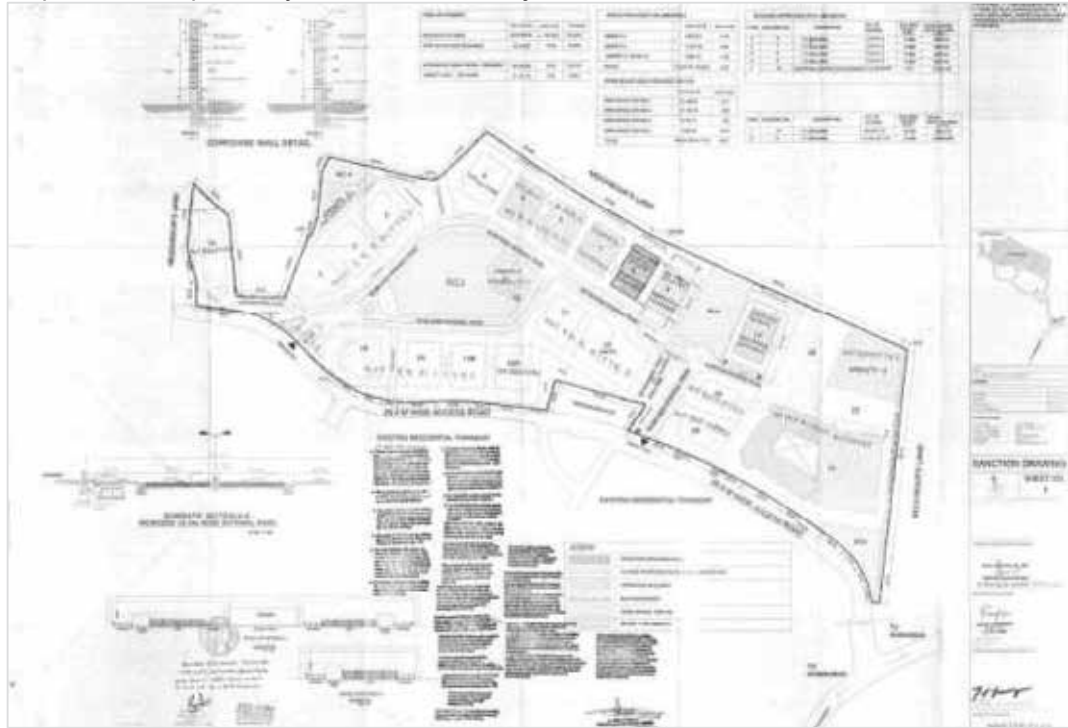


Source: Real Estate Market Research & Analysis; JLL, March 2024



The map below presents the conceptual Layout Plan of the Project as shared by the Client.

Map 5.3: Conceptual Layout Plan for the Project



Source: Client, March 2024

The table below presents the boundary/edge conditions of the Project Site.

Table 5-3: Project Site and its Site Boundaries

|       |                  |
|-------|------------------|
| North | Private Property |
| South | Access Road      |
| West  | Private Property |
| East  | Private Property |

Source: Real Estate Market Research & Analysis; JLL, March 2024

## 5.4 DESCRIPTION OF THE PROJECT

As stated earlier, the Project has total leasable area of 0.57 million sq. ft. as per the occupancy certificate and / or leases signed and it is spread across two (2) buildings i.e., Building 8 and Building 9. The following table presents the details of the Project in terms of buildings and leasable area.

Table 5-4: Details of the Project in terms of Buildings and Leasable Area

| Sl. No. | Building Name                   | Leasable Area<br>(mn sq. ft.) |
|---------|---------------------------------|-------------------------------|
| 1.      | Mindspace Pocharam – Building 8 | 0.38                          |
| 2.      | Mindspace Pocharam – Building 9 | 0.19                          |
|         | Total Leasable Area             | 0.57                          |

Source: Client, March 2024

In addition to the above, the following assets are also part of the Project.

- Total utility areas and internal roads
- Total open spaces

The table below presents key asset specific information.

**Table 5-5: Key Asset Specific Information of the Project**

| Particulars                       | Description  |               |                       |  |
|-----------------------------------|--|---------------|-----------------------|--|
| Name of the Entity                | Mindspace Business Parks Private Limited   |               |                       |  |
| Interest owned by Mindspace REIT  | Project is wholly owned by Mindspace Business Parks Private Limited which is 100% owned and controlled by the Mindspace REIT <sup>1/</sup> |               |                       |  |
| Land Extent                       | ~ 26.464 acres   |               |                       |  |
| Asset Type                        | IT Park with vacant SEZ buildings developed over ~7.464 acre land and ~19 acres of land earmarked for future development                   |               |                       |  |
| Sub-Market                        | Suburbs Other / PBD East   |               |                       |  |
| Approved and Existing Usage       | IT Offices   |               |                       |  |
| Age of Building <sup>2/</sup>     | Sl. No.  | Building Name | Age of the Building   |  |
|                                   | 1.   | Building 8    | 14 years and 6 months |  |
|                                   | 2.   | Building 9    | 1 year and 5 months   |  |
| Current Status                    | Building completed and vacant  |               |                       |  |
| Approvals Status                  | Project has requisite approvals in place as confirmed by the Client.   |               |                       |  |
| Freehold/Leasehold                | The underlying land is taken on freehold basis   |               |                       |  |
| Leasable Area                     | 0.57 million sq. ft.   |               |                       |  |
| Occupied Area                     | NIL  |               |                       |  |
| Occupancy <sup>3/</sup>           | NIL  |               |                       |  |
| Committed Area                    | NIL  |               |                       |  |
| Committed Occupancy <sup>4/</sup> | NIL  |               |                       |  |
| Number of Tenants                 | NIL  |               |                       |  |

<sup>1/</sup> Refer company structure set out in Annexure 1

<sup>2/</sup> Client has obtained occupation certificate for entire leasable area measuring 0.57 million sq. ft.

<sup>3/</sup> Occupancy refers to proportion of area leased, which is actively occupied by the tenants/occupiers

<sup>4/</sup> Committed occupancy also includes area, which has been pre-leased to tenants/occupiers

## 5.5 PROJECT INSPECTION

The Project is part of larger campus having total leasable area of ~ 0.57 mn sq. ft. spread across two buildings and additional ~ 19 acres of land is earmarked for future development. The Property was inspected on 24 March 2024 by the Valuer.

The inspection comprised visual inspection of operational buildings comprising the property and visits to key utility areas like LT Electric Room, Pump Room, HVAC installations, Power Back up, STP.

The visual inspection of the buildings did not reveal any cause of concern with no visible signs of any disrepair or ill maintenance within the operational buildings. However, the broad

specifications of the buildings are not in-line with the current standards of Grade A buildings which are available in other IT/ ITeS hubs of the city like Madhapur / HITEC City and Gachibowli. The utility areas also appeared well maintained, visually. No instances of any major logging or water accumulation were observed during the inspections. The property inspections did not comprise any structural survey, technical/engineering review or safety audit and the assessment of the condition of the building, its utilities and campus infrastructure are based completely on visual survey.

Some of the photographs of the Project and surroundings are given below.



## 5.6 OTHER RELEVANT INFORMATION RELATED TO THE PROJECT

### Area Details, Type and Age of Structures

Table 5-6: Building Details

| Sl. No. | Building Name | Leasable Area<br>(mn sq. ft.) | Usage Type | Status                  | Age of the<br>Building   |
|---------|---------------|-------------------------------|------------|-------------------------|--------------------------|
| 1.      | Building 8    | 0.38                          | SEZ        | Completed<br>and Vacant | 14 years and 6<br>months |
| 2.      | Building 9    | 0.19                          | SEZ        | Completed<br>and Vacant | 1 year and 5<br>months   |

**Developable Area of the Project**

The total site area of the Project is ~ 26.464 Acres with total leasable area of 0.57 Mn sq ft spread across two buildings developed over ~ 7.464 acre of land and ~ 19 acres of land earmarked for future development.

**Site Services and Finishes**

The visual inspection was done for all the buildings including common areas and key utility areas such as LT Electric Room, Pump Room, STP, Chillers, HVAC Installations etc. As per the visual survey there was no concern related to finishes and site services. The campus is well maintained with proper landscaping in common areas.

**Condition and Repairs**

The visual inspection was done for all the buildings including common areas and key utility areas such as LT Electric Room, Pump Room, STP, Chillers, HVAC Installations etc. The inspection of key utility areas was done on a sample basis, and it did not reveal any cause of concern or ill maintenance in any of the operational buildings.

**Environmental Considerations**

The Valuer has not carried out any investigations or tests or been supplied with any information from the Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the subject or any other land (including any ground water).

For the purpose of assessing the vulnerability of the Project to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Hyderabad where the Project is located falls in Seismic Zone II with low risk. The city faces low risk in terms of high winds or cyclones too. The Project is not likely to face any higher risk than the overall risk profile of the city. Project is regular in shape with fairly even topography. No hazardous activity was noted in the vicinity of the Project, which may expose it for any induced disaster.

**Option or Pre-Emption Rights and Encumbrances**

Unless disclosed and recorded by the Client, the Project is considered to possess a good and marketable title and is free from any unusually onerous encumbrances with no option or pre-emption rights in relation to the assets except for those created in favor of the lenders, based on the information given in the Title Reports prepared by Hariani & Co. (hereinafter collectively referred to as 'Legal Counsel'). The Valuer has not checked and verified the title of the Project.

**Revenue Pendencies**

On the basis of the Title Reports prepared by the Legal Counsel and discussion with the Client, there are no revenue pendencies including local authority taxes associated with the Project or any compounding charges. No independent verification of this has been made from revenue authorities and reliance has been made on the Client information for the same.

**Material Litigation**

Based on discussions with the Client and Title Reports shared, there are no material litigation including tax disputes other than the litigation disclosed to the valuer (as specified in annexure 7), relating to the Project or any compounding charges.

## 6 MARKET SCAN OF THE CITY AND THE MICRO-MARKET

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### 6.1 INTRODUCTION

The valuation exercise takes into account the market performance and various other indicators that are relied upon the industry report which has been prepared by Jones Lang LaSalle India Property Consultants, who are appointed as an independent consultant by the Client.

### 6.2 CITY OVERVIEW

Hyderabad is one of the fastest-growing cities in India. The city has succeeded in building on its IT/ITeS and pharmaceutical capabilities and managed to attract several global technology and pharmaceutical giants to invest in and operate from the city. In 2020, Hyderabad topped the JLL City Momentum Index (CMI) for the second time after 2018. An active real estate market with healthy rental growth along with a thriving start-up culture have been the catalysts for Hyderabad to surpass all other major metro cities around the world and top the index. Proactive initiatives and investor friendly policies such as the new industrial policy of TS-iPass has helped support the fast and strong economic growth of the city in the last 5 years. The city is also home to 4,000 start-ups, primarily in the field of AI, Life sciences and Big Data analytics. The 2020 Global Start-up Ecosystem Report (GSER) by start-up Genome and the Global Entrepreneurship Network has put the state of Telangana among the top 30 global ecosystems for affordable talent in 2020 and Hyderabad is amongst the Top 100 emerging ecosystems.

### 6.3 ECONOMY & DEMOGRAPHICS

IT/ITeS and pharmaceutical industries are the two major sectors that contribute the maximum to the city's GDP. Riding on the strong expansion by all marquee tenants, IT exports by Telangana in FY 2022–23 grew by 31.4% to INR 2,41,275 crore, compared to the national average of 9.4%. During the same financial year, the state added approximately 127,594 new jobs at an annual growth rate of 16.3%. This accounts for a staggering 44% of the total IT jobs added in the country during the same period. Along with IT/ITeS, the pharmaceutical industry adds significantly to the exports from the city by commanding a 30% share in India's bulk drug production. The city now boasts of over 1 million professionals employed by the IT sector.

