To,
Mr. Ritobrata Mitra/Mr. Swapnil Kolhi
IDBI Trusteeship Services Ltd,
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai – 400 001

Dear Sir,

**<u>Sub: Quarterly Compliance Report for the Quarter ended June 30, 2022.</u>**

In compliance with the Securities and Exchange Board of India (SEBI) (Debenture Trustee) Regulations, 1993, the SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015, Companies Act, 2013 and other applicable laws as amended from time to time and acts, rules, regulations, circulars, guidelines framed and issued thereunder, we furnish the required information for your needful.

<table>
<tr><th>Sl. No.</th><th>Particulars of Information/Documents</th><th></th></tr>
<tr><td>1.</td><td><u>REGULATORY REQUIREMENT:</u><br>To be provided by Management/KMP/Compliance Officer</td><td>Furnished Yes/No<br><br>[Details to be filled in the table or enclosed the requisite attachment]</td></tr>
<tr><td>a.</td><td><u>List Of Debenture Holders:-</u><br>An updated list of debenture holders registered in the Register of Debenture Holders in the following format:
<table>
<tr><th colspan="5">ISSUE-WISE PARTICULARS</th></tr>
<tr><th>Issue size (including ISIN No)</th><th>Name(s) of Debenture Holder</th><th>Address</th><th>Contact No.</th><th>Email Id</th></tr>
<tr><td>INR 75 crores<br>ISIN No. INE0CCU07033</td><td colspan="4">As per the Benpos attached</td></tr>
</table></td><td>Yes.<br><br>Details are captured in the weekly Benpos shared by Registrar and</td></tr>
</table>

**K Raheja Corp Investment Managers LLP**
**LLP Identification Number (LLPIN): AAM-1179**
**Regd. Office: Raheja Tower, plot No. C-30, Block ‘G’, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051**
**Phone: +91 – 22- 2656 4000 | mindspacereit.com**

<table>
<tr><td></td><td></td><td>Transfer Agent (RTA) and the Benpos as on June 30, 2022, is enclosed herewith as Annexure 1.</td></tr>
<tr><td>b.</td><td><u>Any Modification In Existing Outstanding ISINs:</u><br>
<table>
<tr><td colspan="5">ISSUE DETAILS</td></tr>
<tr><td>Existing ISIN No.</td><td>Revised ISIN No.</td><td>Date of change in ISIN No.</td><td>Date of DP letter for change in ISIN</td><td>Furnish copy of letter from DP</td></tr>
<tr><td></td><td></td><td></td><td></td><td></td></tr>
</table></td><td>No</td></tr>
<tr><td>c.</td><td><u>Investor Grievances Details:-</u><br>Details of complaints/grievances in the following format. In case no complaints have been received, a confirmation thereof.
<table>
<tr><td colspan="6">ISSUE-WISE PARTICULARS</td></tr>
<tr><td>Issue size</td><td>Nos. of Complaints/ Grievances pending for the previous quarter</td><td>Nos. of Complaints/ Grievances Received during current quarter</td><td>Resolved/ Unresolved</td><td>Nos. of Complaints/ Grievances pending for the current quarter</td><td>Reason (if pending beyond 30days of receipt of grievance)</td></tr>
<tr><td>INR 75 crores ISIN No. INE0CCU07033</td><td>0</td><td>0</td><td>0</td><td>0</td><td>NA</td></tr>
</table></td><td>No Compliant received with respect to said Debentures.<br><br>Statement of Investor Complaints for the quarter ended on June 30 2022, issued by Registrar and Transfer Agent</td></tr>
</table>

<table>
<tr><td></td><td></td><td>(RTA) is enclosed herewith as Annexure 2.</td></tr>
<tr><td>c.</td><td><u>Payment Of Interest / Principal:</u><br><br>A Certificate cum Confirmation duly signed by a key managerial personnel viz., Managing Director/ Whole Time Director/CEO/ CS/CFO of the Company to the effect that:-<br><br>
<table>
<tr><td colspan="6">INTEREST/PRINCIPAL (ISIN WISE)</td></tr>
<tr><td>Issue size</td><td>ISIN No</td><td>Due date of ~~redemption and/or~~ interest (falling in the quarter)</td><td>Paid/ ~~unpaid~~ (actual date of payment, if paid, reasons if not paid)</td><td>Next due date for the payment of Interest / principal</td><td>Reasons for delay (if any)</td></tr>
<tr><td>INR 75 crores</td><td>INE0CCU07033</td><td>June 30, 2022</td><td>June 30, 2022</td><td>September 30, 2022</td><td>NA</td></tr>
</table>
</td><td>Yes, details provided in the adjacent table</td></tr>
<tr><td>d.</td><td><u>Credit Rating:-</u><br>Details of revisions in the credit rating (if any);<br><br>
<table>
<tr><td>Name(s) of Rating Agency</td><td>Immediate Previous Credit Rating</td><td>Revised Credit Rating & date of revision</td></tr>
<tr><td>CRISIL Ratings Limited</td><td>CRISIL Ratings Limited</td><td>Re-affirmed- CRISIL AAA/Stable vide letter dated 18.01.2022</td></tr>
</table>
</td><td>Credit rating was re-affirmed by CRISIL Ratings Limited vide letter dated January 18, 2022 and same has submitted for March quarter.</td></tr>
</table>

<table>
<tr>
<td>e.</td>
<td><u>DRR And REF Details:-</u>
<table>
<tr><td>Issue size</td><td>Maintenance of Debenture Redemption Reserve</td><td>DRR required to be Created [In Crs.]</td><td>DRR Created upto June 30, 2022 Rs. (In Cr.)</td><td colspan="2">Funds invested fo debentures maturin during the year</td></tr>
<tr><td rowspan="5">Please mention issue size along with ISIN no. for DRR & REF</td><td>INR 75 crores ISIN No. INE0CCU07033</td><td>Not Applicable to REIT</td><td>Not Applicable to REIT</td><td colspan="2">Not Applicable to REIT</td></tr>
<tr><td colspan="5"></td></tr>
<tr><td colspan="5">Creation of Recovery Expense Fund (REF) in terms of SEBI Circula dated 22.10.2020</td></tr>
<tr><td>Maintenance of REF, REF required to be created [in Rs.]</td><td>REF created upto June 30, 2022</td><td colspan="2">REF maintained In the form of</td><td>Any addition in the REF during th last quarter</td></tr>
<tr><td>Rs. 75,000/-</td><td>Yes</td><td colspan="2">Cash</td><td>NA</td></tr>
</table>
</td>
<td>Statutory Auditor certificate dated April 07, 2021 for creation of fund was shared for quarter ended June 30, 2022. As there is no addition in REF amount in the last quarter, there is no change in the REF for quarter ended June 30, 2022.</td>
</tr>
<tr>
<td>2.</td>
<td><u>Copies of the following information/documents (to be attached) (all fields mandatory):-</u></td>
<td>Whether copy enclosed</td>
</tr>
<tr>
<td>a.</td>
<td>Security cover Certificate[1] in the format of Annexure A of the SEBI Circular dated 12.11.2020.<br><br>For Secured NCDs, cases which are secured by way of book debts / receivables, the company shall mandatorily provide Security cover certificate including covenant compliance confirmation on half yearly basis from the Statutory Auditor of the Company. Covenant would include financial and non-financial covenants. This is a requirement as per Regulation 15(1)(t) of the SEBI (DT) Regulation as amended on 08.10.2021.<br><br>In case of Unsecured NCD / bond issues, please furnish the certificate of Statutory Auditor (in the format as provided in Annexure A (Table-II) and Part</td>
<td>Yes. The Security cover certificate pursuant to SEBI Circular SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/</td>
</tr>
</table>

[1] To be submitted within 30 days from the end of each quarter. To be submitted in the format as provided under Annexure A of the SEBI Circular, bearing reference number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230 dated 12.11.2020.

| | | |
|---|---|---|
| | C of SEBI Circular dated 12.11.2020), on half-yearly basis for maintenance of asset cover including compliance with all the covenants, in respect of listed non-convertible debt securities from the Issuers. | 2020/230 dated November 12, 2020. A copy of the Security Cover certificate is attached as **Annexure - 3** |
| b. | A statement of value of pledged securities[2] , if any / applicable ***(Applicable Quarterly)*** | Not Applicable |
| c. | A statement of value of Debt Service Reserve Account or any other form of security[3] if any / applicable ***(Applicable Quarterly)*** | Statement of value of Debt Service Reserve Account is not applicable. |
| d. | Net worth certificate of personal guarantors [if any][4] ***(Applicable on half yearly basis)*** | Not Applicable |
| e. | Copy of Title Search Reports for movable/immovable assets, as applicable[5] ***(Applicable Annually)*** | As per the DTD financial Covenant , we have to submit the |

[2] To be submitted within 30 days from the end of each quarter as per the SEBI Circular, bearing reference number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230 dated 12.11.2020.

[3] To be submitted for the end of each quarter as per the SEBI Circular, bearing reference number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230 dated 12.11.2020.

4 To be submitted for the end of the second and fourth quarter as per the SEBI Circular, bearing reference number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230 dated 12.11.2020

5 To be submitted for the end of the financial year as per the SEBI Circular, bearing reference number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230 dated 12.11.2020

| | | |
|---|---|---|
| | | title search report within 60 days from end of each financial year. The same as been provided for quarter ended March 31, 2022. |
| f. | Copy of Valuation Report for movable/immovable assets, as applicable[6] *(**Applicable Annually**)* | The same as been provided for quarter ended March 31, 2022. |
| g. | Financials/Value of guarantor prepared on the basis of audited financial statements, etc. of the guarantor (secured by way of corporate guarantee) *(**Applicable Annually**)* | MBBPL financial as on March 31, 2022 is attached as "**Annexure 4"** |
| h. | a one-time certificate from the statutory auditor of the Company with respect to the use of the proceeds raised through the issue of Debentures as and when such proceeds have been completely deployed toward the proposed end-uses.<br><br>In case of deviation/variation, please provide as per '**Appendix A**'. | As per statutory auditor's certificate dated April 9, 2021 the funds are completely utilized. |

6 To be submitted for the end of the financial year as per the SEBI Circular, bearing reference number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230 dated 12.11.2020

| | | |
|---|---|---|
| | | Hence Not applicable for quarter ended June 30, 2022 |
| i. | Certified True Copy of quarterly and year-to-date standalone financial results containing line items as required under Regulation 52 (4) of SEBI LODR Regulations. once it is approved by Governing Board of the Issuer at its meeting. | The same has been submitted along with the outcome of the meeting. |
| j. | Copy of the un-audited [with limited review report] or audited financial results submitted to stock exchange[7] | The same has been submitted along with the outcome of the meeting. |
| k. | Periodical reports from lead bank regarding progress of the Project, if applicable | Not Applicable |
| l. | Copy of the Insurance Policies duly endorsed in favour of the Debenture Trustee as *'Loss Payee'* | Yes, the said policy was valid till 31st December, 2022. The same has provided earlier. |
| m. | Details of initiation of forensic audit (by whatever name called) in respect of the Company and copies of the disclosures made by the Company to the Stock Exchange in this regard | Not Applicable |
| **3.** | **CONFIRMATIONS/CERTIFICATES FROM STATUTORY AUDITORS** | **Whether copy enclosed** |

[7] Regulation 52(1) of SEBI LODR Regulations – To be submitted within forty five days from the end the second and fourth quarter and on the same day the information is submitted to stock exchanges.

<table>
<tr><td>a.</td><td>Certificate of confirmation from Statutory Auditor of the Company along with quarterly/annual financial results on following issues (please also enclose certificate of statutory auditor):-<br><br>
<table>
<tr><td>Issue size with ISINs</td><td>Security Value/Cover</td><td>Asset Cover</td><td>Debt Equity Ratio</td><td>Value of book debts / receivables certified by the statutory auditor.[8]</td></tr>
<tr><td>INR 75 crores ISIN No. INE0CCU07033</td><td></td><td></td><td></td><td></td></tr>
</table>
<br>
<table>
<tr><td>Purpose of utilization of Proceeds (deviations, if any)</td><td>Status of compliance with the covenants of the Offer Document/Information Memorandum<br><br><s>In case of breaches, please provide details of breach and steps taken by the Company.</s></td><td>Debt Service Coverage Ratio<br><br><s>[Not applicable to Banks</s>]</td><td>Interest Service Coverage Ratio<br><br><s>[Not applicable to Banks</s>]</td></tr>
<tr><td>Providing loans to the Special Purpose Vehicles for meeting their construction related expenses, working capital or general corporate requirements, repayment of financial indebtedness</td><td>The same shall form part of financials, as enclosed above as “Annexure -6”</td><td>The same shall form part of financials, as enclosed above as “Annexure -6”</td><td>The same shall form part of financials, as enclosed above as “Annexure -6”</td></tr>
</table>
<br>
<table>
<tr><td>Net worth of the company</td><td>Net profit after tax</td><td>Earnings per share</td></tr>
<tr><td></td><td></td><td></td></tr>
</table>
</td><td>The same has been submitted along with the outcome of the meeting.</td></tr>
</table>

[8] Where the debentures are secured by receivables/book debts

| | | | |
|---|---|---|---|
| | The same shall form part of financials, as enclosed above as "Annexure -6" \| The same shall form part of financials, as enclosed above as "Annexure -6" \| The same shall form part of financials, as enclosed above as "Annexure -6" | | |
| **4.** | **<u>MANAGEMENT CONFIRMATIONS:</u>** | | **Furnished Yes/No** |
| a. | **<u>Management Confirmation for Security and insurance</u>**[9]**:** | | |
| | i. | Security Documents executed by the Company remain valid (including but not limited to the purpose of and as provided in Limitation Act 1963), subsisting and binding upon the Company | Yes |
| | ii. | The assets of the Company and of the guarantors, if any, which are available by way of security/cash flows/profits are sufficient to discharge the claims of the debenture holders as and when they become due and that such assets are free from any other encumbrances except those which are specifically agreed to by the debenture holders and adequate asset cover is maintained. | Yes, Assets cover certificate is enclosed above |
| | iii. | Delay or Failure to create security (if any), with detailed reasons for delay or default in security creation and the time lines within which the same shall be created | Not Applicable as security was created within the timelines mentioned in the Debenture Trust Deed dated December 10, 2020. |

[9] applicable for secured debentures

| | | |
|---|---|---|
| | iv. All the Insurance policies of the Secured Assets of the captioned debentures obtained are valid, enforceable and cover the risks as required under the Information Memorandum/ Debenture Trust Deed, and are endorsed in favour of Debenture Trustee as 'Loss Payee'. The premium in respect of the following insurance policies have been paid. | Yes |

| Issue Size | Policy No. | Coverage (Rs.) | Period & expiry date | Status of Endorsemer |
|---|---|---|---|---|
| INR 75 Cr | OG-22-1919-4090-00000229 | 7,53,34,78,354.00 | 01-Jan-22 To 31-Dec-22 | Endorsed |

| | | |
|---|---|---|
| b. | **<u>Management Confirmation for statutory items:</u>** | **Yes/No** |
| | i. The Company has complied with and is in compliance with the provisions of the Companies Act 2013, the extant SEBI Regulations and the terms and conditions of the captioned Debentures and there is no event of default which has occurred or continuing or subsisting as on date. If no, please specify details. | Yes, to the extant applicable |
| | ii. Whether there is any breach of covenant / terms of the debenture issues in terms of the Information Memorandum and DTD.<br><br>If yes, please specify date of such breach occurred, the details of breach of covenant and remedial action taken by the Company along with requisite documents.<br><br>Any additional covenants of the issue (including side letters, accelerated payment clause, etc.) and status thereof<br><br>*Note: As per SEBI circular no. SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230 dated November 12, 2020, Debenture Trustee is required to intimate the covenant breach to Debenture Holders, Stock Exchange, SEBI, etc.* | No |
| | iii. There is no major change in composition of its Board of Directors, which may amount to change in control as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Changes if any to be disclosed along with copies of intimation made to the stock exchanges) | There is no change in Compositio n of Governing Board of the Issuer |

| | | | |
|---|---|---|---|
| | | | except appointment of Mr. Manish Kejriwal as an Independent Non-Executive Member of the Governing Board with effect from February 02, 2022 for a period of 5(Five) years. |
| | iv. | Any amalgamation, demerger, merger or corporate restructuring or reconstruction scheme proposed by the Company | No |
| | v. | Change, if any, in the nature and conduct of the business by the Company | No |
| | vi. | Outstanding litigations, orders, directions, notices, of court/tribunal affecting, or likely to materially affect the interests of the Debenture Holders or the assets, mortgaged and charged under security creation documents, if any | No |
| | vii. | Proposals, if any placed before the board of directors for seeking alteration in the form or nature or rights or privileges of the Debentures or in the due dates on which interest or redemption are payable, if any | No |
| | viii. | Disclosures, if any made to the stock exchange in terms of Regulation 30 or Regulation 51(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which may have a bearing on the Debentures or on the payment of interest or redemption of the Debentures | Regulation 30 is not applicable to the Issuer. No disclosure has been made |

| | | |
|---|---|---|
| | | under Regulation 51 (2) which may have a bearing on the Debentures or on the payment of interest or redemption of the Debentures. |
| | ix. There are no events or information or happenings which may have a bearing on the performance/operation of the Company, or there is no price sensitive information or any action as per SEBI (LODR) Regulations, 2015 that may affect the payment of interest or redemption of the Debentures | Yes |
| | x. Confirmation that the unclaimed/ unpaid amounts of monies due on debentures and redemption of debentures are transferred to Investor Education and Protection Fund (IEPF) | N.A. |
| c. | **Management Confirmation for other items:** | **Yes/No** |
| | i. Details of any default committed by the Issuer with respect to borrowings obtained from banks / financial institutions pertaining to:-<br>a. payment obligations; and / or<br>b. covenant compliance | No |
| | ii. Details of Reference to Insolvency or a petition (if any) filed by any creditor or<br>details of Corporate Debt Restructuring (if any); | N.A. |
| | iii. Details of lenders/creditors joining or entering into Inter Creditor Agreement as per RBI guidelines, including all such information/ documents required to be submitted by the Company to the RBI on an annual basis in respect of such Financial Year, as applicable | No |
| | iv. Details of fraud/defaults by promoter or key managerial personnel or by Issuer Company or arrest of key managerial personnel or promoter; | No |

| | | |
|---|---|---|
| | | |
| v. | Details of one time settlement with any bank (if any); | No |
| vi. | Confirmation that a functional website containing, amongst others as per Regulation 62 of SEBI (LODR) Regulations is maintained by the Company. | Yes |
| vii. | Confirmation that the information/documents has been submitted to the debenture holders as per Regulation 58 of SEBI LODR Regulations. | Yes, the same has been complied as and when said Regulation 58 is applicable |
| viii. | Confirmation that the capital adequacy norms are maintained as per RBI Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 | N.A. |
| ix. | Confirmation that there has been no change in the bank details of the Company for preauthorizing Debenture Trustee(s) to seek debt redemption payment related information from the Bank[10] | Yes |

**Appendix-A**

**Statement of Deviation or Variation**

| | |
|---|---|
| Name of listed entity | Mindspace Business Parks REIT |
| Mode of Fund Raising | Private Placement |
| Type of instrument | Secured, listed, senior, taxable, non-cumulative, rated, redeemable, non-convertible debentures (“Debentures”) |

[10] Clause 3.2 of SEBI circular SEBI/HO/DDHS/CIR/P/103/2020 dated 23.06.2020.

