

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,

**Sub: Quarterly Compliance Report for the Quarter ended September 30, 2022.**

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.

Sl. No.	Particulars of Information/Documents																
1.	<b><u>REGULATORY REQUIREMENT:</u></b> <i>To be provided by Management/KMP/Compliance Officer</i>	<b>Furnished Yes/No</b>  [Details to be filled in the table or enclosed the requisite attachment]															
a.	<b><u>List Of Debenture Holders:-</u></b> 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 500 crores ISIN No. INE0CCU07066</td><td colspan="4">As per the Benpos attached</td></tr></table>	ISSUE-WISE PARTICULARS					Issue size (including ISIN No)	Name(s) of Debenture Holder	Address	Contact No.	Email Id	INR 500 crores ISIN No. INE0CCU07066	As per the Benpos attached				Yes.  Details are captured in the weekly Benpos shared by Registrar and Transfer Agent (RTA)
ISSUE-WISE PARTICULARS																	
Issue size (including ISIN No)	Name(s) of Debenture Holder	Address	Contact No.	Email Id													
INR 500 crores ISIN No. INE0CCU07066	As per the Benpos attached																

**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**

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		and the Benpos as on September 30, 2022, is enclosed herewith as <b>Annexure 1.</b>																		
b.	<b><u>Any Modification In Existing Outstanding ISINs:</u></b> <table><tr><th colspan="5">ISSUE DETAILS</th></tr><tr><th>Existing ISIN No.</th><th>Revised ISIN No.</th><th>Date of change in ISIN No.</th><th>Date of DP letter for change in ISIN</th><th>Furnish copy of letter from DP</th></tr><tr><td></td><td></td><td></td><td></td><td></td></tr></table>	ISSUE DETAILS					Existing ISIN No.	Revised ISIN No.	Date of change in ISIN No.	Date of DP letter for change in ISIN	Furnish copy of letter from DP						No			
ISSUE DETAILS																				
Existing ISIN No.	Revised ISIN No.	Date of change in ISIN No.	Date of DP letter for change in ISIN	Furnish copy of letter from DP																
c.	<b><u>Investor Grievances Details:-</u></b> Details of complaints/grievances in the following format. In case no complaints have been received, a confirmation thereof. <table><tr><th colspan="6">ISSUE-WISE PARTICULARS</th></tr><tr><th>Issue size</th><th>Nos. of Complaints/ Grievances pending for the previous quarter</th><th>Nos. of Complaints/ Grievances Received during current quarter</th><th>Resolved / Unresolved</th><th>Nos. of Complaints/ Grievances pending for the current quarter</th><th>Reason (if pending beyond 30days of receipt of grievance)</th></tr><tr><td>INR 500 crores ISIN No. INE0CCU07066</td><td>0</td><td>0</td><td>0</td><td>0</td><td>NA</td></tr></table>	ISSUE-WISE PARTICULARS						Issue size	Nos. of Complaints/ Grievances pending for the previous quarter	Nos. of Complaints/ Grievances Received during current quarter	Resolved / Unresolved	Nos. of Complaints/ Grievances pending for the current quarter	Reason (if pending beyond 30days of receipt of grievance)	INR 500 crores ISIN No. INE0CCU07066	0	0	0	0	NA	No Compliant received with respect to said Debentures.  Statement of Investor Complaints for the quarter ended on September 30, 2022, issued by Registrar and Transfer Agent (RTA) is enclosed herewith as <b>Annexure 2.</b>
ISSUE-WISE PARTICULARS																				
Issue size	Nos. of Complaints/ Grievances pending for the previous quarter	Nos. of Complaints/ Grievances Received during current quarter	Resolved / Unresolved	Nos. of Complaints/ Grievances pending for the current quarter	Reason (if pending beyond 30days of receipt of grievance)															
INR 500 crores ISIN No. INE0CCU07066	0	0	0	0	NA															

c.	<b><u>Payment Of Interest / Principal:</u></b>  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:-  <table><tr><th colspan="6">INTEREST/PRINCIPAL (ISIN WISE)</th></tr><tr><th>Issue size</th><th>ISIN No</th><th>Due date of redemption and/or interest (falling in the quarter)</th><th>Paid/ unpaid (actual date of payment, if paid, reasons if not paid)</th><th>Next due date for the payment of Interest / principal</th><th>Reasons for delay (if any)</th></tr><tr><td>INR 500 crores</td><td>INE0CCU07066</td><td>September 30, 2022</td><td>September 30, 2022</td><td>December 31, 2022</td><td>NA</td></tr></table>					INTEREST/PRINCIPAL (ISIN WISE)						Issue size	ISIN No	Due date of redemption and/or interest (falling in the quarter)	Paid/ unpaid (actual date of payment, if paid, reasons if not paid)	Next due date for the payment of Interest / principal	Reasons for delay (if any)	INR 500 crores	INE0CCU07066	September 30, 2022	September 30, 2022	December 31, 2022	NA	Yes, details provided in the adjacent table
INTEREST/PRINCIPAL (ISIN WISE)																								
Issue size	ISIN No	Due date of redemption and/or interest (falling in the quarter)	Paid/ unpaid (actual date of payment, if paid, reasons if not paid)	Next due date for the payment of Interest / principal	Reasons for delay (if any)																			
INR 500 crores	INE0CCU07066	September 30, 2022	September 30, 2022	December 31, 2022	NA																			
d.	<b><u>Credit Rating:-</u></b> Details of revisions in the credit rating (if any);  <table><tr><th>Name(s) of Rating Agency</th><th>Immediate Previous Credit Rating</th><th>Revised Credit Rating &amp; date of revision</th></tr><tr><td>CRISIL Ratings Limited</td><td>CRISIL Ratings Limited</td><td>CRISIL AAA/Stable vide letter dated July 13, 2022 and ICRA Limited AAA/Stable Vide Letter dated July 14, 2022</td></tr><tr><td>ICRA Limited</td><td>ICRA Limited</td><td></td></tr></table>					Name(s) of Rating Agency	Immediate Previous Credit Rating	Revised Credit Rating & date of revision	CRISIL Ratings Limited	CRISIL Ratings Limited	CRISIL AAA/Stable vide letter dated July 13, 2022 and ICRA Limited AAA/Stable Vide Letter dated July 14, 2022	ICRA Limited	ICRA Limited		Credit rating letter by CRISIL Ratings Limited and ICRA Limited vide letter dated July 13, 2022 and July 14, 2022 same is enclosed herewith as <b>Annexure 3</b>									
Name(s) of Rating Agency	Immediate Previous Credit Rating	Revised Credit Rating & date of revision																						
CRISIL Ratings Limited	CRISIL Ratings Limited	CRISIL AAA/Stable vide letter dated July 13, 2022 and ICRA Limited AAA/Stable Vide Letter dated July 14, 2022																						
ICRA Limited	ICRA Limited																							
e.	<b><u>DRR And REF Details:-</u></b>  <table><tr><th>Issue size</th><th>Maintenance of Debenture Redemption Reserve</th><th>DRR required to be Created [In Crs.]</th><th>DRR Created upto September 30, 2022 Rs. (In Cr.)</th><th>Funds invested for debentures maturing during the year</th></tr></table>					Issue size	Maintenance of Debenture Redemption Reserve	DRR required to be Created [In Crs.]	DRR Created upto September 30, 2022 Rs. (In Cr.)	Funds invested for debentures maturing during the year	Acknowledged email confirmation from BSE Limited for creation of fund was already													
Issue size	Maintenance of Debenture Redemption Reserve	DRR required to be Created [In Crs.]	DRR Created upto September 30, 2022 Rs. (In Cr.)	Funds invested for debentures maturing during the year																				

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	Please mention issue size along with ISIN no. for DRP & REF	INR 500 crores	Not Applicable to REIT	Not Applicable to REIT	Not Applicable to REIT	shared along with previous
		ISIN No. INE0CCU07058				QCR. As
		<b>Creation of Recovery Expense Fund (REF) in terms of SEBI Circular dated 22.10.2020</b>				there is no addition in
		Maintenance of REF, REF required to be created [in Rs.]	REF created upto September 30, 2022	REF maintained In the form of	Any addition in the REF during the last quarter	REF amount in the last quarter, there is no change in the REF for quarter ended September 30, 2022.
		Rs. 5,00,000/-	Yes	Cash	NA	
2.	<b><u>Copies of the following information/documents (to be attached) (all fields mandatory):-</u></b>					<b>Whether copy enclosed</b>
a.	<p>i. Security cover Certificate<sup>1</sup> as per guidelines and the format of Annexure I of the SEBI Circular dated 19.05.2022. (attached below)</p> <p>ii. Certificate of Confirmation of compliances of all the financial covenants from the statutory auditor of the company. (Applicable to Secured as well as Unsecured NCDs)</p> <p>iii. A half-yearly certificate regarding maintenance of hundred percent security cover or higher security cover as per the terms of offer document/ Information Memorandum and/or Debenture Trust Deed, including compliance with all the covenants, in respect of listed non-convertible debt securities, by the statutory auditor of the issuer as per Reg. 56(1) (d) of SEBI LODR Regulations 2015</p>					Yes. The Security cover certificate pursuant to SEBI Circular SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/2020/230 dated November 12, 2020

<sup>1</sup> To be submitted within 60 days from the end of each quarter except last quarter of the financial year where the issuer to submit the report within 75 days from the end of said quarter. To be submitted in the format as provided under SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/P/2022/67 dated 19.05.2022.



		has been attached as <b>Annexure 4</b> for the quarter ended September 30, 2022.
b.	A statement of value of pledged securities <sup>2</sup> , if any / applicable ( <b>Applicable Quarterly</b> )	Not Applicable
c.	A statement of value of Debt Service Reserve Account or any other form of security <sup>3</sup> if any / applicable ( <b>Applicable Quarterly</b> )	Statement of value of Debt Service Reserve Account is not applicable.
d.	Net worth certificate of personal guarantors [if any] <sup>4</sup> ( <b>Applicable on half yearly basis</b> )	Not Applicable
e.	Copy of Title Search Reports for movable/immovable assets, as applicable <sup>5</sup> ( <b>Applicable Annually</b> )	The same has been attached as <b>Annexure 5</b>
f.	Copy of Valuation Report for movable/immovable assets, as applicable <sup>6</sup> ( <b>Applicable Annually</b> )	The same has been attached as <b>Annexure 6</b>

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4</sup> 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

<sup>5</sup> 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

<sup>6</sup> 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

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g.	Financials/Value of guarantor prepared on the basis of audited financial statements, etc. of the guarantor (secured by way of corporate guarantee) <b>(Applicable Annually)</b>	Sundew Properties Limited financials is attached as <b>Annexure 7</b>
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.  In case of deviation/variation, please provide as per ' <b>Appendix A</b> '.	The same has been attached as <b>Annexure 8</b>
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 attached in <b>Annexure 9.</b>
j.	Copy of the un-audited [with limited review report] or audited financial results submitted to stock exchange <sup>7</sup>	The same has attached in <b>Annexure 10.</b>
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 ' <i>Loss Payee</i> '	Yes, the said policy was valid till May 21, 2023. The same is attached as <b>Annexure 11.</b>
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

<sup>7</sup> 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.

3.	CONFIRMATIONS/CERTIFICATES FROM STATUTORY AUDITORS	Whether copy enclosed																		
a.	<div>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):-</div> <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.<sup>8</sup></td></tr><tr><td>INR 500 crores ISIN No. INE0CCU07058</td><td></td><td></td><td></td><td></td></tr></table> <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  <del>In case of breaches, please provide details of breach and steps taken by the Company.</del></td><td>Debt Service Coverage Ratio  <del>[Not applicable to Banks]</del></td><td>Interest Service Coverage Ratio  <del>[Not applicable to Banks]</del></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.</td><td>The same shall form part of financials.</td><td>The same shall form part of financials.</td></tr></table>	Issue size with ISINs	Security Value/Cover	Asset Cover	Debt Equity Ratio	Value of book debts / receivables certified by the statutory auditor. <sup>8</sup>	INR 500 crores ISIN No. INE0CCU07058					Purpose of utilization of Proceeds (deviations, if any)	Status of compliance with the covenants of the Offer Document/Information Memorandum  <del>In case of breaches, please provide details of breach and steps taken by the Company.</del>	Debt Service Coverage Ratio  <del>[Not applicable to Banks]</del>	Interest Service Coverage Ratio  <del>[Not applicable to Banks]</del>	Providing loans to the Special Purpose Vehicles for meeting their construction related expenses, working capital or general corporate requirements, repayment of financial indebtedness	The same shall form part of financials.	The same shall form part of financials.	The same shall form part of financials.	The same has been attached in <b>Annexure 3.</b>
Issue size with ISINs	Security Value/Cover	Asset Cover	Debt Equity Ratio	Value of book debts / receivables certified by the statutory auditor. <sup>8</sup>																
INR 500 crores ISIN No. INE0CCU07058																				
Purpose of utilization of Proceeds (deviations, if any)	Status of compliance with the covenants of the Offer Document/Information Memorandum  <del>In case of breaches, please provide details of breach and steps taken by the Company.</del>	Debt Service Coverage Ratio  <del>[Not applicable to Banks]</del>	Interest Service Coverage Ratio  <del>[Not applicable to Banks]</del>																	
Providing loans to the Special Purpose Vehicles for meeting their construction related expenses, working capital or general corporate requirements, repayment of financial indebtedness	The same shall form part of financials.	The same shall form part of financials.	The same shall form part of financials.																	

<sup>8</sup> Where the debentures are secured by receivables/book debts

	Net worth of the company	Net profit after tax	Earnings per share	
	The same shall form part of financials,	The same shall form part of financials,	The same shall form part of financials	
<b>4.</b>	<b><u>MANAGEMENT CONFIRMATIONS:</u></b>			<b>Furnished Yes/No</b>
<b>a.</b>	<b><u>Management Confirmation for Security and insurance<sup>9</sup>:</u></b>			
	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, Security cover certificate has been attached in <b>Annexure 4.</b>
	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.

<sup>9</sup> 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 Endorsement	
	INR 500 Cr	2999204688916900000	Insurance policy has been taken at the time of issuance of debenture.	May 22, 2022 till May 21, 2023	Endorsed	
b.	<b>Management Confirmation for statutory items:</b>					<b>Yes/No</b>
	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.  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.  Any additional covenants of the issue (including side letters, accelerated payment clause, etc.) and status thereof  <i>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.</i>					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					There is no change in Composition of

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	to be disclosed along with copies of intimation made to the stock exchanges)	Governing Board of the Issuer.
	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.	<b>Management Confirmation for other items:</b>	<b>Yes/No</b>
	i. Confirmation on uploading of details for all the existing outstanding Secured non – convertible securities by the issuer company on DLT platform on or before October 31, 2022, as per SEBI circular dated March 29, 2022 on Operational guidelines for “Security and Covenant Monitoring” using Distributed Ledger Technology (DLT) read with SEBI circular dated 03.10.2022.	Yes
	ii. Details of any default committed by the Issuer with respect to borrowings obtained from banks / financial institutions pertaining to:- a. payment obligations; and / or b. covenant compliance	No
	iii. Details of Reference to Insolvency or a petition (if any) filed by any creditor or details of Corporate Debt Restructuring (if any);	N.A.
	iv. 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
	v. Details of fraud/defaults by promoter or key managerial personnel or by Issuer Company or arrest of key managerial personnel or promoter;	No
	vi. Details of one time settlement with any bank (if any);	No
	vii. Confirmation that a functional website containing, amongst others as per Regulation 62 of SEBI (LODR) Regulations is maintained by the Company.	Yes
	viii. 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

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		complied as and when said Regulation 58 is applicable
	ix. 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.
	x. 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 <sup>10</sup>	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")
Date of Raising Funds	July 28, 2022
Amount Raised	INR 500 Crores
Report filed for Quarter year ended	September 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

<sup>10</sup> Clause 3.2 of SEBI circular SEBI/HO/DDHS/CIR/P/103/2020 dated 23.06.2020.



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 applicable object (INR Crores and in %)	Remarks, if any
The funds raised by the Issue shall be utilised by the Issuer in compliance with the provisions	-	Rs. 500 Crores	-	Rs. 500 Crores	-	N.A.