Owing to its robust and fast-developing infrastructure along with ease of living that offers a cosmopolitan environment, Hyderabad is amongst the most preferred destinations by the young workforce of the country. As per India Workforce Report by LinkedIn, Hyderabad is the 3rd largest city to attract people from every corner of India. Hyderabad accounts for about 8.5% of total migrants across cities in India.

### 6.4 INFRASTRUCTURE INITIATIVES

The Telangana State Road Transport Corporation's (TSRTC) city buses, and Indian Railways' Multi-Modal Transport System along with Hyderabad Metro Rail (HMR) form the key public transport system for Hyderabad city. The current Hyderabad Metro Rail network consists of 57 stations covering 67 km. This connects the eastern and western parts of the city through the dense CBD of Hyderabad. This service is further being extended to connect the Rajiv Gandhi International airport at Shamshabad with the IT hubs- Madhapur, Gachibowli, and surrounding areas in the western part. Over the last 3 years, the city has experienced massive road development projects in all major areas.

The major infrastructure push to Hyderabad is being carried out through the most comprehensive road development plan. The flagship program by the state government and

Greater Hyderabad Municipal Corporation (GHMC) is aimed to improve 54 junctions in the city by building new elevated flyways and underpasses along with the construction of new roads. The INR 24,000 crore project involves reducing the traffic congestion in the city and use it as a catalyst to improve the ease of living.

### **Existing infrastructure**

| Existing Project                            | Completion timeline       | Details  | Key Impact Zones                               |
|---|---------------------------|--|--|
| Nehru Outer Ring Road (ORR)                 | 2008 – 2018 (in phases)   | 158 km elevated 8-lane expressway built to encircle city periphery   | Madhapur, Gachibowli                           |
| Rajiv Gandhi International Airport (RIGA)   | 2008 (On-going expansion) | Improved air connectivity of Hyderabad with key cities across the world.<br><br>Direct air connectivity with the key cities in the USA, UK, Europe, Middle East, Singapore, and Hong Kong. | Suburbs Others, Gachibowli                     |
| PVNR Expressway                             | 2009                      | 11.6 km signal-free elevated highway from Mehidipatnam to Attapur  | SBD, Suburbs Others                            |
| Durgam Cheruvu Bridge                       | 2020                      | 0.5 km cable bridge over Durgam Cheruvu connecting Jubilee Hills to Madhapur<br>Reduces travel time  | SBD  |
| Strategic Road Development Programme (SRDP) | Started in 2018           | -  | CBD, SBD, Madhapur, Gachibowli, Suburbs Others |

Source: Real Estate Market Research & Analysis; JLL, March 2024

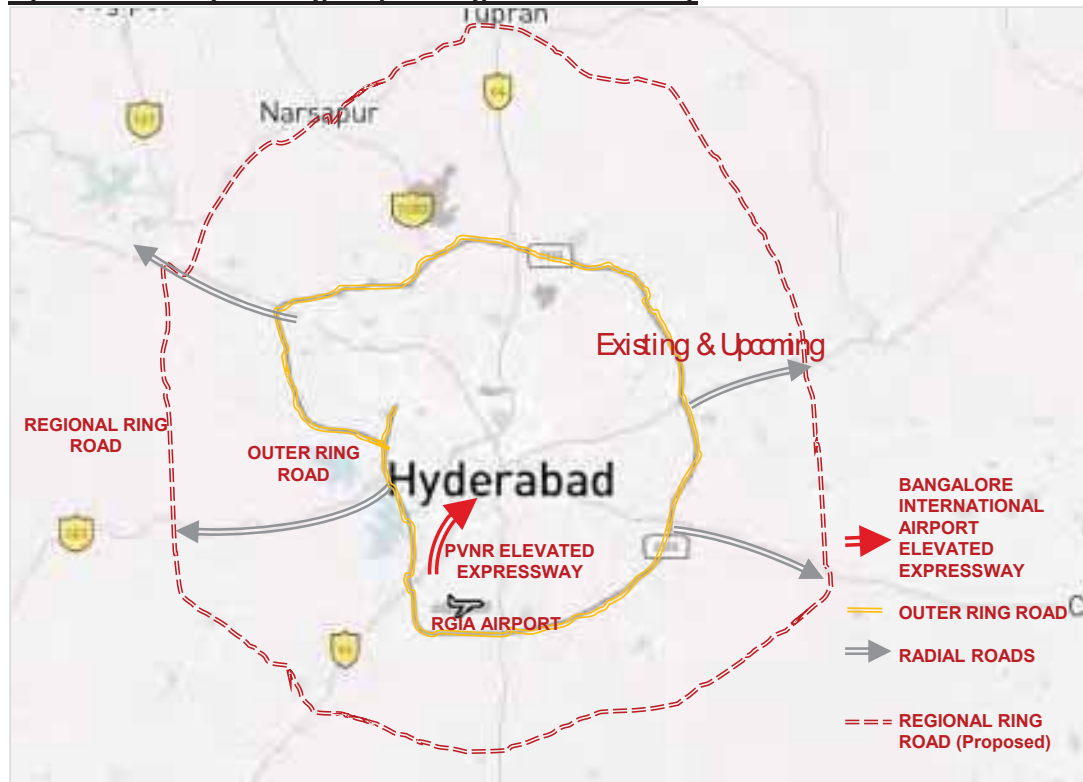
### **Upcoming Infrastructure**

Some of the key upcoming projects for the city are mentioned below:

| Upcoming Project                            | Completion timeline | Details   | Key Impact Zones         |
|---|---------------------|---|--------------------------|
| Regional Ring Road                          | NA                  | 6 lane, 330 km Circular Road network to be developed around extended suburbs of Hyderabad city to ensure excellent connectivity with supporting smaller towns around Hyderabad.<br>Intercity connectivity with other districts of Telangana is likely to improve  | NA                       |
| Elevated Corridors                          | 2022 - 2024         | Elevated Road network in key junctions of the city<br>Helps in easing traffic congestion  | Suburbs Others, CBD, SBD |
| Elevated Bus Rapid Transport System (EBRTS) | NA                  | To complement Hyderabad's transport infrastructure, an elevated BRTS is planned between KPHB and the Financial District with further extension up to Kokapet. Being implemented by the Hyderabad Airport Metro Limited EBRTS will have 23 stops for electric buses and aims to resolve the traffic congestion along the Metro corridor. | Madhapur, Gachibowli     |

Source: Real Estate Market Research & Analysis; JLL, March 2024



**Hyderabad – Key existing & upcoming roads in the city**

Source: Real Estate Market Research &amp; Analysis; JLL, March 2024

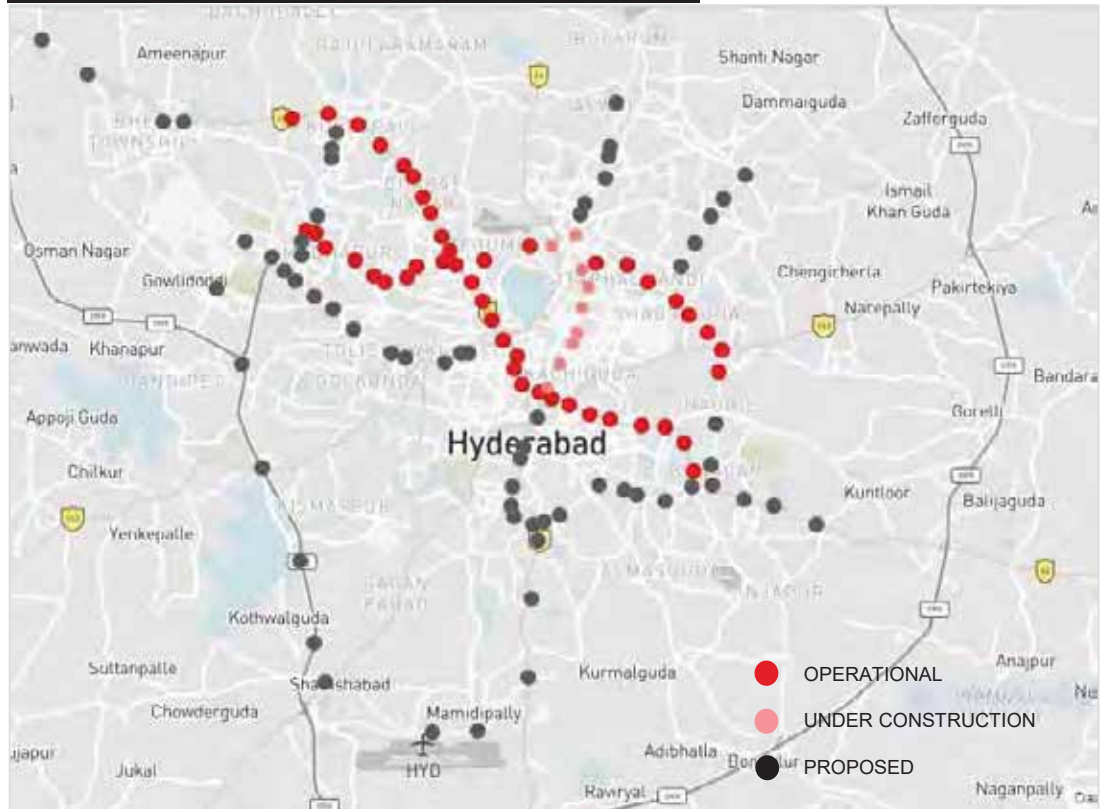
**Existing Metro Rail Lines**

| Existing Project               | Completion timeline | Details   | Key Impact Zones   |
|--------------------------------|---------------------|---|--------------------|
| Hyderabad Metro Rail – Phase I | 2017 - 2020         | 69 km elevated network connecting eastern and western parts of city via CBD | SBD, CBD, Madhapur |

**Upcoming Metro Rail Lines**

| Upcoming Project                | Completion timeline                 | Details   | Key Impact Zones                |
|---------------------------------|-------------------------------------|---|---------------------------------|
| Hyderabad Metro Rail – Phase II | NA<br>(3-4 years from commencement) | <ul style="list-style-type: none"> <li>58 km network connecting airport and other residential suburbs</li> <li>Raidurg to Shamshabad Airport – 31 km</li> <li>Nagole to LB Nagar – 5 km</li> <li>Lakdi ka pul to BHEL – 22 km</li> </ul>  | Gachibowli, SBD, Suburbs Others |
| Hyderabad Airport Metro         | NA                                  | Hyderabad Metro's Airport Express Line is an upcoming rail line that'll connect Mindspace REIT Junction and Rajiv Gandhi International Airport in Shamshabad via 10 stations. This 32 km line of the Hyderabad Metro Phase 2 project will be funded by Telangana Government and executed by HAML (Hyderabad Airport Metro Ltd). |                                 |

Source: Real Estate Market Research &amp; Analysis; JLL, March 2024

**Hyderabad – Map of existing and upcoming metro lines**

Source: Real Estate Market Research &amp; Analysis; JLL, March 2024

**6.5 HYDERABAD - OFFICE SUB MARKETS**

The office sub-markets of Hyderabad City are classified into six micro markets based on the market trend as mentioned below.