| | |
|---|---|
| Date of Raising Funds | March 18, 2021 |
| Amount Raised | INR 75 Crores |
| Report filed for Quarter year ended | June 30, 2022 |
| Is there a Deviation / Variation in use of funds raised? | No |
| Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document? | No |
| If yes, details of the approval so required? | Not Applicable |
| Date of approval | Not Applicable |
| Explanation for the Deviation / Variation | Not Applicable |
| Comments of the audit committee after review/ board of directors (in case there is no audit committee) | Not Applicable |
| Comments of the auditors, if any | Not Applicable |
| Objects for which funds have been raised and where there has been a deviation, in the following table: | The funds raised by the Issue shall be utilised by the Issuer in compliance with the provisions of the applicable laws for general corporate purposes including payment of fees and expenses in connection with the Issue, direct or indirect acquisition of commercial properties and for providing loans to the Group SPVs of the Issuer for meeting their construction related expenses, working capital or general corporate requirements, repayment of their existing financial indebtedness, for providing inter-company deposits to other Group SPVs financing their operations, and/or acquisition of commercial properties directly or indirectly by way of purchase of any securities of other entities holding commercial properties, each in accordance with applicable laws. |

| Original Object | Modified Object, if any | Original Allocation | Modified allocation, if any | Funds Utilised | Amount of Deviation/Variation for the half year according to | Remarks, if any |
|---|---|---|---|---|---|---|

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | | | applicable object (INR Crores and in %) | |
| The funds raised by the Issue shall be utilised by the Issuer in compliance with the provisions of the applicable laws for general corporate purposes including payment of fees and expenses in connection with the Issue, direct or indirect acquisition of commercial properties and for providing loans to the Group SPVs of the Issuer for meeting their constructio | - | Rs. 75 Crores | - | Rs. 75 Crores | - | N.A. |

| | | | | | | |
|---|---|---|---|---|---|---|
| n related expenses, working capital or general corporate requirements, repayment of their existing financial indebtedness, for providing inter-company deposits to other Group SPVs financing their operations, and/or acquisition of commercial properties directly or indirectly by way of purchase of any securities of other entities holding commercial properties, each in | | | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| accordance with applicable laws. | | | | | | |

*Deviation could mean:*
*(a) Deviation in the objects or purposes for which the funds have been raised*
*(b) Deviation in the amount of funds actually utilized as against what was originally disclosed.*

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

PREETI NAVEEN CHHEDA
Digitally signed by PREETI NAVEEN CHHEDA
Date: 2022.08.11 17:30:40 +05'30'

**Authorised Signatory**
**Name: Preeti Chheda**
**Designation: Compliance Officer**
**Encl: as above**

**Annexure - 1**

**K Raheja Corp Investment Managers LLP(Acting as the manager of MINDSPACE BUSINESS PARKS REIT)**

**Non Convertible Debenture Issue - 75 Crores List of Debenture Holders and Address**

| DPID | CLIENTID | NAME1 | ADD1 | ADD2 | ADD3 | CITY | PIN | PAN | POSITION | ISIN |
|---|---|---|---|---|---|---|---|---|---|---|
| IN300167 | 10014562 | NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA SHORT TERM FUND | DEUTSCHE BANK AG | DB HOUSE, HAZARIMAL SOMANI MARG | POST BOX NO. 1142, FORT | MUMBAI | 400055 | AAATR0090B | 250 | INE0CCU07033 |
| IN300167 | 10124947 | IIFL DYNAMIC BOND FUND | SENAPATI BAPAT MARG | LOWER PAREL | MUMBAI | MUMBAI | 400013 | AAATI8736M | 500.00 | INE0CCU07033 |

Link Intime India Pvt. Ltd.
CIN : U67190MH1999PTC118368
C- 101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400 083.
Tel. : +91 22 4918 6000
Fax : +91 22 4918 6060
E-mail : mumbai@linkintime.co.in
Website : www.linkintime.co.in

**Date : 07.07.2022**

**TO,**
**UNIT: MINDSPACE BUSINESS PARKS REIT "TRUST"**

| | |
|---|---|
| **Sub.:** | **Statement of Investor Complaints for the quarter ended on June 30, 2022 w.r.t. Non-Convertible Debentures ("NCDs") and Market Linked Debentures ("MLDs") - (Collectively known as "Debentures")** |
| **Ref.:** | **Regulation 13(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")** |

| Sr. No. | Script Code | ISIN |
|---|---|---|
| 1 | 960327 | INE0CCU07025 |
| 2 | 973069 | INE0CCU07033 |
| 3 | 973070 | INE0CCU07041 |
| 4 | 973754 | INE0CCU07058 |

We, Link Intime India Private Limited, are the Registrar and Transfer Agents of the "Trust" w.r.t. said "Debentures" only for providing electronic connectivity to the Trust.

We further confirm that during the period **01st April 2022** to **30th June 2022**, we have not received any complaints / grievances from holders of the "Debentures" issued by the Trust and a summary of the same, as required in terms of the SEBI Listing Regulations is as follows:

| Particulars | No. of Complaints |
|---|---|
| Pending at the beginning of the quarter | 0 |
| Received during the quarter | 0 |
| Disposed off during the quarter | 0 |
| Remaining unresolved at the end of the quarter | 0 |

This is for your information.

Thanking You.

Yours faithfully,

**For Link Intime India Pvt Ltd.**

**Ganesh Jadhav**
**Asst. Vice President - Depository Operations**

SINCE IT IS SYSTEM GENERATED WE WILL NOT BE ABLE TO PROVIDE YOU THE HARDCOPY OF THE SAME.

August 10, 2022

To,
IDBI Trusteeship Services Limited
Mumbai.

Dear Sir / Madam,

We here by confirm the following details to the Debenture Trustee:

a) The listed entity viz. Mindspace Business Parks REIT ("Mindspace REIT") through its manager K Raheja Corp Investment Managers LLP, ("Manager"), has vide its Executive Committee Meeting dated March 09, 2021, has issued the following listed debt securities:

| ISIN | Private Placement / Public Issue | Secured / Unsecured | Sanctioned Amount |
|---|---|---|---|
| INE0CCU07033 | Private Placement | Secured | Rs. 75,00,00,000/- |

b) Asset Cover for listed debt securities:

i) The financial information as at 30 June 2022 has been extracted from the unaudited books of account for the period ended 30 June 2022 and other records of the REIT and Mindspace Business Parks Private Limited ("MBPPL") (the "books of account and other records of Trust and MBPPL").

ii) The assets of the listed entity provide coverage of 2.48 times of the interest and principal amount, which is in accordance with the terms of issue/ debenture trust deed (calculation as per statement of security cover ratio for the Secured debt securities - table – I)

**Table - I:**

| SN | Particulars | | Rs. in million |
|---|---|---|---|
| i. | **Total assets available for secured Debt Securities' – (secured by Exclusive charge on assets)** | **A** | **1,863/-** |
| | Property Plant & Equipment (Fixed assets) - movable/immovable property etc. (Mortgaged immovable properties) [Refer Note 1 & 3] | | 1,863/- |
| | Loans / advances given (net of provisions, NPAs and sell down portfolio), Debt Securities, other credit extended etc. | | - |
| | Receivables including interest accrued on Term loan/ Debt Securities etc. [Refer Note 2] | | - |
| | Investment(s) | | - |
| | Cash and cash equivalents and other current/ Non-current assets [Refer Note 2] | | - |
| ii. | **Total borrowing through issue of secured Debt Securities (secured by either pari passu or exclusive charge on assets)** | **B** | **750/-** |

| | | | |
|---|---|---|---|
| | Debt Securities | | 750/- |
| | IND - AS adjustment for effective Interest rate on secured Debt Securities | | - |
| | Interest accrued / payable on secured Debt Securities | | - |
| iii. | **Assets Coverage Ratio** **(2x as per the terms of debenture trust deed)** | **(A/B)** | **2.48** |

Notes:

1. Mortgaged immovable properties as per debenture trust deed is leasable area of approximately 151,460 Sq. Ft. of buildings no. 4 of Commerzone Yerawada together with the proportionate undivided right, title and interest in the notionally demarcated land of MBPPL.

2. The Escrow account and all monies lying to the credit thereof as more particularly set out under the Mortgage Documents is excluded for computing security cover in the above table.

3. The market value of the mortgage immoveable properties has been considered based on the valuation reports issued by independent valuer as at 30 June 2022.

**c) Compliance of all the covenants/terms of the issue in respect of listed debt securities of the entity**

We have examined the compliances made by the listed entity in respect of the covenants/terms of the issue of the listed debt securities (NCDs) and certify that the such covenants/terms of the issue have been complied by the listed entity.

For **I R A & Associates**
Chartered Accountants
Firm Registration Number: **140408W**

I R A & ASSOCIATES MUMBAI FRN : 140408W CHARTERED ACCOUNTANTS

**CA Rahul Agrawal**
Membership no. 600174

UDIN: 22600174AOSVCL9097
Place: Mumbai
Date: August 10, 2022

**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

**To The Members of Mindspace Business Parks Private Limited**
**Report on the Audit of the Financial Statements**

### Opinion

We have audited the accompanying financial statements of Mindspace Business Parks Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit, total comprehensive income, its cash flow and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flow and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibility for the Audit of the Financial Statements**

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

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

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

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account

   d. In our opinion, the aforesaid financial statements comply with the IndAS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors as on 31 March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, Section 197 of the Act related to managerial remuneration is not applicable.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d. (i) The Management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above,) contain any material misstatement.

e. The interim dividend declared and paid by the Company during the year and until the date of this report is in accordance with Section 123 of the Companies Act 2013. The Company has not proposed final dividend for the year.

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2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS

NVShah

**Nilesh Shah**
(Partner)
(Membership No. 49660)
(UDIN: 22049660AIUUIY7514)

Place: Mumbai
Date: May 11, 2022

**Deloitte**
**Haskins & Sells LLP**

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)**

### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Mindspace Business Parks Private Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS

DHS LLP

**Deloitte**
**Haskins & Sells LLP**

### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

N.V.Shah

**Nilesh Shah**
(Partner)
(Membership No. 49660)
(UDIN: 22049660AIUUIY7514)

Place: Mumbai
Date: May 11, 2022

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

(i)

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and investment properties including right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of property plant and equipment, investment property and right of use assets so to cover all the items in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property plant and equipment and investment property were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) With respect to Immovable properties of freehold land and buildings whose title deeds have been pledged as security for loans taken disclosed in the financial statements included in property, plant and equipment and investment property, according to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance provided to us, we report that, the title deeds of such immovable properties are held in the erstwhile name of the Company as at the balance sheet date, except for the following:

| **Particulars of the land and building thereon** | **Gross Block (as at March 31, 2022)** | **Net Block (as at March 31, 2022)** | **Remarks** |
|---|---|---|---|
| Freehold land and building thereon located at Nagar Road, Pune admeasuring 30,700 sq.mt (TPPL undertaking) | 3,077 million | 2,592 million | The title deeds are in the name of Trion Properties Private Limited, the TPPL undertaking of which merged with the Company under Section 232, 233 and 52 of the Companies Act 2013 and other relevant provisions of the Companies Act 2013. The Company has filed for mutation of property in the name of the Company with Deputy Superintendent Land Records. |
| Freehold land and building thereon located at Yerwada Pune admeasuring 91,614 sq.mt (Commerzone Undertaking) | 4,548 million | 4,125 million | The title deeds are in the name of K Raheja Corp Private Limited, where KRCPL was the developer in the said agreement which is in custody with the lender The Company has filed for mutation of property in the name of the Company with City Survey Officer. |

In respect of immovable properties of land taken on lease and buildings constructed thereon disclosed as Investment Property/ Investment property under construction in the financial statements, whose title deeds have been pledged as security for loans and guarantees, the lease agreements are in the erstwhile name of the Company, where the Company is the lessee in the agreement based on confirmation directly received by us from lenders.

(d) The Company has not revalued any of its property, plant and equipment, Investment property (including Right of Use assets) and intangible assets during the year.

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CHARTERED ACCOUNTANTS

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii)

(a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.

(iii) The Company has made investments in units of mutual funds (other parties). The Company has not provided guarantee or security or granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.

(a) The Company has not provided any loans or advances in the nature of loans or stood guarantor, or provided security to any other entity during the year, and hence reporting under clause (iii)(a) of the Order is not applicable.
(b) The investments made during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
(c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
(e) None of the loans or advances in the nature of loans granted by the Company have fallen due during the year.
(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) The Company has not granted any loans, made investments or provided guarantees or securities during the year and hence reporting under clause (iv) of the Order is not applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Act, for construction activity. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

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(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Income-tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been slight delay in few cases.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) Details of dues of Service Tax which have not been deposited as on March 31, 2022 on account of disputes are given below:

| Name of Statute | Nature of Dues | Forum where Dispute is Pending | Period to which the Amount Relates | Amount (Rs in million ) |
|---|---|---|---|---|
| The Finance Act ,1994 | Service tax on amounts received as reimbursement of electricity and allied charges from tenants | Commissioner Central Excise | FY 2008-09 to FY 2017-18 | 92 |

The above table does not include show cause cum demand notices received with respect to Service tax demand for the financial year 2015-16 and 2016-17 in respect of which, the Company has filed the necessary replies along with the relevant supporting.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix)

(a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies and hence, reporting under clause (ix)(f) of the Order is not applicable.

(x)

(a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

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(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi)

(a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-Section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 188 of the Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards. The Company is a private company and hence the provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company.

(xiv)

(a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures..

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi)

(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

(b) The Group does not have any Core Investment Company (CIC) as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

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(xx)

(a) The Company has not planned to spend for other than ongoing projects, hence reporting under clause 3(xx)(a) is not applicable.

(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of Section 135(6) of the Act.

**For Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS

NVShah

**Nilesh Shah**
(Partner)
(Membership No. 49660)
(UDIN: 22049660AIUUIY7514)

Place: Mumbai
Date: May 11, 2022

## Mindspace Business Parks Private Limited

(CIN :U45200MH2003PTC143610)

**Balance sheet as at 31 March 2022**

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

| | Particulars | Notes | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|---|
| | **ASSETS** | | | |
| | **Non-current assets** | | | |
| (a) | Property, plant and equipment | 3 | **475** | 457 |
| (b) | Investment property | 4 | **16,159** | 16,073 |
| (c) | Investment property under construction | 5 | **1,489** | 2,423 |
| (d) | Intangible assets | 6 | **1** | 1 |
| (e) | Financial assets | | | |
| | (i) Investments | 7 | **15** | 12 |
| | (ii) Other financial assets | 8 | **445** | 634 |
| | (iii) Loans | 9 | **5,250** | 5,250 |
| (f) | Non-current tax assets (net) | 10 | **246** | 269 |
| (g) | Other non-current assets | 11 | **114** | 45 |
| | **Total non-current assets** | | **24,194** | 25,164 |
| | **Current assets** | | | |
| (a) | Inventories | 12 | **4** | 3 |
| (b) | Financial assets | | | |
| | (i) Trade receivables | 13 | **44** | 72 |
| | (ii) Cash and cash equivalents | 14 | **318** | 356 |
| | (iii) Bank balances other than (ii) above | 15 | **17** | 47 |
| | (iv) Others financial assets | 8 | **415** | 255 |
| (c) | Other current assets | 11 | **196** | 94 |
| | **Total current assets** | | **994** | 827 |
| | **Total assets before regulatory deferral account** | | **25,188** | 25,991 |
| | **Regulatory deferral account - assets** | 16 | **167** | 123 |
| | **Total assets** | | **25,355** | 26,114 |
| | **EQUITY AND LIABILITIES** | | | |
| | **Equity** | | | |
| (a) | Equity share capital | 17 | **1** | 1 |
| (b) | Other equity | 18 | **4,606** | 4,453 |
| | **Total equity** | | **4,607** | 4,454 |
| | **Liabilities** | | | |
| | **Non-current liabilities** | | | |
| (a) | Financial liabilities | | | |
| | (i) Borrowings | 19 | **14,211** | 15,036 |
| | (ii) Other financial liabilities | 20 | **1,256** | 675 |
| (b) | Provisions | 21 | **0** | 0 |
| (c) | Deferred tax liabilities (net) | 30 | **1,634** | 1,747 |
| (d) | Other non-current liabilities | 22 | **145** | 100 |
| | **Total non-current liabilities** | | **17,246** | 17,558 |
| | **Current liabilities** | | | |
| (a) | Financial liabilities | | | |
| | (i) Borrowings | 19 | **1,254** | 1,374 |
| | (ii) Trade payables | | | |
| | (a) total outstanding dues of micro and small enterprises; and | 23 | **14** | 24 |
| | (b) total outstanding dues of creditors other than micro and small enterprise | 23 | **168** | 127 |
| | (iii) Other financial liabilities | 20 | **1,747** | 2,297 |
| (b) | Provisions | 21 | **0** | 0 |
| (c) | Other current liabilities | 22 | **319** | 280 |
| | **Total current liabilities** | | **3,502** | 4,102 |
| | **Total equity and liabilities** | | **25,355** | 26,114 |
| | **Significant accounting policies** | 2 | | |
| | **Notes to the Financial Statements** | 1-46 | | |

The accompanying notes form an integral part of these Financial Statements
In terms of our audit report attached

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

N.Y.Shah

**Nilesh Shah**
Partner

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Mumbai
Date : 11 May 2022

**For and on behalf of the Board of Directors**
**Mindspace Business Parks Private Limited**

Preeti N Chheda

**Vinod N. Rohira**
Director
DIN: 00460667

**Preeti N. Chheda**
Director
DIN: 08066703

Mumbai
Date : 11 May 2022

# Mindspace Business Parks Private Limited

(CIN :U45200MH2003PTC143610)

**Statement of profit and loss for the year ended 31 March 2022**

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

| | | | Year ended 31 March 2022 | Year ended 31 March 2021 |
|---|---|---|---|---|
| I | Revenue from operations | 24 | 5,730 | 5,864 |
| II | Other income | 25 | 409 | 849 |
| III | **Total income (I+II)** | | 6,139 | 6,713 |
| IV | **Expenses** | | | |
| | Cost of materials sold | | - | 2 |
| | Cost of power purchased | | 286 | 378 |
| | Employee benefits expense | 26 | 2 | 3 |
| | Finance costs | 27 | 1,274 | 1,686 |
| | Depreciation and amortisation expense | 28 | 517 | 478 |
| | Other expenses | 29 | 1,191 | 1,132 |
| | **Total expenses (IV)** | | 3,270 | 3,679 |
| V | **Profit before Exceptional item, Rate Regulated activities and tax (III-IV)** | | 2,869 | 3,034 |
| VI | Regulatory Income | | 44 | 81 |
| | Regulatory (Expense) / income in respect of earlier years | | - | (15) |
| VII | Exceptional item | 39 | 428 | - |
| VIII | **Profit after exceptional item and before tax (V+VI+VII)** | | 3,341 | 3,100 |
| IX | **Less: Tax expenses** | | | |
| | - Current tax | 30 | 561 | 394 |
| | - Deferred tax | 30 | (113) | 96 |
| X | **Profit for the year (VIII-IX)** | | 2,893 | 2,610 |
| XI | **Other comprehensive income** | | | |
| | (i) Items that will not be reclassified to Profit & Loss | | - | - |
| | Remeasurement of the defined benefit plans ( Loss) | | (0) | 0 |
| | Tax effect | | - | - |
| | | | (0) | **0** |
| XII | **Total comprehensive income for the year (IX+X)** | | 2,893 | 2,610 |
| | Basic and diluted earnings per share (Rs. ) (Not annualised) | 31 | 35,465 | 31,983 |
| | (Face value of Rs 10 each) | | | |
| | Significant accounting policies | | | |
| | **Notes to the Financial Statements** | 1-46 | | |