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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						
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ss, 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.						
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*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**

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**(acting as the Manager to Mindspace Business Parks REIT)**

**Authorised Signatory**

**Name: Preeti Chheda**

**Designation: Chief Financial Officer and Compliance Officer**

**Encl: as above**

---

**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](http://mindspacereit.com)**

## Annexure-1

NAME1	ADD1	ADD3	CITY	PIN	POSITION	ISIN
SBI GENERAL INSURANCE COMPANY LIMITED	9TH FLOOR A AND B W	SAHAR ROAD ANDH	MUMBAI	400099	500.00	INE0CCU07066
ADITYA BIRLA SUN LIFE INSURANCE COMPANY LIMITED	ONE INDIABULLS CENT	16TH FLOOR	MUMBAI	400013	750.00	INE0CCU07066
HDFC LIFE INSURANCE COMPANY LIMITED	MAHALAXMI			400011	500.00	INE0CCU07066
NPS TRUST- A/C ICICI PRUDENTIAL PENSION FUND SCHEME C - TIER I	ICICI Prudential Pensio	Tower,1089,Appasa	Prabhade	400025	480.00	INE0CCU07066
NPS TRUST- A/C ICICI PRUDENTIAL PENSION FUND SCHEME C - TIER II	ICICI Prudential Pensio	Tower,1089,Appasa	Prabhade	400025	20.00	INE0CCU07066
NPS TRUST-A/C KOTAK PENSION FUND SCHEME C-TIER I	Kotak Mahindra Pensio	Park Off Western Ex	General A	400097	95.00	INE0CCU07066
NPS TRUST- A/C KOTAK PENSION FUND SCHEME C - TIER II	Kotak Mahindra Pensio	Park Off Western Ex	General A	400097	5.00	INE0CCU07066
NPS TRUST- A/C SBI PENSION FUND SCHEME C - TIER I	SBI Pension Funds Pvt	Nariman Point Mumbai, Maha		400021	250.00	INE0CCU07066
NPS TRUST- A/C SBI PENSION FUND SCHEME C - TIER II	SBI Pension Funds Pvt	Nariman Point Mumbai, Maha		400021	50.00	INE0CCU07066
EDELWEISS GI INVESTMENT ASSETS	STANDARD CHARTERED	23-25 MAHATMA G	FORT, MU	400001	100.00	INE0CCU07066
ADITYA BIRLA FINANCE LIMITED	ADITYA BIRLA FINANCE	JUPITER MILL COMP	MUMBAI	400013	2250.00	INE0CCU07066



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 : 06.10.2022

TO,

**UNIT: MINDSPACE BUSINESS PARKS REIT****ISIN'S: INE0CCU07025, INE0CCU07033, INE0CCU07058 & INE0CCU07066**

Sub.:	Statement of Investor Complaints for the period ended as on September 30, 2022 w.r.t. Non-Convertible Debentures ("NCDs")
Ref.:	Regulation 13 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

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

We further confirm that during the period from **01<sup>st</sup> July 2022** to **30<sup>th</sup> September 2022**, we have not received any complaints/ grievances from holders of the NCDs issued by the Company and a summary of the same, as required in terms of the SEBI Listing Regulations as mentioned in the below table:

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

**CONFIDENTIAL**

RL/MIBPKR/294472/NCD/0522/34967/110668865/1

July 13, 2022

**Ms. Preeti Chheda**

Chief Financial Officer

**Mindspace Business Parks REIT (Mindspace REIT)**

Raheja Tower, Level 8

Block G, C-30

Bandra-Kurla Complex

Mumbai City - 400051

Dear Ms. Preeti Chheda,

**Re: CRISIL Rating on the Rs. 50 Crore Non Convertible Debentures of Mindspace Business Parks REIT (Mindspace REIT)**

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

Please refer to our rating letter dated May 30, 2022 bearing Ref. no: RL/MIBPKR/294472/NCD/0522/34967/110668865

Please find in the table below the rating outstanding for your company.

S.No.	Instrument	Rated Amount (Rs. in Crore)	Rating Outstanding
1	Non-Convertible Debentures	50	CRISIL AAA/Stable

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

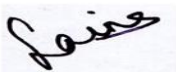
As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at [debtissue@crisil.com](mailto:debtissue@crisil.com). This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at [debtissue@crisil.com](mailto:debtissue@crisil.com) for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,



Saina S Kathawala

Associate Director - CRISIL Ratings



Nivedita Shibu

Associate Director - CRISIL Ratings



**Disclaimer:** A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, [www.crisilratings.com](http://www.crisilratings.com). CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit [www.crisilratings.com](http://www.crisilratings.com) or contact Customer Service Helpdesk at [CRISILratingdesk@crisil.com](mailto:CRISILratingdesk@crisil.com) or at 1800-267-1301

July 15, 2022

To,

**The National Stock Exchange of India Ltd.**  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C/1, G- Block,  
Bandra Kurla Complex,  
Bandra (E), Mumbai- 400051.

**BSE Limited**  
25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400001

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

**Scrip Code "543217" (Units) and  
Scrip Code "973754" (Debentures)**

**Subject: Disclosure under Regulation 23(5) of the SEBI (Real Estate Investment Trusts) Regulations, 2014 and Regulation 51(2) of the Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, in respect of credit ratings obtained by Mindspace Business Parks REIT ("Mindspace REIT")**

Dear Sir/Madam,

Please note that ICRA Limited has assigned credit rating for the non-convertible debentures of Mindspace REIT as below:

S. N.	Purpose	Rating
1	Non-Convertible Debentures of Mindspace REIT upto Rs. 500 Crores	ICRA AAA/Stable

The rating letter issued by ICRA Limited dated July 14, 2022 in respect of the aforesaid credit ratings are enclosed herewith.

Please take the same on your record.

Thanking you,

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

**Authorised Signatory**

**Name: Preeti Chheda**

**Designation: Compliance Officer**

**Encl.: As above**





ICRA Limited

**CONFIDENTIAL**

Ref. No. ICRA/Mindspace Business Parks REIT/14072022/4

July 14, 2022

**Ms. Preeti Chheda**  
**Chief Financial Officer**  
**Mindspace Business Parks REIT**  
Raheja Tower  
Plot C-30, Block G,  
Next to Bank of Baroda,  
Bandra Kurla Complex,  
Bandra [E], Mumbai - 400051

Dear Sir,

**Re: ICRA rating for Rs. 500.00 crore non-convertible debenture of Mindspace Business Parks REIT (part of the Rs 1,000 crore borrowing programme rated by ICRA)**

Please refer to your request dated July 13, 2022, for revalidating the rating letter issued for the captioned programme. We confirm that the [ICRA]AAA (pronounced ICRA triple A) rating with a stable outlook assigned to your captioned programme and last communicated to you vide our letter Ref. No. ICRA/Mindspace Business Parks REIT/16062022/1 dated June 16, 2022 stands.

Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

The other terms and conditions for the rating of the aforementioned instrument shall remain the same as communicated vide our letter Ref. No. ICRA/Mindspace Business Parks REIT/16062022/1 dated June 16, 2022.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold long term debt/non-convertible debenture to be issued by you.

With kind regards,

Yours sincerely,

For ICRA Limited

**[Mathew Kurian Eranat]**  
Vice President  
Email: mathew.eranat@icraindia.com

**ANNEXURE – Instrument details**

<b>Instrument name</b>	<b>Rated Amount</b>	<b>ISIN No.</b>
NCD Tranche 3	500.00	INE0CCU07058

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Building No. 8, 2<sup>nd</sup> Floor, Tower A  
DLF Cyber City, Phase II  
Gurugram – 122002, Haryana

Tel.: +91.124 .4545300  
CIN : L749999DL1991PLC042749

Website: [www.icra.in](http://www.icra.in)  
Email: [info@icraindia.com](mailto:info@icraindia.com)  
Helpdesk: +91 9354738909

Registered Office: B-710, Statesman House, 148, Barakhamba Road, New Delhi 110001. Tel. :+91.11.23357940-41

**RATING**



**RESEARCH**



**INFORMATION**

**Independent Auditor's Certificate on "Statement of Security Cover and Compliance Status of Financial Covenants" ("the Statement") in respect of Market Linked Debentures Series 2 of the Trust for the quarter ended and as at 30 September 2022**

To,  
 The Governing Board,  
 K. Raheja Corp Investment Managers LLP (The "Investment Manager")  
 (Acting in capacity as the Investment Manager of Mindspace Business Parks REIT)  
 Plot No. C -30, Block 'G',  
 Opp. SIDBI, Bandra Kurla Complex,  
 Bandra (East), Mumbai 400051

1. This certificate is issued in accordance with the terms of our engagement letter dated 22 July 2022.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Mindspace Business Parks REIT ("the Trust"/ "REIT"), have been requested by the Management of the Trust to certify the Statement in respect of Market Linked Debentures Series 2 of the Trust for the quarter ended and as at 30 September 2022.

The Statement is prepared by the Management of Investment Manager from the unaudited books of account and other relevant records and documents maintained by the Trust and its subsidiaries (REIT SPVs) as at 30 September 2022 pursuant to requirements of Circular no. SEBI / HO / MIRSD / MIRSD \_ CRADT / CIR / P / 2022 / 67 dated May 19, 2022 issued by Securities and Exchange Board of India in terms of Regulation 54 read with Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Regulation 15(1)(t) of Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (hereinafter referred together as "the SEBI Regulations"), as amended, for the purpose of submission to IDBI Trusteeship Services Limited, Debenture Trustee of the above mentioned Market Linked Debentures Series 2 (hereinafter referred to as "the Debenture Trustee"). The responsibility for compiling the information contained in the Statement is of the Management of the Investment Manager and the same is initialed by us for identification purposes only.

**Management's Responsibility**

3. The preparation of the Statement is the responsibility of the Management of the Investment Manager, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes collecting, collating, validating data and design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The management is solely and entirely responsible for determining the fair value of the assets included in the statement.



4. The Management of the Investment Manager is also responsible for ensuring that the Trust complies with all the relevant requirements of the SEBI Regulations and Debenture Trust Deed for providing all relevant information to the Debenture Trustees and for complying with all the covenants as prescribed in the Debenture Trust Deed.

**Auditor's Responsibility**

5. Pursuant to the requirements of Circular no. SEBI / HO / MIRSD / MIRSD \_ CRADT / CIR / P / 2022 / 67 dated May 19, 2022 issued by Securities and Exchange Board of India, our responsibility for the purpose of this certificate is to provide a limited assurance on whether the details included in the Statement related to the Trust in respect of the Market Linked Debentures Series 2 for the quarter ended and as at 30 September 2022 have been accurately extracted from the unaudited books of account and other relevant records and documents maintained by the Trust and REIT SPVs . This did not include the evaluation of adherence by the Trust and REIT SPVs with all the applicable guidelines of the SEBI Regulations.
6. A limited assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the criteria and scope mentioned in paragraph 10 below. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
7. The unaudited financial results for the quarter and half year ended 30 September 2022, have been reviewed by us, on which we have issued unmodified conclusion vide our report dated 14 November 2022. Our review of the unaudited financial results was conducted in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free from material misstatement.
8. We conducted our examination and obtained the explanations in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Review Historical Financial Information, and Other Assurance and Related Services Engagements.



A handwritten signature in blue ink, consisting of stylized initials.

### **Criteria and Scope**

10. The information contained in the Statement is extracted from the unaudited books of account of the Trust and REIT SPVs for the quarter ended and as at 30 September 2022 and other relevant records and documents maintained by the Trust and REIT SPVs.

Accordingly, we have performed the following procedures in relation to verification of the Statement:

- a) Read the Statement received from the management of Investment manager.
- b) Traced the book value of assets from the unaudited books of account of the Trust as at 30 September 2022 and other relevant records and documents maintained by the Trust, in the normal course of its business.
- c) Reviewed the Debenture Trust Deed to understand the nature of charge (viz. exclusive charge or pari-passu charge) on assets.
- d) Obtained Register of Charges filed by the REIT SPVs as per the requirements of the Companies Act, 2013 to confirm the disclosure of the secured assets.
- e) Obtained a confirmation provided by management of Sundew Properties Limited ("REIT SPV") for the book value of assets against which Market Linked Debentures Series 2 are mortgaged and traced to the book value of assets included in the Statement of security cover.
- f) Obtained a confirmation provided by management of Mindspace Business Parks Private Limited and Gigaplex Estate Private Limited ("REIT SPVs") for the book value of assets against which other Debt Securities are mortgaged and traced to the book value of assets included in Table II – Security cover on consolidated basis for the listed entity.
- g) Performed necessary inquiries with the management and obtained necessary representations.
- h) Tested the arithmetical accuracy of the information included in the Statement.
- i) Traced the fair value of the assets from the Valuation report issued by Independent valuers provided to us by the Management on which we have placed reliance.
- j) Obtained the working prepared by the Management for compliance with the relevant ratios related to the Trust and REIT SPVs and recomputed the ratios.

### **Conclusion**

11. Based on the procedures performed as referred to in paragraph 10 above and according to the information, explanations and representation provided to us by the Management of the Investment Manager, nothing has come to our attention that causes us to believe that the details included in the Statement related to the Trust have not been accurately extracted from unaudited books of account of the Trust and REIT SPVs for the quarter ended and as at 30 September 2022 and other relevant records and documents maintained by the Trust and REIT SPVs.



A handwritten signature in blue ink, consisting of a stylized 'D' followed by a cursive flourish.

**Restriction on Use and Distribution**

12. This certificate is addressed and provided to the Governing Board of the Investment Manager solely for the purpose of submission to the Stock exchanges/Debenture Trustee and should not be used by any other person or for any other purposes without our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

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



Place: Mumbai  
Date: 14 November 2022

A handwritten signature in black ink, appearing to read "Nilesch Shah".

**Nilesch Shah**  
Partner  
Membership No. 49660  
UDIN: 220496608DBK HV5631



Mindspace Business Parks REIT  
Statement of Security Cover and Compliance Status of Financial Covenants

a. The listed entity viz. Mindspace Business Parks REIT ("Mindspace REIT" / "REIT") through its manager K Raheja Corp Investment Managers LLP, ("Manager"), has vide its Executive Committee Meeting dated 9 March 2021, has issued the following listed debt securities:

ISIN	Private Placement/Public Issue	Secured/Unsecured	Sanctioned amount (Rs. in Million)
INE0CCU07041	Private Placement	Secured	3,750

b. Security Cover on Standalone basis for listed debt securities:

The financial information as at 30 September 2022 has been extracted from the unaudited books of account for the Period ended 30 September 2022 and other records of the REIT and Sundew Properties Limited ("Sundew/ REIT SPV") (the "books of account and other records of REIT and Sundew")

Table I - Security cover on standalone basis for the listed entity

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari- Passu charge (excluding items covered in column F)	Assets not offered as Security	Elimination (amount in negative)	(Total C to I)	Related to only those items covered by this certificate				
(Rs. in Million)		Book Value	Book Value	Yes/ No	Book Value	Book Value				Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assetsviii Relating to Column F	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+N)
<b>ASSETS</b>														
Property, Plant and Equipment/ Investment Property	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Capital Work-in- Progress	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Right of Use Assets	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Goodwill	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Intangible Assets	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Intangible Assets under Development	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Investment	NA	NA	NA	No	NA	NA	153,103	NA	153,103	NA	NA	NA	NA	-
Investment Property (Note 6, 7, 2 and 10)	Note 8	1,650	NA	No	NA	NA	-	(1,650)	-	9,672	NA	NA	NA	9,672
Investment Property under Construction	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Loans	NA	NA	NA	No	NA	NA	26,248	NA	26,248	NA	NA	NA	NA	-
Inventories	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Trade Receivables (Note 4, 5 and 2)	Note 8	0	NA	No	NA	NA	-	(0)	-	NA	0	NA	NA	0
Cash and Cash Equivalents (Note 11)	NA	NA	NA	No	NA	NA	2,927	NA	2,927	NA	NA	NA	NA	-
Bank Balances other than Cash and Cash Equivalents (Note 11)	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Others (Note 9)	NA	NA	NA	No	NA	NA	427	NA	427	NA	NA	NA	NA	-
<b>Total</b>	-	<b>1,650</b>	-	-	-	-	<b>182,705</b>	<b>(1,650)</b>	<b>182,705</b>	<b>9,672</b>	<b>0</b>	-	-	<b>9,672</b>
<b>LIABILITIES</b>														
Debt securities to which this certificate pertains (Note 1)	10 year G-Sec linked secured listed senior taxable, non-cumulative, rated, principal protected - market linked, redeemable, non-convertible debentures ("Market Linked Debentures / MLD Series 2")	3,750	NA	No	NA	NA	NA	(16)	3,734	NA	NA	NA	NA	-
Other debt sharing pari-passu charge with above debt	NA	not to be filled	NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Other Debt (Note 3)	NA		12,669	No	NA	4,961	NA	(4,961)	12,669	NA	NA	NA	NA	-
Subordinated debt	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Borrowings	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Bank	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Debt Securities	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Others	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Trade payables	NA		NA	No	NA	NA	NA	9	9	NA	NA	NA	NA	-
Lease Liabilities	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Provisions	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Accrued Interest on Debt	NA	389	2	No	NA	NA	NA	NA	391	NA	NA	NA	NA	-
Others	NA	NA	NA	No	NA	NA	NA	57	57	NA	NA	NA	NA	-
<b>Total</b>	-	<b>4,139</b>	<b>12,672</b>	-	-	<b>4,961</b>	-	<b>(4,910)</b>	<b>16,861</b>	-	-	-	-	-
Cover on Book Value		0.40			NA									
Cover on Market Value (Note 7)		2.34			NA									
		Exclusive Security Cover Ratio			Pari-Passu Security Cover Ratio									

Note 1: Ind AS adjustment amounting to Rs. 16 million is disclosed in Column I to reconcile the balance of NCD with financial statements

Note 2: For the purpose of the preparation of the table above, we have considered book value of assets Secured which are in the books of Sundew Properties Limited (Subsidiary: REIT SPV). We have eliminated the same through column I to reconcile with financials

Note 3: Other debts are secured against assets of other REIT SPVs which are disclosed in Table II - Security cover on consolidated basis

Note 4: While determining outstanding receivables as on 30 September 2022, the balances considered are net of advances, if any. Also, common area maintenance charges and other utility charges payable by the tenant with respect to the maintenance of the Mortgaged Properties are included

Note 5: The above receivables are with respect to the mortgaged properties only. Amount of receivable considered is approximate to its fair value

Note 6: Book value of Investment Property is written down value of the secured asset. The common cost which is not identifiable against secured asset is not allocated (including cost of Power Assets). Further, Ind AS adjustment are not considered on secured assets

Note 7: Market value of secured assets has been calculated as per the requirement of the Debenture Trust Deed

Note 8: First and exclusive charge being created by way of equitable mortgage on the aggregate leaseable area of approximately 13,71,442 Sq. Ft. or thereabouts in buildings no. 12A and Units of Building 12B of Madhapur, Hyderabad (approx. 12,69,140 sq. ft. in building no. 12A and approx. 1,02,302 sq. ft. in building no. 12B) together with the proportionate undivided right, title and interest in the notionally demarcated land of admeasuring approximately 29,842 sq. mtrs on which the said two building no. 12A and 12B, out of all those pieces and parcels of larger land that are situated, lying and being in Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad (Sundew Properties Limited)

Note 9: Assets which are not identifiable at the building level but are mortgaged against the debt/borrowing has not been bifurcated and disclosed separately

Note 10: The market value of the security has been considered based on the valuation reports issued by independent valuer as at 30 September 2022

Note 11: 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





b. Security Cover on Consolidated basis for listed debt securities:

Table II - Security cover on Consolidated basis for the listed entity

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to I)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari- Passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assetsviii Relating to Column F	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+N)
(Rs. In Million)		Book Value	Book Value	Yes/ No	Book Value	Book Value								
<b>ASSETS</b>														
Property, Plant and Equipment/ Investment Property	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Capital Work-in- Progress	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Right of Use Assets	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Goodwill	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Intangible Assets	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Intangible Assets under Development	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Investment	NA	NA	NA	No	NA	NA	153,103	NA	153,103	NA	NA	NA	NA	-
Investment Property (Note 6, 7, 2 and 8)	Note 12	10,418	NA	No	1,406	NA	-	(11,824)	-	39,227	NA	NA	NA	39,227
Investment Property under Construction	Note 12	4	NA	No	NA	NA	-	(4)	-	NA	NA	NA	NA	-
Finance Lease	Note 12	564	NA	No	NA	NA	-	(564)	-	NA	NA	NA	NA	-
Loans	NA	NA	NA	No	NA	NA	26,248	NA	26,248	NA	NA	NA	NA	-
Inventories	Note 12	1	NA	No	NA	NA	-	(1)	-	NA	NA	NA	NA	-
Trade Receivables (Note 4, 5 and 2)	Note 12	7	NA	No	NA	NA	-	(7)	-	7	NA	NA	NA	7
Cash and Cash Equivalents (Note 9)	NA	NA	NA	No	NA	NA	2,927	NA	2,927	NA	NA	NA	NA	-
Bank Balances other than Cash and Cash Equivalents (Note 9)	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Others (Note 3)	NA	NA	NA	No	NA	NA	427	NA	427	NA	NA	NA	NA	-
<b>Total</b>		<b>10,993</b>	-	-	<b>1,406</b>	-	<b>182,705</b>	<b>(12,400)</b>	<b>182,705</b>	<b>39,234</b>	-	-	-	<b>39,234</b>
<b>LIABILITIES</b>														
Debt securities to which this certificate pertains (Note 1)	Note 11	16,500	NA	No	NA	NA	NA	(96)	16,404	NA	NA	NA	NA	-
Other debt sharing pari-passu charge with above debt (Note 10)	NA	not to be filled	NA	Yes	7,185	NA	NA	(7,185)	-	NA	NA	NA	NA	-
Other Debt	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Subordinated debt	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Borrowings	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Bank	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Debt Securities	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Others	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Trade payables	NA		NA	No	NA	NA	NA	9	9	NA	NA	NA	NA	-
Lease Liabilities	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Provisions	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Accrued Interest on Debt	NA	391	NA	No	NA	NA	NA	NA	391	NA	NA	NA	NA	-
Others	NA	NA	NA	No	NA	NA	NA	56	56	NA	NA	NA	NA	-
<b>Total</b>		<b>16,891</b>	-	-	<b>7,185</b>	-	-	<b>(7,216)</b>	<b>16,861</b>	-	-	-	-	-
Cover on Book Value		0.65			0.20									
Cover on Market Value (Note 7 and 11)		2.32			Note 7									
		Exclusive Security Cover Ratio			Pari-Passu Security Cover Ratio									

Note 1: Ind AS adjustment amounting to Rs. 96 million is disclosed in Column I to reconcile the balance of NCDs/MLDs with financial statements

Note 2: For the purpose of the preparation of the table above, we have considered book value of assets Secured which are in the books of REIT SPVs. We have eliminated the same through column I to reconcile with financials

Note 3: Assets which are not identifiable at the building level but are mortgaged against the debt/borrowing has not been bifurcated and disclosed separately

Note 4: While determining outstanding receivables as on 30 September 2022, the balances considered are net of advances, if any. Also, common area maintenance charges and other utility charges payable by the tenant with respect to the maintenance of the Mortgaged Properties are included

Note 5: The above receivables are with respect to the mortgaged properties only. Amount of receivable considered is approximate to its fair value

Note 6: Book value of Investment Property is written down value of the secured asset. The common cost which is not identifiable against secured asset is not allocated (including cost of Power Assets). Further, Ind AS adjustment are not considered on secured assets

Note 7: Market value of Identified Secured Assets as defined in the Debenture Trust Deed has been considered for the purpose of calculation of security cover in connection with exclusive and Pari passu charge of Non-Convertible Debenture Series 3

Note 8: The market value of the security has been considered based on the valuation reports issued by independent valuer as at 30 September 2022

Note 9: 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

Note 10: There are other borrowings in the books of REIT SPV which are sharing the same Pari Passu secured assets and hence amount of such other debts has been disclosed and then eliminated from column I to reconcile with financials





Mindspace Business Parks REIT  
Statement of Security Cover and Compliance Status of Financial Covenants  
Note 11: Summary of all the debts, security, book value and Market value  
(Rs. In Million)

Name of Debt (NCDs/MLDs)	Security	Debt at Face value excluding Ind AS impact	Accrued Interest	Book Value						Market Value	Ratio	
				Investment Property	Investment Property under Construction	Finance Lease	Trade Receivables	Inventory	Total		Book Value	Market Value
10 year G-Sec linked secured, listed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures (“Market Linked Debentures / MLD Series 2”) *	First and exclusive charge being created by way of equitable mortgage on the aggregate leasable area of approximately 13,71,442 Sq. Ft. or thereabouts in buildings no 12A and Units of Building 12B of Madhapur, Hyderabad (approx. 12,69,140 sq. ft. in building no 12A and approx. 1,02,302 sq. ft. in building no 12B) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 29,842 sq. mtrs on which the said two building no 12A and 12B, out of all those pieces and parcels of larger land that are situated, lying and being in Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad (“Mortgaged Properties”), for MLD Series 2 (Sundew Properties Limited)	3,750	389	1,650	-	-	0	-	1,650	9,672	0.40	2.34
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 1)	First and exclusive charge registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 414,599 Sq. Ft. or thereabouts in buildings no 1 and 5 of Commerzone Yerawada (approx. 43,200 sq. ft. in building no 1 and approx. 371,399 in building no 5) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 18,264 sq. mtrs on which the said two building no 1 and 5, out of all those pieces and parcels of larger land that are situated, lying and being in Village Yerawada, Taluka Haveli, District Pune (“Mortgaged Properties”) of NCD Series 1 (Mindspace Business Park Private Limited)	2,000	0	1,266	3	-	1	-	1,271	5,019	0.64	2.51
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 2)	a) First and exclusive charge being registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 151,460 Sq. Ft. or thereabouts in building no 4 of Commerzone Yerawada together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 9,561 sq. mtrs on which the said building, out of all those pieces and parcels of larger land that are situated, lying and being in Village Yerawada, Taluka Haveli, District Pune (“Mortgaged Properties”) of NCD Series 2 (Mindspace Business Park Private Limited)	750	-	383	1	-	-	-	383	1,807	0.51	2.41
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 3) (Note 10)	a) First and exclusive charge being registered by way of simple mortgage on the carpet area of approximately 5,52,974 Sq. Ft. (save and except entire 2nd floor admeasuring 11,883 Sq. Ft. carpet area in building no. 2) (the building no. 2) situated on the Mortgage land along with proportionate covered and open parking spaces, in Building 2 together with all the beneficial rights, title and interest of the Assets SPV in appurtenant to Building 2 and all erections. The Building 2 is situated on a portion of the Mortgage Land admeasuring 8.04 Hectares, which portion is notified as a Special Economic Zone & first and exclusive charge being registered by way of simple mortgage on the identified units with aggregating to carpet area of approximately 4,61,527 Sq. Ft. (identified units of building no. 3) situated on the Mortgage land along with proportionate covered and open parking spaces, in Building 3 together with all the beneficial rights, title and interest of the Assets SPV in appurtenant to Building 3 and all erections (“Mortgaged Properties”) of NCD Series 3 as further detailed in transaction documents	5,000	1	3,745	-	-	3	1	3,749	10,900	0.75	2.18
	A first ranking pari passu charge by way of a simple mortgage over the Mortgaged Land as further detailed in transaction documents (Gigaplex Estate Private Limited)	7,185	-	1,406	-	-	-	-	1,406	Note 7	0.20	Note 7
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 4)	a) First ranking sole and exclusive security interest by way of an equitable mortgage on carpet area of approximately 779,466 sq. ft. in building 12 D (identified units in building) along with the common areas, usage and access rights appurtenant to the units mortgaged in Building 12D as mentioned in the trust deed, situated on a notionally demarcated land admeasuring approximately 17414.77 square metres (equivalent to 4.30 acres), forming part of a portion of land admeasuring 14.02 hectares equivalent to 34.64 acres or thereabout declared as ‘Special Economic Zone’ land from and out of the larger piece of land bearing Survey no. 64(part), lying, being and situated at Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad (Sundew Properties Limited)	5,000	1	3,374	-	564	2	-	3,940	11,829	0.79	2.37
		23,685	392	11,824	4	564	7	1	12,399	39,227	0.85	2.32

\* This certificate is issued for the MLD 2 and accordingly Security cover ratio for MLD 2 is 2.34



**Mindspace Business Parks REIT**  
**Statement of Security Cover and Compliance Status of Financial Covenants**

**c) Compliance of all the covenants of the issue in respect of listed debt securities of the Trust:**

We have examined the compliances made by the listed entity in respect of the covenants of the issue of the listed debt securities (MLD's) and certify that the such covenants of the issue have been complied by the entity. Compliance with other financial covenant as per debenture trustee deed are disclosed below:

**i. Other covenants at Mindspace Business Parks REIT (the "REIT") Consolidated level**

Particulars	Rs. in million
<b>Gross Debt to Net Operating Income (NOI)</b>	
Gross Debt (A) [Refer Note 3 & 5]	49,569
Net Operating Income for the year ended 30 September 2022 (B) [Refer Note 1 & 2]	15,734
<b>Gross Debt / Net Operating Income (A)/(B)</b>	<b>3.15</b>
<b>Maximum Gross Debt to NOI as per Debenture Trust Deed for the aforesaid debentures</b>	<b>5.00</b>
<b>Loan to Value Ratio</b>	
Gross Debt	49,569
Less: Cash & Cash Equivalents	3,089
Loan (C)	46,480
Value of asset (D) [Refer Note 6]	285,251
<b>Loan to Value Ratio (C)/(D)</b>	<b>16%</b>
<b>Maximum Loan to Value ratio as per Debenture Trust Deed for the aforesaid debentures</b>	<b>49%</b>

**ii. Other covenants at Sundew Properties Ltd., Asset Special Purpose Vehicle (SPV) level**

Particulars	Rs. in million
<b>Gross Debt to Net Operating Income (NOI)</b>	
Gross Debt (A) [Refer Note 4 & 5]	14,992
Net Operating Income for the year ended 30 September 2022 (B) [Refer Note 1 & 2]	4,198
<b>Gross Debt / Net Operating Income (A)/(B)</b>	<b>3.57</b>
<b>Maximum Gross Debt to NOI as per Debenture Trust Deed for the aforesaid debentures</b>	<b>5.00</b>
<b>Loan to Value Ratio</b>	
Gross Debt	14,992
Add: Debt from Mindspace Business Parks REIT and its subsidiaries	2,624
Less: Cash & Cash Equivalents	11
Loan (C)	17,605
Value of asset (D) [Refer Note 7]	61,825
<b>Loan to Value Ratio (C)/(D)</b>	<b>28%</b>
<b>Maximum Loan to Value ratio as per Debenture Trust Deed for the aforesaid debentures</b>	<b>49%</b>

**Notes**

- 1 Net operating income is determined on the basis of revenues from operation less: direct operating expenses which includes maintenance services expense, property tax, insurance expense, cost of materials sold and cost of power purchased, if any.
- 2 Net operating income is for the year from 1 October 2021 to 30 September 2022.
- 3 Gross debt for REIT is external financial indebtedness availed including interest on the basis of its consolidated financial statements.
- 4 Gross debt for Asset SPV is external financial indebtedness availed including interest on the basis of its standalone financial statements.
- 5 Gross Debt includes amortization charges recorded as per Ind-AS in the financial statements.
- 6 Value of asset at consolidated level for the purpose of this calculation is fair value of investment properties, investment properties under construction and fair value of Campus.
- 7 Value of asset at Asset SPV level for the purpose of this calculation is fair value of investment properties and investment properties under construction.

**For and on behalf of K. Raheja Corp Investment Managers LLP**  
**(acting as Manager of Mindspace Business Parks REIT)**

*Preeti Chheda*

**Preeti Chheda**  
**Chief Financial Officer**  
**14 November 2022**



*AA*

**Independent Auditor's Certificate on "Statement of Security Cover and Compliance Status of Financial Covenants" ("the Statement") in respect of Non-Convertible Debentures Series 1 of the Trust for the quarter ended and as at 30 September 2022**

To,  
The Governing Board,  
K. Raheja Corp Investment Managers LLP (The "Investment Manager")  
(Acting in capacity as the Investment Manager of Mindspace Business Parks REIT)  
Plot No. C -30, Block 'G',  
Opp. SIDBI, Bandra Kurla Complex,  
Bandra (East), Mumbai 400051

1. This certificate is issued in accordance with the terms of our engagement letter dated 22 July 2022.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Mindspace Business Parks REIT ("the Trust"/ "REIT"), have been requested by the Management of the Trust to certify the Statement in respect of Non-Convertible Debentures Series 1 of the Trust for the quarter ended and as at 30 September 2022.

The Statement is prepared by the Management of Investment Manager from the unaudited books of account and other relevant records and documents maintained by the Trust and its subsidiaries (REIT SPVs) as at 30 September 2022 pursuant to requirements of Circular no. SEBI / HO / MIRSD / MIRSD \_ CRADT / CIR / P / 2022 / 67 dated May 19, 2022 issued by Securities and Exchange Board of India in terms of Regulation 54 read with Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Regulation 15(1)(t) of Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (hereinafter referred together as "the SEBI Regulations"), as amended, for the purpose of submission to IDBI Trusteeship Services Limited, Debenture Trustee of the above mentioned Non-Convertible Debentures Series 1 (hereinafter referred to as "the Debenture Trustee"). The responsibility for compiling the information contained in the Statement is of the Management of the Investment Manager and the same is initiated by us for identification purposes only.

**Management's Responsibility**

3. The preparation of the Statement is the responsibility of the Management of the Investment Manager, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes collecting, collating, validating data and design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The management is solely and entirely responsible for determining the fair value of the assets included in the statement.



4. The Management of the Investment Manager is also responsible for ensuring that the Trust complies with all the relevant requirements of the SEBI Regulations and Debenture Trust Deed for providing all relevant information to the Debenture Trustees and for complying with all the covenants as prescribed in the Debenture Trust Deed.

**Auditor's Responsibility**

5. Pursuant to the requirements of Circular no. SEBI / HO / MIRSD / MIRSD \_ CRADT / CIR / P / 2022 / 67 dated May 19, 2022 issued by Securities and Exchange Board of India, our responsibility for the purpose of this certificate is to provide a limited assurance on whether the details included in the Statement related to the Trust in respect of the Non-Convertible Debentures Series 1 for the quarter ended and as at 30 September 2022 have been accurately extracted from the unaudited books of account and other relevant records and documents maintained by the Trust and REIT SPVs . This did not include the evaluation of adherence by the Trust and REIT SPVs with all the applicable guidelines of the SEBI Regulations.
6. A limited assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the criteria and scope mentioned in paragraph 10 below. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
7. The unaudited financial results for the quarter and half year ended 30 September 2022, have been reviewed by us, on which we have issued unmodified conclusion vide our report dated 14 November 2022. Our review of the unaudited financial results was conducted in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free from material misstatement.
8. We conducted our examination and obtained the explanations in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Review Historical Financial Information, and Other Assurance and Related Services Engagements.



A handwritten signature, possibly "SP", written in ink.

## Criteria and Scope

10. The information contained in the Statement is extracted from the unaudited books of account of the Trust and REIT SPVs for the quarter ended and as at 30 September 2022 and other relevant records and documents maintained by the Trust and REIT SPVs.

Accordingly, we have performed the following procedures in relation to verification of the Statement:

- a) Read the Statement received from the management of Investment manager.
- b) Traced the book value of assets from the unaudited books of account of the Trust as at 30 September 2022 and other relevant records and documents maintained by the Trust, in the normal course of its business.
- c) Reviewed the Debenture Trust Deed to understand the nature of charge (viz. exclusive charge or pari-passu charge) on assets.
- d) Obtained Register of Charges filed by the REIT SPVs as per the requirements of the Companies Act, 2013 to confirm the disclosure of the secured assets.
- e) Obtained a confirmation provided by management of Mindspace Business Parks Private Limited ("REIT SPV") for the book value of assets against which Non-Convertible Debentures Series 1 are mortgaged and traced to the book value of assets included in the Statement of security cover.
- f) Obtained a confirmation provided by management of Sundew Properties Limited and Gigaplex Estate Private Limited ("REIT SPVs") for the book value of assets against which other Debt Securities are mortgaged and traced to the book value of assets included in Table II – Security cover on consolidated basis for the listed entity.
- g) Performed necessary inquiries with the management and obtained necessary representations.
- h) Tested the arithmetical accuracy of the information included in the Statement.
- i) Traced the fair value of the assets from the Valuation report issued by Independent valuers provided to us by the Management on which we have placed reliance.
- j) Obtained the working prepared by the Management for compliance with the relevant ratios related to the Trust and REIT SPVs and recomputed the ratios.

## Conclusion

11. Based on the procedures performed as referred to in paragraph 10 above and according to the information, explanations and representation provided to us by the Management of the Investment Manager, nothing has come to our attention that causes us to believe that the details included in the Statement related to the Trust have not been accurately extracted from unaudited books of account of the Trust and REIT SPVs for the quarter ended and as at 30 September 2022 and other relevant records and documents maintained by the Trust and REIT SPVs.



**Restriction on Use and Distribution**

12. This certificate is addressed and provided to the Governing Board of the Investment Manager solely for the purpose of submission to the Stock exchanges/Debenture Trustee and should not be used by any other person or for any other purposes without our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.



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

A handwritten signature in black ink, appearing to read "N. Shah".