| Sub-market      | Locations   | Map of Hyderabad office market |
|-----------------|---|--------------------------------|
| CBD             | Begumpet, SP Road, Secunderabad, Punjagutta, Nagarjuna Circle, Raj Bhavan Road. |                                |
| SBD             | Banjara Hills, Jubilee Hills, Shaikpet, Kavuri Hills, Ameerpet, Nagarjuna Hills |                                |
| Madhapur        | Hafeezpet, Madhapur, Kondapur, Madhapur, Raidurg, Kukatpally                    |                                |
| Gachibowli      | Kokapet, Manikonda, Financial District, Nanakramguda, Puppalguda, Khajaguda     |                                |
| Peripheral East | Uppal, Pocharam   |                                |

|                    |            |  |
|--------------------|------------|--|
| Suburbs-<br>Others | Shamshabad |  |
|--------------------|------------|--|

Source: Real Estate Market Research & Analysis; JLL, March 2024

### Key Submarkets-Development and Occupier Profile

|                 |   |
|-----------------|---|
| Madhapur        | <p>Development Profile: it is the most established office market in the western part of the city, well connected by the public transport in the city</p> <p>Key Occupiers: Qualcomm, Wells Fargo, Deloitte, AMD, Intel, Facebook, Microsoft, JPMC, Synchrony, Dell</p> <p>Key Developers: Mindspace REIT, Phoenix Group, RMZ, Salarpuria, Capitaland, Meenakshi Constructions, Divyasree</p>  |
| Gachibowli      | <p>Development profile: Developed as an extension to existing office market in Madhapur, along the ORR in the western part of the city. Primarily emerged as home to owned campuses of large companies but office market expanded in the last decade</p> <p>Key Occupiers: Largely home to campuses of Wipro, Infosys, Amazon, Microsoft along with notable presence from Apple, Google, CTS, Micron, ZF</p> <p>Key Developers: Phoenix Group, GAR Corp, Salarpuria, DLF, Vamsiram Builders</p> |
| Peripheral East | <p>Development profile: Office market is in nascent stage of development with key projects being operational in Pocharam &amp; Uppal in the eastern periphery</p> <p>Key Occupiers: Infosys, Genpact, Cyient</p> <p>Key Developers: Mindspace REIT, NSL Constructions</p>   |
| Suburbs Others  | <p>Development profile: Very early-stage market around Shamshabad in the southern periphery driven mostly by its proximity to the International Airport Office</p> <p>Key Occupiers: Cube Infrastructure, HBL, OSI Systems</p> <p>Key Developers: GMR</p>   |
| CBD             | <p>Development profile: Oldest office market originated in the center of the city. Projects are largely owned by individual landlords with standalone properties</p> <p>Key Occupiers: SONATA Software, Dr.Reddy's</p> <p>Key Developers: Gowra Ventures, Ashoka Builders</p>   |
| SBD             | <p>Development profile: Developed around affluent localities in the city adjoining Madhapur. Most properties developed by key developers were as standalone developments</p> <p>Key Occupiers: DE Shaw, First American Financial</p> <p>Key Developers: Phoenix Group, Vamsiram Builders</p>  |

Source: Real Estate Market Research & Analysis; JLL, March 2024

### **Hyderabad Office Real Estate Market Highlights Q1 2024**

Gross leasing in the Hyderabad office market in Q1 2024 stood at 1.37 mn sq ft, up by 40.4% y-o-y. On a q-o-q basis, this was lower by 50%. Leasing activity in existing properties was strong especially in marquee assets. The quarterly gross leasing activity was led by Madhapur which accounted for a ~78% share. IT/ITeS led with the biggest share of 23.7%, followed by BFSI and Flex with 22.0% and 17.3% shares, respectively. The healthcare segment also held a 17% share in the quarterly leasing, underpinning the strong demand from this sector, especially in the form of GCCs and R&D centres.

The net absorption in Q1 2024 stood at 1.55 mn sq ft, nearly 3X up from the same period last year, albeit lower by 44.1% q-o-q. This also included end-user property purchases of 0.32 mn sq ft during the quarter. Net absorption was also impacted by lower completions in Q1, with new supply at a four-quarter low.

The city recorded completions of 2.08 million sq ft during the quarter, largely concentrated in SBD and Gachibowli, with only a solitary mid-sized completion in Madhapur during the quarter. With this, total Grade A office stock in the city rose to 124.0 million sq ft.

At the overall city level, vacancy rose by 10 bps q-o-q to 24.6%. In the same period, Madhapur's vacancy stood at 14.5%, down by 100 bps q-o-q and at its lowest in four quarters.

Overall office rents rose marginally by 0.4% q-o-q to INR 64.5 per sq ft per month.

### **City Market Trends**

| Sub-Markets     | Total Stock (sq. ft) | Net Absorption (sq. ft) |                        |                        | Vacancy % |                        |                        |
|-----------------|----------------------|-------------------------|------------------------|------------------------|-----------|------------------------|------------------------|
|                 |                      | Q1 2024                 | Q4 2023 (Q-O-Q Change) | Q1 2023 (Y-O-Y Change) | Q1 2024   | Q4 2023 (Q-O-Q Change) | Q1 2023 (Y-O-Y Change) |
| Overall         | 124,021,083          | 1,551,978               | -44.1%                 | 195.8%                 | 24.6%     | 10 bps                 | 360 bps                |
| CBD             | 3,104,883            | 0                       | -100.0%                | -100.0%                | 10.6%     | 10 bps                 | 110 bps                |
| SBD             | 4,386,241            | 90,000                  | 34.3%                  | 16.2%                  | 37.3%     | 1,560 bps              | 1,170 bps              |
| Madhapur        | 71,507,977           | 962,764                 | -42.3%                 | 181.1%                 | 14.5%     | -100 bps               | 90 bps                 |
| Gachibowli      | 40,735,894           | 476,215                 | -55.9%                 | NA                     | 40.6%     | 0 bps                  | 600 bps                |
| Peripheral East | 2,989,000            | 0                       | NA                     | NA                     | 46.3%     | 0 bps                  | 1,110 bps              |
| Suburbs Others  | 1,297,083            | 23,000                  | NA                     | -54.0%                 | 17.3%     | -170 bps               | -410 bps               |

Source: Real Estate Market Research & Analysis; JLL, March 2024

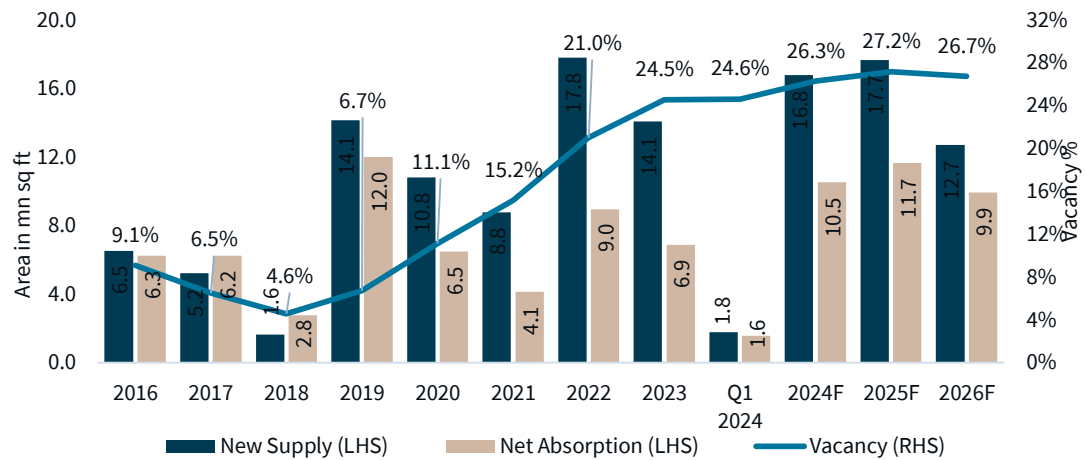
### **Leasing Activity**

Leasing activity in Hyderabad stood at a healthy 1.37 mn sq ft in Q1 2024, with space demand holding steady on same period comparison. In fact, on a y-o-y basis leasing volumes were up by 40.4%, though q-o-q activity was down by 50%. Deals were largely driven by expansion activity from existing tenants

Madhapur was the runaway leader accounting for a 78% share of the gross leasing activity in the quarter, with Gachibowli's share at 21%. The demand for flex spaces continued to remain healthy with flex operators managing to lease out ~3,100 seats in the city as occupiers embraced plug and play workspaces as part of their optimized workplace strategies. There are some large-scale transactions that are currently in active stages of closure in the city, predominantly in the Madhapur submarket.

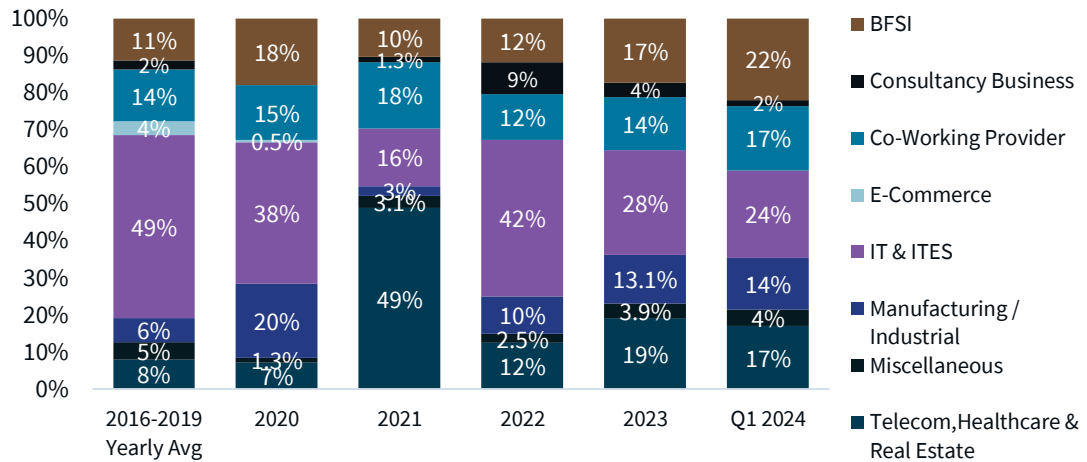
Hyderabad's net absorption was clocked at 1.55 mn sq ft, driven by the fresh leases in both existing and newly completed buildings and some end-user office space purchases which themselves totalled to 0.32 mn sq ft, reported during the quarter. The net absorption though lower on account of less completions in Q1, was also up by nearly 3x y-o-y.

### Total Completions, Net Absorption and Vacancy Rate – Overall



Source: Real Estate Market Research & Analysis; JLL, March 2024

### Occupier share in gross leasing activity



Source: Real Estate Market Research & Analysis; JLL, March 2024

### Vacancy

While demand has remained quite healthy, the supply infusion in the city has remained strong. As a result of which vacancy in the city rose by 10 bps q-o-q to 24.6%. Since covid, the vacancy levels in the city have moved northwards amidst a strong supply even as demand has shown a recent resurgence since 2022.