The accompanying notes form an integral part of these Financial Statements

In terms of our audit report attached

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

NVShah

**Nilesh Shah**
Partner

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Mumbai
Date : 11 May 2022

For and on behalf of the Board of Directors
Mindspace Business Parks Private Limited

Vinod N. Rohira
Director
DIN: 00460667

Preeti N. Chheda
Director
DIN: 08066703

Mumbai
Date : 11 May 2022

## Mindspace Business Parks Private Limited

(CIN :U45200MH2003PTC143610)

**Statement of cash flows for the year ended 31 March 2022**

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

| | Particulars | Year ended 31 March 2022 | Year ended 31 March 2021 |
|---|---|---|---|
| A | **Cash flows from operating activities** | | |
| | Profit before tax | 3,341 | 3,100 |
| | **Adjustments for:** | | |
| | Depreciation and amortisation expenses | 517 | 478 |
| | Finance costs | 1,274 | 1,686 |
| | Interest income | (394) | (826) |
| | Liabilities no longer required written back | (3) | (14) |
| | Profit on sale of mutual fund | (3) | (0) |
| | Inventory written off | 8 | 1 |
| | Gain on sale of asset (Note 39) | (428) | - |
| | Fixed asset written off | 73 | - |
| | Bad debt written off | 3 | |
| | Provision for Doubtful Debts | 2 | 9 |
| | **Operating profit before working capital changes** | **4,390** | **4,434** |
| | **Movement in working capital** | | |
| | (Increase) / Decrease in inventories | (1) | 1 |
| | Decrease in trade receivables | 23 | 42 |
| | Increase in other financial assets and other assets | (30) | (38) |
| | (Decrease) in Other financial liabilities, other liabilities and provisions | (71) | (176) |
| | Increase in regulatory assets | (44) | (67) |
| | Increase in trade payables | 26 | 11 |
| | **Cash generated from operations** | **4,293** | **4,207** |
| | Income tax paid (including interest) | (538) | 693 |
| | **Net cash generated from operating activities (A)** | **3,755** | **4,900** |
| B | **Cash flows from investing activities** | | |
| | Payments made for expenditure on investment property under construction / Investment property | (543) | (226) |
| | Proceeds from investment property under construction | 1,200 | |
| | Purchase of property, plant and equipment and intangible asset | (56) | (25) |
| | Proceeds from property, plant and equipment | - | 0 |
| | Purchase of investments | (3) | - |
| | Loans given to body corporates | - | (17,474) |
| | Proceeds on repayment of loans given | - | 24,715 |
| | Proceeds from fixed deposit | 47 | - |
| | Investment in fixed deposit | (53) | 16 |
| | Investment in Mutual Fund | (2,877) | (530) |
| | Proceeds from Sale of Mutual Fund | 2,880 | 530 |
| | Changes in other bank balance | (8) | - |
| | Interest received | 394 | 1,780 |
| | **Net cash generated from investing activities ( B )** | **981** | **8,786** |
| C | **Cash flows from financing activities** | | |
| | Interim dividend declared and paid | (2,740) | (1,960) |
| | Repayment of non-current borrowings | (4,588) | (13,224) |
| | Repayment of non-current borrowings to parent | (4,970) | |
| | Proceeds from non-current borrowings from parent | 8,940 | 4,070 |
| | Redemption of preference shares | - | (337) |
| | Finance costs paid | (1,079) | (1,598) |
| | **Net cash (used in) financing activities ( C )** | **(4,437)** | **(13,049)** |
| D | **Net increase in cash and cash equivalents (A+B+C)** | **299** | **637** |
| E | Cash and cash equivalents at the beginning of the year | (82) | (719) |
| F | **Cash and cash equivalents at the end of the year (D + E)** | **217** | **(82)** |

## Mindspace Business Parks Private Limited

(CIN :U45200MH2003PTC143610)

**Statement of cash flows for the year ended 31 March 2022**

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

**Reconciliation of Cash and cash equivalents with the Balance Sheet**

| Particulars | Year ended 31 March 2022 | Year ended 31 March 2021 |
|---|---|---|
| Notes | | |
| **1. Cash and cash equivalents (Refer note 14)** | | |
| Cash on hand | 0 | 0 |
| Balance with banks | | |
| - on current accounts | 158 | 136 |
| - in escrow accounts | 0 | |
| Fixed deposits with original maturity less than 3 months | 160 | 220 |
| Less : Bank Overdraft (Refer note - 19) | (101) | (438) |
| | 217 | (82) |

Note:

1. The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Statement of Cash Flows.

The accompanying notes form an integral part of these Financial Statements

In terms of our audit report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

NVShah

**Nilesh Shah**
Partner

Mumbai
Date : 11 May 2022

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
Mindspace Business Parks Private Limited

**Vinod N. Rohira**
Director
DIN: 00460667

**Preeti N. Chheda**
Director
DIN: 08066703

Mumbai
Date : 11 May 2022

Mindspace Business Parks Private Limited
(CIN :U45200MH2003PTC143610)
**Statement of changes in equity for the year ended 31 March 2022**
*(All amounts are in Rs. Millions unless otherwise stated)*

**(A) Equity share capital**

| Particulars | Number of shares | Amount |
|---|---|---|
| **Subscribed and Fully Paid up Capital** | | |
| **Equity shares of Re 10 each** | | |
| Balance at 1 April 2020 | 81,513 | 1 |
| Changes in equity share capital due to prior period errors | - | - |
| Balance at 1 April 2021 | 81,513 | 1 |
| Changes in equity share capital due to prior period errors | - | - |
| Balance as at 1 April 2021 | 81,513 | 1 |
| Changes in equity share capital during the year | - | - |
| **Balance at 31 March 2022** | 81,513 | 1 |

**(B) Other equity**

| Particulars | Deemed capital contribution | Reserve and surplus | | | | Total |
|---|---|---|---|---|---|---|
| | | Security premium | Retained earnings | Capital redemption reserve | Contingency reserve | |
| **Balance at 1 April 2020** | 148 | 2,149 | 1,494 | - | 12 | 3,803 |
| Add: Profit for the year | - | - | 2,610 | - | - | 2,610 |
| Add/(less): Contribution to contingency reserve | - | - | (3) | - | 3 | - |
| Adjustment on account of capital reduction ( note no 18) | - | - | (337) | 337 | - | - |
| Other comprehensive income for the year | - | - | 0 | | - | 0 |
| Less : Interim Dividend paid | | | (1,960) | | | (1,960) |
| **Balance at 1 April 2021** | **148** | **2,149** | **1,804** | **337** | **15** | **4,453** |
| Profit for the year | - | - | **2,893** | - | - | **2,893** |
| Other comprehensive income for the year | - | - | **(0)** | - | - | **(0)** |
| Less : Interim Dividend paid | - | - | **(2,740)** | - | - | **(2,740)** |
| Add/(less): Contribution to contingency reserve | - | - | **(3)** | - | **3** | - |
| **Balance at 31 March 2022** | **148** | **2,149** | **1,954** | **337** | **18** | **4,606** |

**Note:**
**i) Cash dividends on equity shares declared and paid:** .
a) The Board of Directors approved an interim dividend of Rs. 8,587.59 per equity share. Interim dividend of Rs 700 millions has been paid in June 2021.
b) The Board of Directors approved an interim dividend of Rs. 8,587.59 per equity share. Interim dividend of Rs 700 millions has been paid in September 2021.
c) The Board of Directors approved an interim dividend of Rs. 8,832.95 per equity share. Interim dividend of Rs 720 millions has been paid in December 2021.
d) The Board of Directors approved an interim dividend of Rs. 7,606.15 per equity share. Interim dividend of Rs 620 millions has been paid in March 2022.

The accompanying notes form an integral part of these Financial Statements
In terms of our audit report attached

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

Nilesh Shah
Partner

Mumbai
Date : 11 May 2022

For and on behalf of the Board of Directors
Mindspace Business Parks Private Limited

Vinod N. Rohira
Director
DIN: 00460667

Preeti N. Chheda
Director
DIN: 08066703

Mumbai
Date : 11 May 2022

1 **Company background**

Mindspace Business Parks Private Limited ( ' Mindspace' or 'the Company ' ) was incorporated in India as Serene Properties Private Limited, a private limited company on 23 December 2003 . The Company has changed its name from Serene Properties Private Limited to Mindspace Business Parks Private Limited with effect from 23 November 2015. The Company's registered office and principal place of business address is at Plot No. C-30, Block 'G', Opp. SIDBI, Bandra Kurla Complex, Bandra (East), Mumbai, INDIA

The Company is engaged in real estate development projects such as Special Economic Zone (SEZ), Information Technology Parks, Malls and other commercial segments. The Company has its projects in Airoli, Navi Mumbai, Pune and Pocharam, Hyderabad for development of commercial parks. The Company received notification dated 21 August 2013 of Maharashtra Electricity Regulatory Commission (MERC) for license to operate and maintain a power distribution system for supplying electricity to the customer in the area of supply as specified in SEZ notification. The Company has commenced distribution of electricity in its project at Airoli, Navi Mumbai from 9 April 2015 .

1 A **Basis of preparation**

( a ) These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Act.

On March 24, 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013 and the amendments are applicable for financial periods commencing from 1 April 2021 for Company. The preparation of Financial Statements is after taking into consideration the effect of the amended Schedule III. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

( b ) These financial statements were adopted and authorised for issue by the Company's Board of Directors on 11 May 2022

Details of the Company's Significant accounting policies are included in Note 2.

2 **Significant accounting policies**

a) **Functional and Presentation Currency**

These financial statements are presented in Indian Rupees, which is also the Company's functional currency and the currency of the primary economic environment in which the Company operates. All financial information presented in Indian Rupees has been rounded off to the nearest million except otherwise stated.

b) **Basis of measurement**

These 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 estimates and judgments**

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

Estimated and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future years affected.

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

* Estimation of lease term for revenue recognition
* Estimation of useful life of property, plant and equipment and investment 'property
* Estimation of recognition of deferred tax assets, availability of future taxable profit against which tax losses carried forward can be used and income taxes.
* Impairment and Fair valuation of Investment Property, Investment property under development, Property, plant and equipment and Capital work-in-progress
* Regulatory deferral accounts- The Company determines surplus/deficit (i.e. excess/shortfall of/in aggregate gain over Return on Equity entitlement) for the year in respect of its regulated operations based on the principles laid down under the Tariff Regulations on the basis of Tariff Orders issued.
* Interest capitalised to investment property under construction

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MINDSPACE BUSINESS PARKS PRIVATE LIMITED MUMBAI

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

The Company 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 year.

The Company classifies all other liabilities as non current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

e) **Measurement of fair values**

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values.
They regularly review significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values then the finance team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.
When measuring the fair value of an asset or a liability, the Company 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.

2.1 **Financial guarantee contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.
Financial guarantee contract are measured initially at the fair value and in accordance with Ind AS 109 unless on a case to case basis company elects to account for financial guarantee as Insurance Contracts as specified under Ind AS 104.

2.2 **Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

**Ind AS 16 – Property Plant and equipment** - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

**Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets** - The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

2.3 **Property, plant and equipment**

(a) **Recognition and measurement**

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

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(b) **Subsequent expenditure**

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

(c) **Depreciation / Amortisation**

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

The assets and estimated useful life are as under:

| Asset group | Estimated Useful Life (in years) | |
|---|---|---|
| | Power assets | Other assets |
| Right of use - Leasehold land | Balance Lease term | |
| Building * | 75 | |
| Plant and machinery* | 15 | 15 |
| Office equipment* | 4 | 4 |
| Computers | 3 | 3 |
| Electrical installation* | | 15 |
| Furniture and fixture* | | 7 |
| Vehicles* | | 5 |

* For these classes 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 other then Leasehold Land is estimated to be 5% of the original cost of those respective assets.

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

(3) The estimated useful lives, residual values and depreciation method are reviewed at the end of the reporting year 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 derecognised 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 recognised in the 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 recognised 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.

2.4 **Other 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 year, 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 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 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.

Intangible assets in the nature of software is amortised over the year of 3 years and trademark is amortised over a year of 10 years.

| Asset group | Estimated Useful Life (in years) | |
|---|---|---|
| | Power assets | Other assets |
| Computer Software | 3 | 3 |
| Trademarks | 0 | 10 |

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

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CHARTERED ACCOUNTANTS

MINDSPACE BUSINESS PARKS PRIVATE LIMITED
MUMBAI

(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 Statement of Profit and Loss when the asset is derecognised.

**2.5 Investment property**

(a) **Recognition and measurement**

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

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

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

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

(b) **Subsequent expenditure**

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

(c) **Depreciation / Amortisation**

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

The assets and estimated useful life are as under:

| Asset group | Estimated Useful Life (in years) |
|---|---|
| Asset group | |
| Building* | 75 |
| Infrastructure development* | 15 |
| Roadwork* | 15 |
| Plant and machinery | 15 |
| Electrical installation* | 15 |
| Office equipment* | 4 |
| Furniture and fixtures* | 7 |

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

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

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

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

(d) **Fair Value**

Fair value of investment property is based on a valuation by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

(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 Statement of Profit and Loss in the year in which the property is de-recognised.

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**(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 (including development rights), 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 construction 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.

**2.6 Impairment of assets**

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

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

**2.7 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 year of time to get ready for its intended use or sale.

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

Capitalisation of borrowing costs is suspended during the extended year 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 year in which they are incurred.

**2.8 Inventories**

**(a) Measurement of inventory**

Inventories comprise of building material, components and maintenance spares. The Company measures its inventories at the lower of cost and net realisable value.

**(b) Cost of inventories**

The cost of inventories of building materials 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.

**2.9 Revenue recognition**

**(a) Facility rentals**

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

**(b) Maintenance services**

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

**(c) Revenue from power supply**

Revenue from power supply is accounted for on the basis of billings to consumers and includes unbilled revenues accrued up to the end of the accounting year. The Company determines surplus/deficit i.e. excess/ shortfall of aggregate gain over return on equity entitlement for the year 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 year. 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.

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(d) **Finance Lease**

For assets let out under finance lease, the Company 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 year during the lease term so as to produce a constant yearic rate of interest on the remaining net investment in the finance lease.

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

(e) **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 Company expects to be entitled in exchange for those goods.

3.0 **Interest Income**

(i) Interest income is recognised on time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

(ii) Delayed payment charges and interest on delayed payments are recognised, on time proportion basis, except when there is uncertainty of ultimate collection.

2.10 **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, deferred tax are also recognised in other comprehensive income or directly in equity 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 year.

(b) **Deferred tax**

Deferred tax asset/liability is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting year.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting year, 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 year 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 deferred tax liabilities and assets, 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 deferred tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

(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 year. 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 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 year.

2.11 **Earnings per share (EPS):**

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting year.

Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

Dilutive potential shares 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 share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

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**2.12 Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting year, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent liabilities are disclosed when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

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

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

**2.13 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 Statement of Profit and Loss of the year.

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

**2.14 Leases**

**As a Lessor**

The Company enters into lease agreements as a lessor with respect to some of its investment properties. Leases for which the Company is a lessor is classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

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

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

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

**As a Lessee**

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company 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.

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The lease liability is Presented as a part of financial liabilities in the balance sheet as Lease liability

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

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

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

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

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

The Company 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 2.5.

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 year in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the Statement of Profit and Loss.

**2.15 Financial instruments**

**1 Initial recognition and measurement**

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

**2 Financial assets:**

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

(i) The Company 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 the Company's business model for managing the financial assets and the contractual terms of the cash flows.

(iii) For investments in debt instruments, this will depend on the business model in which the investment is held.

(iv) The Company reclassifies debt investments when and only when its business model for managing those assets changes.

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**(b) Subsequent Measurement**

**(i) Debt instruments:**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company 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 profit or 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.

**(ii) Equity instruments:**

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

Investments in equity instruments at FVTPL:

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

Investments in equity instruments at FVTOCI:

On initial recognition, the Company 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 Statement of Profit and Loss on disposal of the investments, but is transferred to retained earnings.

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

The Company 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 Company 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 Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

**(d) Derecognition of financial assets:**

A financial asset is primarily derecognised when:
(i) the right to receive cash flows from the asset has expired, or
(ii) the company has transferred its rights to receive cash flows from the asset; and
the company has transferred substantially all the risks and rewards of the asset, or
the company 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 the Company is recognised as a separate asset or liability.

**3 Financial liabilities and equity instruments**

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

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

**(b) Equity instruments**

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

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

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(c) **Compound financial instruments**

The component parts of compound financial instruments issued by the Company 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 Company'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.

**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.

The Company'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 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.

2.16 **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.

2.17 **Statement of Cash flow**

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

As per para 8 of Ind AS 7 – 'Statement of Cash Flows', "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 Balance Sheet, is included as 'borrowings' under Financial Liabilities".

2.18 **Employee benefits plan**

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

1 **Short Term Employee Benefits:**

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

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2 **Long term employee benefits:**

**(i) 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. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense. The above benefits are classified as defined contribution schemes as the Company has no further defined obligations beyond the monthly contributions.

**(ii) Defined Benefit Plans**

The Company's gratuity benefit scheme is a defined benefit plan. The Company has determined the gratuity liability based calculated through actuarial valuation 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 year less the fair value of plan assets, if any. The defined benefit obligation is calculated annually by actuaries 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 year 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 Statement of Profit and Loss.

**(iii) Other long term employee benefits - Compensated absences**

Benefits under compensated absences are accounted as other long-term employee benefits. The Company has determined the liability for compensated absences calculated through actuarial valuation which is determined on the basis of leave credited to employee's account and the last drawn salary. The Company'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 using the projected unit credit method. Remeasurement is recognised in the Statement of Profit and Loss in the year in which they arise. Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognised as a liability.

## 2.19 Subsequent events

The Financial Statements are adjusted to reflect events that occur after the reporting date but before the Financial Statements are issued.

## 2.20 Errors and estimates

The Company 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 year(s) of change.

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

## 2.21 Segment Information

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that related to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments, operating results are reviewed by the Board of Directors, which has been considered as the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess their performance. Borrowings of the Company are considered as 'Unallocable' and disclosed accordingly. Correspondingly, finance costs relating to all the borrowings have also not been allocated to reportable segments and disclosed under 'Unallocable'.