**Nilesh Shah**

Partner

Membership No. 49660

UDIN: 22 0496608DB KHV2601

Place: Mumbai

Date: 14 November 2022



Mindspace Business Parks REIT  
Statement of Security Cover and Compliance Status of Financial Covenants

a. The listed entity viz. Mindspace Business Parks REIT ("Mindspace REIT" / "REIT") through its manager K Raheja Corp Investment Managers LLP, ("Manager"), has vide its Executive Committee Meeting dated 8 December 2020, has issued the following listed debt securities:

ISIN	Private Placement/Public Issue	Secured/Unsecured	Sanctioned amount (Rs. in Million)
INE0CCU07025	Private Placement	Secured	2,000

b. Security Cover for listed debt securities at Standalone level:  
The financial information as at 30 September 2022 has been extracted from the unaudited books of account for the year ended ended 30 September 2022 and other records of the REIT and Mindspace Business Parks Private Limited ("MBPPL / REIT SPV") (the "books of account and other records of REIT and MBPPL")

Table I - Security cover on standalone basis for the listed entity

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to I)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets <sup>viii</sup> Relating to Column F	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+N)
(Rs. In Million)		Book Value	Book Value	Yes/ No	Book Value	Book Value								
<b>ASSETS</b>														
Property, Plant and Equipment/ Investment Property	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Capital Work-in- Progress	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Right of Use Assets	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Goodwill	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Intangible Assets	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Intangible Assets under Development	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Investment	NA	NA	NA	No	NA	NA	153,103	NA	153,103	NA	NA	NA	NA	-
Investment Property (Note 6, 7, 2 and 10)	Note 8	1,266	NA	No	NA	NA	-	(1,266)	-	5,019	NA	NA	NA	5,019
Investment Property under Construction	Note 8	3	NA	No	NA	NA	-	(3)	-	NA	NA	NA	NA	-
Loans	NA	NA	NA	No	NA	NA	26,248	NA	26,248	NA	NA	NA	NA	-
Inventories	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Trade Receivables (Note 4, 5 and 2)	Note 8	1	NA	No	NA	NA	-	(1)	-	NA	NA	NA	NA	-
Cash and Cash Equivalents (Note 11)	NA	NA	NA	No	NA	NA	2,927	NA	2,927	NA	NA	NA	NA	-
Bank Balances other than Cash and Cash Equivalents (Note 11)	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Others (Note 9)	NA	NA	NA	No	NA	NA	427	NA	427	NA	NA	NA	NA	-
<b>Total</b>		<b>1,271</b>	-	-	-	-	<b>182,705</b>	<b>(1,271)</b>	<b>182,705</b>	<b>5,019</b>	<b>1</b>	<b>(1,620)</b>	-	<b>5,020</b>
<b>LIABILITIES</b>														
Debt securities to which this certificate pertains (Note 1)	Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 1)	2,000	NA	No	NA	NA	NA	(8)	1,992	NA	NA	NA	NA	-
Other debt sharing pari-passu charge with above debt	NA	not to be filled	NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Other Debt (Note 3)	NA		14,411	No	NA	4,961	NA	(4,961)	14,411	NA	NA	NA	NA	-
Subordinated debt	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Borrowings	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Bank	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Debt Securities	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Others	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Trade payables	NA		NA	No	NA	NA	NA	9	9	NA	NA	NA	NA	-
Lease Liabilities	NA	0	NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Provisions	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Accrued Interest on Debt	NA		391	No	NA	NA	NA	NA	391	NA	NA	NA	NA	-
Others	NA		NA	No	NA	NA	NA	57	57	NA	NA	NA	NA	-
<b>Total</b>		<b>2,000</b>	<b>14,802</b>	-	-	<b>4,961</b>	-	<b>(4,902)</b>	<b>16,861</b>	-	-	-	-	-
Cover on Book Value		0.64			NA									
Cover on Market Value (Note 7)		2.51			NA									
		Exclusive Security Cover Ratio			Pari-Passu Security Cover Ratio									

Note 1: Value of NCD excludes Ind AS adjustment amounting to Rs. 8 million which is eliminated to ensure liability is reconciled with balance sheet  
Note 2: For the purpose of the preparation of the table above, we have considered book value of assets Secured which are in the books of Mindspace Business Park Private Limited (Subsidiary/ REIT SPV). We have eliminated the same through column I to reconcile with financials  
Note 3: Other debts are secured against assets of other REIT SPVs which are disclosed in Table II - Security cover on consolidated basis  
Note 4: While determining outstanding receivables as on 30 September 2022, the balances considered are net of advances, if any. Also, common area maintenance charges and other utility charges payable by the tenant with respect to the maintenance of the Mortgaged Properties are included  
Note 5: The above receivables are with respect to the mortgaged properties only. Amount of receivable considered is approximate to its fair value  
Note 6: Book value of Investment Property is written down value of the secured asset. The common cost which is not identifiable against secured asset is not allocated (including cost of Power Assets). Further, Ind AS adjustment are not considered on secured assets  
Note 7: Market value of secured assets has been calculated as per the requirement of the Debenture Trust Deed  
Note 8: First and exclusive charge registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leaseable area of approximately 414,599 Sq. Ft. or thereabouts in buildings no. 1 and 5 of Commerzone Yerawada (approx. 43,200 sq. ft. in building no. 1 and approx. 371,399 in building no. 5) together with the proportionate undivided right, title and interest in the notional share of the admeasuring approximately 18,264 sq. mtrs. on which the said two buildings no. 1 and 5, out of all those pieces and parcels of larger land that are situated, lying and being in Village Yerawada, Taluka Haveli, District Pune (Mindspace Business Park Private Limited)  
Note 9: Assets which are not identifiable at the building level but are mortgaged against the debt/borrowing has not been bifurcated and disclosed separately  
Note 10: The market value of the mortgage immovable properties has been considered based on the valuation reports issued by two independent valuers as at 30 September 2022 out of which lowest has been considered  
Note 11: 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





b. Security Cover on Consolidated basis for listed debt securities:

Table II - Security cover on Consolidated basis for the listed entity

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Eliminati on (amount in negative)	(Total C to I)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certifica to being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari- Passu charge (excluding items covered in column F)		debt amount considere d more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assetsviii Relating to Column F	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+ N)
(Rs. In Million)		Book Value	Book Value	Yes/ No	Book Value	Book Value								
<b>ASSETS</b>														
Property, Plant and Equipment/ Investment Property	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Capital Work-in- Progress	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Right of Use Assets	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Goodwill	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Intangible Assets	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Intangible Assets under Development	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Investment	NA	NA	NA	No	NA	NA	153,103	NA	153,103	NA	NA	NA	NA	-
Investment Property (Note 6, 7, 2 and 8)	Note 12	10,418	NA	No	1,406	NA	-	(11,824)	-	39,227	NA	NA	NA	39,227
Investment Property under Construction	Note 12	4	NA	No	NA	NA	-	(4)	-	NA	NA	NA	NA	-
Finance Lease	Note 12	564	NA	No	NA	NA	-	(564)	-	NA	NA	NA	NA	-
Loans	NA	NA	NA	No	NA	NA	26,248	NA	26,248	NA	NA	NA	NA	-
Inventories	Note 12	1	NA	No	NA	NA	-	(1)	-	NA	NA	NA	NA	-
Trade Receivables (Note 4, 5 and 2)	Note 12	7	NA	No	NA	NA	-	(7)	-	7	NA	NA	NA	7
Cash and Cash Equivalents (Note 9)	NA	NA	NA	No	NA	NA	2,927	NA	2,927	NA	NA	NA	NA	-
Bank Balances other than Cash and Cash Equivalents (Note 9)	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Others (Note 3)	NA	NA	NA	No	NA	NA	427	NA	427	NA	NA	NA	NA	-
<b>Total</b>	-	<b>10,993</b>	-	-	<b>1,406</b>	-	<b>182,705</b>	<b>(12,400)</b>	<b>182,705</b>	<b>39,234</b>	-	-	-	<b>39,234</b>
<b>LIABILITIES</b>														
Debt securities to which this certificate pertains (Note 1)	Note 10	16,500	NA	No	NA	NA	NA	(96)	16,404	NA	NA	NA	NA	-
Other debt sharing pari-passu charge with above debt (Note 10)	NA	not to be filled	NA	Yes	7,185	NA	NA	(7,185)	-	NA	NA	NA	NA	-
Other Debt	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Subordinated debt	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Borrowings	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Bank	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Debt Securities	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Others	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Trade payables	NA		NA	No	NA	NA	NA	9	9	NA	NA	NA	NA	-
Lease Liabilities	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Provisions	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Accrued Interest on Debt	NA	391	NA	No	NA	NA	NA	NA	391	NA	NA	NA	NA	-
Others	NA	NA	NA	No	NA	NA	NA	56	56	NA	NA	NA	NA	-
<b>Total</b>	-	<b>16,891</b>	-	-	<b>7,185</b>	-	-	<b>(7,216)</b>	<b>16,861</b>	-	-	-	-	-
Cover on Book Value		0.65			0.20									
Cover on Market Value (Note 7 and 11)		2.32			Note 7									
		Exclusive Security Cover Ratio			Pari-Passu Security Cover Ratio									

Note 1: Ind AS adjustment amounting to Rs. 96 million is disclosed in Column I to reconcile the balance of NCDs/MLDs with financial statements

Note 2: For the purpose of the preparation of the table above, we have considered book value of assets Secured which are in the books of REIT SPVs. We have eliminated the same through column I to reconcile with financials

Note 3: Assets which are not identifiable at the building level but are mortgaged against the debt/borrowing has not been bifurcated and disclosed separately

Note 4: While determining outstanding receivables as on 30 September 2022, the balances considered are net of advances, if any. Also, common area maintenance charges and other utility charges payable by the tenant with respect to the maintenance of the Mortgaged Properties are included

Note 5: The above receivables are with respect to the mortgaged properties only. Amount of receivable considered is approximate to its fair value

Note 6: Book value of Investment Property is written down value of the secured asset. The common cost which is not identifiable against secured asset is not allocated (including cost of Power Assets). Further, Ind AS adjustment are not considered on secured assets

Note 7: Market value of secured assets has been calculated as per the requirement of the Debenture Trust Deed

Note 8: The market value of the security has been considered based on the valuation reports issued by independent valuer as at 30 September 2022

Note 9: 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

Note 10: There are other borrowings in the books of REIT SPV which are sharing the same Pari Passu secured assets and Hence amount of such other debts has been disclosed and then eliminated from column I to reconcile with financials





Mindspace Business Parks REIT  
Statement of Security Cover and Compliance Status of Financial Covenants  
Note 11: Sumamry of all the debts, security, book value and Market value  
(Rs. In Million)

Name of Debt (NCDs/MLDs)	Security	Debt at Face value excluding Ind AS impact	Accrued Interest	Book Value						Market Value	Ratio	
				Investment Property	Investment Property under Construction	Finance Lease	Trade Receivables	Inventory	Total		Book Value	Market Value
10 year G-Sec linked secured, listed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures (“Market Linked Debentures / MLD Series 2”)	First and exclusive charge being created by way of equitable mortgage on the aggregate leasable area of approximately 13,71,442 Sq Ft or thereabouts in buildings no. 12A and Units of Building 12B of Madhapur, Hyderabad (approx. 12,69,140 sq ft in building no 12A and approx. 1,02,302 sq ft in building no 12B) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 29,842 sq mtrs on which the said two building no 12A and 12B, out of all those pieces and parcels of larger land that are situated, lying and being in Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad (“Mortgaged Properties”), for MLD Series 2 (Sundre Properties Limited)	3,750	389	1,650	-	-	0	-	1,650	9,672	0.40	2.34
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 1) *	First and exclusive charge registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 414,599 Sq Ft or thereabouts in buildings no. 1 and 5 of Commerzone Yerawada (approx. 43,200 sq ft in building no. 1 and approx. 371,399 in building no. 5) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 18,264 sq mtrs on which the said two building no. 1 and 5, out of all those pieces and parcels of larger land that are situated, lying and being in Village Yerawada, Taluka Haveli, District Pune (“Mortgaged Properties”) of NCD Series 1 (Mindspace Business Park Private Limited)	2,000	0	1,266	3	-	1	-	1,271	5,019	0.64	2.51
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 2)	a) First and exclusive charge being registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 151,460 Sq Ft or thereabouts in building no. 4 of Commerzone Yerawada together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 9,561 sq mtrs on which the said building, out of all those pieces and parcels of larger land that are situated, lying and being in Village Yerawada, Taluka Haveli, District Pune (“Mortgaged Properties”) of NCD Series 2 (Mindspace Business Park Private Limited)	750	-	383	1	-	-	-	383	1,807	0.51	2.41
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 3) (Note 10)	a) First and exclusive charge being registered by way of simple mortgage on the carpet area of approximately 5,52,974 Sq Ft ( save and except entire 2nd floor admeasuring 11,883 Sq Ft, carpet area in building no. 2) (the building no. 2) situated on the Mortgage land along with proportionate covered and open parking spaces, in Building 2 together with all the beneficial rights, title and interest of the Assets SPV in appurtenant to Building 2 and all erections. The Building 2 is situated on a portion of the Mortgage Land admeasuring 8.04 Hectares, which portion is notified as a Special Economic Zone & first and exclusive charge being registered by way of simple mortgage on the identified units with aggregating to carpet area of approximately 4,61,527 Sq Ft (identified units of building no. 3) situated on the Mortgage land along with proportionate covered and open parking spaces, in Building 3 together with all the beneficial rights, title and interest of the Assets SPV in appurtenant to Building 3 and all erections (“Mortgaged Properties”) of NCD Series 3 as further detailed in transaction documents  A first ranking pari passu charge by way of a simple mortgage over the Mortgaged Land as further detailed in transaction documents (Gigaplex Estate Private Limited)	5,000	1	3,745	-	-	3	1	3,749	10,900	0.75	2.18
		7,185	1	1,406	-	-	-	-	1,406	Note 7	0.20	Note 7
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 4)	a) First ranking sole and exclusive security interest by way of an equitable mortgage on carpet area of approximately 779,466 sq ft in building 12 D (identified units in building) along with the common areas, usage and access rights appurtenant to the units mortgaged in Building 12D as mentioned in the trust deed, situated on a notionally demarcated land admeasuring approximately 17414.77 square metres (equivalent to 4.30 acres), forming part of a portion of land admeasuring 14.02 hectares equivalent to 34.64 acres or thereabout declared as ‘Special Economic Zone’ land from and out of the larger piece of land bearing Survey no. 64(part), lying, being and situated at Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad (Sundre Properties Limited)	5,000	1	3,374	-	564	2	-	3,940	11,829	0.79	2.37
		23,685	392	11,824	4	564	7	1	12,399	39,227	0.85	2.32

\* This certificate is issued for the NCD 1 and accordingly Security cover ratio for NCD 1 is 2.51



**Mindspace Business Parks REIT**
**Statement of Security Cover and Compliance Status of Financial Covenants**
**c) Compliance of all the covenants of the issue in respect of listed debt securities of the Trust:**

We have examined the compliances made by the listed entity in respect of the covenants of the issue of the listed debt securities (NCD's) and certify that the such covenants of the issue have been complied by the entity. Compliance with other financial covenant as per debenture trustee deed are disclosed below

**i. Other covenants at Mindspace Business Parks REIT (the "REIT") Consolidated level**

Particulars	Rs. in million
Gross Debt to EBITDA before regulatory income and expenses	
Gross Debt (A) [Refer Note 3 & 5]	49,569
EBITDA before regulatory income and expense for the year ended ended 30 September 2022 (B) [Refer Note 1 & 2]	14,995
Gross Debt to EBITDA before regulatory income and expenses (A)/(B)	3.31
Maximum Gross Debt to EBITDA before regulatory income and expenses as per Debenture Trust Deed for the aforesaid debentures	5.00
<b>Loan to Value Ratio</b>	
Gross Debt	49,569
Cash & Cash Equivalents	3,089
Loan (C)	46,480
Value of asset (D) [Refer Note 6]	285,251
Loan to Value Ratio (C)/(D)	16%
Maximum Loan to Value ratio as per Debenture Trust Deed for the aforesaid debentures	49%

**ii. Other covenants at Mindspace Business Parks Pvt. Ltd., Asset Special Purpose Vehicle (SPV) level**

Particulars	Rs. in million
Gross Debt to EBITDA before regulatory income and expenses	
Gross Debt (A) [Refer Note 4 & 5]	17,265
EBITDA before regulatory income and expense for the year ended ended 30 September 2022 (B) [Refer Note 1 & 2]	4,668
Gross Debt to EBITDA before regulatory income and expenses (A)/(B)	3.70
Maximum Gross Debt to EBITDA before regulatory income and expenses not exceeding 5.00x as per Debenture Trust Deed for the aforesaid debentures	5.00
<b>Loan to Value Ratio</b>	
Gross Debt	17,265
Add: Debt from Mindspace Business Parks REIT and its subsidiaries	1,702
Cash & Cash Equivalents	53
Loan (C)	18,914
Value of asset (D) [Refer Note 7]	76,388
Loan to Value Ratio (C)/(D)	25%
Maximum Loan to Value ratio not exceeding 49% as per Debenture Trust Deed for the aforesaid debentures	49%

**Notes**

- 1 EBITDA is determined on the basis of earnings before interest, depreciation and amortisation and tax after extinguishing the movement in all regulatory deferral account balances from other income and expenses
- 2 EBITDA is for the year ended from 1 October 2021 to 30 September 2022
- 3 Gross debt for REIT is external financial indebtedness availed including interest on the basis of its consolidated financial statements
- 4 Gross debt for Asset SPV is external financial indebtedness availed including interest on the basis of its standalone financial statements
- 5 Gross Debt includes amortization charges recorded as per Ind-AS in the financial statements
- 9 Value of asset at consolidated level for the purpose of this calculation is fair value of investment properties, investment properties under construction and fair value of Campluss
- 10 Value of asset at Asset SPV level for the purpose of this calculation is fair value of investment properties and investment properties under construction

For and on behalf of K. Raheja Corp Investment Managers LLP  
(acting as Manager of Mindspace Business Parks REIT)

*Preeti Chheda*

Preeti Chheda  
Chief Financial Officer  
14 November 2022



*Handwritten mark*

**Independent Auditor's Certificate on "Statement of Security Cover and Compliance Status of Financial Covenants" ("the Statement") in respect of Non-Convertible Debentures Series 2 of the Trust for the quarter ended and as at 30 September 2022**

To,  
The Governing Board,  
K. Raheja Corp Investment Managers LLP (The "Investment Manager")  
(Acting in capacity as the Investment Manager of Mindspace Business Parks REIT)  
Plot No. C -30, Block 'G',  
Opp. SIDBI, Bandra Kurla Complex,  
Bandra (East), Mumbai 400051

1. This certificate is issued in accordance with the terms of our engagement letter dated 22 July 2022.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Mindspace Business Parks REIT ("the Trust"/ "REIT"), have been requested by the Management of the Trust to certify the Statement in respect of Non-Convertible Debentures Series 2 of the Trust for the quarter ended and as at 30 September 2022.