### Market Rents

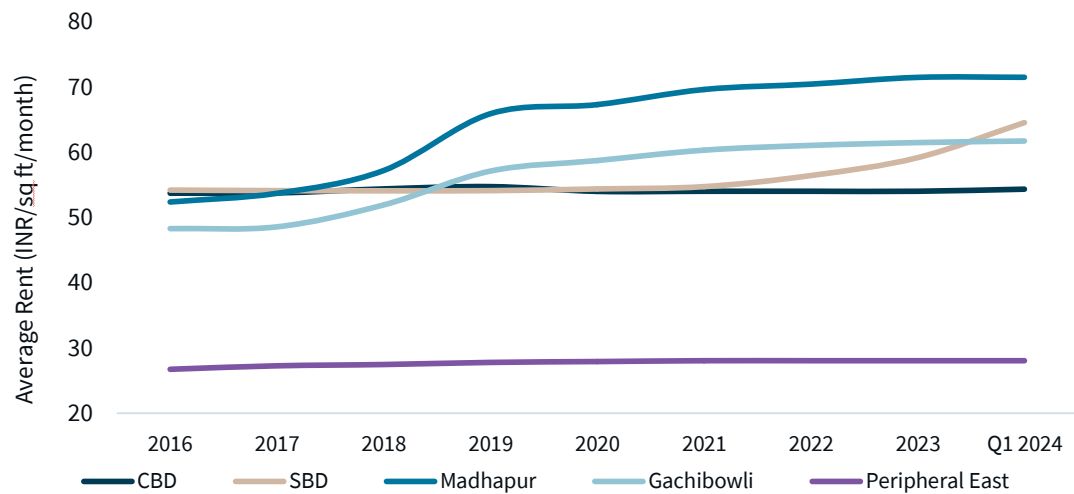
With limited supply till 2018 in the city, rents remained stable across the city. However, as a new wave of quality supply hit the market in 2019, rents witnessed significant growth in key micro markets like Madhapur and Gachibowli. However, post covid the rental growth has been limited but continues to be on the growth curve in the city amidst completions from top developers largely in Madhapur and Gachibowli entering the market at higher rentals.

With the completion of projects by RMZ, Salarpuria & Capitaland in 2023, rental values moved up by 1.5% y-o-y by end of the year. In Q1 2024, rents were further seen to grow by 0.4% q-o-q to now be at INR 64.5 per sq ft per month. Rent change q-o-q was seen to be higher in the SBD sub-market due to stock realignment and the removal of average assets from the

Grade A building basket. Also, the new completion in the SBD entered the market at a healthy premium to this submarket's average.

| GROSS RENT (INR/SQ FT/PM) GFA |       |              |              |
|-------------------------------|-------|--------------|--------------|
|                               | Q3 23 | Q-o-Q Change | Y-o-Y Change |
| Overall                       | 64.1  | 0.6%         | 1.7%         |
| CBD                           | 54.0  | 0.0%         | 0.0%         |
| SBD                           | 56.6  | 0.4%         | 3.5%         |
| Madhapur                      | 71.5  | 0.7%         | 2.1%         |
| Gachibowli                    | 61.1  | 0.0%         | 0.0%         |
| Peripheral East               | 28.1  | 0.0%         | 0.0%         |

### Submarket wise Gross Rents



Source: Real Estate Market Research & Analysis; JLL, March 2024

*Note: Mindspace REIT micro markets, the rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 10% depending upon negotiations, final structuring of the lease agreement and other parameters.*

### New supply

In the last few, years Hyderabad has witnessed a massive growth in new supply across the key submarkets. While the average annual supply from up to 2018 has been 4.8 million sq ft, it jumped to 13.2 million sq ft in the last four years in the city. With delayed projects coming on board in the next few quarters, new supply is expected to witness robust growth in the latter part of 2023 and in 2024, largely driven by Madhapur and Gachibowli submarkets. After recording its lowest ever supply in Q1 2023 at 0.7 million sq ft, Hyderabad recorded a gross supply of 8.5 million sq ft in the next two quarters of 2023. In Q3 2023, city witnessed 3.2 million sq ft of new supply largely led by Madhapur submarket, taking the overall office stock in the city to 116.3 million sq ft.

In the last few, years Hyderabad has witnessed a massive growth in new supply across the key submarkets. While the average annual supply up to 2018 has been 4.8 million sq ft, it jumped to 13.2 million sq ft in the last four years in the city. Even in 2023, new supply jumped to 15 mn sq ft, with another 2.1 mn sq ft completed in Q1 2024. Most of the new supply additions over the past 3-4 years have been led by Madhapur and Gachibowli submarkets. The city's total Grade A office stock now stands at 124.0 mn sq ft.



## Outlook

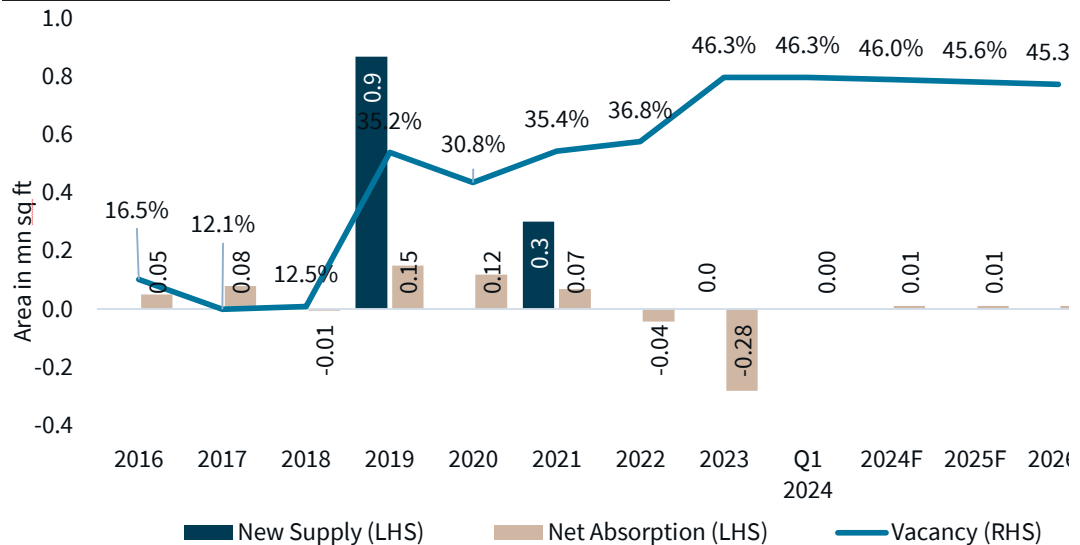
New supply over the next one year is likely to be driven by leading developers like RMZ, Phoenix Group & Vamsiram Builders as many large projects are in advanced stages of construction, mostly located in the submarket of Madhapur followed by Gachibowli. Amidst robust supply in the pipeline, vacancy in the city is expected to come under pressure in the medium term in the range of 25-27%, but expected to be largely tight in the Madhapur corridor. While a significant proportion of the upcoming supply in the medium to long term is still due for absorption, the rising demand and healthy leasing activity as well as ongoing deals are expected to support the net absorption levels to surpass 2023 levels in the short term and sustain in the medium term as well. Large part of leasing activity is expected to be witnessed in Madhapur market owing to quality supply from leading developers in key localities of the submarket and then gradually moving towards Gachibowli in the longer term

## 6.6 PERIPHERAL EAST

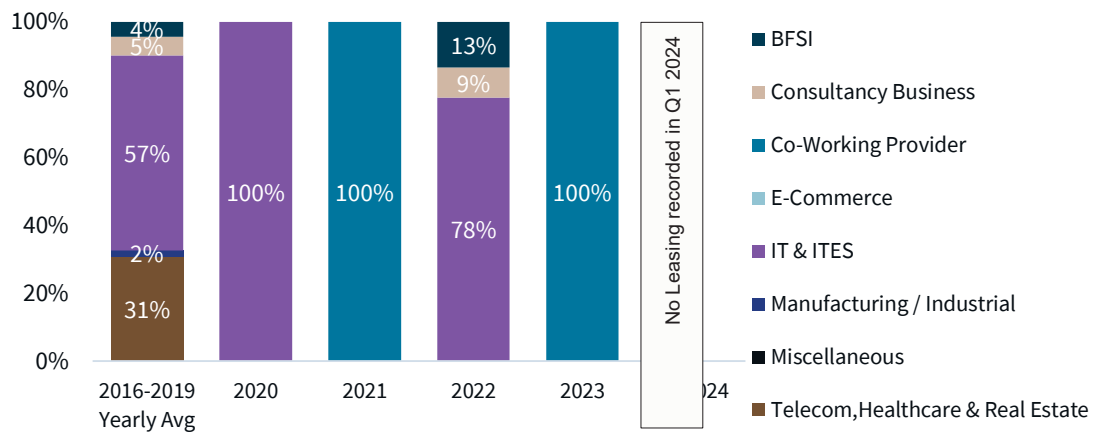
### Supply, Demand Trend

#### Leasing activity

#### Total Completions, Net Absorption and Vacancy Rate



Source: Real Estate Market Research & Analysis; JLL, March 2024

**Occupiers share in gross leasing activity**

Source: Real Estate Market Research & Analysis; JLL, March 2024

**Leasing activity**

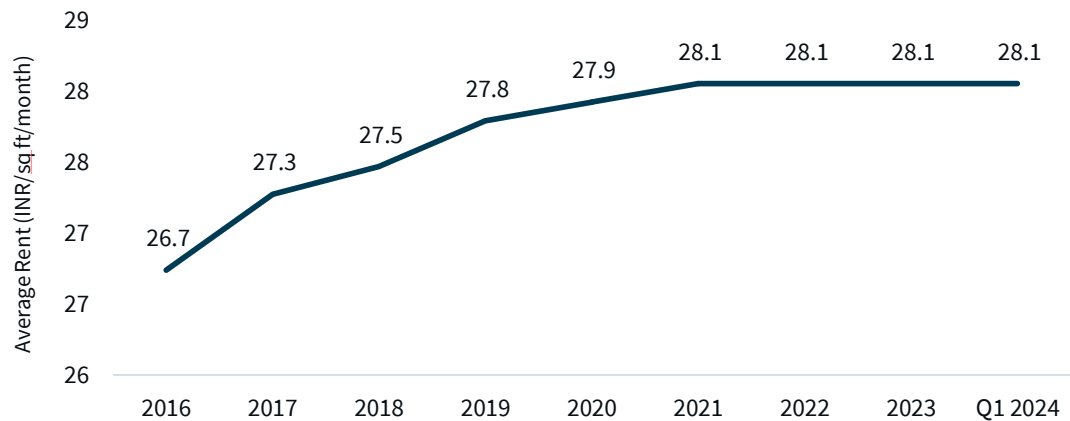
This submarket remains a peripheral corridor in terms of visible occupier demand and as a result no transaction activity was recorded in Q1 2024.

**Supply**

In Q1 2024, Peripheral East saw no new supply and total stock remained unchanged at 3.0 million sq ft.

**Vacancy**

Vacancy remained unchanged q-o-q at 46.3% in Q1 2024 and remains significantly high.

**Rents**

Rental values remained unchanged during the quarter. The gross rents for the submarket are at around INR 28.1 per sq ft per month.

## **Outlook**

Leasing activity is expected to remain low in the next few quarters as the market is yet to establish itself as a promising office market amongst occupiers. However, this trend is likely to reverse in the long term as this submarket is anticipated to gain some traction with special policy interventions from the state government to incentivize both tenants and developers. Large-scale improvement in social and physical infrastructure is an added advantage that can boost this submarket in the long run. There is however no supply lined up in this submarket as the vacancy levels are high and occupier activity is yet to see significant traction.

## **Regulatory Update**

To decongest the city and promote planned development across city, the state government has decided to encourage integrated development of townships abutting the Outer Ring Road (ORR) with public and private initiatives. According to “Telangana Comprehensive Integrated Township Policy Rules 2020”, the proposed township project has to be an integrated and mixed purpose with residential, commercial, educational (at least up to class 10), healthcare facilities, roads, internal public transport like electric vehicles, amenity spaces, greenery in the layout and public utilities.