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## Mindspace Business Parks Private Limited

(CIN U45200MH2003PTC143610)

**Notes to Financial Statements for the year ended 31 March 2022 (Continued)**

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

**3 Property, plant and equipment**

| | Power assets | | | | | Other assets | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Particulars** | **Right of use - Leasehold Land*** | **Building** | **Plant and machinery** | **Office equipments** | **Computers** | **Building** | **Plant and machinery** | **Electrical installation** | **Office equipments** | **Computers** | **Furniture and fixtures** | **Vehicles** | **Total** |
| Gross carrying amount as at 1 April 2020 | 2 | 190 | 491 | 0 | 0 | - | 21 | 0 | 3 | 5 | 14 | 0 | 726 |
| Additions | - | - | - | - | - | 0 | 25 | - | - | 0 | - | - | 25 |
| Disposals / adjustment | - | - | - | - | - | - | 1 | - | - | - | - | - | 1 |
| **Gross carrying amount as at 1 April 2021** | **2** | **190** | **491** | **0** | 0 | 0 | **45** | **0** | **3** | **5** | **14** | 0 | **750** |
| Additions | - | - | 3 | - | - | - | 36 | - | 0 | 17 | - | - | 56 |
| Disposals / adjustment | - | - | - | - | - | - | - | - | - | - | - | 0 | 0 |
| **Closing gross carrying amount as at 31 March 2022** | **2** | **190** | **494** | **0** | **0** | **0** | **81** | **0** | **3** | **22** | **14** | **(0)** | **806** |
| **Accumulated depreciation / amortisation as at 1 April 2020** | **0** | **26** | **207** | **0** | **0** | - | **10** | **0** | **2** | **5** | **11** | **0** | **261** |
| Depreciation / amortisation charged during the year | 0 | 2 | 28 | - | - | 0 | 1 | 0 | 0 | 0 | 1 | - | 32 |
| Disposals / adjustment | - | - | - | - | - | - | 0 | - | - | - | - | - | 0 |
| **Accumulated depreciation / amortisation as at 1 April 2021** | **0** | **28** | **235** | **0** | **0** | 0 | **11** | **0** | 2 | **5** | **12** | 0 | **293** |
| Depreciation / amortisation charged during the period | 0 | 2 | 28 | - | - | 0 | 4 | 0 | 0 | 4 | 0 | - | 38 |
| Disposals / adjustment | - | - | - | - | - | - | - | - | - | - | - | 0 | 0 |
| **Closing accumulated depreciation / amortisation as at 31 March 2022** | **0** | **30** | **263** | **0** | **0** | **0** | **15** | **0** | **2** | **9** | **12** | **(0)** | **331** |
| | | | | | | | | | | | | | |
| **Net carrying amount as at 31 March 2022** | **2** | **160** | **231** | **0** | **0** | **0** | **66** | **0** | **1** | **13** | **2** | **0** | **475** |
| Net carrying amount as at 31 March 2021 | 2 | 162 | 256 | 0 | 0 | 0 | 34 | 0 | 1 | 0 | 2 | 0 | 457 |

Notes:

*The above leasehold land (power assets) is a part of land (admeasuring 198,997 sq mtrs. in Airoli, Navi Mumbai) which 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 company has right to renewal of said lease for a further period of 99 years upon payment of premium as may be decided.

DELOITTE HASKINS & SELLS LLP ☆ CHARTERED ACCOUNTANTS

MINDSPACE BUSINESS PARKS PRIVATE LIMITED ★ MUMBAI

Mindspace Business Parks Private Limited
(CIN :U45200MH2003PTC143610)
**Notes to Financial Statements for the year ended 31 March 2022 (Continued)**
*(All amounts are in Rs. Millions unless otherwise stated)*

**4 Investment property**

| Particulars | Freehold Land | Right of use - Leasehold Land | Industrial park building | Infrastructure and development | Roadwork | Plant and machinery | Furniture and fixtures | Office equipment | Electrical installation | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| **Gross carrying amount as at 1 April 2020** | 1,150 | 848 | 14,108 | 1,048 | 32 | 2,087 | 90 | 0 | 656 | 20,019 |
| Additions | - | - | 268 | - | - | 24 | 11 | - | 11 | 314 |
| Disposals / adjustment | - | - | - | - | - | - | - | - | - | - |
| **Gross carrying amount as at 1 April 2021** | 1,150 | 848 | 14,376 | 1,048 | 32 | 2,111 | 101 | 0 | 667 | 20,333 |
| Additions | - | - | 202 | 334 | 43 | 51 | 4 | - | 3 | 637 |
| Disposals / adjustment | - | - | 88 | - | - | - | - | - | - | 88 |
| **Closing gross carrying amount as at 31 March 2022** | 1,150 | 848 | 14,490 | 1,382 | 75 | 2,162 | 105 | 0 | 670 | 20,882 |
| | | | | | | | | | | |
| **Accumulated depreciation / amortisationas at 1 April 2020** | - | 65 | 1,829 | 410 | 29 | 1,122 | 32 | 0 | 327 | 3,814 |
| Depreciation / amortisation charged during the year | - | 16 | 213 | 74 | - | 100 | 12 | - | 31 | 446 |
| Disposals / adjustment | - | - | - | - | - | - | - | - | - | - |
| **Accumulated depreciation / amortisation as at 1 April 2021** | - | 81 | 2,042 | 484 | 29 | 1,222 | 44 | 0 | 358 | 4,260 |
| Depreciation / amortisation charged during the year | - | 16 | 230 | 85 | 1 | 102 | 12 | - | 32 | 478 |
| Disposals / adjustment | - | - | 15 | - | - | - | - | - | - | 15 |
| **Closing accumulated depreciation / amortisation as at 31 March 2021** | - | 97 | 2,257 | 569 | 30 | 1,324 | 56 | 0 | 390 | 4,723 |
| | | | | | | | | | | |
| **Net carrying amount as at 31 March 2022** | 1,150 | 751 | 12,233 | 813 | 45 | 838 | 49 | 0 | 280 | 16,159 |
| **Net carrying amount as at 31 March 2021** | 1,150 | 767 | 12,334 | 564 | 3 | 889 | 57 | 0 | 309 | 16,073 |

**Notes :**

(a) The above details relating to disposal/adjustment includes disposal, if any and assets given on finance lease.

(b) The above 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 Company has right to renewal of said lease for a further year of 99 years upon payment of premium as may be decided.

(c) Investment property of the Company have been pledged as security against the borrowings (Fund and non Fund based) of the Company and the Parent

(d) The Company has leased properties under non-cancellable operating leases in the capacity of a lessor.

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

**(e) Measurement of fair values of investment property**
**Fair value hierarchy:**

The fair value of Company's investment property as at 31 March 2021 and 31 March 2022 has been arrived on the basis of a valuation carried out by , external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued and is a registered valuer as defined under Rule 2 of Companies (Registered Valuers & Valuation) Rules, 2017

**Valuation technique:**
The Company follows discounted cash flows technique (Income approach) which considers the present value of net cash flows to be generated from the property taking into account the expected rental growth rate, vacant year, occupancy rate, lease incentive costs such as rent free years and other costs not paid by tenants. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location, tenant credit quality and lease terms.
Terminal value at the end of explicit forecast period is determined using capitalisation rate using relevant parameters of some of key investments in comparable properties of similar quality, use, tenant profile made by institutional real estate investors.

Investment property comprises commercial property that is leased to third parties. Each of the leases entered are normally for a year of 5 to 15 years. Subsequent renewals are negotiated with the lessee or as per the terms of initial agreement are automatically renewed. No contingent rents are charged.

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used

**Fair value of the investment property including investment property under development**

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Total | 75,411 | 73,195 |

**Other disclosures in relation to Investment Properties**

| Particulars | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|
| Rental Income | 4,474 | 4,534 |
| Direct operating expenses arising from investment property that generated rental income | 1,187 | 1,000 |

## Mindspace Business Parks Private Limited

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**Notes to Financial Statements for the year ended 31 March 2022 (Continued)**

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

5 Investment property under construction

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| **At cost** | | |
| Cost of land | 1,652 | 1,652 |
| Material and contractual payments | 11,936 | 11,673 |
| Technical professional fees | 367 | 358 |
| Project support fees (technical) | 448 | 448 |
| Rates and taxes | 470 | 469 |
| Power and fuel expenses | 157 | 157 |
| Finance costs | 2,313 | 2,313 |
| Depreciation and amortisation | 71 | 71 |
| Other expenses | 414 | 366 |
| Less : Sale of surplus material | (4) | (4) |
| | 17,824 | 17,503 |
| Less: transfer to | | |
| Investment property | 14,710 | 14,231 |
| Finance lease receivable | 590 | 590 |
| Profit & loss (sale of Land / Project cost expense-out) | 772 | - |
| Property, plant and equipment | 285 | 282 |
| | 1,467 | 2,400 |
| **Other inventories** | | |
| Building materials, components and spares | 30 | 23 |
| Less: Provision for diminshing in value of inventory | 8 | - |
| | 1,489 | 2,423 |

| Particulars | Cost of land | Material and contractual payments | Technical professional fees | Project support fees (technical) | Rates and taxes | Power and fuel expenses | Finance costs | Depreciation and amortisation | Other expenses | Sale of surplus material | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **As at 1 April 2020** | 706 | 909 | 82 | 87 | 88 | 4 | 490 | 14 | 103 | - | 2,483 |
| Add : Additions | - | 327 | 10 | - | (50) | 1 | 30 | - | 21 | (3) | 336 |
| Less : Transfer | - | (415) | (4) | - | - | - | - | - | (0) | 0 | (419) |
| **As at 1 April 2021** | 706 | 821 | 88 | 87 | 38 | 5 | 520 | 14 | 124 | (3) | 2,400 |
| **Add : Additions /(Adjustment)** | - | 262 | 9 | - | 1 | - | - | - | 49 | - | 321 |
| **Less : Transfer** | - | | | - | - | - | - | - | | - | (1,254) |
| **As at 31 March 2022** | 706 | 1,083 | 97 | 87 | 39 | 5 | 520 | 14 | 173 | (3) | 1,467 |
| **Other inventories** | | | | | | | | | | | |
| Building materials, components and spares | | | | | | | | | | | 22 |
| **Net carrying amount as at 31 March 2022** | | | | | | | | | | | 1,489 |

**Additional Information Disclosure Pursuant to Schedul III of Companies Act, 2013 as per MCA notification dated March 24, 2021**

| Particulars | As at 31 March 2022 | | | | | As at 31 March 2021 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | <1 year | 1-2 years | 2-3 years | More than 3 years | Total | <1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in Progress | 210 | 135 | 113 | 636 | 1,094 | 232 | 242 | 300 | 1,313 | 2,087 |
| Projects temporarily suspended | 2 | 0 | 3 | 368 | 373 | 0 | 3 | 65 | 246 | 313 |
| Total | 212 | 135 | 117 | 1,004 | 1,467 | 232 | 245 | 365 | 1,559 | 2,400 |

Projects whose completion is overdue or which has exceeded its cost compared to its original plan

| Particulars | As at 31 March 2022 | | | | | As at 31 March 2021 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | <1 year | 1-2 years | 2-3 years | More than 3 years | Total | <1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| | - | - | - | 373 | 373 | - | - | - | 313 | 313 |
| Total | - | - | - | 373 | 373 | - | - | - | 313 | 313 |

# Mindspace Business Parks Private Limited

(CIN :U45200MH2003PTC143610)

**Notes to Financial Statements for the year ended 31 March 2022 (Continued)**

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

**6 Intangible assets**

| Particulars | Power assets Computer Softwares | Other assets Computer Softwares | Trade mark | Total |
|---|---|---|---|---|
| **Gross carrying amount as at 1 April 2020** | 4 | 3 | 1 | 8 |
| Additions | - | - | - | - |
| Disposals | - | - | - | - |
| **Gross carrying amount as at 1 April 2021** | **4** | **3** | **1** | **8** |
| Additions | - | - | - | - |
| Disposals | - | - | - | - |
| **Closing gross carrying amount as at 31 March 2022** | **4** | **3** | **1** | **8** |
| | | | | |
| **Accumulated amortisation as at 1 April 2020** | **4** | **3** | **0** | **7** |
| Amortisation charged during the year | 0 | 0 | 0 | 0 |
| Disposals | - | - | - | - |
| **Accumulated amortisation as at 1 April 2021** | **4** | **3** | **0** | **7** |
| Amortisation charged during the year | - | 0 | 0 | 0 |
| Disposals | - | - | - | - |
| **Closing accumulated amortisation as at 31 March 2022** | **4** | **3** | **0** | **7** |
| | | | | |
| **Net carrying amount as at 31 March 2022** | **0** | **0** | **1** | **1** |
| Net carrying amount as at 31 March 2021 | 0 | 0 | 1 | 1 |

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## Mindspace Business Parks Private Limited

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**Notes to Financial Statements for the year ended 31 March 2022 (Continued)**

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

**7 Investments**

| Particulars | As at 31 March 2022 | | | As at 31 March 2021 | | |
|---|---|---|---|---|---|---|
| | Current | Non current | Total | Current | Non current | Total |
| **Investment in Government Securities at amortised cost** | | | | | | |
| *Government securities bond* | | | | | | |
| 8.24% GOI GILT Bond ; FV:2,500,000 (25,000 bonds FV Rs 100) | - | 3 | 3 | - | 3 | 3 |
| 7.17% GOI 2028; FV:2,500,000 (25,000 bonds FV Rs 100) | - | 2 | 2 | - | 2 | 2 |
| 7.26% GOI 2029; FV:2,200,000 (22,000 bonds FV Rs 100) | - | 2 | 2 | - | 2 | 2 |
| 7.61% GOI 2030; FV:2,500,000 (25,000 bonds FV Rs 100) | - | 3 | 3 | - | 3 | 3 |
| 7.06% GOI 2046; FV:2,200,000 (22,000 bonds FV Rs 100) | - | 2 | 2 | - | 2 | 2 |
| 8.33% GOI 2036; FV:2,121,000 (21,210 bonds FV Rs 100) | - | 3 | 3 | - | - | - |
| | - | 15 | 15 | - | 12 | 12 |

**8 Other financial assets**

| Particulars | As at 31 March 2022 | | | As at 31 March 2021 | | |
|---|---|---|---|---|---|---|
| | Current | Non current | Total | Current | Non current | Total |
| Finance lease receivable | 112 | 207 | 319 | 129 | 319 | 448 |
| Unbilled revenue | 141 | 161 | 302 | 106 | 155 | 261 |
| Deposits | 4 | 64 | 68 | 5 | 63 | 68 |
| Interest receivable on Government securities bond | 0 | - | 0 | 0 | - | 0 |
| Interest receivable on other / deposit | 4 | - | 4 | 5 | - | 5 |
| Other receivables | 32 | 1 | 33 | 10 | 8 | 18 |
| Fixed deposit with bank (refer note below) | 122 | 12 | 134 | - | 89 | 89 |
| | 415 | 445 | 860 | 255 | 634 | 889 |

These fixed deposits (interest rate: 3.30% to 7% and maturity date 4th April, 2022 to 11th September, 2024) are given as security under Debt Service Retention Account balance (DSRA) and margin money maintained with Kotak Mahindra Bank Limited to support debt servicing

**9 Loans - Non current**

*(Unsecured and considered good)*

| Particulars | As at 31 March 2022 | | | As at 31 March 2021 | | |
|---|---|---|---|---|---|---|
| | Current | Non current | Total | Current | Non current | Total |
| Loan to related parties (refer note 34) | - | 5,250 | 5,250 | - | 5,250 | 5,250 |
| | - | 5,250 | 5,250 | - | 5,250 | 5,250 |

a) There are no Loans or Advances to Promoters, KMPs or related parties repayable on demand or having no terms or period of repayment

b) Long term loans includes Rs. 5,250 millions (31 March 2021: 5,250 millions) due from private companies in which any director is a director or member. The loan carries interest rate of 7.10% to 7.50% (31 March 2021 7.5% to 10% ) per annum. Details of which are set out below:

| Name of the company | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Horizon View Properties Pvt. Ltd. | 788 | 788 |
| KRC Infrastructure & Projects Pvt Ltd | 1,514 | 1,514 |
| Gigaplex Estate Private Limited | 2,948 | 2,948 |
| | 5,250 | 5,250 |

**10 Non current tax assets**

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Advance tax and tax deducted at source (net of provision) | 246 | 269 |
| | 246 | 269 |

**11 Other assets**

| Particulars | As at 31 March 2022 | | | As at 31 March 2021 | | |
|---|---|---|---|---|---|---|
| | Current | Non current | Total | Current | Non current | Total |
| Capital advance | - | 108 | 108 | - | 40 | 40 |
| Prepaid expenses | 17 | 6 | 23 | 17 | 5 | 22 |
| Advances to vendors | 169 | - | 169 | 58 | - | 58 |
| Balance with government authorities (other than income tax) | 10 | - | 10 | 19 | | 19 |
| | 196 | 114 | 310 | 94 | 45 | 139 |

**12 Inventories**

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Building materials and components | 4 | 3 |
| | 4 | 3 |

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

**13 Trade receivables**

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Considered good - unsecured | 44 | 72 |
| Credit impaired | 23 | 21 |
| | 67 | 93 |
| Less: Expected credit loss | (23) | (21) |
| | 44 | 72 |

Note:

Trade receivables are generally based on terms as per contract/agreement. The Company is not materially exposed to credit risk and loss allowance related to trade and receivables as they are generally backed by interest free security deposits from customers. Of the trade receivables balance as at 31 March 2022 Rs. 33 Millions is due from 2 largest customers (31 March 2021 Rs. 52 Millions is due from 5 largest customers) There are no other customers who represent more than 5% of the total balance of trade receivables

| Particulars | As at 31 March 2022 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Unbilled | Not Due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | - | 13 | 12 | 1 | 2 | 3 | 13 | 44 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | | - | - | - | - | - | |
| (iii) Undisputed Trade Receivables – credit impaired | - | 0 | 1 | 0 | 1 | 2 | 0 | 4 |
| (iii) Disputed Trade Receivables considered good | - | - | | | - | - | 0 | 0 |
| (iv) Disputed Trade Receivables – which have significant increase in credit risk | - | - | | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | | 0 | 3 | 5 | 10 | - | 1 | 19 |
| Total | - | 13 | 16 | 6 | 13 | 5 | 14 | 67 |

| Particulars | As at 31 March 2021 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Unbilled | Not Due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | - | - | 33 | 9 | 3 | 6 | 18 | 69 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | 1 | 1 | 5 | 1 | 5 | 13 |
| (iii) Disputed Trade Receivables considered good | - | | 0 | - | 0 | | 3 | 3 |
| (iv) Disputed Trade Receivables – which have significant increase in credit risk | | | | | - | | - | |
| (vi) Disputed Trade Receivables – credit impaired | | | 4 | 4 | | | | 8 |
| Total | - | | 37 | 14 | 8 | 6 | 26 | 93 |

**14 Cash and cash equivalents**

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Cash on hand | 0 | 0 |
| Balances with banks | | |
| in current accounts | 158 | 136 |
| in escrow accounts | 0 | |
| Fixed deposits with original maturity less than 3 months | 160 | 220 |
| | 318 | 356 |

**15 Other bank balances**

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Fixed deposits with original maturity for more than 3 months and upto 12 months | 9 | 47 |
| Balance with banks in earmarked accounts - unspent CSR accounts* | 8 | - |
| | 17 | 47 |

Note :

(i)The above fixed deposit represents margin money deposits against letter of credit, bank guarantee, buyer's credit and bills payable.

(ii)These fixed deposits are given as security under Debt Service Retention Account balance (DSRA) maintained with Kotak Mahindra Bank Limited, The Hongkong and Shanghai Banking Corporation Limited.

* Unspent Corporate Social Responsibility (CSR) balances amounting to 8 million which has been deposited in separate escrow accounts. These amounts can be withdrawn for payment of CSR expenditures only.

**16 Regulatory deferral accounts**

| | Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|---|
| (i) | Regulatory assets | 167 | 123 |
| | | 167 | 123 |

Notes :

(i) As per the Ind AS 114 'Regulatory Deferral Accounts' the business of electricity distribution is a Rate Regulated activity wherein the regulators determine Tariff to be charged from consumers based on prevailing regulations in place.

The Multi Year Tariff (MYT) Regulations issued by respective State Regulators is applicable to the Company's power distribution business. According, to these regulations, the regulators shall determine tariff in a manner in which the Company can recover its fixed and variable costs including assured rate on return approved equity base, from its consumers. The Company determines the Revenue, Regulatory Assets and Liabilities as per the terms and conditions specified in respective MYT Regulations.