The Statement is prepared by the Management of Investment Manager from the unaudited books of account and other relevant records and documents maintained by the Trust and its subsidiaries (REIT SPVs) as at 30 September 2022 pursuant to requirements of Circular no. SEBI / HO / MIRSD / MIRSD \_ CRADT / CIR / P / 2022 / 67 dated May 19, 2022 issued by Securities and Exchange Board of India in terms of Regulation 54 read with Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Regulation 15(1)(t) of Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (hereinafter referred together as "the SEBI Regulations"), as amended, for the purpose of submission to IDBI Trusteeship Services Limited, Debenture Trustee of the above mentioned Non-Convertible Debentures Series 2 (hereinafter referred to as "the Debenture Trustee"). The responsibility for compiling the information contained in the Statement is of the Management of the Investment Manager and the same is initialed by us for identification purposes only.

**Management's Responsibility**

3. The preparation of the Statement is the responsibility of the Management of the Investment Manager, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes collecting, collating, validating data and design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The management is solely and entirely responsible for determining the fair value of the assets included in the statement.



4. The Management of the Investment Manager is also responsible for ensuring that the Trust complies with all the relevant requirements of the SEBI Regulations and Debenture Trust Deed for providing all relevant information to the Debenture Trustees and for complying with all the covenants as prescribed in the Debenture Trust Deed.

**Auditor's Responsibility**

5. Pursuant to the requirements of Circular no. SEBI / HO / MIRSD / MIRSD \_ CRADT / CIR / P / 2022 / 67 dated May 19, 2022 issued by Securities and Exchange Board of India, our responsibility for the purpose of this certificate is to provide a limited assurance on whether the details included in the Statement related to the Trust in respect of the Non-Convertible Debentures Series 2 for the quarter ended and as at 30 September 2022 have been accurately extracted from the unaudited books of account and other relevant records and documents maintained by the Trust and REIT SPVs . This did not include the evaluation of adherence by the Trust and REIT SPVs with all the applicable guidelines of the SEBI Regulations.
6. A limited assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the criteria and scope mentioned in paragraph 10 below. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
7. The unaudited financial results for the quarter and half year ended 30 September 2022, have been reviewed by us, on which we have issued unmodified conclusion vide our report dated 14 November 2022. Our review of the unaudited financial results was conducted in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free from material misstatement.
8. We conducted our examination and obtained the explanations in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Review Historical Financial Information, and Other Assurance and Related Services Engagements.



A handwritten signature in blue ink, consisting of a stylized 'A' or similar character.

### **Criteria and Scope**

10. The information contained in the Statement is extracted from the unaudited books of account of the Trust and REIT SPVs for the quarter ended and as at 30 September 2022 and other relevant records and documents maintained by the Trust and REIT SPVs.

Accordingly, we have performed the following procedures in relation to verification of the Statement:

- a) Read the Statement received from the management of Investment manager.
- b) Traced the book value of assets from the unaudited books of account of the Trust as at 30 September 2022 and other relevant records and documents maintained by the Trust, in the normal course of its business.
- c) Reviewed the Debenture Trust Deed to understand the nature of charge (viz. exclusive charge or pari-passu charge) on assets.
- d) Obtained Register of Charges filed by the REIT SPVs as per the requirements of the Companies Act, 2013 to confirm the disclosure of the secured assets.
- e) Obtained a confirmation provided by management of Mindspace Business Parks Private Limited ("REIT SPV") for the book value of assets against which Non-Convertible Debentures Series 2 are mortgaged and traced to the book value of assets included in the Statement of security cover.
- f) Obtained a confirmation provided by management of Sundew Properties Limited and Gigaplex Estate Private Limited ("REIT SPVs") for the book value of assets against which other Debt Securities are mortgaged and traced to the book value of assets included in Table II – Security cover on consolidated basis for the listed entity.
- g) Performed necessary inquiries with the management and obtained necessary representations.
- h) Tested the arithmetical accuracy of the information included in the Statement.
- i) Traced the fair value of the assets from the Valuation report issued by Independent valuers provided to us by the Management on which we have placed reliance.
- j) Obtained the working prepared by the Management for compliance with the relevant ratios related to the Trust and REIT SPVs and recomputed the ratios.

### **Conclusion**

11. Based on the procedures performed as referred to in paragraph 10 above and according to the information, explanations and representation provided to us by the Management of the Investment Manager, nothing has come to our attention that causes us to believe that the details included in the Statement related to the Trust have not been accurately extracted from unaudited books of account of the Trust and REIT SPVs for the quarter ended and as at 30 September 2022 and other relevant records and documents maintained by the Trust and REIT SPVs.



A handwritten signature, possibly "P", written in ink.

**Restriction on Use and Distribution**

12. This certificate is addressed and provided to the Governing Board of the Investment Manager solely for the purpose of submission to the Stock exchanges/Debenture Trustee and should not be used by any other person or for any other purposes without our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

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



Place: Mumbai  
Date: 14 November 2022

A handwritten signature in blue ink, appearing to read 'N. V. Shah', written diagonally.

**Nilesh Shah**  
Partner  
Membership No. 49660  
UDIN: 220496608DBKHW4112



Mindspace Business Parks REIT  
Statement of Security Cover and Compliance Status of Financial Covenants

a. The listed entity viz. Mindspace Business Parks REIT ("Mindspace REIT" / "REIT") through its manager K Raheja Corp Investment Managers LLP, ("Manager"), has vide its Executive Committee Meeting dated 9 March 2021, has issued the following listed debt securities:

ISIN	Private Placement/Public Issue	Secured/Unsecured	Sanctioned amount (Rs. in Million)
INE0CCU07033	Private Placement	Secured	750

b. Security Cover for listed debt securities at Standalone level:  
The financial information as at 30 September 2022 has been extracted from the unaudited books of account for the year ended ended 30 September 2022 and other records of the REIT and Mindspace Business Parks Private Limited ("MBPPL/ REIT SPV") (the "books of account and other records of REIT and MBPPL")

Table I - Security cover on standalone basis for the listed entity

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to I)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate is being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari- Passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assetsviii Relating to Column F	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+N)
(Rs. In Million)		Book Value	Book Value	Yes/ No	Book Value	Book Value								
<b>ASSETS</b>														
Property, Plant and Equipment/ Investment Property	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Capital Work-in- Progress	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Right of Use Assets	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Goodwill	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Intangible Assets	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Intangible Assets under Development	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Investment	NA	NA	NA	No	NA	NA	153,103	NA	153,103	NA	NA	NA	NA	-
Investment Property (Note 6, 7, 2 and 10)	Note 8	383	NA	No	NA	NA	-	(383)	-	1,807	NA	NA	NA	1,807
Investment Property under Construction	Note 8	-	NA	No	NA	NA	-	NA	-	1,807	NA	NA	NA	-
Loans	NA	NA	NA	No	NA	NA	26,248	NA	26,248	NA	NA	NA	NA	-
Inventories	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Trade Receivables (Note 4, 5 and 8)	Note 8	-	NA	No	NA	NA	-	NA	-	NA	-	NA	NA	-
Cash and Cash Equivalents (Note 11)	NA	NA	NA	No	NA	NA	2,927	NA	2,927	NA	NA	NA	NA	-
Bank Balances other than Cash and Cash Equivalents (Note 11)	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Others	NA	NA	NA	No	NA	NA	427	NA	427	NA	NA	NA	NA	-
<b>Total</b>		<b>383</b>	-	-	-	-	<b>182,705</b>	<b>(383)</b>	<b>182,705</b>	<b>1,807</b>	-	-	-	<b>1,807</b>
<b>LIABILITIES</b>														
Debt securities to which this certificate pertains (Note 1)	Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 2)	750	NA	No	NA	NA	NA	NA	750	NA	NA	NA	NA	-
Other debt sharing pari-passu charge with above debt	NA	not to be filled	NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Other Debt (Note 2)	NA		15,654	No	NA	4,961	NA	(4,961)	15,654	NA	NA	NA	NA	-
Subordinated debt	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Borrowings (Note 3)	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Bank	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Debt Securities	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Others	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Trade payables	NA		NA	No	NA	NA	NA	9	9	NA	NA	NA	NA	-
Lease Liabilities	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Provisions	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Accrued Interest on Debt	NA	-	391	No	NA	NA	NA	NA	391	-	-	-	-	-
Others	NA	NA	NA	No	NA	NA	NA	57	57	NA	NA	NA	NA	-
<b>Total</b>		<b>750</b>	<b>16,045</b>	-	-	<b>4,961</b>	-	<b>(4,895)</b>	<b>16,861</b>	-	-	-	-	-
Cover on Book Value		0.51			NA									
Cover on Market Value (Note 7)		2.41			NA									
		Exclusive Security Cover Ratio			Pari-Passu Security Cover Ratio									

Note 1: Value of NCD excludes Ind AS adjustment, which is eliminated to ensure liability is reconciled with balance sheet

Note 2: For the purpose of the preparation of the table above, we have considered book value of assets Secured which are in the books of Mindspace Business Park Private Limited (Subsidiary/ REIT SPV) We have eliminated the same through column I to reconcile with financials

Note 3: Other debts are secured against assets of other REIT SPVs which are disclosed in Table II - Security cover on consolidated basis

Note 4: While determining outstanding receivables as on 30 September 2022, the balances considered are net of advances, if any. Also, common area maintenance charges and other utility charges payable by the tenant with respect to the maintenance of the Mortgaged Properties are included

Note 5: The above receivables are with respect to the mortgaged properties only. Amount of receivable considered is approximate to its fair value

Note 6: Book value of Investment Property is written down value of the secured asset. The common cost which is not identifiable against secured asset is not allocated (including cost of Power Assets). Further, Ind AS adjustment are not considered on secured assets

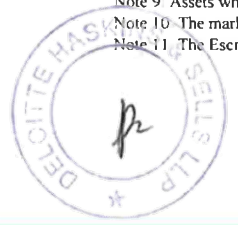
Note 7: Market value of secured assets has been calculated as per the requirement of the Debenture Trust Deed

Note 8: First and exclusive charge being registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 1,51,460 Sq. Ft. or thereabouts in building no. 4 of Commerzone Yerawada together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 9,561 sq. mtrs. on which the said building, out of which pieces and parcels of larger land that are situated, lying and being in Village Yerawada, Taluka Haveli, District Pune (Mindspace Business Park Private Limited)

Note 9: Assets which are not identifiable at the building level but are mortgaged against the debt/borrowing has not been bifurcated and disclosed separately

Note 10: The market value of the security has been considered based on the valuation reports issued by independent valuer as at 30 September 2022

Note 11: 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





b. Security Cover on Consolidated basis for listed debt securities:

Table II - Security cover on Consolidated basis for the listed entity

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Eliminati on (amount in negative)	(Total C to I)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certifica to being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari- Passu charge (excluding items covered in column F)		debt amount considere d more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assetviii Relating to Column F	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+N)
(Rs. In Million)		Book Value	Book Value	Yes/ No	Book Value	Book Value								
<b>ASSETS</b>														
Property, Plant and Equipment/ Investment Property	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Capital Work-in- Progress	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Right of Use Assets	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Goodwill	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Intangible Assets	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Intangible Assets under Development	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Investment	NA	NA	NA	No	NA	NA	153,103	NA	153,103	NA	NA	NA	NA	-
Investment Property (Note 6, 7, 2 and 8)	Note 12	10,418	NA	No	1,406	NA	-	(11,824)	-	39,227	NA	NA	NA	39,227
Investment Property under Construction	Note 12	4	NA	No	NA	NA	-	(4)	-	NA	NA	NA	NA	-
Finance Lease	Note 12	564	NA	No	NA	NA	-	(564)	-	NA	NA	NA	NA	-
Loans	NA	NA	NA	No	NA	NA	26,248	NA	26,248	NA	NA	NA	NA	-
Inventories	Note 12	1	NA	No	NA	NA	-	(1)	-	NA	NA	NA	NA	-
Trade Receivables (Note 4, 5 and 2)	Note 12	7	NA	No	NA	NA	-	(7)	-	7	NA	NA	NA	7
Cash and Cash Equivalents (Note 9)	NA	NA	NA	No	NA	NA	2,927	NA	2,927	NA	NA	NA	NA	-
Bank Balances other than Cash and Cash Equivalents (Note 9)	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Others (Note 3)	NA	NA	NA	No	NA	NA	427	NA	427	NA	NA	NA	NA	-
<b>Total</b>		<b>10,993</b>	-	-	<b>1,406</b>	-	<b>182,705</b>	<b>(12,400)</b>	<b>182,705</b>	<b>39,234</b>	-	-	-	<b>39,234</b>
<b>LIABILITIES</b>														
Debt securities to which this certificate pertains (Note 1)	Note 10	16,500	NA	No	NA	NA	NA	(96)	16,404	NA	NA	NA	NA	-
Other debt sharing pari-passu charge with above debt (Note 10)	NA	not to be filled	NA	Yes	7,185	NA	NA	(7,185)	-	NA	NA	NA	NA	-
Other Debt	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Subordinated debt	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Borrowings	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Bank	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Debt Securities	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Others	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Trade payables	NA		NA	No	NA	NA	NA	9	9	NA	NA	NA	NA	-
Lease Liabilities	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Provisions	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Accrued Interest on Debt	NA	391	NA	No	NA	NA	NA	NA	391	NA	NA	NA	NA	-
Others	NA	NA	NA	No	NA	NA	NA	56	56	NA	NA	NA	NA	-
<b>Total</b>		<b>16,891</b>	-	-	<b>7,185</b>	-	-	<b>(7,216)</b>	<b>16,861</b>	-	-	-	-	-
Cover on Book Value		0.65			0.20									
Cover on Market Value (Note 7 and 11)		2.32			Note 7									
		Exclusive Security Cover Ratio			Pari-Passu Security Cover Ratio									

Note 1 Ind AS adjustment amounting to Rs. 96 million is disclosed in Column I to reconcile the balance of NCDs/MLDs with financial statements

Note 2: For the purpose of the preparation of the table above, we have considered book value of assets Secured which are in the books of REIT SPVs. We have eliminated the same through column I to reconcile with financials

Note 3: Assets which are not identifiable at the building level but are mortgaged against the debt/borrowing has not been bifurcated and disclosed separately

Note 4: While determining outstanding receivables as on 30 September 2022, the balances considered are net of advances, if any. Also, common area maintenance charges and other utility charges payable by the tenant with respect to the maintenance of the Mortgaged Properties are included

Note 5: The above receivables are with respect to the mortgaged properties only. Amount of receivable considered is approximate to its fair value

Note 6: Book value of Investment Property is written down value of the secured asset. The common cost which is not identifiable against secured asset is not allocated (including cost of Power Assets). Further, Ind AS adjustment are not considered on secured assets

Note 7: Market value of secured assets has been calculated as per the requirement of the Debenture Trust Deed

Note 8: The market value of the security has been considered based on the valuation reports issued by independent valuer as at 30 September 2022

Note 9: 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

Note 10: There are other borrowings in the books of REIT SPV which are sharing the same Pari Passu secured assets and Hence amount of such other debts has been disclosed and then eliminated from column I to reconcile with financials





Mindspace Business Parks REIT  
Statement of Security Cover and Compliance Status of Financial Covenants  
Note 11: Summary of all the debts, security, book value and Market value  
(Rs. In Million)