## **Investment Activities within the Micro-Market**

The city has witnessed few institutional office transactions of varying size. It is observed that the transaction value is based on the nature of the development, the micro-market location, Project, and leases prevailing etc.

## **Investment Activities within the Country**

The table below present details of few large sale transactions in major cities in India. Net yield for these transactions is arrived based on the Capital Value at which the property was transacted and rentals applicable for the same property during transaction. The net yield for such large transactions is witnessed in the range of 7.75% to 9.50%.

**Table 6-1: List of transactions / deals in recent past:**

| Sl. No | City      | Property Name             | Location      | Micro Market | Leasable Area (sq. ft.) | Capital Value (INR per sq. ft.) | Net Yield     | Transacted Period |
|--------|-----------|---------------------------|---------------|--------------|-------------------------|---------------------------------|---------------|-------------------|
| 1      | Mumbai    | One BKC                   | BKC, Mumbai   | BKC          | ~700,000                | 35,000-36,000                   | 8.00% - 8.25% | 2019              |
| 2      | Mumbai    | Equinox Business Park     | Kurla, Mumbai | BKC Fringe   | ~1,250,000              | 19,000 - 20,000                 | 8.25% - 8.50% | 2018              |
| 3      | Mumbai    | Express Towers            | Nariman Point | CBD          | ~472,377                | 40000 - 43,000                  | 7.25% - 7.75% | 2021              |
| 4      | Chennai   | Sandhya Infocity          | Navalur       | PBD OMR      | ~1,418,174              | 5,500 – 6,000                   | 8.00% - 8.50% | 2021              |
| 5      | Chennai   | Global Infocity           | Perungudi     | SBD OMR      | ~2,700,000              | 8,500 – 9,000                   | 7.75% - 8.00% | 2018              |
| 6      | Chennai   | One India bulls Park      | Ambattur      | PBD West     | ~1,900,000              | 4,500 – 5,000                   | 8.00% - 8.50% | 2018              |
| 7      | Hyderabad | Phoenix aVance Building 6 | HITEC City    | PBD West     | ~640,000                | 7,500 - 8,000                   | 9.00% – 9.50% | 2021              |
| 8      | Hyderabad | Phoenix Aquila Tower A    | Gachibowli    | PBD West     | ~1,180,000              | 8,200 - ,8700                   | 8.00% - 8.25% | 2021              |

| Sl. No | City             | Property Name              | Location                     | Micro Market                 | Leasable Area (sq. ft.)                                     | Capital Value (INR per sq. ft.)                        | Net Yield   | Transacted Period |
|--------|------------------|----------------------------|------------------------------|------------------------------|---|--|---|-------------------|
| 9      | Hyderabad        | Waverock                   | Gachibowli                   | PBD West                     | ~2,350,000  | 7,200 - 7,700  | 8.00% - 8.25%   | 2017              |
| 10     | Pune             | E Park 2                   | Kharadi                      | SBD East                     | ~180,000  | 7,000-9,000  | 7.75% - 8.00%   | 2022              |
| 11     | Pune             | WTC Tower A                | Kharadi                      | SBD East                     | ~28,342   | 10,000-11,500  | 7.50% - 8.00%   | 2019              |
| 12     | Bengaluru        | Prestige RMZ Star Tech     | Bangalore                    | SBD East                     | ~1,370,000  | -  | 7.60% - 7.80%   | 2022              |
| 13     | Bengaluru        | Embassy Tech Village       | Bangalore                    | SBD East                     | ~9,100,000  | 9,500 – 11,000   | 8.00% - 8.25%   | 2020              |
| 14     | Gurgaon          | One Horizon Centre         | Gurgaon                      | SBD East                     | ~421,134  | 22,000 – 24,000  | 8.00% - 8.25%   | 2020              |
| 15     | Mumbai           | Godrej BKC                 | BKC                          | BKC & Annex                  | ~200,000  | 40,000 – 45,000  | 8.00 – 8.50%  | 2023              |
| 16     | Mumbai & Gurgaon | Downtown Powai & Candor G1 | Powai & Sohna Road           | Eastern Suburbs & Sohna Road | ~2,700,000 + ~3,700,000                                     | Enterprise value INR 11,225                            | 7.90-8.20%  | 2023              |
| 17     | Chennai          | Embassy Splendid TechZone  | Pallavaram-Thoraipakkam Road | PBD OMR                      | ~1,400,000 (Completed) +1,600,000 (UC)+2,000,000 (Proposed) | Enterprise value INR 1,269 Cr. (61% economic interest) | 8.50% on the completed portion 10% on the u/c portion | 2024              |

Source: Real Estate Market Research &amp; Analysis; JLL, March 2024

## 7 MARKET VALUE ESTIMATE

### 7.1 ADOPTED PROCEDURE

For the purpose of this valuation exercise, given that the Operational / Completed Blocks in the Project are vacant, demand scenario for commercial office in the micro market being very weak, and no plans of any future development by the Client, the Valuer has prepared the estimate of Market Value of the Project while adopting the Cost Approach.

In arriving at the Market Value of the Project, the Valuer has valued the underlying land (incl. land earmarked for future development) on Comparable Sales/ Quoted Instance Method and buildings and plant and machinery on depreciated replacement cost method. While arriving the Market Value of the building, the Valuer has also factored for economic and/or functional obsolescence applicable to the Project.

### 7.2 KEY ASSUMPTIONS AND INPUTS

The table below presents key assumptions and/or inputs used for providing Valuation of the Operational / Completed Blocks in the Project.

**Table 7-1: Key Assumptions Used in the Estimate of Depreciated Replacement of Operational / Completed Blocks**

| Parameters  | Assumptions / Inputs  | Remarks / Basis   |
|---|-----------------------|---|
| Valuation Date  | 31-March 2024         | As per workings   |
| Asset Details   |                       |   |
| Total Leasable Area (Building 8 and 9)  | 0.57 mn sq. ft.       | As per the information provided by the Client               |
| Total Leasable Area – Building 8  | 0.38 mn sq. ft.       | As per the information provided by the Client               |
| Total Leasable Area – Building 9  | 0.19 mn sq. ft.       | As per the information provided by the Client               |
| Age of the Building – Building 8  | 14 years and 6 months | As per the information provided by the Client               |
| Age of the Building- Building 9   | 1 year and 5 months   | As per the information provided by the Client               |
| Cost Assumptions  |                       |   |
| RCC Structures (INR per sq. ft.) - Bare/Cold Shell Scope                                | INR 2,200 per sq. ft. | Applicable on leasable area, and as prevalent in the market |
| Depreciation Rates  |                       |   |
| Building / Structure – RCC (Cold Shell / Bare-shell)                                    | 4.87%                 | As per Part "C" of Schedule II of The Companies Act 2013]]  |
| Other Assumptions   |                       |   |
| Additional Transaction Costs anticipated given likely higher marketing and agency costs | 1 %                   | As prevalent in the market                                  |

### 7.3 MARKET VALUE

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which the Valuer has no knowledge, the Market Value of the complete ownership interest in the Project comprising land and improvements thereon, as explained above, on the below mentioned dates, is estimated to be as follows:

**Table 7-2: Market Value of the Project**

| Component  | Extent                         | Market Value (INR Million) | Percentage Share |
|--|--------------------------------|----------------------------|------------------|
| Land   | 26.464 acres                   | 818.18                     | 54.99%           |
| Completed Buildings (Building 8 & 9) - Commercial / Office Space (Leasable Area) | 0.57 mn sq. ft.                | 590.68                     | 39.70%           |
| Plant and Machinery  | As per Table 7.7 in Annexure 6 | 79.00                      | 5.31%            |

Note: The above-mentioned value includes proportionate undivided ownership in the Amenity Plot, Utility Areas and Internal Roads and total open spaces of the Entire Campus.

With all assumptions as mentioned in this report, we are of the opinion that the Market Value of the Project Mindspace Pocharam located in Pocharam, Hyderabad Telangana, India 500088 as on 31 March 2024 is estimated to be as follows:

Market value of land admeasuring 26.464 acres and 0.57 million sq. ft. of leasable area and plant & machinery – **INR1,487.86 million (INR One Billion Four Hundred Eighty Seven Million Eight Hundred Sixty Thousand Only)**

- **Land Component**

- Market value of the ~ 26.464 acre land currently accommodating existing built structures – **INR818.18 million (INR Eight Hundred Eighteen Million One Hundred Eighty Thousand Only)**
- Market value of the ~ 7.464 acre land currently accommodating existing built structures – **INR230.76 million (INR Two Hundred Thirty Million Seven Hundred Sixty Thousand Only)**
- Market value of the ~ 19 acre land earmarked for future development - **INR 587.42 million (INR Five Hundred Eighty Seven Million Four Hundred Twenty Thousand Only)**

- **Building Component**

- Market value of the Completed buildings developed over ~ 7.464 acre of land with ~ 0.57 million sq. ft. of leasable area (excluding land value) - **INR590.68 million (INR Five Hundred Ninety Million Six Hundred Eighty Thousand Only)**

- **Plant & Machinery Component**

- Market value of plant and machinery for the completed buildings – **INR79.00 million (INR Seventy Nine Million Only)**

**Table 7-3: Ready Reckoner Rates for the Project**

| Component             | Ready Reckoner Rate       |
|-----------------------|---------------------------|
| Built-up Area         | INR 2,200 per sq. ft.     |
| Land Area (Open Plot) | INR 30.5 million per acre |



**KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)**, the Valuer for the Project, hereby declares that:

- We are fully competent to undertake the valuation;
- We are independent and have prepared the report on a fair and unbiased basis; and
- We have valued the Project based on the valuation standards as specified under sub-regulation 10 of regulation 21 of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended from time to time.