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

(ii) Reconciliation of Regulatory Assets/Liabilities of power distribution business as per Rate Regulated Activities is as follows:

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Opening Regulatory Liabilities (Net of Assets) (A) | 123 | 56 |
| Regulatory Income/(Expenses) during the year | | |
| (i) Power Purchase Cost | 265 | 378 |
| (ii) Other expenses as per the terms of Tariff Regulations including return on equity (ROE) | 122 | 121 |
| (iii) Amount collected from customers during the year as per approved Tariff | (343) | (417) |
| Regulatory Income / (Expenses) (net) (i + ii + iii) | 44 | 82 |
| Regulatory Income/(Expenses) (net) in respect of earlier years | - | - |
| Income / (expenses) on account of Rate Regulated Activities (B) | 44 | 82 |
| Carrying cost recognised in the Statement of Profit and Loss relating to | - | - |
| Amount Collected (net) in respect of earlier years (C) | - | (15) |
| Closing Regulatory asset (Net of Assets) (A+B+C) | 167 | 123 |
| Regulatory assets | 167 | 123 |
| Regulatory liabilities | - | - |
| Total | 167 | 123 |

* The Company has received MERC order in Case no. of 328 of 2019 dated March 30, 2020, for approval of truing up of FY 2017-18 and FY 2018-19. Revenue Gap for FY 2017-18 and FY 2018-19 approved by the commission is Rs.64 million and Rs.7 millions respectively. Gap of Rs 56 million for FY 2017-18 is already adjusted and balance 8 million has been adjusted in FY 2020-21 and Gap of 7 million has been adjusted in FY 2020-21.

17 **Equity Share capital**

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| **Authorised:** | | |
| 100,000 equity shares of Rs 10 each | 1 | 1 |
| 3,370 0.001% non cumulative redeemable preference shares of Rs 100,000 each | 337 | 337 |
| | 338 | 338 |
| **Issued, subscribed and fully paid up** | | |
| 81,513 equity shares of Rs 10 each, fully paid up | 1 | 1 |
| | 1 | 1 |

Notes:

A **Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:**

| | As at 31 March 2022 | | As at 31 March 2021 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| Equity shares | | | | |
| At the beginning of the year | 81,513 | 1 | 81,513 | 1 |
| Changes in equity share capital during the year | - | - | - | - |
| At the end of the year | 81,513 | 1 | 81,513 | 1 |

B **Rights, preferences and restrictions attached to equity shares**

(i) The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share and dividend proportionate to their shareholding. The Company declares dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

(ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) During the previous year these Preference shares were redeemed at par at the option of the Company. The preference shares were redeemable at par at any time at the option of the Company but in no event earlier than 3 years from the date of allotment or such other year as may be required by law and not later than 14 years (amended by a special resolution passed at the Extraordinary General meeting held on December 26, 2019 from 17 years) from the date of allotment or such other year as may be required by law. Date of redemption was on or before 30th September 2020 (amended by a special resolution passed at the Extraordinary General meeting held on December 26, 2019 from 7th March 2024).

(iv) During the previous year, in accordance with the above mention special resolution, the preference shares were redeemed at par and an amount of Rs. 337 million was transferred to Capital redemption reserve out of the retained earnings.

C **The details of shareholder holding more than 5% shares is set out below:**

| | As at 31 March 2022 | | As at 31 March 2021 | |
|---|---|---|---|---|
| | Number | Percentage | Number | Percentage |
| **Equity shares of Rs 10 each, fully paid-up held by-** | | | | |
| Mindspace Business Parks REIT (Parent) | 81,512 | 99.99% | 81,512 | 99.99% |
| Mindspace Business Parks REIT jointly with Ravi C. Raheja | 1 | 0.01% | 1 | 0.01% |

D **Disclosure of shareholding of promoters and percentage of change during the year. Additional Information Disclosure Pursuant to Schedule III of Companies Act, 2013 as per MCA notification dated March 24, 2021**

| Promoter Name | Shares held by promoter at the end of the year i.e. 31 March 2022 | | Shares held by promoter at the end of the year i.e. 31 March 2021 | | % Change during the year |
|---|---|---|---|---|---|
| | No of Shares | % of total shares | No of Shares | % of total shares | |
| Mindspace Business Parks REIT (Parent) | 81,512 | 99.99% | 81,512 | 99.99% | - |
| Mindspace Business Parks REIT jointly with Ravi C. Raheja | 1 | 0.01% | 1 | 0.01% | - |

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**Notes to Financial Statements for the year ended 31 March 2022 (Continued)**

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

**Disclosure of shareholding of promoters and percentage of change during the year. Additional Information Disclosure Pursuant to Schedule III of Companies Act, 2013 as per MCA notification dated March 24, 2021**

| Promoter Name | Shares held by promoter at the end of the year i.e. 31 March 2020 | | Shares held by promoter at the end of the year i.e. 31 March 2021 | | % Change during the year |
|---|---|---|---|---|---|
| | No of Shares | % of total shares | No of Shares | % of total shares | |
| Mindspace Business Parks REIT | - | - | 81,512 | 99.99% | 100% |
| Mindspace Business Parks REIT jointly with Ravi C Raheja | - | - | 1 | 0.01% | 0% |
| Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja | 8624 | 10.58% | 0 | 0.00% | -10.58% |
| Mr Ravi C. Raheja Jointly with Mr Chandru L Raheja Jointly with Mrs. Jyoti C. Raheja | 6009 | 7.37% | 0 | 0.00% | -7.37% |
| Mr Neel C Raheja Jointly with Mr Chandru L. Raheja Jointly with Mrs Jyoti C. Raheja | 6008 | 7.37% | 0 | 0.00% | -7.37% |
| Mrs Jyoti C. Raheja jointly with Mr Chandru L. Raheja | 6533 | 8.01% | 0 | 0.00% | -8.01% |
| K Raheja Corp Pvt Ltd | 5270 | 6.47% | 0 | 0.00% | -6.47% |
| Anbee Constructions LLP | 5190 | 6.37% | 0 | 0.00% | -6.37% |
| Cape Trading LLP | 5190 | 5.37% | 0 | 0.00% | -6.37% |
| Capstan Trading LLP | 6533 | 8.01% | 0 | 0.00% | -8.01% |
| Casa Maria Properties LLP | 6533 | 8.01% | 0 | 0.00% | -8.01% |
| Raghukool Estate Developement LLP | 4290 | 5.26% | 0 | 0.00% | -5.26% |
| Palm Shelter Estate Development LLp | 6533 | 8.01% | 0 | 0.00% | -8.01% |
| Inorbit Malls (India) Private Limited | 2573 | 3.16% | 0 | 0.00% | -3.16% |

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

MINDSPACE BUSINESS PARKS PRIVATE LIMITED MUMBAI

## Mindspace Business Parks Private Limited

(CIN :U45200MH2003PTC143610)

**Notes to Financial Statements for the year ended 31 March 2022 (Continued)**

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

**18 Other equity**

| Particulars | Deemed capital contribution | Securities Premium | Reserves and Surplus - Retained earnings | Capital Redemption reserve | Contingency Reserve | Total |
|---|---|---|---|---|---|---|
| **Balance at 1 April 2020** | 148 | 2,149 | 1,494 | | 12 | 3,803 |
| Add : Profit for the year | - | | 2,610 | | - | 2,610 |
| Add / (Less) : Transfer to contingency reserve | - | | (3) | | 3 | - |
| Adjustment on account of capital reduction (refer note no.v) | - | - | (337) | 337 | - | - |
| Less :Interim Dividend paid | | | (1,960) | | - | (1,960) |
| Other comprehensive income for the year | - | | 0 | | - | 0 |
| **Balance at 1 April 2021** | **148** | **2,149** | **1,804** | **337** | **15** | **4,453** |
| Add : Profit for the period | - | - | 2,893 | - | - | 2,893 |
| Add / (Less) : Transfer to contingency reserve | - | - | (3) | - | 3 | - |
| Less :Interim Dividend paid | - | - | (2,740) | - | - | (2,740) |
| Other comprehensive income for the year | - | - | (0) | - | - | (0) |
| **Balance at 31 March 2022** | **148** | **2,149** | **1,954** | **337** | **18** | **4,606** |

**Note:**

i) Deemed capital contribution pertains to equity component of 0.001% non-cumulative preference shares.

ii) The Company had issued 3370, 0.001% non cumulative, redeemable preference shares of Rs 100,000 each.

iii) The Company had only one class of preference shares having a par value of Rs 100,000 per share. The preference shares do not carry any voting rights, even if dividend has remained unpaid for any year or dividend had not been declared by the Company for any year. Preference shares shall, subject to availability of profits during any financial year, be entitled to nominal dividend of Re 1 per preference share per year.

iv) During the previous year these Preference shares were redeemed at par at the option of the Company. The preference shares were redeemable at par at any time at the option of the Company but in no event earlier than 1 years from the date of allotment or such other year as may be required by law and not later than 14 years (amended by a special resolution passed at the Extraordinary General meeting held on December 26, 2019 from 17 years) from the date of allotment or such other year as may be required by law. Date of redemption was on or before 30th September 2020 (amended by a special resolution passed at the Extraordinary General meeting held on December 26, 2019 from 7th March 2024).

v) During the previous year, in accordance with the above mentioned special resolution, the preference shares were redeemed at par and an amount of Rs. 337 million was transferred to Capital redemption reserve out of the retained earnings.

**Reconciliation of the number of 0.001% non cumulative, redeemable preference shares outstanding at the beginning and at the end of the reporting year:**

| Particulars | As at 31 March 2022 | | As at 31 March 2021 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| **0.001% non cumulative, redeemable preference shares** | | | | |
| At the beginning of the period | - | - | 3,370 | 337 |
| Less: Redeemed during the period | - | - | (3,370) | (337) |
| At the end of the period | - | - | - | - |

**Description of nature and purpose of reserves**

**(i) Securities premium**

This reserve represent the premium on issue of shares and can be utilised in accordance with the provision of the Companies Act, 2013.

**(ii) Retained earnings**

This reserve represents the surplus of the statement of profit and loss. The amount can be distributed by the company as dividends to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013.

**(iii) Contingency reserve**

This reserve represents the contribution for wires business and retail supply business as per the Maharashtra Electricity Regulatory Commission (MERC) MYT Order in accordance with the MYT Regulations, 2015 of MERC.

**(iv) Capital redemption reserve**

This reserve has been created on redemption of 3370, 0.001% non cumulative, redeemable preference shares of Rs 100,000 each, in the previous year.

**19 Borrowings**

| Particulars | As at 31 March 2022 | | | | As at 31 March 2021 | | | |
|---|---|---|---|---|---|---|---|---|
| | Current maturities of long term borrowings | Curent Borrowings | Total current borrowing | Non current Borrowings | Current maturities of long term borrowings | Curent Borrowings | Total current borrowing | Non current Borrowings |
| Term loans | | | | | | | | |
| **Secured Loans - at amortised cost (Long term)** | | | | | | | | |
| **From Banks** | | | | | | | | |
| (a) Axis Bank Limited | 340 | | 340 | 4,458 | 294 | | 294 | 4,798 |
| (b) The Hongkong and Shanghai Banking Corporation Limited | 149 | | 149 | 1,684 | 204 | | 204 | 3,132 |
| (c) HDFC Bank Limited | - | | - | - | 169 | | 169 | 1,551 |
| (d) Kotak Mahindra Bank | 264 | | 264 | 1,729 | 269 | | 269 | 2,785 |
| **Loan from Parent (Unsecured) - at amortised cost (Long term)** | | | | | | | | |
| (e) Mindspace Business Parks REIT | 400 | | 400 | 6,340 | - | | | 2,770 |
| **Subtotal [ A ]** | 1,153 | | 1,153 | 14,211 | 936 | | 936 | 15,036 |
| **Secured Loans - at amortised cost (Short term)** | | | | | | | | |
| **Overdraft from Bank** | | | | | | | | |
| (a) Overdraft from Axis bank Limited | - | 31 | 31 | - | - | 397 | 397 | |
| (b) Overdraft from HSBC Bank Limited | - | 70 | 70 | | - | 35 | 35 | |
| (c) Overdraft from HDFC Bank Limited | | | | - | - | 6 | 6 | |
| **Subtotal [ B ]** | - | 101 | 101 | - | | 438 | 438 | |
| Total [ A+B ] | 1,153 | 101 | 1,254 | 14,211 | 936 | 438 | 1,374 | 15,036 |

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MINDSPACE BUSINESS PARKS PRIVATE LIMITED MUMBAI

## Mindspace Business Parks Private Limited

(CIN U45200MH2003PTC143610)

**Notes to Financial Statements for the year ended 31 March 2022 (Continued)**

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

**Details of security and repayment terms:**

| | Nature of securities | Terms of repayment |
|---|---|---|
| (a) | Term loan and overdraft from Axis Bank Limited are secured by assignment of lease rent receivable and exclusive charge by way of equitable mortgage of property being all that piece and parcel of land together with the building No 1, 3 and 4 at Airoli constructed thereon.<br>Exclusive 1st Charge over all the current assets, present and future, including Cashflow / rentals arising out of Building No. 1, 3 & 4. (Excluding the corresponding electricity receivables of Bldg. No. 1, 3 & 4.<br><br>Exclusive hypothecation charge on all the movable fixed assets of the property, both present and future | Term loan of Rs 3,000 Millions is repayable 168 monthly installments starting from 30 September 2018. The loan carries interest rate of 6.90% linked to REPO Rate + 2.90 % payable monthly.<br><br>Overdraft of Rs. 500 millions is repayable alongwith the term loans and carries interest rate of Repo Rate + 2.90% p.a.(6.90% p.a. currently) |
| | Term loan and overdraft from Axis Bank Limited are secured by exclusive charge by way of mortgage of the building No. 2, 7, 8 & 9 (only floor no 6,7,8) alongwith undivided interest in the appurtenant land thereon at Mindspace Airoli East.<br>Exclusive charge on the future cash flows of lease rentals to be received from and out of the Building 2,7,8, 9(only floor no 6,7,8). | Term loan of Rs 2,530 Millions is repayable 156 monthly installments starting from 27 March 2020. The loan carries interest rate of Repo Rate + 2.90% p.a (6.90% p.a. currently) payable monthly.<br><br>Overdraft of Rs. 1500 millions is repayable alongwith the term loans and carries interest rate of Repo Rate + 2.90% p.a.(6.90% p.a. currently). |
| (b) | Term loan from The Hongkong and Shanghai Banking Corporation Limited is secured by exclusive charge on:<br>1) All that piece and parcel of demarcated portion of the land admeasuring about 16,292 sq mtrs ('the Building No. 5-6 Portion') together with the building no. 5 and 6 consisting of stilt, 2 parking floors and 8 office floors constructed thereon having a chargeable area of abount 0.85 mn sq. ft. which is constructed at Mindsapce, Airoli<br>2) First and exclusive charge on lease rentals from the tenants of building 5 and 6 at Mindspace, Airoli<br>3) Debt Service Reserve Account (DSRA) of 2 equated monthly installments in the form of Deposit Under Lien<br>4) Guarantee of Mindspace REIT | Term loan of Rs 3,653 Millions is repayable in 120 ballooning monthly installments beginning from October 2018. The loan carries interest of 6.55% (3 Month T-bill 3.70 + Margin (2.85%). The loan has been partially repaid in February 2022<br><br>Overdraft of Rs. 100 Millions is repayable alongwith the term loans and carries interest rate of 6.90% and is linked to overnight MCLR + spread of 15 bps |
| (c) | Term loan and overdraft from HDFC Bank Limited were secured by<br>- exclusive 1st charge and mortgage of Building No 11 together with undivided proportionate interest in the demarcated portion of the land on which the building no 9, 10, 11 and 12 are constructed at Airoli and exclusive 1st charge and mortgage of Building No. 14 together with demarcated portion of land on which the building no. 14 is constructed at Airoli.<br>- Exclusive 1st charge on the future cash flows of lease rentals to be received from Building 11 & 14<br>- Exclusive 1st charge on escrow account opened with HDFC Bank Limited for depositing lease rentals of Building 11 & 14 | Term loan of Rs 2,160 Millions is repayable in 144 monthly installment. The loan carries interest of MCLR* per annum. Overdraft limit of Rs. 500 Millions will be dropped by Rs. 3.50 Millions per month and carries interest of MCLR. The loan has been fully repaid in October 2021 |
| (d) | Term loan from Kotak mahindra bank secured by:<br>(a)(i) first and exclusive charge by way of registered mortgage on land admeasuring approx. 23,400 sq. meters located at Survey No. 35, Hissa No. 9+10+11+12B, Ahmednagar Road, Vadgaon Sheri, Pune - 411014 along with building/structures constructed/to be constructed thereon admeasuring Approx. 4.63 lakh sq ft of leasable carpet area and car parking's and on al the movable fixed assets in the building excluding those owned by the lessees;<br>(a)(ii) Escrow of receivables from sale/lease/transfer of the property offered as security including all revenues generated from existing and future lessees of the property;<br>(a)(iii) An amount equivalent to one months Debt Servicing obligation during the entire Tenure of the Facility shall be maintained in the (DSRA) maintained with KMBL at all times from the date of first disbursement. In case of shortfall in the DSRA, it shall be topped up within 7 business days by Borrower to Guarantor. | Term loan of Rs. 2800 millions is obtained at an interest rate of 7.35% linked to Repo rate with quarterly reset and is repayable in 144 monthly installments starting from the month after date of first disbursement. |
| | (b)(i) First and exclusive charge by way of registered mortgage on land of 8355.09 sq.mtrs / 2.0645 acres excluding amenity Open Space handed over to Pune Municipal Corporation (admeasuring 1253.26 sq mtrs / 0.309 acres) located at Nagar Road, Vadgaon Sheri, Haveli, Pune, Maharashtra 411014;<br>(b)(ii) The Building known as (Trion IT Park) with total leasable chargeable area of approx. 187,020 sq fts.;<br>(b)(iii) Hypothecation and Escrow of receivables from sale/lease/transfer of the Mortgaged Properties including all revenues being generated from existing and future lessees of the building being Trion IT Park, and<br>(b)(iv) The existing and future constructions, buildings, development potential of the plot, buildings, benefits, claims, rights, FSI/FAR, TDR and compensation available and to be available in future | Term loan of Rs. 850 millions is obtained at an interest rate of K-MCLR 1 year + 0.45% p.a. and is to be repaid in 144 monthly installments. The loan has been fully repaid in April 2021 |
| (e) | Loan from parent | Loan from parent of Rs 1,620 million is repayable on December 2023, Rs 2400 million is repayable on May 2024, Rs. 2320 million is repayable on February 2037 and Rs 400 million is repayable on April 2022. In case of illegality for grant of loan by the Parent or unable to fund or cease to control 51% of either economic or voting interest, the loan shall immediately fall due. Company has option to repay the loan at anytime during the tenure. The loan carries interest rate ranging from 7.10% to 7.50% |

**No Specific Loan taken during the period so discrepancy in utilization of borrowing is not Applicable.**

* MCLR refers to Marginal cost of funds based lending rate

**Movement of borrowings**

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Opening Balance | 16,410 | 22,296 |
| Add: Drawdown made during the year | 8,940 | 4,070 |
| Less: Repayment during the year ( Including Interest) | (10,636) | (14,822) |
| Less: Overdraft repayment during the year | (337) | (1,428) |
| Less : Redemption of preference shares | - | (317) |
| Add : Accretion of interest on 0.001% non-cumulative redeemable preference shares | - | 14 |
| Add: Interest Expense for the year | 1,079 | 1,598 |
| Add: Unwinding processing fees for the year | 9 | 19 |
| Closing Balances | 15,465 | 16,410 |