Name of Debt (NCDs/MLDs)	Security	Debt at Face value excluding Ind AS impact	Accrued Interest	Book Value						Market Value	Ratio	
				Investment Property	Investment Property under Construction	Finance Lease	Trade Receivables	Inventory	Total		Book Value	Market Value
10 year G-Sec linked secured, listed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures (“Market Linked Debentures / MLD Series 2”)	First and exclusive charge being created by way of equitable mortgage on the aggregate leasable area of approximately 13,71,442 Sq. Ft. or thereabouts in buildings no. 12A and Units of Building 12B of Madhapur, Hyderabad (approx. 12,69,140 sq. ft. in building no 12A and approx. 1,02,302 sq. ft. in building no 12B) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 29,842 sq. mtrs on which the said two building no 12A and 12B, out of all those pieces and parcels of larger land that are situated, lying and being in Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad (“Mortgaged Properties”), for MLD Series 2 (Sundre Properties Limited)	3,750	389	1,650	-	-	0	-	1,650	9,672	0.40	2.34
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 1)	First and exclusive charge registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 414,599 Sq. Ft. or thereabouts in buildings no. 1 and 5 of Commerzone Yerawada (approx. 43,200 sq. ft. in building no. 1 and approx. 371,399 in building no. 5) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 18,264 sq. mtrs. on which the said two building no. 1 and 5, out of all those pieces and parcels of larger land that are situated, lying and being in Village Yerawada, Taluka Haveli, District Pune (“Mortgaged Properties”) of NCD Series 1. (Mindspace Business Park Private Limited)	2,000	0	1,266	3	-	1	-	1,271	5,019	0.64	2.51
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 2) *	a) First and exclusive charge being registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 151,460 Sq. Ft. or thereabouts in building no. 4 of Commerzone Yerawada together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 9,561 sq. mtrs. on which the said building, out of all those pieces and parcels of larger land that are situated, lying and being in Village Yerawada, Taluka Haveli, District Pune (“Mortgaged Properties”) of NCD Series 2. (Mindspace Business Park Private Limited)	750	-	383	1	-	-	-	383	1,807	0.51	2.41
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 3) (Note 10)	a) First and exclusive charge being registered by way of simple mortgage on the carpet area of approximately 5,52,974 Sq. Ft. (save and except entire 2nd floor admeasuring 11,883 Sq. Ft. carpet area in building no. 2) (the building no. 2) situated on the Mortgage land along with proportionate covered and open parking spaces, in Building 2 together with all the beneficial rights, title and interest of the Assets SPV in appurtenant to Building 2 and all erections. The Building 2 is situated on a portion of the Mortgage Land admeasuring 8.04 Hectares, which portion is notified as a Special Economic Zone & first and exclusive charge being registered by way of simple mortgage on the identified units with aggregating to carpet area of approximately 4,61,527 Sq. Ft. (identified units of building no. 3) situated on the Mortgage land along with proportionate covered and open parking spaces, in Building 3 together with all the beneficial rights, title and interest of the Assets SPV in appurtenant to Building 3 and all erections (“Mortgaged Properties”) of NCD Series 3 as further detailed in transaction documents.  A first ranking pari passu charge by way of a simple mortgage over the Mortgaged Land as further detailed in transaction documents. (Gigaplex Estate Private Limited)	5,000	1	3,745	-	-	3	1	3,749	10,900	0.75	2.18
		7,185	1	1,406	-	-	-	-	1,406	Note 7	0.20	Note 7
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 4)	a) First ranking sole and exclusive security interest by way of an equitable mortgage on carpet area of approximately 779,466 sq. ft. in building 12 D (identified units in building) along with the common areas, usage and access rights appurtenant to the units mortgaged in Building 12D as mentioned in the trust deed, situated on a notionally demarcated land admeasuring approximately 17414.77 square metres (equivalent to 4.30 acres), forming part of a portion of land admeasuring 14.02 hectares equivalent to 34.64 acres or thereabout declared as ‘Special Economic Zone’ land from and out of the larger piece of land bearing Survey no. 64(part), lying, being and situated at Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad. (Sundre Properties Limited)	5,000	1	3,374	-	564	2	-	3,940	11,829	0.79	2.37
		23,685	392	11,824	4	564	7	1	12,399	39,227	0.85	2.32

\* This certificate is issued for the NCD 2 and accordingly Security cover ratio for NCD 2 is 2.41



**Mindspace Business Parks REIT**  
**Statement of Security Cover and Compliance Status of Financial Covenants**

**c) Compliance of all the covenants of the issue in respect of listed debt securities of the Trust:**

We have examined the compliances made by the listed entity in respect of the covenants of the issue of the listed debt securities (NCD's) and certify that the such covenants of the issue have been complied by the entity. Compliance with other financial covenant as per debenture trustee deed are disclosed below:

**i. Other covenants at Mindspace Business Parks REIT (the "REIT") Consolidated level**

Particulars	Rs. in million
<b>Gross Debt to Net Operating Income (NOI)</b>	
Gross Debt (A) [Refer Note 3 & 5]	49,569
Net Operating Income for the year ended ended 30 September 2022 (B) [Refer Note 1 & 2]	15,734
<b>Gross Debt / Net Operating Income (A)/(B)</b>	<b>3.15</b>
<b>Maximum Gross Debt to NOI as per Debenture Trust Deed for the aforesaid debentures</b>	<b>5.00</b>
<b>Loan to Value Ratio</b>	
Gross Debt	49,569
Less: Cash & Cash Equivalents	3,089
Loan (C)	46,480
Value of asset (D) [Refer Note 6]	285,251
<b>Loan to Value Ratio (C)/(D)</b>	<b>16%</b>
<b>Maximum Loan to Value ratio as per Debenture Trust Deed for the aforesaid debentures</b>	<b>49%</b>

**ii. Other covenants at Mindspace Business Parks Pvt. Ltd., Asset Special Purpose Vehicle (SPV) level**

Particulars	Rs. in million
<b>Gross Debt to Net Operating Income (NOI)</b>	
Gross Debt (A) [Refer Note 4 & 5]	17,265
Net Operating Income for the year ended ended 30 September 2022 (B) [Refer Note 1 & 2]	4,660
<b>Gross Debt / Net Operating Income (A)/(B)</b>	<b>3.70</b>
<b>Maximum Gross Debt to NOI as per Debenture Trust Deed for the aforesaid debentures</b>	<b>5.00</b>
<b>Loan to Value Ratio</b>	
Gross Debt	17,265
Add: Debt from Mindspace Business Parks REIT and its subsidiaries	1,702
Less: Cash & Cash Equivalents	53
Loan (C)	18,914
Value of asset (D) [Refer Note 7]	76,388
<b>Loan to Value Ratio (C)/(D)</b>	<b>25%</b>
<b>Maximum Loan to Value ratio as per Debenture Trust Deed for the aforesaid debentures</b>	<b>49%</b>

**Notes**

- 1 Net operating income is determined on the basis of revenues from operation less direct operating expenses which includes maintenance services expense, property tax, insurance expense, cost of materials sold and cost of power purchased, if any
- 2 Net operating income is for the year ended from 1 October 2021 to 30 September 2022
- 3 Gross debt for REIT is external financial indebtedness availed including interest on the basis of its consolidated financial statements
- 4 Gross debt for Asset SPV is external financial indebtedness availed including interest on the basis of its standalone financial statements
- 5 Gross Debt includes amortization charges recorded as per Ind-AS in the financial statements
- 6 Value of asset at consolidated level for the purpose of this calculation is fair value of investment properties, investment properties under construction and fair value of Camplus
- 7 Value of asset at Asset SPV level for the purpose of this calculation is fair value of investment properties and investment properties under construction

**For and on behalf of K. Raheja Corp Investment Managers LLP**  
**(acting as Manager of Mindspace Business Parks REIT)**

*Preeti Chheda*

**Preeti Chheda**  
**Chief Financial Officer**  
**14 November 2022**



*PA*

**Independent Auditor's Certificate on "Statement of Security Cover and Compliance Status of Financial Covenants" ("the Statement") in respect of Non-Convertible Debentures Series 3 of the Trust for the quarter ended and as at 30 September 2022**

To,  
The Governing Board,  
K. Raheja Corp Investment Managers LLP (The "Investment Manager")  
(Acting in capacity as the Investment Manager of Mindspace Business Parks REIT)  
Plot No. C -30, Block 'G',  
Opp. SIDBI, Bandra Kurla Complex,  
Bandra (East), Mumbai 400051

1. This certificate is issued in accordance with the terms of our engagement letter dated 22 July 2022.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Mindspace Business Parks REIT ("the Trust"/ "REIT"), have been requested by the Management of the Trust to certify the Statement in respect of Non-Convertible Debentures Series 3 of the Trust for the quarter ended and as at 30 September 2022.

The Statement is prepared by the Management of Investment Manager from the unaudited books of account and other relevant records and documents maintained by the Trust and its subsidiaries (REIT SPVs) as at 30 September 2022 pursuant to requirements of Circular no. SEBI / HO / MIRSD / MIRSD \_ CRADT / CIR / P / 2022 / 67 dated May 19, 2022 issued by Securities and Exchange Board of India in terms of Regulation 54 read with Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Regulation 15(1)(t) of Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (hereinafter referred together as "the SEBI Regulations"), as amended, for the purpose of submission to IDBI Trusteeship Services Limited, Debenture Trustee of the above mentioned Non-Convertible Debentures Series 3 (hereinafter referred to as "the Debenture Trustee"). The responsibility for compiling the information contained in the Statement is of the Management of the Investment Manager and the same is initialed by us for identification purposes only.

**Management's Responsibility**

3. The preparation of the Statement is the responsibility of the Management of the Investment Manager, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes collecting, collating, validating data and design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The management is solely and entirely responsible for determining the fair value of the assets included in the statement.



4. The Management of the Investment Manager is also responsible for ensuring that the Trust complies with all the relevant requirements of the SEBI Regulations and Debenture Trust Deed for providing all relevant information to the Debenture Trustees and for complying with all the covenants as prescribed in the Debenture Trust Deed.

**Auditor's Responsibility**

5. Pursuant to the requirements of Circular no. SEBI / HO / MIRSD / MIRSD \_ CRADT / CIR / P / 2022 / 67 dated May 19, 2022 issued by Securities and Exchange Board of India, our responsibility for the purpose of this certificate is to provide a limited assurance on whether the details included in the Statement related to the Trust in respect of the Non-Convertible Debentures Series 3 for the quarter ended and as at 30 September 2022 have been accurately extracted from the unaudited books of account and other relevant records and documents maintained by the Trust and REIT SPVs . This did not include the evaluation of adherence by the Trust and REIT SPVs with all the applicable guidelines of the SEBI Regulations.
6. A limited assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the criteria and scope mentioned in paragraph 10 below. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
7. The unaudited financial results for the quarter and half year ended 30 September 2022, have been reviewed by us, on which we have issued unmodified conclusion vide our report dated 14 November 2022. Our review of the unaudited financial results was conducted in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free from material misstatement.
8. We conducted our examination and obtained the explanations in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Review Historical Financial Information, and Other Assurance and Related Services Engagements.



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### **Criteria and Scope**

10. The information contained in the Statement is extracted from the unaudited books of account of the Trust and REIT SPVs for the quarter ended and as at 30 September 2022 and other relevant records and documents maintained by the Trust and REIT SPVs.

Accordingly, we have performed the following procedures in relation to verification of the Statement:

- a) Read the Statement received from the management of Investment manager.
- b) Traced the book value of assets from the unaudited books of account of the Trust as at 30 September 2022 and other relevant records and documents maintained by the Trust, in the normal course of its business.
- c) Reviewed the Debenture Trust Deed to understand the nature of charge (viz. exclusive charge or pari-passu charge) on assets.
- d) Obtained Register of Charges filed by the REIT SPVs as per the requirements of the Companies Act, 2013 to confirm the disclosure of the secured assets.
- e) Obtained a confirmation provided by management of Gigaplex Estate Private Limited ("REIT SPV") for the book value of assets against which Non-Convertible Debentures Series 3 are mortgaged and other debts by Gigaplex Estate Private Limited against which entity has Pari Passu charge for same assets and traced to the book value of assets and securities included in the Statement of security cover.
- f) Obtained a confirmation provided by management of Sundew Properties Limited and Mindspace Business Parks Private Limited ("REIT SPVs") for the book value of assets against which other Debt Securities are mortgaged and traced to the book value of assets included in Table II – Security cover on consolidated basis for the listed entity.
- g) Performed necessary inquiries with the management and obtained necessary representations.
- h) Tested the arithmetical accuracy of the information included in the Statement.
- i) Traced the fair value of the assets from the Valuation report issued by Independent valuers provided to us by the Management on which we have placed reliance.
- j) Obtained the working prepared by the Management for compliance with the relevant ratios related to the Trust and REIT SPVs and recomputed the ratios.

### **Conclusion**

11. Based on the procedures performed as referred to in paragraph 10 above and according to the information, explanations and representation provided to us by the Management of the Investment Manager, nothing has come to our attention that causes us to believe that the details included in the Statement related to the Trust have not been accurately extracted from unaudited books of account of the Trust and REIT SPVs for the quarter ended and as at 30 September 2022 and other relevant records and documents maintained by the Trust and REIT SPVs.



A handwritten signature, possibly "A", written in ink.

**Restriction on Use and Distribution**

12. This certificate is addressed and provided to the Governing Board of the Investment Manager solely for the purpose of submission to the Stock exchanges/Debenture Trustee and should not be used by any other person or for any other purposes without our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

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



Place: Mumbai  
Date: 14 November 2022

A handwritten signature in blue ink that reads 'Nilesh Shah'.

**Nilesh Shah**  
Partner  
Membership No. 49660  
UDIN: 22049660808K112156



Mindspace Business Parks REIT  
Statement of Security Cover and Compliance Status of Financial Covenants

a. The listed entity viz. Mindspace Business Parks REIT ("Mindspace REIT" / "REIT") through its manager K Raheja Corp Investment Managers LLP, ("Manager"), has vide its Executive Committee Meeting dated 26 January 2022, has issued the following listed debt securities:

ISIN	Private Placement/Public Issue	Secured/Unsecured	Sanctioned amount (Rs. in Million)
INE0CCU07058	Private Placement	Secured	5,000

b. Security Cover for listed debt securities at standalone level:  
The financial information as at 30 September 2022 has been extracted from the unaudited books of account for the year ended ended 30 September 2022 and other records of the REIT and Gigaplex Estate Private Limited ("Gigaplex/ REIT SPV") (the "books of account and other records of REIT and Gigaplex")

Table 1 - Security cover on standalone basis for the listed entity

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to I)	Related to only those items covered by this certificate				
(Rs. In Million)		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari- Passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assetsviii Relating to Column F	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+N)
		Book Value	Book Value	Yes/ No	Book Value	Book Value								
<b>ASSETS</b>														
Property, Plant and Equipment/ Investment Property	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Capital Work-in- Progress	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Right of Use Assets	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Goodwill	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Intangible Assets	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Intangible Assets under Development	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Investment	NA	NA	NA	No	NA	NA	153,103	NA	153,103	NA	NA	NA	NA	-
Investment Property (Note 6, 7, 2 and 10)	Note 8	3,745	NA	No	1,406	NA	-	(5,151)	-	10,900	NA	NA	NA	10,900
Investment Property under Construction	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Loans	NA	NA	NA	No	NA	NA	26,248	NA	26,248	NA	NA	NA	NA	-
Inventories	Note 8	1	NA	No	NA	NA	-	(1)	-	NA	NA	NA	NA	-
Trade Receivables (Note 4, 5 and 2)	Note 8	3	NA	No	NA	NA	-	(3)	-	NA	3	NA	NA	3
Cash and Cash Equivalents (Note 11)	NA	NA	NA	No	NA	NA	2,927	NA	2,927	NA	NA	NA	NA	-
Bank Balances other than Cash and Cash Equivalents (Note 11)	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Others (Note 9)	NA	NA	NA	No	NA	NA	427	NA	427	NA	NA	NA	NA	-
<b>Total</b>		3,749	-	-	1,406	-	182,705	(5,155)	182,705	10,900	3	-	-	10,903
<b>LIABILITIES</b>														
Debt securities to which this certificate pertains (Note 1)	Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 3)	5,000	NA	Yes	5,000	NA	NA	(5,039)	4,961	NA	NA	NA	NA	-
Other debt sharing pari-passu charge with above debt	NA	not to be filled	NA	No	2,185	NA	NA	(2,185)	-	NA	NA	NA	NA	-
Other Debt (Note 3)	NA		11,443	No	NA	NA	NA	NA	11,443	NA	NA	NA	NA	-
Subordinated debt	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Borrowings	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Bank	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Debt Securities	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Others	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Trade payables	NA		NA	No	NA	NA	NA	9	9	NA	NA	NA	NA	-
Lease Liabilities	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Provisions	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Accrued Interest on Debt	NA		1	No	390	NA	NA	NA	391	57	NA	NA	NA	-
Others	NA		NA	No	NA	NA	NA	57	57	NA	NA	NA	NA	-
<b>Total</b>		5,001	11,833	-	7,185	-	-	(7,158)	16,861	-	-	-	-	-
Cover on Book Value		0.75			0.20									
Cover on Market Value (Note 7)		2.18			Note 7									
		Exclusive Security Cover Ratio			Pari-Passu Security Cover Ratio									

Note 1 Value of NCD excludes Ind AS adjustment amounting to Rs 39 million, which is eliminated to ensure liability is reconciled with balance sheet

Note 2 For the purpose of the preparation of the table above, we have considered book value of assets Secured which are in the books of Gigaplex Estate Private Limited (Subsidiary/ REIT SPV) We have eliminated the same through column I to reconcile with financials

Note 3 Other debts are secured against assets of other REIT SPVs which are disclosed in Table II - Security cover on consolidated basis

Note 4 While determining outstanding receivables as on 30 September 2022, the balances considered are net of advances, if any. Also, common area maintenance charges and other utility charges payable by the tenant with respect to the maintenance of the Mortgaged Properties are included

Note 5 The above receivables are with respect to the mortgaged properties only. Amount of receivable considered is approximate to its fair value

Note 6 Book value of Investment Property is written down value of the secured asset. The common cost which is not identifiable against secured asset is not allocated (including cost of Power Assets). Further, Ind AS adjustment are not considered on secured assets

Note 7 Market value of Identified Secured Assets as defined in the Debenture Trust Deed has been considered for the purpose of calculation of security cover in connection with exclusive and Pari passu charge of Non-Convertible Debenture Series 3

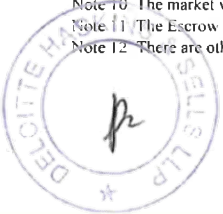
Note 8 First and exclusive charge on the carpet area of approximately 5,52,974 Sq Ft (save and except entire 2nd floor admeasuring 11,883 Sq Ft carpet area in building no. 2) (the building no. 2) and carpet area of approximately 4,61,527 Sq Ft (identified units of building no. 3) of Mindspace Airoli West together with the proportionate covered and open parking spaces along with all the beneficial rights therein (Gigaplex Estate Private Limited)

Note 9 Assets which are not identifiable at the building level but are mortgaged against the debt/borrowing has not been bifurcated and disclosed separately

Note 10 The market value of the security has been considered based on the valuation reports issued by independent valuer as at 30 September 2022

Note 11 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

Note 12 There are other borrowings in the books of REIT SPV which are sharing the same Pari Passu secured assets and Hence amount of such other debts has been disclosed and then eliminated from column I to reconcile with financials





b. Security Cover on Consolidated basis for listed debt securities:

Table II - Security cover on Consolidated basis for the listed entity

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to I)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate is being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari- Passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets Relating to Column F	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+N)
(Rs. In Million)		Book Value	Book Value	Yes/ No	Book Value	Book Value								
<b>ASSETS</b>														
Property, Plant and Equipment/ Investment Property	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Capital Work-in- Progress	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Right of Use Assets	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Goodwill	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Intangible Assets	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Intangible Assets under Development	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Investment	NA	NA	NA	No	NA	NA	153,103	NA	153,103	NA	NA	NA	NA	-
Investment Property (Note 6, 7, 2 and 8)	Note 12	10,418	NA	No	1,406	NA	-	(11,824)	-	39,227	NA	NA	NA	39,227
Investment Property under Construction	Note 12	4	NA	No	NA	NA	-	(4)	-	NA	NA	NA	NA	-
Finance Lease	Note 12	564	NA	No	NA	NA	-	(564)	-	NA	NA	NA	NA	-
Loans	NA	NA	NA	No	NA	NA	26,248	NA	26,248	NA	NA	NA	NA	-
Inventories	Note 12	1	NA	No	NA	NA	-	(1)	-	NA	NA	NA	NA	-
Trade Receivables (Note 4, 5 and 2)	Note 12	7	NA	No	NA	NA	-	(7)	-	7	NA	NA	NA	7
Cash and Cash Equivalents (Note 9)	NA	NA	NA	No	NA	NA	2,927	NA	2,927	NA	NA	NA	NA	-
Bank Balances other than Cash and Cash Equivalents (Note 9)	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Others (Note 3)	NA	NA	NA	No	NA	NA	427	NA	427	NA	NA	NA	NA	-
<b>Total</b>		<b>10,993</b>	-	-	<b>1,406</b>	-	<b>182,705</b>	<b>(12,400)</b>	<b>182,705</b>	<b>39,234</b>	-	-	-	<b>39,234</b>
<b>LIABILITIES</b>														
Debt securities to which this certificate pertains (Note 1)	Note 10	16,500	NA	No	NA	NA	NA	(96)	16,404	NA	NA	NA	NA	-
Other debt sharing pari-passu charge with above debt (Note 10)	NA	not to be filled	NA	Yes	7,185	NA	NA	(7,185)	-	NA	NA	NA	NA	-
Other Debt	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Subordinated debt	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Borrowings	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Bank	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Debt Securities	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Others	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Trade payables	NA		NA	No	NA	NA	NA	9	9	NA	NA	NA	NA	-
Lease Liabilities	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Provisions	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Accrued Interest on Debt	NA	391	NA	No	NA	NA	NA	NA	391	NA	NA	NA	NA	-
Others	NA	NA	NA	No	NA	NA	NA	56	56	NA	NA	NA	NA	-
<b>Total</b>		<b>16,891</b>	-	-	<b>7,185</b>	-	-	<b>(7,216)</b>	<b>16,861</b>	-	-	-	-	-
Cover on Book Value		0.65			0.20									
Cover on Market Value (Note 7 and 11)		2.32			Note 7									
		Exclusive Security Cover Ratio			Pari-Passu Security Cover Ratio									

Note 1: Ind AS adjustment amounting to Rs. 96 million is disclosed in Column I to reconcile the balance of NCDs/MLDs with financial statements

Note 2: For the purpose of the preparation of the table above, we have considered book value of assets Secured which are in the books of REIT SPVs. We have eliminated the same through column I to reconcile with financials

Note 3: Assets which are not identifiable at the building level but are mortgaged against the debt/borrowing has not been bifurcated and disclosed separately

Note 4: While determining outstanding receivables as on 30 September 2022, the balances considered are net of advances, if any. Also, common area maintenance charges and other utility charges payable by the tenant with respect to the maintenance of the Mortgaged Properties are included

Note 5: The above receivables are with respect to the mortgaged properties only. Amount of receivable considered is approximate to its fair value

Note 6: Book value of Investment Property is written down value of the secured asset. The common cost which is not identifiable against secured asset is not allocated (including cost of Power Assets). Further, Ind AS adjustment are not considered on secured assets

Note 7: Market value of Identified Secured Assets as defined in the Debenture Trust Deed has been considered for the purpose of calculation of security cover in connection with exclusive and Pari passu charge of Non-Convertible Debenture Series 3

Note 8: The market value of the security has been considered based on the valuation reports issued by independent valuer as at 30 September 2022

Note 9: 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

Note 10: There are other borrowings in the books of REIT SPV which are sharing the same Pari Passu secured assets and Hence amount of such other debts has been disclosed and then eliminated from column I to reconcile with financials





Mindspace Business Parks REIT  
Statement of Security Cover and Compliance Status of Financial Covenants  
Note 11: Summary of all the debts, security, book value and Market value  
(Rs. In Million)

Name of Debt (NCDs/MLDs)	Security	Debt at Face value excluding Ind AS impact	Accrued Interest	Book Value						Market Value	Ratio	
				Investment Property	Investment Property under Construction	Finance Lease	Trade Receivables	Inventory	Total		Book Value	Market Value
10 year G-Sec linked secured, listed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures ("Market Linked Debentures / MLD Series 2")	First and exclusive charge being created by way of equitable mortgage on the aggregate leasable area of approximately 13,71,442 Sq. Ft. or thereabouts in buildings no. 12A and Units of Building 12B of Madhapur, Hyderabad (approx. 12,69,140 sq. ft. in building no. 12A and approx. 1,02,302 sq. ft. in building no. 12B) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 29,842 sq. mtrs on which the said two building no. 12A and 12B, out of all those pieces and parcels of larger land that are situated, lying and being in Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad ("Mortgaged Properties"), for MLD Series 2 (Sundre Properties Limited)	3,750	389	1,650	-	-	0	-	1,650	9,672	0.40	2.34
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 1)	First and exclusive charge registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 414,599 Sq. Ft. or thereabouts in buildings no. 1 and 5 of Commerzone Yerawada (approx. 43,200 sq. ft. in building no. 1 and approx. 371,399 in building no. 5) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 18,264 sq. mtrs on which the said two building no. 1 and 5, out of all those pieces and parcels of larger land that are situated, lying and being in Village Yerawada, Taluka Haveli, District Pune ("Mortgaged Properties") of NCD Series 1. (MindSpace Business Park Private Limited)	2,000	0	1,266	3	-	1	-	1,271	5,019	0.64	2.51
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 2)	a) First and exclusive charge being registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 151,460 Sq. Ft. or thereabouts in building no. 4 of Commerzone Yerawada together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 9,561 sq. mtrs on which the said building, out of all those pieces and parcels of larger land that are situated, lying and being in Village Yerawada, Taluka Haveli, District Pune ("Mortgaged Properties") of NCD Series 2 (MindSpace Business Park Private Limited)	750	-	383	1	-	-	-	383	1,807	0.51	2.41
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 3)* (Note 10)	a) First and exclusive charge being registered by way of simple mortgage on the carpet area of approximately 5,52,974 Sq. Ft. (save and except entire 2nd floor admeasuring 11,883 Sq. Ft. carpet area in building no. 2) (the building no. 2) situated on the Mortgage land along with proportionate covered and open parking spaces, in Building 2 together with all the beneficial rights, title and interest of the Assets SPV in appurtenant to Building 2 and all erections. The Building 2 is situated on a portion of the Mortgage Land admeasuring 8.04 Hectares, which portion is notified as a Special Economic Zone & first and exclusive charge being registered by way of simple mortgage on the identified units with aggregating to carpet area of approximately 4,61,527 Sq. Ft. (identified units of building no. 3) situated on the Mortgage land along with proportionate covered and open parking spaces, in Building 3 together with all the beneficial rights, title and interest of the Assets SPV in appurtenant to Building 3 and all erections ("Mortgaged Properties") of NCD Series 3 as further detailed in transaction documents.  A first ranking pari passu charge by way of a simple mortgage over the Mortgaged Land as further detailed in transaction documents (Gigaplex Estate Private Limited)	5,000	1	3,745	-	-	3	1	3,749	10,900	0.75	2.18
		7,185	1	1,406	-	-	-	-	1,406	Note 7	0.20	Note 7
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 4)	a) First ranking sole and exclusive security interest by way of an equitable mortgage on carpet area of approximately 779,466 sq. ft. in building 12 D (identified units in building) along with the common areas, usage and access rights appurtenant to the units mortgaged in Building 12D as mentioned in the trust deed, situated on a notionally demarcated land admeasuring approximately 17414.77 square metres (equivalent to 4.30 acres), forming part of a portion of land admeasuring 14.02 hectares equivalent to 34.64 acres or thereabout declared as 'Special Economic Zone' land from and out of the larger piece of land bearing Survey no. 64(part), lying, being and situated at Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad (Sundre Properties Limited)	5,000	1	3,374	-	564	2	-	3,940	11,829	0.79	2.37
		23,685	392	11,824	4	564	7	1	12,399	39,227	0.85	2.32

\* This certificate is issued for the NCD 3 and accordingly Security cover ratio for NCD 3 is 2.18.



**Independent Auditor's Certificate on "Statement of Security Cover and Compliance Status of Financial Covenants" ("the Statement") in respect of Non-Convertible Debentures Series 4 of the Trust for the quarter ended and as at 30 September 2022**

To,  
The Governing Board,  
K. Raheja Corp Investment Managers LLP (The "Investment Manager")  
(Acting in capacity as the Investment Manager of Mindspace Business Parks REIT)  
Plot No. C -30, Block 'G',  
Opp. SIDBI, Bandra Kurla Complex,  
Bandra (East), Mumbai 400051

1. This certificate is issued in accordance with the terms of our engagement letter dated 22 July 2022.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Mindspace Business Parks REIT ("the Trust"/ "REIT"), have been requested by the Management of the Trust to certify the Statement in respect of Non-Convertible Debentures Series 4 of the Trust for the quarter ended and as at 30 September 2022.

The Statement is prepared by the Management of Investment Manager from the unaudited books of account and other relevant records and documents maintained by the Trust and its subsidiaries (REIT SPVs) as at 30 September 2022 pursuant to requirements of Circular no. SEBI / HO / MIRSD / MIRSD \_ CRADT / CIR / P / 2022 / 67 dated May 19, 2022 issued by Securities and Exchange Board of India in terms of Regulation 54 read with Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Regulation 15(1)(t) of Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (hereinafter referred together as "the SEBI Regulations"), as amended, for the purpose of submission to Catalyst Trusteeship Limited, Debenture Trustee of the above mentioned Non-Convertible Debentures Series 4 (hereinafter referred to as "the Debenture Trustee"). The responsibility for compiling the information contained in the Statement is of the Management of the Investment Manager and the same is initialed by us for identification purposes only.

**Management's Responsibility**

3. The preparation of the Statement is the responsibility of the Management of the Investment Manager, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes collecting, collating, validating data and design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The management is solely and entirely responsible for determining the fair value of the assets included in the statement.



4. The Management of the Investment Manager is also responsible for ensuring that the Trust complies with all the relevant requirements of the SEBI Regulations and Debenture Trust Deed for providing all relevant information to the Debenture Trustees and for complying with all the covenants as prescribed in the Debenture Trust Deed.

**Auditor's Responsibility**

5. Pursuant to the requirements of Circular no. SEBI / HO / MIRSD / MIRSD \_ CRADT / CIR / P / 2022 / 67 dated May 19, 2022 issued by Securities and Exchange Board of India, our responsibility for the purpose of this certificate is to provide a limited assurance on whether the details included in the Statement related to the Trust in respect of the Non Convertible Debentures Series 4 for the quarter ended and as at 30 September 2022 have been accurately extracted from the unaudited books of account and other relevant records and documents maintained by the Trust and REIT SPVs . This did not include the evaluation of adherence by the Trust and REIT SPVs with all the applicable guidelines of the SEBI Regulations.
6. A limited assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the criteria and scope mentioned in paragraph 10 below. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
7. The unaudited financial results for the quarter and half year ended 30 September 2022, have been reviewed by us, on which we have issued unmodified conclusion vide our report dated 14 November 2022. Our review of the unaudited financial results was conducted in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free from material misstatement.
8. We conducted our examination and obtained the explanations in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Review Historical Financial Information, and Other Assurance and Related Services Engagements.



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### **Criteria and Scope**

10. The information contained in the Statement is extracted from the unaudited books of account of the Trust and REIT SPVs for the quarter ended and as at 30 September 2022 and other relevant records and documents maintained by the Trust and REIT SPVs.

Accordingly, we have performed the following procedures in relation to verification of the Statement:

- a) Read the Statement received from the management of Investment manager.
- b) Traced the book value of assets from the unaudited books of account of the Trust as at 30 September 2022 and other relevant records and documents maintained by the Trust, in the normal course of its business.
- c) Reviewed the Debenture Trust Deed to understand the nature of charge (viz. exclusive charge or pari-passu charge) on assets.
- d) Obtained Register of Charges filed by the REIT SPVs as per the requirements of the Companies Act, 2013 to confirm the disclosure of the secured assets.
- e) Obtained a confirmation provided by management of Sundew Properties Limited ("REIT SPV") for the book value of assets against which Non-Convertible Debentures Series 4 are mortgaged and traced to the book value of assets included in the Statement of security cover.
- f) Obtained a confirmation provided by management of Mindspace Business Private Limited and Gigaplex Estate Private Limited ("REIT SPVs") for the book value of assets against which other Debt Securities are mortgaged and traced to the book value of assets included in Table II – Security cover on consolidated basis for the listed entity.
- g) Performed necessary inquiries with the management and obtained necessary representations.
- h) Tested the arithmetical accuracy of the information included in the Statement.
- i) Traced the fair value of the assets from the Valuation report issued by Independent valuers provided to us by the Management on which we have placed reliance.
- j) Obtained the working prepared by the Management for compliance with the relevant ratios related to the Trust and REIT SPVs and recomputed the ratios.

### **Conclusion**

11. Based on the procedures performed as referred to in paragraph 10 above and according to the information, explanations and representation provided to us by the Management of the Investment Manager, nothing has come to our attention that causes us to believe that the details included in the Statement related to the Trust have not been accurately extracted from unaudited books of account of the Trust and REIT SPVs for the quarter ended and as at 30 September 2022 and other relevant records and documents maintained by the Trust and REIT SPVs.



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**Restriction on Use and Distribution**

12. This certificate is addressed and provided to the Governing Board of the Investment Manager solely for the purpose of submission to the Stock exchanges/Debenture Trustee and should not be used by any other person or for any other purposes without our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

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



Place: Mumbai  
Date: 14 November 2022

*NVShah*

**Nilesh Shah**  
Partner  
Membership No. 49660  
UDIN: 22049660BDBKH9446

**Mindspace Business Parks REIT**
**Statement of Security Cover and Compliance Status of Financial Covenants**
**c) Compliance of all the covenants of the issue in respect of listed debt securities of the Trust:**

We have examined the compliances made by the listed entity in respect of the covenants of the issue of the listed debt securities (NCD's) and certify that the such covenants of the issue have been complied by the entity. Compliance with other financial covenant as per debenture trustee deed are disclosed below:

**i. Other covenants at Mindspace Business Parks REIT (the "REIT") Consolidated level**

Particulars	Rs. in million
<b>Gross Debt to EBITDA before regulatory income and expenses</b>	
Gross Debt (A) [Refer Note 3 & 5]	49,569
EBITDA before regulatory income and expense for the year ended ended 30 September 2022 (B) [Refer Note 1 & 2]	14,995
<b>Gross Debt to EBITDA before regulatory income and expenses (A)/(B)</b>	<b>3.31</b>
<b>Maximum Gross Debt to EBITDA before regulatory income and expenses as per Debenture Trust Deed for the aforesaid debentures</b>	<b>5.00</b>
<b>Loan to Value Ratio</b>	
Gross Debt	49,569
Cash & Cash Equivalents	3,089
Loan (C)	46,480
Value of asset (D) [Refer Note 6]	285,251
<b>Loan to Value Ratio (C)/(D)</b>	<b>16%</b>
<b>Maximum Loan to Value ratio as per Debenture Trust Deed for the aforesaid debentures</b>	<b>49%</b>

**ii. Other covenants at Gigaplex Estate Private Limited, Asset Special Purpose Vehicle (SPV) level**

Particulars	Rs. in million
<b>Gross Debt to EBITDA before regulatory income and expenses</b>	
Gross Debt (A) [Refer Note 4 & 5]	7,195
EBITDA before regulatory income and expense for the year ended ended 30 September 2022 (B) [Refer Note 1 & 2]	1,537
<b>Gross Debt to EBITDA before regulatory income and expenses (A)/(B)</b>	<b>4.68</b>
<b>Maximum Gross Debt to EBITDA before regulatory income and expenses not exceeding 5.00x as per Debenture Trust Deed for the aforesaid debentures</b>	<b>5.00</b>
<b>Loan to Value Ratio</b>	
Gross Debt	7,195
Less : Cash & Cash Equivalents	35
Loan (C)	7,160
Value of asset (D) [Refer Note 7]	42,921
<b>Loan to Value Ratio (C)/(D)</b>	<b>17%</b>
<b>Maximum Loan to Value ratio not exceeding 49% as per Debenture Trust Deed for the aforesaid debentures</b>	<b>49%</b>

**Notes:**

- EBITDA is determined on the basis of earnings before interest, depreciation and amortisation and tax after extinguishing the movement in all regulatory deferral account balances from other income and expenses.
- EBITDA is for the year ended from 1 October 2021 to 30 September 2022.
- Gross debt for REIT is external financial indebtedness availed including interest on the basis of its consolidated financial statements.
- Gross debt for Asset SPV is external financial indebtedness availed including interest on the basis of its standalone financial statements.
- Gross Debt includes amortization charges recorded as per Ind-AS in the financial statements.
- Value of asset at consolidated level for the purpose of this calculation is fair value of investment properties, investment properties under construction and fair value of Campus.
- Value of asset at Asset SPV level for the purpose of this calculation is fair value of investment properties and investment properties under construction.