-----  
**Name:** Sachin Gulaty FRICS FIV FIIA,

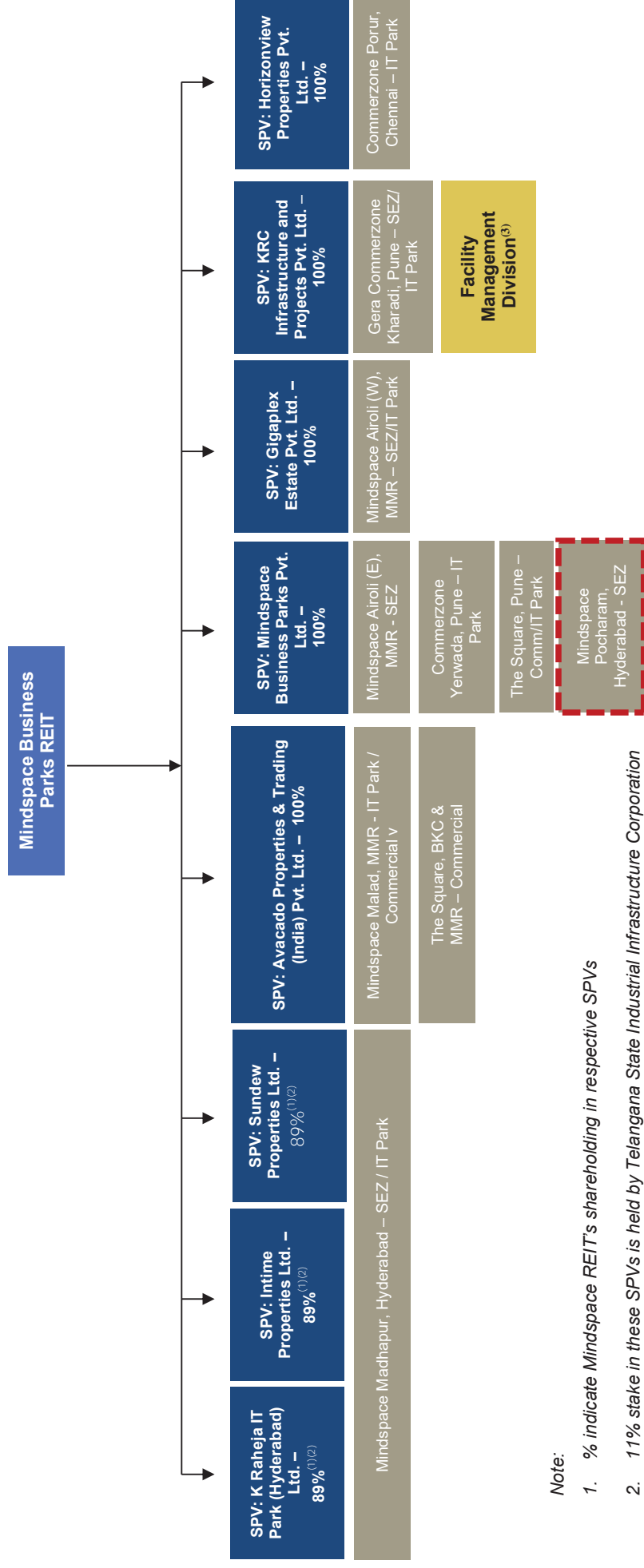
**Designation:** Director

**Valuer Registration No.:** IBBI/RV/02/2021/14284

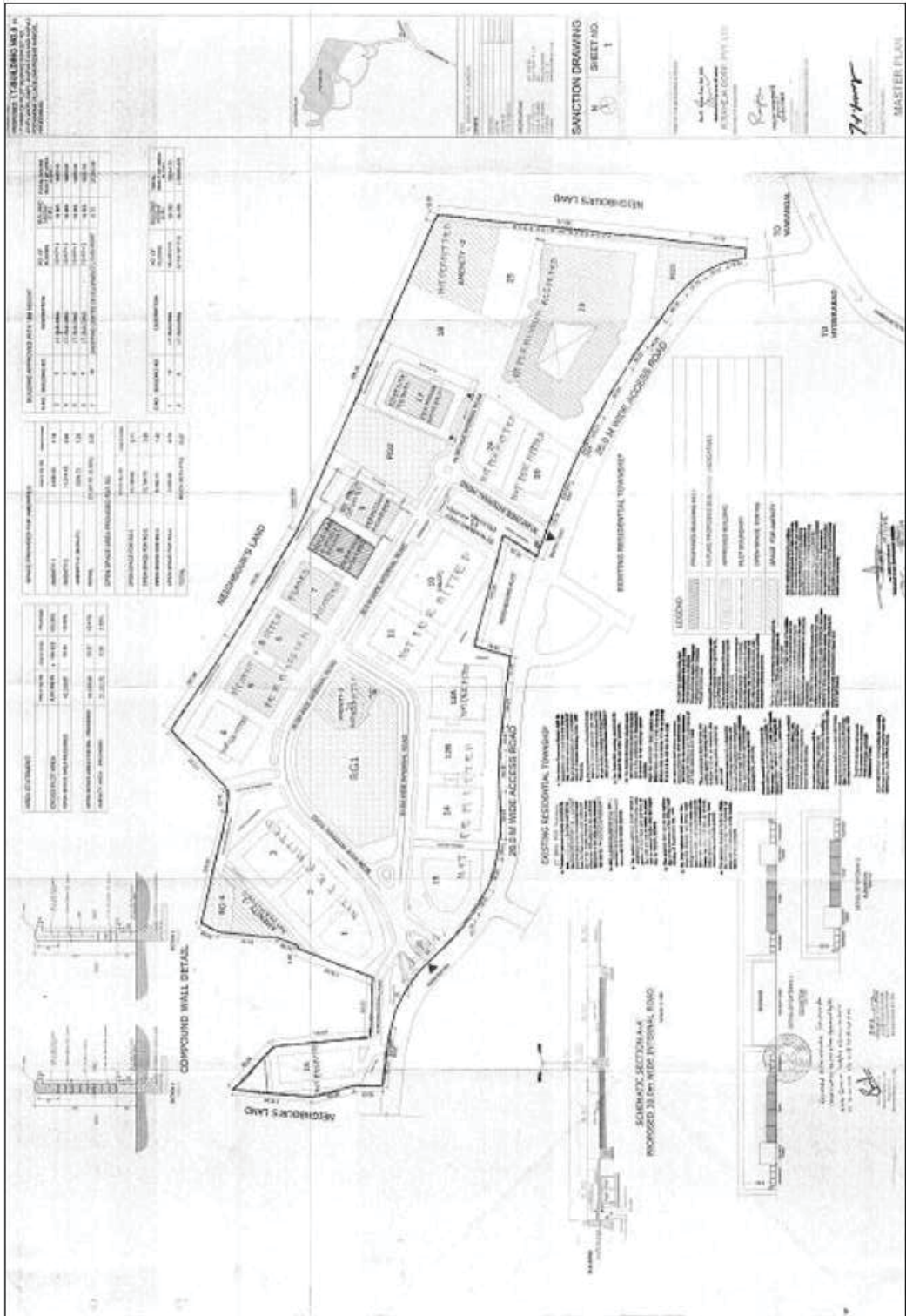
**Address:** 5<sup>th</sup> Floor, India Accelerator, The Iconic Corenthum, Sector 62, NOIDA – 201309. Uttar Pradesh. INDIA.

**E-Mail ID:** sachin.gulaty@k-zen.in

## Annexure - 1 Ownership Structure of the Project



Annexure - 2  
Layout Plan of the Project



### Annexure - 3

#### Statement of Key Assets within the Project

| Building                      | No. / Name | B8P                      | B9                       |
|-------------------------------|------------|--------------------------|--------------------------|
| Floor                         | Nos        | 3B+G+2P+7F               | G+2+4F                   |
| Warm Shell / Bare shell       |            | Warm Shell               | Warm Shell               |
| Air Cooled Chiller            | TR         | 1 x 300, 1 x 350         | NA                       |
| Water Cooled Chiller          | TR         | 600                      | NA                       |
| No of Elevators /Make         | No/ Make   | 8 - Thussenkrupp         | I-Zion                   |
| No of DG / Capacity           | No. / KVA  | 3 x 1010                 | NA                       |
| No of Transformers / Capacity | No / KVA   | 2 X 2000                 | NA                       |
| Booster Pump                  | KW / Make  | 9.3 - Kirloskar Brothers | 9.3 - Kirloskar Brothers |
| Jockey Pump                   | KW / Make  | 11 - Kirloskar Brothers  | 4 - Kirloskar Brothers   |
| Fire Diesel Pump              | KW / Make  | 68 - Kirloskar Brothers  | 44 - Kirloskar Brothers  |
| Hydrant Pump                  | KW / Make  | 75 - Kirloskar Brothers  | 45 - Kirloskar Brothers  |
| Sprinkle Pump                 | KW / Make  | 75 - Kirloskar Brothers  | NA                       |
| STP Rating                    | KLD        | 240                      | NA                       |

## **Annexure - 4**

### **Approvals and NOCs Received for the Project**

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List of one-time sanctions/approvals which are obtained or pending:

#### **Approvals Received**

- a) Approved Masterplans
- b) Consent to Operate valid for all operational buildings except Amenity Building
- c) Full Occupancy Certificates for all buildings for B8 and B9
- d) Height Clearance NOC from AAI for all buildings
- e) Fire NOC for all buildings
- f) Environmental Clearances for all buildings
- g) Consent for Establishment for all buildings
- h) B8– CTO

#### **Approvals Pending**

- a) None

## Annexure - 5

### Ready Reckoner Rate Applicable for the Project

#### Ready Reckoner Rate for the Land

| Unit Rates - Locality Wise             |            |                           |                                 |                              |                                |                                  |
|--|------------|---------------------------|---------------------------------|------------------------------|--------------------------------|----------------------------------|
| District Name : MEDCHAL-<br>MALKAJGIRI |            | Mandal Name : GHATKESAR   |                                 | City/Town/Village : POCHARAM |                                |                                  |
| S.No.                                  | Ward-Block | Locality                  | Land Value<br>(Rs. per Sq.Yard) | Classification               | Effective Date<br>(dd/mm/yyyy) | Door No. Wise<br>Details - Rates |
| 1.                                     | 0 - 1      | POCHARAM                  | 6,300                           | 01(Residential)              | 01/02/2022                     | <a href="#">Get</a>              |
| 2.                                     | 0 - 2      | POCHARAM                  | 6,300                           | 01(Residential)              | 01/02/2022                     | <a href="#">Get</a>              |
| 3.                                     | 0 - 3      | ANNANAGAR COLONY#1 to 232 | 6,300                           | 01(Residential)              | 01/02/2022                     | <a href="#">Get</a>              |
| 4.                                     | 0 - 11     | APHB & LIG                | 6,300                           | 01(Residential)              | 01/02/2022                     | <a href="#">Get</a>              |
| 5.                                     | 0 - 12     | SANSKURTHI TOWN SHIP      | 6,300                           | 01(Residential)              | 01/02/2022                     | <a href="#">Get</a>              |
| 6.                                     | 0 - 13     | RAHEJA#1 to 44            | 6,300                           | 01(Residential)              | 01/02/2022                     | <a href="#">Get</a>              |

Source: IGRS Telangana 2024

#### Ready Reckoner Rate for the Built-up Area

| Unit Rates - Locality Wise |            |                           |                                    |             |              |                 |                                |                                  |  |          |  |
|----------------------------|------------|---------------------------|------------------------------------|-------------|--------------|-----------------|--------------------------------|----------------------------------|--|----------|--|
| District Name              |            | MEDCHAL-<br>MALKAJGIRI    |                                    | Mandal Name |              | GHATKESAR       |                                | City/Town/Village                |  | POCHARAM |  |
| S.No.                      | Ward-Block | Locality                  | Apartment value<br>(Rs. per Sq.Ft) |             |              | Classification  | Effective Date<br>(dd/mm/yyyy) | Door No. Wise<br>Details - Rates |  |          |  |
|                            |            |                           | Ground Floor                       | First Floor | Other Floors |                 |                                |                                  |  |          |  |
| 1.                         | 0 - 1      | POCHARAM                  | 2,200                              | 2,200       | 2,200        | 01(Residential) | 01/02/2022                     | <a href="#">Get</a>              |  |          |  |
| 2.                         | 0 - 2      | POCHARAM                  | 2,200                              | 2,200       | 2,200        | 01(Residential) | 01/02/2022                     | <a href="#">Get</a>              |  |          |  |
| 3.                         | 0 - 3      | ANNANAGAR COLONY#1 to 232 | 2,200                              | 2,200       | 2,200        | 01(Residential) | 01/02/2022                     | <a href="#">Get</a>              |  |          |  |
| 4.                         | 0 - 11     | APHB & LIG                | 2,200                              | 2,200       | 2,200        | 01(Residential) | 01/02/2022                     | <a href="#">Get</a>              |  |          |  |
| 5.                         | 0 - 12     | SANSKURTHI TOWN SHIP      | 2,200                              | 2,200       | 2,200        | 01(Residential) | 01/02/2022                     | <a href="#">Get</a>              |  |          |  |
| 6.                         | 0 - 13     | RAHEJA#1 to 44            | 2,200                              | 2,200       | 2,200        | 01(Residential) | 01/02/2022                     | <a href="#">Get</a>              |  |          |  |