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## Mindspace Business Parks Private Limited

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**Notes to Financial Statements for the year ended 31 March 2022 (Continued)**

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

**20 Other financial liabilities**

| Particulars | As at 31 March 2022 | | | As at 31 March 2021 | | |
|---|---|---|---|---|---|---|
| | Current | Non current | Total | Current | Non current | Total |
| Retention money | | | | | | |
| Due to Micro and Small enterprises | 22 | 2 | 24 | 8 | 8 | 16 |
| Due to others, other than Micro and Small enterprises | 8 | 1 | 9 | 10 | 5 | 15 |
| Security deposit received | 1,490 | 1,201 | 2,691 | 2093 | 646 | 2739 |
| Interest accrued and due on borrowings | 26 | | 26 | 20 | | 20 |
| Interest accrued but not due on borrowings | 7 | - | 7 | 23 | - | 23 |
| Interest payable to Parent | 45 | 52 | 97 | 2 | 16 | 18 |
| Interest payable to others | 2 | - | 2 | 1 | | 1 |
| Capital creditors | | | | | | 0 |
| Due to Micro, Small and Medium enterprises | 74 | - | 74 | 60 | - | 60 |
| Due to others, other than Micro and Small enterprises | 73 | - | 73 | 80 | - | 80 |
| Employees dues payable | 0 | - | 0 | 0 | | 0 |
| | 1,747 | 1256 | 3,003 | 2297 | 675 | 2972 |

**21 Provisions**

| Particulars | As at 31 March 2022 | | | As at 31 March 2021 | | |
|---|---|---|---|---|---|---|
| | Current | Non current | Total | Current | Non current | Total |
| **Provision for employee benefits** | | | | | | |
| Provision for gratuity | 0 | 0 | 0 | 0 | 0 | 0 |
| Provision for compensated expenses | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 | 0 | 0 |

**22 Other liabilities**

| Particulars | As at 31 March 2022 | | | As at 31 March 2021 | | |
|---|---|---|---|---|---|---|
| | Current | Non current | Total | Current | Non current | Total |
| Unearned revenue | 111 | 140 | 251 | 68 | 94 | 162 |
| Other advance | 50 | - | 50 | 50 | - | 50 |
| Unspent corporate Social Responsibility | 45 | - | 45 | 41 | - | 41 |
| Advance received from customers | 71 | 5 | 76 | 82 | 6 | 88 |
| Statutory dues | 42 | | 42 | 39 | | 39 |
| | 319 | 145 | 464 | 280 | 100 | 380 |

**23 Trade payables**

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Trade payables | | |
| (a) Due to Micro and Small enterprises | 14 | 24 |
| (b) Due to others, other than Micro and small enterprises | 168 | 127 |
| | 182 | 151 |

Note :-

(i) Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

(ii) Trade payables are non-interest bearing and are settled in accordance with the contract terms with the vendors.

Trade payables are settled in accordance with the contract terms with the vendors. The Company has financial risk management policies in place to ensure that all payables are paid within the pre agreed credit terms.

**Additional Information Disclosure Pursuant to Schedul III of Companies Act, 2013 as per MCA notification dated March 24, 2021**

| Particulars | As at 31 March 2022 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Unbilled | Not Due | < 1year | 1-2 years | 2-3 years | More than 3 years | Total |
| MSME | - | 0 | 12 | 2 | 0 | 0 | 14 |
| Others | 28 | 3 | 127 | 10 | 0 | 0 | 168 |
| Disputed Dues - MSME | | | - | - | - | | |
| Disputed Dues - Others | - | - | - | - | - | - | - |

| Particulars | As at 31 March 2021 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Unbilled | Not Due | < 1year | 1-2 years | 2-3 years | More than 3 years | Total |
| MSME | | 1 | 23 | 0 | 0 | - | 24 |
| Others | 4 | 15 | 108 | 0 | 0 | 0 | 127 |
| Disputed Dues - MSME | | | - | - | - | - | - |
| Disputed Dues - Others | | - | - | - | - | - | - |

(iii) Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| (i) Principal amount remaining unpaid to any supplier as at the year-end & Interest due thereon | 112 | 102 |
| (ii) Amount of interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year | Nil | Nil |
| (iii) Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED | 0 | 2 |
| (iv) Amount of interest accrued and remaining unpaid at the end of the accounting year | 0 | 0 |
| (v) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above the actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of MSMED | Nil | Nil |

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MINDSPACE BUSINESS PARKS PRIVATE LIMITED MUMBAI

## Mindspace Business Parks Private Limited

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**Notes to Financial Statements for the year ended 31 March 2022 (Continued)**

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

| Particulars | Year ended 31 March 2022 | Year ended 31 March 2021 |
|---|---|---|
| **24 Revenue from operations** | | |
| **Sale of services** | | |
| - Facility rentals | 4,474 | 4,534 |
| - Maintenance services | 903 | 910 |
| | 5,377 | 5,444 |
| **Revenue from Power Supply** | 279 | 337 |
| (Excludes billings done for captive consumption recovered under maintenance receipt) | | |
| **Total (A)** | 5,656 | 5,781 |
| **Other operating income** | | |
| Interest income from finance lease | 69 | 83 |
| Sale of surplus construction materials and scrap | 5 | - |
| **Total (B)** | 74 | 83 |
| **Total (A+B)** | 5,730 | 5,864 |
| **25 Other income** | | |
| Interest income on : | | |
| - fixed deposits | 7 | 9 |
| - electricity / Water deposits | 3 | 4 |
| - Value added tax refund | 0 | 0 |
| - Income tax refund | 0 | 115 |
| - loans to body corporates | 383 | 701 |
| - investment in government bond | 1 | 1 |
| - Others | 2 | - |
| Service connection and other charges | 3 | 2 |
| Profit on sale of mutual fund | 3 | 0 |
| Liabilities no longer required written back | 3 | 14 |
| Foreign exchange fluctuation gain (net) | - | 0 |
| Guarantee commission fees | 4 | 2 |
| Miscellaneous income | 0 | 1 |
| | 409 | 849 |
| **26 Employee benefits expense** | | |
| Salaries and wages | 1 | 2 |
| Contribution to provident and other funds | 0 | 0 |
| Gratuity expenses | 0 | 0 |
| Compensated absences | 0 | 0 |
| Staff welfare | 1 | 1 |
| | 2 | 3 |
| **27 Finance costs** | | |
| Interest on : | | |
| - borrowing from banks and financial institutions | 827 | 1,529 |
| - borrowing from Parent | 329 | 67 |
| - other charges | 5 | 7 |
| Interest on delayed payment of statutory dues | 1 | 1 |
| Unwinding of interest expenses on security deposits | 112 | 103 |
| Accretion of interest on 0.001% non-cumulative redeemable preference shares | - | 14 |
| | 1,274 | 1,716 |
| Less: Finance costs capitalised to investment property under construction | - | 30 |
| | 1,274 | 1,686 |

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the Company's general borrowing during the previous year multiplied by capital gearing ratio, in this case 8 29 %.

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## Mindspace Business Parks Private Limited

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**Notes to Financial Statements for the year ended 31 March 2022 (Continued)**

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

| Particulars | | Year ended 31 March 2022 | Year ended 31 March 2021 |
|---|---|---|---|
| **28 Depreciation and amortisation expense** | | | |
| On property, plant and equipment | | 39 | 32 |
| Other intangible asset | | 0 | 0 |
| On investment property | | 478 | 446 |
| | | 517 | 478 |
| **29 Other expenses** | | | |
| Repairs and maintenance: | | | |
| - Building | | 417 | 364 |
| - Plant and machinery | | 63 | 88 |
| Electrical installation | | 16 | 12 |
| - Others | | 18 | 11 |
| Electricity, water and diesel charges | | 95 | 96 |
| Property tax | | 173 | 174 |
| Rates and taxes | | 8 | 7 |
| Legal, professional and other fees | | 20 | 32 |
| Communication costs | | 1 | 1 |
| Travelling and conveyance | | 4 | 1 |
| Payment to auditors' (refer note below) | | 3 | 4 |
| Filing fees and stamping charges | | 3 | 4 |
| Insurance | | 29 | 30 |
| Bank charges and commission | | 3 | 1 |
| Printing and stationery | | 0 | 0 |
| Expenditure on Corporate Social Responsibility | | 54 | 51 |
| Donation | | 0 | 25 |
| Brokerage and commission | | - | - |
| Business promotion expenses / advertising expense | | 10 | 11 |
| Business support fees (non-technical) | | 185 | 190 |
| Fixed asset written off | | 73 | - |
| Bad debt written off | | 3 | - |
| Investment written off (Refer note 36)* | 711 | | |
| Less : Provision for impairment loss written off* | (711) | - | - |
| Provision for diminution in inventory value | | 8 | - |
| Inventory written off | | 0 | 1 |
| Foreign exchange fluctuation loss (net) | | 0 | |
| Provision for Doubtful Debts (expected credit loss allowance) | | 2 | 9 |
| Miscellaneous expenses | | 3 | 20 |
| | | 1191 | 1,132 |
| Payment to auditors' (excluding goods and services tax) | | | |
| As auditors' | | | |
| - Statutory audit fees ( Including for Limited Review ) | | 3 | 2 |
| - Tax audit fees | | 0 | 0 |
| - for other services | | - | 2 |
| - for reimbursement of expenses | | 0 | 0 |
| | | 3 | 4 |

*Investment written off pertains to previous year

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Mindspace Business Parks Private Limited
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Notes to Financial Statements for the year ended 31 March 2022 (Continued)
(All amounts are in Rs. millions unless otherwise stated)

| | | Year ended 31 March 2022 | Year ended 31 March 2021 |
|---|---|---|---|
| 30 | **Tax** | | |
| | **Tax expense** | | |
| (a) | **Amounts recognised in Statement of Profit and Loss** | | |
| | **Current tax** | | |
| | Provision for Income tax | **561** | 394 |
| | **Deferred tax expense/ (income)** | **(113)** | 96 |
| | **Current tax (net)** | **448** | **490** |
| (b) | **Income tax recognised in other comprehensive income** | - | - |

(c) **Reconciliation of effective tax rate**

| Particulars | Year ended 31 March 2022 | Year ended 31 March 2021 |
|---|---|---|
| **Profit before tax** | 3,341 | 3,100 |
| Tax using the Company's domestic tax rate 34.944%(Previous Year 34.944%) | 1,167 | 1,083 |
| **Tax effect of:** | | |
| Expenses disallowed for tax purpose | 24 | 35 |
| Expenses allowed for tax purpose | (8) | |
| Tax Holiday on Profit from Airoli Unit | (698) | (676) |
| Depreciation on Leasehold land in books | 6 | - |
| Impact of Assessment/Reversals & Others | 7 | 14 |
| Impact on Land Sale (Indexation and Cost) | (345) | - |
| LTCG Loss not recognised | 291 | - |
| Mat credit adjustment of previous year | - | 34 |
| Others | 1 | |
| Income tax expense | **448** | **490** |

(d) **The major components of deferred tax (liabilities) / assets arising on account of temporary differences are as follows:**

| | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| **Deferred tax assets:** | | |
| ICDS | 105 | 157 |
| Deferred Expenses | - | 23 |
| MAT Credit | 598 | 233 |
| Unearned rent | 85 | |
| Others | 8 | 7 |
| | **796** | **420** |
| **Deferred tax liabilities:** | | |
| Brokerage expenses | - | 28 |
| Interest on Intercorporate deposit | 3 | |
| Security Deposit Liability | 91 | |
| Loan processing fees | 6 | 10 |
| Lease rental income | 89 | 72 |
| Investment property & PPE | 2,241 | 2,057 |
| Donation | - | - |
| | **2,430** | **2,167** |
| Net deferred tax (liabilities) | **(1,634)** | **(1,747)** |

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**(e) Movement in deferred tax balances**

| Deferred tax asset/ (liabilities) | Net balance 1 April 2021 | Recognised in profit or loss | Recognised in OCI | 31 March 2022 | | |
|---|---|---|---|---|---|---|
| | | | | Net | Deferred tax asset | Deferred tax liability |
| **Deferred tax asset/ (liabilities)** | | | | | | |
| Investment property & PPE | (2,057) | (184) | - | (2,241) | - | (2,241) |
| Unearned rent | - | 85 | | 85 | 85 | - |
| Interest on Intercorporate deposit | - | (3) | | (3) | - | (3) |
| Security Deposit Liability | - | (91) | | (91) | - | (91) |
| Brokerage expenses | (28) | 28 | - | - | - | - |
| Loan processing fees | (10) | 4 | - | (6) | - | (6) |
| Lease rental income | (72) | (17) | - | (89) | - | (89) |
| ICDS impact of finance cost | 157 | (52) | - | 105 | 105 | - |
| Deferred Expenses | 23 | (23) | - | - | - | - |
| MAT Credit | 233 | 365 | - | 598 | 598 | - |
| Others | 7 | 1 | - | 8 | 8 | - |
| **Net deferred tax asset/(liabilities)** | (1,747) | 113 | - | (1,634) | 796 | (2,430) |

**(f) Movement in deferred tax balances**

| Deferred tax asset/ (liabilities) | Net balance 1 April 2020 | Recognised in profit or loss | Recognised in OCI | 31 March 2021 | | |
|---|---|---|---|---|---|---|
| | | | | Net | Deferred tax asset | Deferred tax liability |
| **Deferred tax asset/ (liabilities)** | | | | | | |
| Brokerage expenses | (13) | (15) | - | (28) | | (28) |
| Loan processing fees | (14) | 4 | - | (10) | | (10) |
| Lease rental income | (78) | 6 | - | (72) | | (72) |
| Investment property & PPE | (1,870) | (187) | - | (2,057) | - | (2,057) |
| ICDS impact of finance cost | 123 | 34 | - | 157 | 157 | - |
| Deferred Expenses | 47 | (23) | - | 24 | 23 | - |
| MAT Credit | 159 | 74 | - | 233 | 233 | - |
| Donation | (9) | 9 | | | | |
| Others | 4 | 3 | - | 7 | 7 | - |
| **Net deferred tax asset/(liabilities)** | (1,651) | (96) | - | (1,746) | 420 | (2,167) |

**(g) Unrecognised deferred tax assets**

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profits will be available against which the Company can use the benefits therefrom

| | 31 March 2022 | | 31 March 2021 | |
|---|---|---|---|---|
| | Gross amount | Unrecognised tax effect | Gross amount | Unrecognised tax effect |
| Long Term Capital Loss (AY 2021-22) | 841 | 196 | - | |
| Long Term Capital Loss (AY 2022-23) | **832** | 194 | | |
| | 1,673 | 390 | - | - |

**Note :**
(a) Details of expiry of the above unrecognised temporary differences

| Particulars | Year of expiry |
|---|---|
| Long Term Capital Loss (AY 2021-22) | AY 2029 - 30 |
| Long Term Capital Loss (AY 2022-23) | AY 2030 - 31 |

Notes

1) The Company's current tax provision of Rs. 561 million ( 31 March 2022 Rs. 394 million ) relates to management's assessment of the amount of tax payable for the year ended March 31, 2022.
On open tax positions where the liabilities remain to be agreed with tax authority a tax impact of Rs. 240 mn was considered in the tax provision for the year ended March 31, 2020, due to reduction in carried forward losses of AY 2012-13 to AY 2014-15 pursuant to order passed u/s 143(3) read with section 153A of the Income Tax Act, 1961 wherein the tax department has not accepted the change in classification of taxable income under the head 'Business and Profession' as against 'Income from House Property' on the reason that it relate to unabated years and the assessment were closed. An appeal is filed by the company against the same before CIT(A). The aforesaid tax provision reduced to Rs. 208 mn consequent to the return of income filed for AY 2020-21. Meanwhile, the Company made an application under Direct Tax Vivad se Vishwas, Act 2020 (VsV) for AY 2012-13, AY 2013-14 and AY 2014-15. In response to the same, the Company has received final order for AY 2012-13 accepting the VsV application. VsV application for AY 2013-14 has been rejected. The Company has submitted Form 4 under VsV application for AY 14-15 and the final order is awaited. Appeal for assessment year 2012-13 was dismissed by CITA in view of VsV order for the said year. Appeal for assessment year 2013-14 was disposed by CIT(A) against the Company and an appeal has been filed before the ITAT against the same which is pending for disposal.

2) "The company has not opted New Tax Regime and recognised current tax and deferred tax under the existing tax regime."

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*(All amounts are in Rs Millions unless otherwise stated)*

**31 Earnings per share (Not annualised)**

| Particulars | Year ended 31 March 2022 | Year ended 31 March 2021 |
|---|---|---|
| Profit for the year | 2,893 | 2,610 |
| Less: Contingency reserve for the year | 3 | 3 |
| Net profit attributable to equity shareholders | 2,891 | 2,607 |
| Calculation of the weighted number of shares | | |
| Number of equity shares at the beginning of the year | 81,513 | 81,513 |
| Movement in equity shares during the year | - | - |
| Number of equity shares outstanding at the end of the year | 81,513 | 81,513 |
| Weighted average number of equity shares outstanding during the period (based on date of issue of shares) | 81,513 | 81,513 |
| Basic and diluted earnings per equity share (Face value of Rs 10 per share) | 35,465 | 31,983 |

**32 Leases**

**A *Finance leases***

***Company as lessor***

The Company has leased the fit-out's or interior work completed for the customers under finance lease. The lease term is 3 years to 10 years where substantially all the risks and rewards of ownership are transferred to the lessee. The Company records disposal of the property concerned and recognises the subsequent interest in the finance lease. No contingent rent is receivable. The Company's obligations under finance leases are secured by the lessors' title to the leased assets. Interest rates underlying all obligations under finance leases are fixed at respective contract dates ranging from 13.06% to 21.54% per annum

| | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| ***Components of finance lease receivable*** | | |
| Gross investment | 444 | 643 |
| Unearned finance income | 125 | 194 |
| Net investment | 319 | 449 |
| Unguaranteed residual values | - | - |
| | | |
| **Gross Investment in lease** | | |
| Not later than one year | 157 | 199 |
| One to five years | 236 | 373 |
| Later than five years | 50 | 71 |
| | | |
| **Present value of minimum lease payments** | | |
| Not later than one year | 112 | 129 |
| One to five years | 167 | 269 |
| Later than five years | 39 | 50 |

**B *Operating leases***

<u>Company as lessor</u>

The Company's leases its investment property under non cancellable operating lease for a term of 12 months to 180 months with a lock-in year from 36 to 60 months. Initial direct costs incurred on these leasing transactions have been recognised in the Statement of profit and loss over the year of lease term. The lease arrangements with the customers have varied terms, escalation clauses and renewal rights. on renewal, the terms of the leases are re-negotiated. During the year, an amount of Rs. 4,268.23 Millions (31 March 2021 Rs 4,480.70 Millions) lease income has been recognised in the statement of profit and loss. The following are the disclosures of lease rent income in respect of non cancellable operating leases during the year:

| In the capacity as a Lessor | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Future minimum lease payments under non-cancellable operating leases | | |
| Not later than one year | 2,375 | 1,450 |
| Later than one but not later than five years | 3,291 | 2,269 |
| Later than five years | 21 | 72 |

**33 Disclosure pursuant to Ind AS-19 'Employee benefits'**

**A Defined contribution plan**

Employee benefits in the form of contributions to the provident fund is considered as defined contribution plan and the contributions are charged to the statement of profit and loss of the year in which the employee renders the related service.