Source: IGRS Telangana 2024



**Annexure - 6**  
**Market Value of the Project – Cost Approach**  
**Table 7.4 Market Approach [Comparable Sales / Quoted Instances Method] (Comparative Matrix for Value Estimate for ~26.464 acre land)**

| ATTRIBUTE RANKING   | PROJECT SITE  | COMPARABLE 1 (S1)   | P/D    | COMPARABLE 2 (A1)   | P/D    | COMPARABLE 3 (A2)   | P/D    |
|---|---|---|--------|---|--------|---|--------|
| Location, Proximity to Development and Neighborhood Profile                   | Pocharam, Ghatkeshar, Medchal-Malkajgiri District, located within ORR                   | Ghatkeshar, Medchal-Malkajgiri District, located outside the ORR  | 15.0%  | Jogimela, Pocharam, Ghatkeshar, Medchal-Malkajgiri District, located within ORR         | 0.0%   | Anojiguda, Ghatkeshar, Medchal-Malkajgiri District, located within ORR                  | 0.0%   |
| Size of the Land Parcel (Acres)   | 26.46   | 25.23   | 0.0%   | 4.00  | -10.0% | 4.00  | -10.0% |
| Land Use restriction  | Limited to Commercial office (IT / ITeS) development as per conditions                  | Categorized under 'Multi Purpose Use (as per Master Plan)   | -50.0% | Residential Use   | -50.0% | Residential Use   | -50.0% |
| Visibility and Frontage along the Access Road                                 | Excellent visibility and frontage along the access road                                 | Good visibility and frontage along the access road  | 5.0%   | Excellent visibility and frontage along the access road                                 | 0.0%   | Excellent visibility and frontage along the access road                                 | 0.0%   |
| Accessibility to the Property   | Accessible through 80 feet wide road  | Accessible through proposed 100 feet wide road  | -5.0%  | Accessible through 80 feet wide road  | 0.0%   | Accessible through 60 feet wide road  | 5.0%   |
| Presence of Secondary Access  | No  | No  | 0.0%   | No  | 0.0%   | No  | 0.0%   |
| General Attributes - Contiguity, Topography, Shape, HT Line, Open Drain, etc. | The property is regular in shape, has relatively flat terrain and contiguous in nature. | The property is irregular in shape, has relatively flat terrain, adjoins a NALA and contiguous in nature. | 10.0%  | The property is regular in shape, has relatively flat terrain and contiguous in nature. | 0.0%   | The property is regular in shape, has relatively flat terrain and contiguous in nature. | 0.0%   |
| Price Appreciation / Margin for Negotiation                                   |   | Transacted (Q1, 2021)   | 30.0%  | Quoted (Q1, 2024)   | -10.0% | Quoted (Q1, 2024)   | -10.0% |
| Transacted/Asking Unit Rate (INR per sq. ft.)                                 |   | 678   |        | 2,525   |        | 1,951   |        |
| <b>Total Adjustment</b>   |   |   | 5.0%   |   | -70.0% |   | -65.0% |
| Adjusted Price per Unit (INR per sq. ft.)                                     |   | 712   |        | 758   |        | 683   |        |

| Instances  | Transaction / Quoted Price (INR per sq. ft.) | Price Adjustments (Percent) | Adjusted Pricing (INR per sq. ft.) | Weightage (Percent) | Achievable Pricing for the Project Site (INR per sq. ft.) |
|--|--|-----------------------------|------------------------------------|---------------------|---|
| Comparable 1 (S1)  | 678  | 5.0%                        | 712                                | 40%                 | 285   |
| Comparable 2 (A1)  | 2,525  | -70.0%                      | 758                                | 30%                 | 227   |
| Comparable 3 (A2)  | 1,951  | -65.0%                      | 683                                | 30%                 | 205   |
| Achievable Unit Pricing for the Project Site on 'as is where is' basis (INR per sq. ft.) |  |                             |                                    |                     | 717   |

| SUMMARY VALUATION ANALYSIS  |           |                      |
|---|-----------|----------------------|
| Total Area of the Land Parcel   | 11,52,763 | sq. ft.              |
| Unit Value of Land Parcel   | 717       | INR per sq. ft.      |
| Unit Valuation of Land Parcel   | 31.23     | INR Million per Acre |
| Additional Estimated Transaction Cost                                     | 1%        |                      |
| Unit Valuation of Land Parcel – adjusting for additional transaction cost | 30.92     | INR Million per Acre |
| Developed Land  | 230.76    | INR Million          |
| Land Under Future Development   | 587.42    | INR Million          |
| Total Value of the Land Parcel  | 818.18    | INR Million          |

Table 7.5 Depreciated Replacement Cost Calculations for the Building

| Sl. No. | Particulars  | Description       |                   |              |
|---------|--|-------------------|-------------------|--------------|
|         |  | <i>Building 8</i> | <i>Building 9</i> | <i>Total</i> |
| A       | Leasable Area  |                   |                   |              |
| 1       | Project (area in mn sq. ft)  | 0.38              | 0.19              | 0.57         |
| 2       | Company Share  | 0.38              | 0.19              | 0.57         |
|         |  |                   |                   |              |
| B.      | Area Statement   |                   |                   |              |
| 1       | RCC Structures (sq. ft.) - Bare/Cold Shell Scope                           | 0.38              | 0.19              | 0.57         |
| 2       | Services for Warm Shell Scope  | 0.38              | 0.19              | 0.57         |
|         | <b>Total Leasable Area (sq. ft.)</b>                                       | 0.38              | 0.19              | 0.57         |
|         |  |                   |                   |              |
| C.      | Unit Replacement Cost Estimate   |                   |                   |              |
| 1       | RCC Structures (INR per sq. ft.) - Bare/Cold Shell Scope (INR per sq. ft.) | 2,200             | 2,200             |              |
|         |  |                   |                   |              |
| D.      | Estimate on Cost of Construction   |                   |                   |              |
|         |  |                   |                   |              |
|         | [Total Cost of Construction for a New equivalent Building]                 |                   |                   |              |
| 1       | RCC Structures (INR Million) - Bare/Cold Shell Scope (sq. ft.)             | 830.33            | 423.90            | 1,254.23     |
|         | <b>Total Estimated Replacement Cost of the Building</b>                    | <b>830.33</b>     | <b>423.90</b>     | 1,254.23     |
|         |  |                   |                   |              |
| E.      | Depreciation Rates   |                   |                   |              |

|    |  |        |        |        |
|----|--|--------|--------|--------|
|    | As per Part "C" of Schedule II of The Companies Act 2013 |        |        |        |
| 1  | Permanent (RCC) Structures - Bare/Cold Shell Scope       | 4.87%  | 4.87%  |        |
|    |  |        |        |        |
| F. | Calculation of Depreciated Replacement Cost              |        |        |        |
|    | Age of Building (No. of Years)                           | 14.60  | 1.42   |        |
|    | Depreciation Value for the Building (INR Million)        | 429.75 | 28.95  | 458.70 |
|    |  |        |        |        |
| G. | Depreciated Replacement Cost of the Building             | 400.58 | 394.95 | 795.53 |

Table 7.6 Market Value of the Building

|  |               |
|--|---------------|
| Depreciated Replacement Cost of the Building   | 795.53        |
| Discount on basis of Obsolescence  |               |
| <b>Economic Obsolescence - Demand Factor*</b><br><i>*Unlikely use of the buildings for their existing usage of IT/ITeS due to lack of demand for commercial office in the micro market. Likely to be incurable till the time that the Project micro-market becomes attractive for IT/ITeS/commercial office, which seems unlikely in the near to medium term</i> | 10%           |
| <b>Functional Obsolescence - Capex Factor*</b><br><i>*Due to the vintage of the existing building specifications / layout, incremental capex that is likely be needed to upgrade the building to Grade A standards in terms of the lobby enhancements, etc.</i>  | 15%           |
| <b>Additional Transaction Cost estimated given probable higher level of difficulty of marketing and transacting this Project</b>   | 1%            |
| Estimated Market Value of the Building - Block 8 (INR Million)   | 297.43        |
| Market Value of the Building - Block 9 (INR Million)   | 293.25        |
| <b>Market Value of the Building (INR Million)</b>  | <b>590.68</b> |
| <b>Unit Cost (INR per sq. ft.)</b>   | <b>1,036</b>  |

Table 7.7 Depreciated Replacement Cost Calculations for Plant &amp; Machinery

| S. No. | Component System  | Estimated Present Depreciated Replacement Cost [INR] |
|--------|---|--|
| 1      | BATCHING PLANT  | 9,66,196   |
| 2      | BMS   | 98,708   |
| 3      | ELECTRICAL  | 4,41,23,154  |
| 4      | FIRE  | 69,53,580  |
| 5      | HVAC  | 1,96,83,751  |
| 6      | LIFT  | 62,97,502  |
| 7      | MISCELLANEOUS   | 8,77,304   |
|        | TOTAL   | 7,90,00,195  |
|        | Estimated Market Value of Plant & Machinery [INR Rounded Off] | 7,90,00,000  |
|        | Estimated Market Value of Plant & Machinery [INR Cr]          | 7.90   |

## Annexure - 7

### Material Litigations

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#### 1. Title litigation and irregularities

The Office of the Land Reforms Tribunal & Revenue Divisional Officer, Hyderabad ("**Tribunal**") had by its letter dated August 11, 2009, sought certain information from Serene Properties Private Limited (now MBPPL) under Section 8(2) of the Andhra Pradesh Land Reforms (Ceiling on Agriculture Holdings) Act, 1973 ("**APLRAC**") in respect of the land at Mindspace Pocharam.

Serene has filed a reply on September 30, 2009. The authorized officer has filed a counter and Serene has filed a rejoinder dated August 29, 2012. Serene has stated that the land transferred in favour of MBPPL was notified for industrial use and has been declared as an SEZ and is not "land" covered under the APLRAC. The proceedings are pending before the Special Grade Deputy Collector and Revenue Divisional Officer, Ranga Reddy District. In September 2012, MBPPL also submitted to the Tribunal a copy of the order dated August 9, 2012, which was passed by the Hon'ble High Court of Andhra Pradesh ("**High Court**") in a similar matter (being Writ Petition No. 19300/2012 filed by Neogen Properties Pvt. Ltd.) wherein a stay was granted by the High Court until further orders. The matter is currently pending before the Tribunal.