The Company has charged to the statement of profit and loss Rs. 0 millions (31 March 2021: Rs 0 millions) towards contribution to provident fund.

**B Defined benefit plans**

**General description**

| **Reconciliation of opening and closing balances of Defined Benefit Obligation** | Gratuity (Unfunded) | |
|---|---|---|
| **Particulars** | 31 March 2022 | 31 March 2021 |
| Defined Benefit Obligation at beginning of the year | 0 | 0 |
| Interest cost | 0 | 0 |
| Current service cost | 0 | 0 |
| Actuarial Losses on obligations | 0 | (0) |
| Benefit paid | (0) | |
| Defined Benefit Obligation at the end of the year | 0 | 0 |

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*(All amounts are in Rs Millions unless otherwise stated)*

**Fair value of Planned Assets**

The Company does not have any plan assets and consequently, disclosures related to the plan assets have not been given.

Amount recognised in the statement of profit & loss / other comprehensive income in respect of these defined benefit plans are as follows :

| Particulars | 'Gratuity (Unfunded) | |
|---|---|---|
| | 31 March 2022 | 31 March 2021 |
| Expenses recognised during the year in Statement of Profit and Loss | | |
| Current service cost | 0 | 0 |
| Interest cost | 0 | 0 |
| Return on Plan Asset | - | - |
| Net Cost | 0 | 0 |

| Particulars | 'Gratuity (Unfunded) | |
|---|---|---|
| | 31 March 2022 | 31 March 2021 |
| Expenses recognised during the year in the other comprehensive income (OCI) | | |
| Acturial gains on obligation for the year | 0 | (0) |
| Return on Plan Asset, excluding interest income | - | - |
| Change in assets ceiling | - | - |
| Net expenses for the year recognised in OCI | 0 | (0) |

| Actuarial Assumptions | 'Gratuity (Unfunded) | |
|---|---|---|
| | **31 March 2022** | 31 March 2021 |
| Discount Rate (per annum) | 5.15% | 6.96% |
| Expected rate of return on Plan Assets (per annum) | NA | NA |
| Rate of escalation in salary (per annum) | 9.00% | 9.00% |
| Rate of employee turn over | 2.00% | 2.00% |

The estimate of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

C **Sensitivity Analysis**

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined on reasonably possible changes of the assumptions occurring at end of the reporting year, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

| Particulars | Change in discounting rate (effect of +/- 1.0%) | Change in rate of salary increase (effect of +/- 1.0%) | Change in rate of employee turnover (effect of +/- 1.0%) |
|---|---|---|---|
| | Increase | Decrease | Decrease |
| **As at 31 March 2022** | | | |
| Increase | (0) | 0 | (0) |
| Decrease | 0 | (0) | 0 |
| **As at 31 March 2021** | | | |
| Increase | (0) | 0 | (0) |
| Decrease | 0 | (0) | 0 |

34 **Contingent liabilities and capital commitments**

**Contingent liabilities**

(a) Claims against the company not acknowledged as debt Rs. 92 millions ( 31 march 2021, 92 millions)

The company 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 millions excluding applicable interest and penalty. Company has filled appropriate replies to the show cause and demand notices.

(b) Pursuant to the demerger and vesting of the Commerzone Undertaking of K Raheja Corp Pvt Ltd (KRCPL), in the Company MBPPL, the company MBPPL is the owner to the extent of 88.16 % undivided right title and interest in the land bearing S. No 144, 145 Yerawada, Pune which is comprised in the said Undertaking. "Shrimant Chhatrapati Udayan 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 14.11.2016. The Plaintiff has filed two writ petitions bearing Nos. 4415/2017 and 4268/2017 in the Bombay High Court challenging the aforesaid orders passed on 14.11.2016. The matter was transferred to another Court for administrative reasons and adjourned on several occasions for compliance of the order by the Plaintiff. On 5th March 2018 the Advocate for the Plaintiff filed a purshis on record stating that since he does not have any instructions in the matter from the Plaintiff, the Vakalatnama is being withdrawn by him and the matter was posted on 20th March 2018. On 20th March 2018 the Hon'ble Court was pleased to adjourn the matter till 22nd June 2018 since the Advocate for the Plaintiff had withdrawn the Vakalatnama and the Plaintiff was not represented by any Advocate. Writ Petition Nos. 4415/2017 and 4268/2017 filed in the Hon'ble Bombay High Court challenging the orders dated 14th November 2016 by Shrimant 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. On 07.04.2020 the matter has been further adjourned till 11.06.2020. On 11.06.2020 the matter was further adjourned till 11.09.2020 and the same has now been further adjourned till 04.12.2020. On 04.12.20 the matter was further adjourned till 24.02.21 and was thereafter posted on 24.11.21 for steps. On 24.11.21 the matter has been further adjourned till 18.01.2022. On 18.01.22 matter adjourned to 14.03.22 and thereafter to 20.06.22 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.

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*(All amounts are in Rs Millions unless otherwise stated)*

(c) The Company is subject to other legal proceedings and claims, which have arisen in the ordinary course of business The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial condition

(d) MBPPL received a communication (alleged reminder) from Pune Municipal Corporation (PMC) demanding an amount of Rs 157 million allegedly due from MBPPL based on objections by internal audit report of Pune Municipal Corporation. MBPPL, has submitted a letter denying all allegation of PMC, as MBPPL has not been served with any document referred to the said PMC letter Subsequently MBPPL addressed one more communication stating that MBPPL would be in a position to submit their reply upon receipt of the details of amount demanded as per their reply submitted which states that if any principal outstanding is due/recoverable, MBPPL agrees to make the said payment and sought detailed clarification on the interest amount 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

Commitments

(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs 593 millions ( 31 March 2021 Rs 404 millions)

(ii) The Company has provided continuing guarantee in favour of the Debenture Trustee for loan due payment and discharge of the Debt by Mindspace Business parks REIT (outstanding amount Rs 7,750 million) (31 March 2021 Rs 7,750 millions)

(iii) The Company has availed non fund based facilities from bank which are secured against corporate guarantee, Pocharam land & buildings thereon, which can be utilized by the group companies As on the Balance Sheet date, the outstanding amount is Rs 318 millions ( 31 March 2021 Rs 208 millions)

35 **Corporate Social Responsibility**

**Additional information disclosure pursuant to Schedul III of Companies Act, 2013 as per MCA notification dated March 24, 2021**

| Particular | For the year ended 31 March 2022 | For the year ended 31 March 2021 |
|---|---|---|
| Amount required to be spent by the company during the year | 55 | 34 |
| Amount of expenditure incurred | 15 | 10 |
| Shortfall at the end of the year | 40 | 24 |
| Total of previous years shortfall | 8 | 17 |
| Reason for shortfall | Pertains to ongoing projects | |
| Nature of CSR activities | Promoting Health Care | |
| Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard | NA | NA |
| Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately | NA | NA |

36 **Investment in Subsidiaries**

The company had applied to the Ministry of Corporate Affairs for striking of the name of the four subsidiaries namely Dices Realcon Pvt Ltd, Sampada Fastpro Pvt Ltd, Happy Eastcon Pvt Ltd, Educator Protech Pvt Ltd on 19 March 2019 The application was processed and the Ministry of Corporate Affairs vide order dated 10.02 2021, 17.03.2021, 04.02.2021, 19.02.2021 respectively issued Notice of Strike off resulting in dissolution of these four subsidiaries Accordingly, actual write off of investment has been made in the financial year ending 31st March 2021 and consequently the provision for impairment loss made is reversed (refer note 29). Further, in view of the current status of striking off notice, no consolidation for subsidiaries is required.

37 **Disclosure under Section 186 of the Act**

The operations of the Company are classified as "infrastructure facilities" as defined under Schedule VI to the Act Accordingly, the disclosure requirements specified in sub-section 4 of Section 186 of the Act in respect of loans given or guarantee given or security provided and the related disclosures on purposes/ utilisation by recipient companies are not applicable to the Company.

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## Mindspace Business Parks Private Limited

(CIN :U45200MH2003PTC143610)

### Notes to Financial Statements for the year ended 31 March 2022 (Continued)

*(All amounts are in Rs Millions unless otherwise stated)*

**38 Assessment of possible impact resulting from Covid-19**

The Management has considered the possible effects that may result from the pandemic relating to COVID-19 on the operations and carrying amounts of property, plant and equipment, Investment Property, Inventories, receivables and other assets. The Management, as at the date of approval of these financial statements, has used internal and external sources of information to determine the expected future impact of COVID-19 pandemic on the performance of the Company. The Management based on current estimates expects the carrying amount of the assets to be recovered. However, due to the evolving nature of the pandemic and its response by various government authorities the Management will continue to monitor developments to identify significant impacts, if any, on the operations.

**39 Exceptional Item**

Mindspace Business Parks Private Limited ("MBPPL") had entered into a Memorandum of Understanding dated 16 December 2019 with K. Raheja Corp Private Limited ("KRCPL") for the proposed sale of MBPPL's parcel of land admeasuring 39.996 acres located at Pocharam Village at a predetermined price. The Board of Directors of MBPPL and the Governing Board of Investment Manager in their meeting held on 9 February 2022 and February 10, 2022 respectively had approved the proposed transfer. The said land was recorded as 'Investment Property under construction' in the financial statements, forming part of MBPPL's 'Real estate' segment. The said land has been sold vide agreement dated 30 March 2022 for the consideration of Rs. 1200 million, which has been determined as per the mutual agreement considering the latest ready reckoner rate, resulting into profit of Rs. 428 million. The same has been disclosed as an exceptional item in the statement of profit and loss.

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MINDSPACE BUSINESS PARKS PRIVATE LIMITED
MUMBAI

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

**40 Related party disclosures**
**Related party disclosures for the year ended 31 March 2022**

**(A) Related party and their relationship:**

| Sr No | Category of related parties | Names |
|---|---|---|
| 1 | Parent | Mindspace Business Parks REIT |
| 2 | Fellow Subsidiary | K. Raheja IT Park (Hyderabad) Limited<br>Avacado Properties & Trading (India ) Private Limited<br>Gigaplex Estate Private Limited<br>Intime Properties Limited<br>Sundew Properties Limited<br>Horizonview Properties Private Limited<br>KRC Infrastructure and Projects Private Limited |
| 3 | Key Management Personnel | Mr. Vinod Rohira (Director)<br>Mr. Sunil Hingorani (Director)<br>Ms. Preeti Chheda (Director) |
| 4 | Entity providing KMP services | K Raheja Corp Investment Managers LLP |

**(B) Transaction with related parties during the year from 01 April 2021 to 31 March 2022:**
**The nature and volume of transactions of the company with the above related parties were as follows:**

| Sr No | Nature of Transactions | Year ended 31 March 2022 |
|---|---|---|
| 1 | **Loans Taken** | |
| | Mindspace Business Parks REIT | 8,940 |
| 2 | **Loans Repaid** | |
| | Mindspace Business Parks REIT | 4,970 |
| 3 | **Interest income** | |
| | Horizonview Properties Private Limited | 57 |
| | KRC Infrastructure & Projects Private Limited | 110 |
| | Gigaplex Estate Private Limited | 215 |
| 4 | **Interest expenses** | |
| | Mindspace Business Parks REIT | 329 |
| 5 | **Dividend Paid** | |
| | Mindspace Business Parks REIT | 2,740 |
| 6 | **Property maintenance expense** | |
| | KRC Infrastructure & Projects Private Limited | 299 |
| 7 | **Sale of Power** | |
| | Gigaplex Estate Private Limited | 9 |
| 8 | **Business support Services** | |
| | K Raheja Corp Investment Managers LLP | 156 |
| 9 | **Corporate Guarantee fees** | |
| | Mindspace Business Parks REIT | 2 |

## Mindspace Business Parks Private Limited

**(CIN :U45200MH2003PTC143610)**

**Notes to Financial Statements for the year ended 31 March 2022 (Continued)**

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

(C) Balances with related parties at the end of the year 31 March 2022:

| Sr No | Nature of Balances | As at 31 March 2022 |
|---|---|---|
| 1 | Trade Payables | |
| | K Raheja Corp Investment Managers LLP | 14 |
| | Gigaplex Estate Private Limited | 0 |
| | Mindspace Business Parks REIT | 2 |
| 2 | Loans to body corporates | |
| | Horizonview Properties Private Limited | 788 |
| | KRC Infrastructure & Projects Private Limited | 1,514 |
| | Gigaplex Estate Private Limited | 2,948 |
| 3 | Loans from Parent | |
| | Mindspace Business Parks REIT | 6,740 |
| 4 | Interest Payable | |
| | Mindspace Business Parks REIT | 96 |
| 5 | Other receivables | |
| | Mindspace Business Parks REIT | 8 |
| 6 | Advance to vendor | |
| | KRC Infrastructure & Projects Private Limited | 134 |
| 7 | Corporate guranatee extended by Parent towards loan taken from Bank | |
| | Mindspace Business Parks REIT | 1,900 |
| 8 | Security and Corporate guarantee extended to Parent for Debentures issued by Parent : | |
| | Mindspace Business Parks REIT | 7,750 |
| 9 | Non fund based facilities | |
| | KRC Infrastructure & Projects Private Limited | 159 |
| | Gigaplex Estate Private Limited | 17 |
| | Intime Properties Limited | 3 |
| | Avacado Properties & Trading (India) Private Limited | 4 |
| | Horizonview Properties Private Limited | 96 |
| | K. Raheja IT Park (Hyderabad) Limited | 38 |

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MINDSPACE BUSINESS PARKS PRIVATE LIMITED MUMBAI

## Mindspace Business Parks Private Limited

**(CIN :U45200MH2003PTC143610)**

**Notes to Financial Statements for the year ended 31 March 2021 (Continued)**

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

**40 (a) Related party disclosures for the period 1 April 2020 to 31 July 2020**

**(A) Related party and their relationship:**

| Sr No | Category of related parties | Names |
|---|---|---|
| 1 | **Subsidiaries** | Dices Realcon Private Limited (till 19th Feb 2021) |
| | | Educator Protech Private Limited (till 04th Feb 2021) |
| | | Happy Eastcon Private Limited (till 19th Feb 2021) |
| | | Sampada Eastpro Private Limited (till 17th March 2021) |
| 2 | **Key Management Personnel** | Vinod Rohira (Director) |
| | | Arvind D Prabhu (till 26 September 2020) |
| | | Sunil M. Hingorani (Director) |
| | | Siddhartha Gupta (Director) |
| | | Siddhartha Gupta (Director) (till 30 July 2020) |
| 3 | **Others (till 30th July 2020)** | Brookfields Agro And Development Pvt Ltd |
| | | Paradigam Logistic & Dist.Pvt. Ltd |
| | | Gigaplex Estate Pvt Ltd |
| | | Horizon View Properties Pvt Ltd |
| | | Imperial Serviced Offices & Property Management P Ltd |
| | | Inorbit Malls (India) Pvt Ltd |
| | | Ivory Properties & Hotels Pvt Ltd |
| | | K Raheja Corp Pvt Ltd |
| | | K Raheja Corporate Services Pvt Ltd |
| | | K Raheja It Park (Hyderabad) Pvt Ltd |
| | | K Raheja Pvt Ltd |
| | | KRC Infrastructure And Projects Pvt Ltd |
| | | Magna Warehousing & Distribution Pvt Ltd |
| | | Newfound Properties And Leasing Pvt Ltd |
| | | Stargaze Properties Pvt Ltd |
| | | Sundew Properties Limited |
| | | Chalet Hotels Ltd |
| | | Anbee Constructions LLP |
| | | Cape Trading LLP |
| | | Avacado Properties and Trading (India) Private Limited |
| | | Mindspace Business Parks REIT |
| | | K Raheja Corp Investment Managers LLP |
| | | Trion Properties Pvt Ltd |

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

MINDSPACE BUSINESS PARKS PRIVATE LIMITED MUMBAI

## Mindspace Business Parks Private Limited

**(CIN :U45200MH2003PTC143610)**

**Notes to Financial Statements for the year ended 31 March 2021 (Continued)**

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

**(B) Transaction with related parties during the period 1 April 2020 to 31 July 2020:**

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

| Sr No | Nature of Transactions | July, 2020 |
|---|---|---|
| 1 | Loans given | |
| | Horizonview Properties Private Limited | 638 |
| | Newfound Properties And Leasing Private Limited | 8,454 |
| | KRC Infrastructure & Projects Private Limited | 3,083 |
| | Gigaplex Estate Private Limited | 5,299 |
| 2 | Loans repaid | |
| | Horizonview Properties Private Limited | 1,780 |
| | Newfound Properties And Leasing Private Limited | 5,175 |
| | KRC Infrastructure & Projects Private Limited | 2,109 |
| | Gigaplex Estate Private Limited | 9,112 |
| 3 | Property maintenance expense | |
| | Newfound Properties And Leasing Private Limited | 116 |
| 4 | Project Management Services / Business support services expense | |
| | K. Raheja Corporate Services Pvt Ltd | 65 |
| 5 | Interest income | |
| | Horizonview Properties Private Limited | 148 |
| | Newfound Properties And Leasing Private Limited | 20 |
| | KRC Infrastructure & Projects Private Limited | 33 |
| | Gigaplex Estate Private Limited | 210 |

**Note :** Considering that the control of the company is collectively with all the equity shareholders, the related party condition under the Accounting Standards applicable to the company has been followed and disclosures made. However, considering the materiality of certain inter-company transactions with K. Raheja Group Companies (although not with any related party as per accounting standards, as aforesaid), additional disclosures of such inter-company transactions have also been made.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

MINDSPACE BUSINESS PARKS PRIVATE LIMITED MUMBAI

## Mindspace Business Parks Private Limited
(CIN :U45200MH2003PTC143610)
**Notes to Financial Statements for the year ended 31 March 2021 (Continued)**
*(All amounts are in Rs. millions unless otherwise stated)*

**40 (b) Related party disclosures**
**Related party disclosures for the period from 01 August 2020 to 31 March 2021**

**(A) Related party and their relationship:**

| Sr No | Category of related parties | Names |
|---|---|---|
| 1 | Parent (with effect from 30 July 2020) | Mindspace Business Parks REIT |
| 2 | Subsidiaries | Dices Realcon Private Limited (till 19th Feb 2021)<br>Educator Protech Private Limited (till 04th Feb 2021)<br>Happy Eastcon Private Limited (till 19th Feb 2021)<br>Sampada Eastpro Private Limited (till 17th March 2021) |
| 3 | Fellow Subsidiary (with effect from 30 July 2020) | K. Raheja IT Park (Hyderabad) Pvt. Ltd.<br>Avacado Properties & Trading (India ) Pvt Ltd<br>Gigaplex EstatePrivate Limited<br>Intime Properties Limited<br>Sundew Properties Limited<br>Horizonview Properties Private Limited<br>KRC Infrastructure and Projects Private Limited |
| 4 | Key Management Personnel | Mr. Vinod Rohira (Director)<br>Mr. Sunil Hingorani (Director)<br>Ms. Preeti Chheda (with effect from 26 September 2020)<br>Arvind D Prabhu (till 26 September 2020) |
| 5 | Entity providing KMP services (with effect from 30 July 2020) | K Raheja Corp Investment Managers LLP |

**(B) Transaction with related parties during the period from 01 August 2020 to 31 March 2021:**
**The nature and volume of transactions of the company with the above related parties were as follows:**

| Sr No | Nature of Transactions | 01 August 2020 to 31 March 2021 |
|---|---|---|
| 1 | Loans repayment received | |
| | Horizonview Properties Private Limited | 3,221 |
| | Gigaplex Estate Private Limited | 30 |
| 2 | Loans Taken | |
| | Mindspace Business Parks REIT | 4,070 |
| 3 | Loans Repaid | |
| | Mindspace Business Parks REIT | 1,300 |
| 4 | Preference shares redeemed | |
| | Mindspace Business Parks REIT | 337 |
| 5 | Interest Income | |
| | Horizonview Properties Private Limited | 46 |
| | KRC Infrastructure & Projects Private Limited | 81 |
| | Gigaplex Estate Private Limited | 158 |
| 6 | Interest expenses | |
| | Mindspace Business Parks REIT | 62 |
| 7 | Dividend Paid | |
| | Mindspace Business Parks REIT | 1,960 |
| 8 | Property maintenance expense | |
| | KRC Infrastructure & Projects Private Limited | 150 |
| 9 | Sale of Power | |
| | Gigaplex Estate Private Limited | 26 |
| 10 | Business support Services | |
| | K Raheja Corp Investment Managers LLP | 114 |
| 11 | Corporate Guarantee fees | |
| | (other Income | 2 |

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

MINDSPACE BUSINESS PARKS PRIVATE LIMITED MUMBAI

## Mindspace Business Parks Private Limited

(CIN :U45200MH2003PTC143610)

**Notes to Financial Statements for the year ended 31 March 2021 (Continued)**

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

(C) Balances with related parties at the end of the year 31 March 2021:

| Sr No | Nature of Balances | 31 March 2021 |
|---|---|---|
| 1 | Trade Payables | |
| | K Raheja Corp Investment Managers LLP | 15 |
| | Gigaplex Estate Pvt Ltd | 0 |
| | KRC Infrastructure & Projects Private Limited | 1 |
| | Mindspace Business Parks REIT | - |
| 2 | Loans to body corporates | |
| | Horizonview Properties Private Limited | 788 |
| | KRC Infrastructure & Projects Private Limited | 1,514 |
| | Gigaplex Estate Private Limited | 2,948 |
| 3 | Loans from Parent | |
| | Mindspace Business Parks REIT | 2,770 |
| 4 | Interest Payable | |
| | Mindspace Business Parks REIT | 18 |
| 5 | Other receivables | |
| | Mindspace Business Parks REIT | 8 |
| 6 | Advance to vendor | |
| | KRC Infrastructure & Projects Private Limited | 41 |
| 7 | Unearned Income | |
| | Mindspace Business Parks REIT | 5 |
| 8 | Unbilled revenue | |
| | Gigaplex Estate Private Limited | 4 |
| 9 | Corporate guarantee extended to Parent for Debentures issued by Parent | |
| | Mindspace Business Parks REIT | 7,750 |
| 10 | Non fund based facilities | |
| | KRC Infrastructure & Projects Private Limited | 60 |
| | Gigaplex Estate Pvt Ltd | 30 |
| | Avacado Properties & Trading (India) Pvt. Ltd. | 13 |
| | Horizonview Properties Private Limited | 96 |
| | K Raheja IT Park (HYD) Ltd | 9 |

Rs. 0 in the financial statements represents amount less than Rs. 0.50 millions

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

MINDSPACE BUSINESS PARKS PRIVATE LIMITED MUMBAI

Mindspace Business Parks Private Limited
(CIN :U45200MH2003PTC143610)
Notes to Financial Statements for the year ended 31 March 2022 (Continued)
*(All amounts are in Rs Millions unless otherwise stated)*

41 Financial instruments

A Capital Management

The Company's objectives when managing capital are:

a. to ensure Companys ability to continue as a going concern.

b. to provide adequate return to shareholders.

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through an optimum mix of debt and equity within the overall capital structure. The Company's management reviews the capital structure of the Company considering the cost of capital and the risks associated with each class of capital (Refer note no. 43 VIII)

B Categories of financial instruments and Fair Value Hierarchy

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Financial assets | | |
| *Measured at amortised cost ** | | |
| (a) Investment in 8.24% ,7.61% , 7.17% 7.26% and 7.06% Government securities bond | 15 | 12 |
| (b) Investments in equity shares of subsidiaries | - | - |
| (c) Trade receivables | 44 | 72 |
| (d) Cash and cash equivalents | 318 | 356 |
| (e) Other bank balances | 17 | 47 |
| (f) Loans | 5,250 | 5,250 |
| (g) Other financial assets | 860 | 889 |
| Financial liabilities | | |
| *Measured at amortised cost ** | | |
| (a) Borrowings | 15,465 | 16,410 |
| (b) Trade Payables | 182 | 151 |
| (c) Other Financial Liabilities | 3,003 | 2,972 |

* The Company considers that the carrying amounts of these financial instruments recognised in the financial statements approximates its fair values.

C Financial risk management objectives

The Company has exposure to the following risks arising from financial instruments:

i) Market risk ;
ii) Credit risk ; and
iii) Liquidity risk

i) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of financial instruments. The Company is domiciled in India and has its income and other transactions in its functional currency i.e. Rupees. Accordingly the Company is not materially exposed to any currency risk. Also the Company does not hold any equity investments, accordingly the Company is not exposed to any equity price risk

As on 31 March 2022 exposure to currency risk is as follows

| Particulars | As at 31 March 2022 | | As at 31 March 2021 | |
|---|---|---|---|---|
| | USD in Million | INR in Million | USD in Million | INR in Million |
| Trade payables | | | | |
| Net exposure | - | - | - | - |

Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters.

Foreign currency sensitivity analysis

The Company is mainly exposed to foreign currency risk as there is no outstanding unhedged foreign currency receivable / payable

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because it borrows fund at variable interest rate from banks and financial institution. Total borrowings at variable interest rate is Rs 15,465 million (31 March 2021 Rs 16,410 million).

Interest rate sensitivity - variable rate borrowings

The below table mentions the impact of increase or decrease in the interest rates of variable rate borrowings on statement of profit and loss.

| Particulars | Impact on statement of profit and loss | |
|---|---|---|
| | year ended 31 March 2022 | year ended 31 March 2021 |
| Interest Rate increase by 50bps* | 43 | 66 |
| Interest Rate decrease by 50bps* | (43) | (66) |

* holding all other variables constant

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MINDSPACE BUSINESS PARKS PRIVATE LIMITED MUMBAI

Mindspace Business Parks Private Limited
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Notes to Financial Statements for the year ended 31 March 2022 (Continued)
*(All amounts are in Rs. Millions unless otherwise stated)*

**ii) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. The carrying amounts of financial assets represent the maximum credit exposure.

**Trade and other receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company has rented out premises since 2009 and the customers balances at the reporting date are not credit-impaired. The Company obtains security deposits from customers, so that in the event of non-payment, the Company is able to recover the dues. Further historical trends indicate any shortfall between such deposits held by the Company and amounts due from customers have been negligible. The Company has made allowance for doubtful debts (expected credit loss allowance) for receivables outstanding for considerable time based on ageing anlysis of trade receivables.

For the ageing analysis of trade receivables refer note 13.

**Cash and cash equivalents**

The Company held cash and cash equivalents with credit worthy banks of Rs.318 millions as at 31 March 2022 (31 March 2021 Rs. 356 million). The credit worthiness of the such bank and financial institutions is evaluated by management on an ongoing basis and is considerred to be good.

Other financial assets measured at amortised cost includes loans to group companies and others, security deposits, etc. Credit risk related to these financial assets are managed by monitoring the recoveries of such amounts on regular basis. The Company does not perceive any credit risk related to loan given to group companies since these will have an additional financial support from parent as and when necessary.

**iii) *Liquidity risk***

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company has access to funds from banks and financial institutions. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

***Exposure to liquidity risk***

The below table provides details of the undiscounted cash flow (principal and interest ) of non derivative financial liabilities of the Company based on the remaining contractual maturities including estimated interest payments:

| Particulars | 1 year or less | 1-2 years | 2-5 years | More than 5 years | Total | Carrying amount |
|---|---|---|---|---|---|---|
| **31 March 2022** | | | | | | |
| **Non-interest bearing** | | | | | | |
| Trade payables | 182 | - | - | - | 182 | 182 |
| Security deposit | 1,502 | 943 | 461 | 45 | 2,951 | 2,691 |
| Other financial liabilities | 179 | 3 | - | - | 182 | 182 |
| | | | | | | |
| **Interest bearing - Variable Interest Rate** | | | | | | |
| Borrowings (Principal) | 1,153 | 2,475 | 5,735 | 6,015 | 15,378 | 15,494 |
| Estimated Interest payments | 1,043 | 956 | 1,696 | 2,054 | 5,749 | |
| Bank Overdraft | 101 | - | - | - | 101 | 101 |
| | | | | | | |
| **31 March 2021** | | | | | | |
| **Non-Interest bearing** | | | | | | |
| Trade payables | 151 | - | - | - | 151 | 151 |
| Security deposit | 2,035 | 343 | 487 | 45 | 2,910 | 2,739 |
| Other financial liabilities | 159 | 13 | - | - | 172 | 172 |
| **Interest bearing - Variable Interest Rate** | | | | | | |
| Borrowings (Principal) | 1,800 | 1,468 | 6,995 | 5,737 | 16,000 | 16,471 |
| Estimated Interest payments | 1,000 | 996 | 2,280 | 946 | 5,222 | |
| Bank Overdraft | 438 | - | - | - | 438 | 438 |

In respect of financial guarantee contracts, no amounts are recognised based on the results of the liability adequacy test for likely deficiency / defaults by the entities on whose behalf the Company has given guarantees, grounded on the Company's actual experience.

**Financing arrangements**

| | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| **Floating rate term loan / Overdraft** | | |
| Expiring within one year | 1,999 | 2,009 |
| Expiring beyond one year | - | - |

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MINDSPACE BUSINESS PARKS PRIVATE LIMITED
MUMBAI

**Mindspace Business Parks Private Limited**
**(CIN :U45200MH2003PTC143610)**
**Notes to Financial Statements for the year ended 31 March 2022 (Continued)**
*(All amounts are in Rs. Millions unless otherwise stated)*

**42 Segment Information**

**A Primary segment information**

The primary reportable segment is business segments.

**Business segment**

The Company is engaged in development and management of Real estate and Power distribution which are determined based on the internal organisation and management structure of the Company, its system of internal financial reporting and the nature of its risks and its returns. The board of directors of the company has been identified as Chief Operating Decision Maker (CODM). CODM evaluates the Company's performance, allocate resources based on analysis of various performance indicators of the Company as disclosed below two operating segments.

a *Real estate*

Real estate comprises development of projects under Special Economic Zone (SEZ), Information Technology Parks and other commercial segments. After development of the property, the same is leased out to different customers.

b *Power distribution*

The Company is a deemed distribution licensee to operate and supply electricity to the SEZ units in the Park.

| Details as required by Ind AS 108 are set out below; | | | | |
|---|---|---|---|---|
| **Particulars** | For the year ended 31 March 2022 | | | |
| | Real estate | Power distribution | **Unallocable** | **Total** |
| **Segment revenue** | **5,451** | **279** | | 5,730 |
| **Inter-segment revennue** | **(78)** | **78** | | - |
| **Segment result** | **3,836** | **41** | (99) | 3,777 |
| **Finance cost** | **112** | **2** | 1,159 | 1,273 |
| **Employee benefit expenses** | - | - | 2 | 2 |
| **Interest income** | 387 | **1** | 7 | 396 |
| **Other income** | 439 | **0** | 3 | 442 |
| **Profit before tax** | 4,550 | **40** | (1,251) | 3,341 |
| **Tax** | | | 448 | 448 |
| **Profit after tax** | 4,550 | **40** | (1,699) | 2,893 |
| | | | | |
| **Other information as at 31.03.2022** | | | | |
| **Segment assets** | 23,993 | 642 | 720 | 25,355 |
| **Segment liabilities** | 2,348 | 1,171 | 17,229 | 20,748 |
| **Capital expenditure** | 374 | 3 | | 377 |
| Depreciation / amortisation | 487 | 30 | | 518 |

**Mindspace Business Parks Private Limited**
**(CIN :U45200MH2003PTC143610)**
**Notes to Financial Statements for the year ended 31 March 2022 (Continued)**
*(All amounts are in Rs Millions unless otherwise stated)*

| Details as required by Ind AS 108 are set out below: | | | | |
|---|---|---|---|---|
| Particulars | For the year ended 31 March 2021 | | | |
| | Real estate | Power distribution | Unallocable | Total |
| Segment revenue (Note 1) | 5,527 | 337 | | 5,864 |
| Inter segment revenue | (81) | 81 | - | - |
| Segment result | 4,053 | 35 | (150) | 3,938 |
| Finance cost | 104 | | 1,583 | 1,686 |
| Employee benefit exepenses | | | 3 | 3 |
| Interest income | 705 | 1 | 125 | 831 |
| Other income | 17 | 1 | 3 | 21 |
| Profit before tax | 4,671 | 37 | (1,607) | 3,100 |
| Tax | | | 490 | 490 |
| **Profit after tax** | 4,671 | 37 | (2,097) | 2,610 |
| | | | | |
| Other information | | | | |
| Segment assets | 24,730 | 617 | 766 | 26,113 |
| Segment liabilities | 2,326 | 1,116 | 18,218 | 21,660 |
| Capital expenditure | 388 | - | - | 387 |
| Depreciation / amortisation | 409 | 30 | - | 439 |

**B Secondary segment Information**

The Company's operations are based in India and therefore the Company has only one geographical segment - India

**C Segment accounting policies**

Segment accounting policies are in line with accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting:

(i) Segment revenue includes income directly identifiable with the segments

(ii) Expenses that are directly identifiable with the segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments and expenses which relate to the operating activities of the segment but are unpracticable to allocate to the segment, are included under 'Unallocable expenses"

(iii) Income which relates to the Company as a whole and not allocable to segments is included in Unallocable Income and netted off from Unallocable expenses

(iv) Borrowings of the Company are considered as Unallocable and disclosed accordingly. Correspondingly, finance costs relating to all the borrowings have also not been allocated to reportable segments and disclosed under 'Unallocable'

(v) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilites that relate to the Company as a whole and not allocable to any segment

**D Information about major customers**

The Company's revenue for the period includes Rs 702 millions (31 March 2021 Rs 631 Millions) which arose from its largest customer. One customer contributed 10% or more to the Company's revenue for the period ended 31 March 2022

| Name of the Customer | 31 March 2022 | 31 March 2021 |
|---|---|---|
| Customer A | 702 | 631 |

43 Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

(ii) The Company has no transactions with the companies struck off under Companies Act, 2013

(iii) The Company does not have entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year

(v) The Company is not declared wilful defaulter by Bank or Financial Institution

(vi) The Company has not witnessed any delay in filing of registration of Charges

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

MINDSPACE BUSINESS PARKS PRIVATE LIMITED MUMBAI

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

(vii) Title deeds of immovable property not held in name of the Company :

| Title deeds of Immovable Property not held in name of the Company | | | | | | | |
|---|---|---|---|---|---|---|---|
| Relevant line item in the Balance sheet | Description of item of property | Gross carrying value as on March 31, 2022 | Gross carrying value as on March 31, 2021 | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director | Property held since which date | Reason for not being held in the name of the company** |
| Investment Property - MBPPL Commerzone | Land & Building - Freehold | 4,548 | 4,548 | K Raheja Corp Pvt Limited (KRCPL) | No | 7 September 2017 | Refer note 1 |
| Investment Property - MBPPL The Square Nagar Road | Land & Building - Freehold | 3,077 | 3,077 | Trion Properties Pvt Limited (TPPL) | No | 7 September 2017 | Refer note 2 |

**Note : Relative/ promoter here means relative/ promoter as defined in the Companies Act, 2013.**

**Note 1**

Original Conveyance deeds which are in name of KRCPL merged with the Company under Section 232, 233 and 52 of the Companies Act 2013 and other relevant provisions of The Companies Act 2013. The Company has filed for mutation of Property in the name of Company with City Survey Officer

Note 2

The title deeds are in the name TPPL which merged with the Company under Section 232, 233 and 52 of The Companies Act 2013 and other relevant provisions of the Companies Act 2013. The Company has filed for mutation of property in the name of the Company with Deputy Superintendent Land Records

(viii) Ratios

| Particulars | Numerator | Denominator | Current Period | Previous Period | % Variance | Reason for variance |
|---|---|---|---|---|---|---|
| a) Current ratio | Current Assets | Current Liabilities | 0.28 | 0.20 | 0.08 | |
| b) Debt Equity ratio | Total Debt (Borrowings + Accrued Interest | Total Equity | 3.39 | 3.70 | 8% | |
| 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 Unshceduled repayment of external borrowings | 0.60 | 0.43 | 40% | Repayment of Term loan |
| d) Return on equity ratio | Net Profits after taxes | Average Total Equity | 64% | 63% | 1% | |
| e) Inventory turnover ratio | Cost of goods sold or sales | Average Inventory | NA | NA | NA | |
| f) Trade receivables turnover ratio | Revenue from operation | Average Accounts Receivable | 98.79 | 60.14 | 64% | Reduction in trade receivable |
| g) Trade payables turnover ratio | Expenses other than Employee benefit, Depreciation, Finance cost, Regulatory expenses | Average Trade Payables | 7.16 | 6.43 | 11% | |
| h) Net capital turnover ratio | Revenue from operation | Working Capital (Current Assets - Current Liabilities) | -2.28 | -1.79 | 28% | Change in current year due to classification of Security deposit from current to Non current |
| i) Net profit ratio | Net Profit | Revenue from operation | 50% | 45% | 6% | |
| j) Return on capital employed | Earning before interest and taxes | Total Equity + Total debt + Deferred tax liability | 21% | 21% | 0% | |
| k) Return on investment * | Earning before interest and taxes | Total Assets | NA | NA | NA | |

* Return on Investment (ROI) is not applicable since the Company does not have any significant investments

**44 IndAS 115 Disclosures**

Note 1 Reconciliation of revenue from operations recognised in the Statement of Profit and Loss with Revenue from contracts with customers

| | Year ended 31 Mar 22 | Year ended 31 Mar 21 |
|---|---|---|
| **Real estate** | | |
| Maintenance services | 903 | 910 |
| Other operating income | 74 | 83 |
| **Power distribution** | | |
| Revenue from power distribution | 279 | 337 |
| Sub Total (A) | 1,256 | 1,330 |
| Facility rentals | 4,474 | 4,534 |
| Sub Total (B) | | |
| | 4,474 | 4,534 |
| Revenue from operation (A + B) | 5,730 | 5,864 |

Note 2: Contract Balances

Contract Assets

| | | |
|---|---|---|
| Trade Receivables | 44 | 72 |
| Unbilled revenue | 48 | 35 |
| | 44 | 72 |

DELOITTE HASKINS & SELLS LLP
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MUMBAI

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

45 Rs. 0 in the financial statements represents amount less than Rs. 0.50 millions

46 Previous year figures are regrouped where ever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors
Mindspace Business Parks Private Limited
CIN :U45200MH2003PTC143610

| | |
|---|---|
| Vinod N. Rohira | Preeti N. Chheda |
| Director | Director |
| DIN: 00460667 | DIN: 08066703 |

Mumbai
Date : 11 May 2022

DELOITTE HASKINS & SELLS LLP
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