#### 2. Criminal matters

There are no pending criminal matters against Mindspace Pocharam

#### 3. Regulatory actions

- I. The Commissioner, Pocharam Municipality ("**Commissioner**") issued a show cause notice dated November 27, 2021 ("**SCN**") to KRCPL (instead of MBPPL) under the Telangana Municipalities Act, 2019 for removal of fence, and to leave open the cart track out of the land of MBPPL at Pocharam Village for the use of general public. The Commissioner has under the SCN alleged that KRCPL has encroached by erecting a fence to the said cart track. MBPPL, by its letter dated December 6, 2021, replied to the SCN stating that they are verifying the records and the relevant layouts pertaining to the subject and sought additional time to submit a detailed response and requested the Commissioner not to initiate any steps or proceedings in the interim.
- II. The Income Tax Department had issued a warrant dated November 29, 2017 under Section 132 of the Income Tax Act, 1961 ("Income Tax Act") against Avacado, Gigaplex, KRIT, MBPPL, Chalet Hotels, Genext, Inorbit Malls, KRCPL, KRPL, Shoppers Stop and others ("Parties"). Pursuant to the Warrant, the Income Tax Department carried out a search on November 30, 2017. The search covered various matters for which notices were already issued from time to time. The search was concluded on December 6, 2017 at the office and residence of the Parties. Pursuant to the search, the Income Tax Department issued notices to each of the Parties under Section 153A of the Income Tax Act directing them to prepare and furnish true and correct returns of total income for assessment years ("AY") from 2008-2009, 2012-13 to 2017-18 within a stipulated timeline from the date of service of the notices and these returns have been furnished before the Income Tax Department. Further, the Income Tax Department issued notices under Section 142(1)/143(2) of the Income Tax Act for assessment years 2008-2009, 2012-13 to 2017-2018/2018-19, to the Parties seeking certain information. These details have been furnished before the Income Tax Department by the Parties from time to time

- III. MBPPL filed appeals before the CIT(A) against the order for AY 2012-13 to AY 2017-18 and against order for AY 2018-19. MBPPL made an application under the VsV for AY 2012-13, AY 2013-14 & AY 2014-15. MBPPL received final order for AY 2012-13, accepting the VsV Application. The appeal for AY 2015-16 and 2016-17 were disposed by the CIT(A) in favour of MBPPL with direction to the assessing officer. The appeal for AY 2012-13 was dismissed by the CIT(A) in view of VsV order for the said year. VsV application for AY 2013-14 was rejected and the final order under VsV for AY 2014-15 is currently pending. The appeal for AY 2013-14 was disposed by the CIT(A) against MBPPL and an appeal has been filed before the ITAT against the same. Appeal filed before ITAT for AY 2013-14 has been withdrawn by MBPPL. The Income Tax Department filed an appeal for AY 2015-16 and AY 2016-17 before ITAT against the order of the CIT(A) and the same were disposed by the ITAT in favour of MBPPL. MBPPL received a notice under section 148 for assessment year 2014-15. MBPPL filed return of income under protest in response to the said notice for assessment year 2014-15 and also sought reasons for reopening the assessment. MBPPL received reasons for reopening and response against the same has been submitted objecting to the reopening of assessment. The Income Tax Department passed an order rejecting the objections filed. MBPPL filed a writ petition with the Bombay High Court against the notice under section 148 and rejection order. Bombay High Court has passed the order quashing the notice under section 148. Subsequently, Supreme Court has upheld the validity of the notice. MBPPL received notice u/s 148A(b) and response against the same has been submitted objecting to the reopening of assessment. The Income Tax Department passed an order under section 148A(d) rejecting the objections filed and served notice under section 148 of the Income Tax Act. The return of income was filed under protest in response to the said notice. MBPPL has filed Writ Petition before Bombay High Court against the notice u/s 148 and order u/s 148A(d).

The Commissioner, Pocharam Municipality ("Commissioner") issued a show cause notice dated November 27, 2021 ("SCN") to KRCPL (instead of MBPPL) under the Telangana Municipalities Act, 2019 for removal of fence, and to leave open the cart track out of the land of MBPPL at Pocharam Village for the use of general public. The Commissioner has under the SCN alleged that KRCPL has encroached by erecting a fence to the said cart track. MBPPL, by its letter dated December 6, 2021, replied to the SCN stating that they are verifying the records and the relevant layouts pertaining to the subject and sought additional time to submit a detailed response and requested the Commissioner not to initiate any steps or proceedings in the interim.

#### **4. Material civil/commercial litigation**

There are no material civil/commercial litigation involving Mindspace Pocharam.

**Table 7.8: Summary of Pending Tax Litigation**

| ASSESSMENT YEAR | SIGNIFICANT ISSUE IN DISPUTE   | AUTHORITY - RAISING ISSUE | AUTHORITY - PASSING ORDER | APEAL PREFERRED BY | AUTHORITY - ISSUE PENDING BEFORE | NEXT DATE OF HEARING IF APPLICABLE | EXPOSURE - TAX, INTEREST AND PENALTY |
|-----------------|--|---------------------------|---------------------------|--------------------|----------------------------------|------------------------------------|--------------------------------------|
| 2014-15         | Rental Income assessed under the head IHP instead of Business.   | Assessing Officer         | Assessing Officer         | Company            | CIT(A)                           | Not available                      | -                                    |
| 2017-18         | Rental Income assessed under the head IHP instead of Business & no speaking order on the losses & unabsorbed depreciation of demerged undertaking  | Assessing Officer         | Assessing Officer         | Company            | CIT(A)                           | Not available                      | -                                    |
| 2018-19         | Depreciation to be Computed on assets from the year in which income from such asset is taxed under the head PGBP & Disallowance of Interest on TDS | Assessing Officer         | Assessing Officer         | Company            | CIT(A)                           | Not available                      | -                                    |

Note: Direct tax litigations are at the SPV level.



Table 7.9: Summary of Pending Indirect Tax Litigation

| Sr.No. | Entity                                   | Tax type    | Asset   | Authority pending  | Tax demand (in 'mn) | Interest (quantified) | Penalty (quantified) | Issue in brief  | Period                  | Interest       | Penalty        |
|--------|--|-------------|---|--|---------------------|-----------------------|----------------------|---|-------------------------|----------------|----------------|
| 1      | Mindspace Business Parks Private Limited | Service Tax | Mindspace Airoli (E), Commerzone Yervada, The Square Signature Business Chamber Nagar Road Pune, Mindspace Pocharam | Reply to SCN filed with Commissioner of Central Excise & Service Tax, Pune | 33.39               | -                     | -                    | Service tax on reimbursement of electricity and allied charges                                  | April 2008 to June 2017 | as applicable  | as applicable  |
| 2      | Mindspace Business Parks Private Limited | Service Tax | Mindspace Airoli (E), Commerzone Yervada, The Square Signature Business Chamber Nagar Road Pune, Mindspace Pocharam | Reply to SCN filed with Commissioner of Central Excise & Service Tax, Pune | 5.83                | -                     | -                    |   |                         | as applicable  | as applicable  |
| 3      | Mindspace Business Parks Private Limited | Service Tax | Mindspace Airoli (E), Commerzone Yervada, The Square Signature Business Chamber Nagar Road Pune, Mindspace Pocharam | Reply to SCN filed with Commissioner of Central Excise & Service Tax, Pune | 35.45               | -                     | -                    |   |                         | as applicable  | as applicable  |
| 4      | Mindspace Business Parks Private Limited | Service Tax | Mindspace Airoli (E), Commerzone Yervada, The Square Signature Business Chamber Nagar Road Pune, Mindspace Pocharam | Reply to SCN filed with Commissioner of Service Tax, Pune                  | 7.24                | -                     | -                    |   |                         | as applicable  | as applicable  |
| 5      | Mindspace Business Parks Private Limited | Service Tax | Mindspace Airoli (E), Commerzone Yervada, The Square Signature Business Chamber Nagar Road Pune, Mindspace Pocharam | Reply to SCN filed with Commissioner of Central Excise & Service Tax, Pune | 5.35                | -                     | -                    |   |                         | as applicable  | as applicable  |
| 6      | Mindspace Business Parks Private Limited | Service Tax | Mindspace Airoli (E), Commerzone Yervada, The Square Signature Business Chamber Nagar Road Pune, Mindspace Pocharam | Reply to SCN filed with Assistant Commissioner, Central Tax (GST), Pune    | 4.76                | -                     | -                    |   |                         | as applicable  | as applicable  |
| 7      | Mindspace Business Parks Private Limited | Customs     | Mindspace Airoli (E), Commerzone Yervada, The Square Signature Business Chamber Nagar Road Pune, Mindspace Pocharam | CLESTAT  | 11.06               | -                     | -                    | Refund claim filed for excess payment of Customs duty at the time of debonding from STPI Scheme | Aug-16                  | not applicable | not applicable |

## Annexure - 8

### Caveats and Limitations

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1. The Valuation Report (hereafter referred to as the 'Report') covers specific markets and situations that are highlighted in the Report based on independent market report prepared by JLL and does not entail any comprehensive analysis of the market and the industry given the nature of the scope of the assignment.
2. The opinions expressed in the Report are subject to the limitations expressed below.
  - a) The valuation method adopted is based on the Valuer's expertise and knowledge considering the forecasts on demand, supply and pricing as undertaken by JLL as part of an independent market/ industry research and considered to be relevant and reasonable at that point of time. The Report and the opinions therein do not constitute any recommendation to K Raheja Corp Investment Managers Private Limited (or the 'Client') or its affiliates and subsidiaries or its customers or any other party to adopt a particular course of action. The use of the Report at a later date may invalidate the assumptions and bases on which these opinions have been expressed and is not recommended as an input to any financial decision.
  - b) It should be noted that the valuation is based upon the facts and evidence available at the time of conduct of the valuation and applicable on the date of valuation. It is therefore recommended that these valuations be periodically reviewed.
  - c) Changes in socio-economic and political conditions could result in a substantially different situation than those presented herein. The Valuer assumes no responsibility for changes in such external conditions.
  - d) The Valuer has considered the independent market report prepared by JLL and macro understanding of the market through readily available information in public domain. Hence, no direct link is sought to be established between the macro-level understandings on the market with the assumptions estimated for the analysis herein.
  - e) The services provided is limited to valuation of the Project primarily comprising Land and Building and any part thereof and does not constitute any audit, survey, due diligence, tax related services etc. Accordingly, no opinion has been expressed on the financial information of the business of any party, including the Client and its affiliates and subsidiaries. The Report is prepared solely for the purpose stated and should not be used for any other purpose.
  - f) While the information included in the Report is accurate and reliable to the best of the knowledge of the Valuer, no representations or warranties, expressed or implied, as to the completeness of such information is being made. The Valuer shall not undertake any obligation to update or supplement any information contained in the Report save as provided for in the Agreement.
  - g) Apart from the sources already mentioned in the report, the Valuer has relied on readily available public information for the purpose of preparing this report.
3. The Report reflects matters as they currently exist. Any changes thereon may materially affect the information contained in the Report.
4. All assumptions made in order to determine the valuation of the Project is based on information or opinions as current. In the course of the analysis, the Valuer has relied on information or opinions, both written and verbal, as obtained from the Client as well as from third parties provided with, including limited information on the market, financial and operating data, which has been accepted as accurate in bona-fide belief. No responsibility is assumed for technical or specialised information furnished by the third-party organizations, and this is believed bona-fide to be reliable.

5. No investigation of the title of the assets has been made and owners' claims to the assets is assumed to be valid unless anything contrary is mentioned in the main report. No consideration is given to liens or encumbrances, which may be against the Project or assets. Therefore, no responsibility is assumed for matters of a legal nature.
6. Review of tenants' ability and willingness to continually pay lease rents as per their respective contractual terms is not within the scope of work of Valuer. Valuer has assumed that all tenants' will be able to pay their rents on time as and when demanded as per their contractual terms and that no arrears exist with respect to any tenancy.
7. The Valuer's total aggregate liability to the Client including that of any third-party claims, in contract, tort including negligence or breach of statutory duty, misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the services is limited to an aggregate sum as agreed in the LOE (Letter of Engagement). The Valuer shall not be liable for any pure economic loss, loss of profit, loss of business, depletion of goodwill, in each case whether direct or indirect or consequential or any claims for consequential loss compensation whatsoever which, arise out of or in connection with services provided under this engagement.
8. The Client including its agents, affiliates and employees, must not use, reproduce or divulge to any third party any information it receives from the Valuer for any purpose except set out herein.
9. This engagement shall be governed by and construed in accordance with Indian laws and any dispute arising out of or in connection with the engagement, including the interpretation thereof, shall be submitted to the exclusive jurisdiction of courts in New Delhi.