For and on behalf of K. Raheja Corp Investment Managers LLP  
(acting as Manager of Mindspace Business Parks REIT)

*Preeti Chheda*

Preeti Chheda  
Chief Financial Officer  
14 November 2022





Mindspace Business Parks REIT  
Statement of Security Cover and Compliance Status of Financial Covenants

a. The listed entity viz. Mindspace Business Parks REIT ("Mindspace REIT" / "REIT") through its manager K Raheja Corp Investment Managers LLP, ("Manager"), has vide its Executive Committee Meeting dated 19 July 2022, has issued the following listed debt securities:

ISIN	Private Placement/Public Issue	Secured/Unsecured	Sanctioned amount (Rs. in Million)
INE0CCU07066	Private Placement	Secured	5,000

b. Security Cover for listed debt securities at Stadalone level:  
The financial information as at 30 September 2022 has been extracted from the unaudited books of account for the year ended 30 September 2022 and other records of the REIT and Sundew Properties Limited ("Sundew/ REIT SPV") (the "books of account and other records of REIT and Sundew").

Table I - Security cover on standalone basis for the listed entity

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to I)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari- Passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assetsviii Relating to Column F	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+N)
(Rs. In Million)		Book Value	Book Value	Yes/ No	Book Value	Book Value								
<b>ASSETS</b>														
Property, Plant and Equipment/ Investment Property	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Capital Work-in- Progress	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Right of Use Assets	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Goodwill	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Intangible Assets	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Intangible Assets under Development	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Investment	NA	NA	NA	No	NA	NA	153,103	NA	153,103	NA	NA	NA	NA	-
Investment Property (Note 6, 7, 2 and 10)	Note 8	3,374	NA	No	NA	NA	-	(3,374)	-	11,829	NA	NA	NA	11,829
Investment Property under Construction	Note 8	-	NA	No	NA	NA	-	-	-		NA	NA	NA	
Finance Lease	Note 8	564	NA	No	NA	NA	-	(564)	-		NA	NA	NA	
Loans	NA	NA	NA	No	NA	NA	26,248	NA	26,248	NA	NA	NA	NA	-
Inventories	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Trade Receivables (Note 4, 5 and 2)	Note 8	2	NA	No	NA	NA	-	(2)	-	NA	2	NA	NA	2
Cash and Cash Equivalents (Note 11)	NA	NA	NA	No	NA	NA	2,927	NA	2,927	NA	NA	NA	NA	-
Bank Balances other than Cash and Cash Equivalents (Note 11)	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Others (Note 9)	NA	NA	NA	No	NA	NA	427	NA	427	NA	NA	NA	NA	-
Total		3,940	-	-	-	-	182,705	(3,940)	182,705	11,829	2	-	-	11,831
<b>LIABILITIES</b>														
Debt securities to which this certificate pertains (Note 1)	Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 4)	5,000	NA	No	NA	NA	NA	(33)	4,967	NA	NA	NA	NA	-
Other debt sharing pari-passu charge with above debt	NA	not to be filled	NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Other Debt (Note 3)	NA		11,437	No	NA	4,961	NA	(4,961)	11,437	NA	NA	NA	NA	-
Subordinated debt	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Borrowings	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Bank	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Debt Securities	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Others	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Trade payables	NA		NA	No	NA	NA	NA	9	9	NA	NA	NA	NA	-
Lease Liabilities	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Provisions	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Accrued Interest on Debt	NA	1	390	No	NA	NA	NA	NA	391	NA	NA	NA	NA	-
Others	NA	NA	NA	No	NA	NA	NA	57	57	NA	NA	NA	NA	-
Total		5,001	11,827	-	-	4,961	-	(4,928)	16,861	-	-	-	-	-
Cover on Book Value		0.79			NA									
Cover on Market Value (Note 7)		2.37			NA									
		Exclusive Security Cover Ratio			Pari-Passu Security Cover Ratio									

Note 1: Value of NCD excludes Ind AS adjustment amounting to Rs. 33 million which is eliminated to ensure liability is reconciled with balance sheet

Note 2: For the purpose of the preparation of the table above, we have considered book value of assets Secured which are in the books of Sundew Properties Limited (Subsidiary/ REIT SPV). We have eliminated the same through column I to reconcile with financials

Note 3: Other debts are secured against assets of other REIT SPVs which are disclosed in Table II - Security cover on consolidated basis

Note 4: While determining outstanding receivables as on 30 September 2022, the balances considered are net of advances, if any. Also, common area maintenance charges and other utility charges payable by the tenant with respect to the maintenance of the Mortgaged Properties are included

Note 5: The above receivables are with respect to the mortgaged properties only. Amount of receivable considered is approximate to its fair value

Note 6: Book value of Investment Property is written down value of the secured asset. The common cost which is not identifiable against secured asset is not allocated (including cost of Power Assets). Further, Ind AS adjustment are not considered on secured assets

Note 7: Market value of secured assets has been calculated as per the requirement of the Debenture Trust Deed

Note 8: First ranking sole and exclusive security interest by way of an equitable mortgage on carpet area of approximately 779,466 sq ft in building 12 D along with the common areas, usage and access rights appurtenant to the units mortgaged in Building 12D as mentioned in the trust deed, situated on a notionally demarcated land admeasuring approximately 17414.77 square metres (equivalent to 4.30 acres), forming part of a portion of land admeasuring 14.02 hectares equivalent to 34.64 acres or thereabout declared as 'Special Economic Zone' land from and out of the larger piece of land bearing Survey no. 64(part), lying, being and situated at Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad (Sundew Properties Limited)

Note 9: Assets which are not identifiable at the building level but are mortgaged against the debt/borrowing has not been bifurcated and disclosed separately

Note 10: The market value of the security has been considered based on the valuation reports issued by independent valuer as at 30 September 2022

Note 11: 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





b. Security Cover on Consolidated basis for listed debt securities:

Table II - Security cover on Consolidated basis for the listed entity

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to I)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate is being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari- Passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assetsviii Relating to Column F	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+N)
(Rs. In Million)		Book Value	Book Value	Yes/ No	Book Value	Book Value								
<b>ASSETS</b>														
Property, Plant and Equipment/ Investment Property	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Capital Work-in- Progress	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Right of Use Assets	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Goodwill	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Intangible Assets	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Intangible Assets under Development	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Investment	NA	NA	NA	No	NA	NA	153,103	NA	153,103	NA	NA	NA	NA	-
Investment Property (Note 6, 7, 2 and 8)	Note 12	10,418	NA	No	1,406	NA	-	(11,824)	-	39,227	NA	NA	NA	39,227
Investment Property under Construction	Note 12	4	NA	No	NA	NA	-	(4)	-	NA	NA	NA	NA	-
Finance Lease	Note 12	564	NA	No	NA	NA	-	(564)	-	NA	NA	NA	NA	-
Loans	NA	NA	NA	No	NA	NA	26,248	NA	26,248	NA	NA	NA	NA	-
Inventories	Note 12	1	NA	No	NA	NA	-	(1)	-	NA	NA	NA	NA	-
Trade Receivables (Note 4, 5 and 2)	Note 12	7	NA	No	NA	NA	-	(7)	-	7	NA	NA	NA	7
Cash and Cash Equivalents (Note 9)	NA	NA	NA	No	NA	NA	2,927	NA	2,927	NA	NA	NA	NA	-
Bank Balances other than Cash and Cash Equivalents (Note 9)	NA	NA	NA	No	NA	NA	-	NA	-	NA	NA	NA	NA	-
Others (Note 3)	NA	NA	NA	No	NA	NA	427	NA	427	NA	NA	NA	NA	-
<b>Total</b>		<b>10,993</b>	-	-	<b>1,406</b>	-	<b>182,705</b>	<b>(12,400)</b>	<b>182,705</b>	<b>39,234</b>	-	-	-	<b>39,234</b>
<b>LIABILITIES</b>														
Debt securities to which this certificate pertains (Note 1)	Note 10	16,500	NA	No	NA	NA	NA	(96)	16,404	NA	NA	NA	NA	-
Other debt sharing pari-passu charge with above debt (Note 10)	NA	not to be filled	NA	Yes	7,185	NA	NA	(7,185)	-	NA	NA	NA	NA	-
Other Debt	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Subordinated debt	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Borrowings	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Bank	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Debt Securities	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Others	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Trade payables	NA		NA	No	NA	NA	NA	9	9	NA	NA	NA	NA	-
Lease Liabilities	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Provisions	NA		NA	No	NA	NA	NA	NA	-	NA	NA	NA	NA	-
Accrued Interest on Debt	NA	391	NA	No	NA	NA	NA	NA	391	NA	NA	NA	NA	-
Others	NA	NA	NA	No	NA	NA	NA	56	56	NA	NA	NA	NA	-
<b>Total</b>		<b>16,891</b>	-	-	<b>7,185</b>	-	-	<b>(7,216)</b>	<b>16,861</b>	-	-	-	-	-
Cover on Book Value		0.65			0.20									
Cover on Market Value (Note 7 and 11)		2.32			Note 7									
		Exclusive Security Cover Ratio			Pari-Passu Security Cover Ratio									

Note 1 Ind AS adjustment amounting to Rs. 96 million is disclosed in Column I to reconcile the balance of NCDs/MLDs with financial statements

Note 2 For the purpose of the preparation of the table above, we have considered book value of assets Secured which are in the books of REIT SPVs. We have eliminated the same through column I to reconcile with financials

Note 3 Assets which are not identifiable at the building level but are mortgaged against the debt/borrowing has not been bifurcated and disclosed separately

Note 4 While determining outstanding receivables as on 30 September 2022, the balances considered are net of advances, if any. Also, common area maintenance charges and other utility charges payable by the tenant with respect to the maintenance of the Mortgaged Properties are included

Note 5 The above receivables are with respect to the mortgaged properties only. Amount of receivable considered is approximate to its fair value

Note 6 Book value of Investment Property is written down value of the secured asset. The common cost which is not identifiable against secured asset is not allocated (including cost of Power Assets). Further, Ind AS adjustment are not considered on secured assets

Note 7 Market value of Identified Secured Assets as defined in the Debenture Trust Deed has been considered for the purpose of calculation of security cover in connection with exclusive and Pari passu charge of Non-Convertible Debenture Series 3

Note 8 The market value of the security has been considered based on the valuation reports issued by independent valuer as at 30 September 2022

Note 9 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

Note 10 There are other borrowings in the books of REIT SPV which are sharing the same Pari Passu secured assets and Hence amount of such other debts has been disclosed and then eliminated from column I to reconcile with financials



Mindspace Business Parks REIT  
Statement of Security Cover and Compliance Status of Financial Covenants  
Note 11 Summary of all the debts, security, book value and Market value  
(Rs. In Million)

Name of Debt (NCDs/MLDs)	Security	Debt at Face value excluding Ind AS impact	Accrued Interest	Book Value						Market Value	Ratio	
				Investment Property	Investment Property under Construction	Finance Lease	Trade Receivables	Inventory	Total		Book Value	Market Value
10 year G-Sec linked secured, listed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures (“Market Linked Debentures / MLD Series 2”)	First and exclusive charge being created by way of equitable mortgage on the aggregate leasable area of approximately 13,71,442 Sq. Ft. or thereabouts in buildings no. 12A and Units of Building 12B of Madhapur, Hyderabad (approx. 12,69,140 sq. ft. in building no.12A and approx. 1,02,302 sq. ft. in building no.12B) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 29,842 sq. mtrs on which the said two building no.12A and 12B, out of all those pieces and parcels of larger land that are situated, lying and being in Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad (“Mortgaged Properties”), for MLD Series 2 (Sundre Properties Limited)	3,750	389	1,650	-	-	0	-	1,650	9,672	0.40	2.34
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 1)	First and exclusive charge registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 414,599 Sq. Ft. or thereabouts in buildings no. 1 and 5 of Commerzone Yerawada (approx. 43,200 sq. ft. in building no. 1 and approx. 371,399 in building no. 5) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 18,264 sq. mtrs. on which the said two building no. 1 and 5, out of all those pieces and parcels of larger land that are situated, lying and being in Village Yerawada, Taluka Haveli, District Pune (“Mortgaged Properties”) of NCD Series 1 (Mindspace Business Park Private Limited)	2,000	0	1,266	3	-	1	-	1,271	5,019	0.64	2.51
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 2)	a) First and exclusive charge being registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 151,460 Sq. Ft. or thereabouts in building no. 4 of Commerzone Yerawada together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 9,561 sq. mtrs. on which the said building, out of all those pieces and parcels of larger land that are situated, lying and being in Village Yerawada, Taluka Haveli, District Pune (“Mortgaged Properties”) of NCD Series 2 (Mindspace Business Park Private Limited)	750	-	383	1	-	-	-	383	1,807	0.51	2.41
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 3) (Note 10)	a) First and exclusive charge being registered by way of simple mortgage on the carpet area of approximately 5,52,974 Sq. Ft. ( save and except entire 2nd floor admeasuring 11,883 Sq. Ft. carpet area in building no. 2) (the building no. 2 ) situated on the Mortgage land along with proportionate covered and open parking spaces, in Building 2 together with all the beneficial rights, title and interest of the Assets SPV in appurtenant to Building 2 and all erections. The Building 2 is situated on a portion of the Mortgage Land admeasuring 8.04 Hectares, which portion is notified as a Special Economic Zone & first and exclusive charge being registered by way of simple mortgage on the identified units with aggregating to carpet area of approximately 4,61,527 Sq. Ft. (identified units of building no. 3 ) situated on the Mortgage land along with proportionate covered and open parking spaces, in Building 3 together with all the beneficial rights, title and interest of the Assets SPV in appurtenant to Building 3 and all erections (“Mortgaged Properties”) of NCD Series 3 as further detailed in transaction documents  A first ranking pari passu charge by way of a simple mortgage over the Mortgaged Land as further detailed in transaction documents (Gigaplex Estate Private Limited)	5,000	1	3,745	-	-	3	1	3,749	10,900	0.75	2.18
		7,185	1	1,406	-	-	-	-	1,406	Note 7	0.20	Note 7
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 4)*	a) First ranking sole and exclusive security interest by way of an equitable mortgage on carpet area of approximately 779,466 sq. ft. in building 12 D (identified units in building) along with the common areas, usage and access rights appurtenant to the units mortgaged in Building 12D as mentioned in the trust deed, situated on a notionally demarcated land admeasuring approximately 17414.77 square metres (equivalent to 4.30 acres), forming part of a portion of land admeasuring 14.02 hectares equivalent to 34.64 acres or thereabout declared as ‘Special Economic Zone’ land from and out of the larger piece of land bearing Survey no. 64(part), lying, being and situated at Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad (Sundre Properties Limited)	5,000	1	3,374	-	564	2	-	3,940	11,829	0.79	2.37
		23,685	392	11,824	4	564	7	1	12,399	39,227	0.85	2.32

\* This certificate is issued for the NCD 4 and accordingly Security cover ratio for NCD 4 is 2.37.



**Mindspace Business Parks REIT**  
**Statement of Security Cover and Compliance Status of Financial Covenants**

**c) Compliance of all the covenants of the issue in respect of listed debt securities of the Trust:**

We have examined the compliances made by the listed entity in respect of the covenants of the issue of the listed debt securities (NCD's) and certify that the such covenants of the issue have

**I. Other covenants at Mindspace Business Parks REIT (the "REIT") Consolidated level**

Particulars	Rs. in million
<b>Net Debt to NOI before regulatory income and expenses</b>	
Net Debt (A) [Refer Note 3 & 4]	46,480
NOI before regulatory income and expense for the year ended ended 30 September 2022 (B) [Refer Note 1 & 2]	15,734
<b>Net Debt to NOI before regulatory income and expenses (A)/(B)</b>	<b>2.95</b>
<b>Maximum Net Debt to NOI before regulatory income and expenses as per Debenture Trust Deed for the aforesaid debentures</b>	<b>5.00</b>
<b>Loan to Value Ratio</b>	
Loan (C)	46,480
Value of asset (D) [Refer Note 5]	285,251
<b>Loan to Value Ratio (C)/(D)</b>	<b>16%</b>
<b>Maximum Loan to Value ratio as per Debenture Trust Deed for the aforesaid debentures</b>	<b>49%</b>

**Notes:**

- 1 EBITDA is determined on the basis of earnings before interest, depreciation and amortisation and tax after extinguishing the movement in all regulatory deferral account balances from other income and expenses.
- 2 EBITDA is for the year ended from 1 October 2021 to 30 September 2022.
- 3 Gross debt for REIT is external financial indebtedness availed including interest on the basis of its consolidated financial statements
- 4 Gross Debt includes amortization charges recorded as per Ind-AS in the financial statements.
- 5 Value of asset at consolidated level for the purpose of this calculation is fair value of investment properties, investment properties under construction and fair value of Camplus.

**For and on behalf of K. Raheja Corp Investment Managers LLP**  
**(acting as Manager of Mindspace Business Parks REIT)**

*Preeti Chheda*

**Preeti Chheda**  
**Chief Financial Officer**  
**14 November 2022**



*44*



September 26, 2022

To,  
**BSE Limited**  
25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400001

**Scrip Code: 960327, 973069, 973754 and 974075**

**Sub: - Compliance Certificate pursuant to Regulation 52 (7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir,

Pursuant to Regulation 52(7) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that issue proceeds of Non-Convertible Debentures (NCDs) issued by the Company and allotted as on July 28, 2022, are being utilized as per the objects stated in the offer document. Further, we also confirm that there have been no deviations in the use of proceeds of issue of NCDs from the objects stated in the offer document

Please take the same on your record.

Thanking you,

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

**PREETI NAVEEN** Digitally signed by PREETI  
NAVEEN CHHEDA  
**CHHEDA** Date: 2022.09.26 17:52:14  
+05'30'

**Name: Preeti Chheda**  
**Designation: Compliance Officer**  
**Place: Mumbai**

**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



REF: NVS/2022-2023/016

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

**Statutory Auditor's Certificate on Statement of Utilization of the Funds raised by issuance of Non-Convertible Debentures ("NCDs") by Mindspace Business Parks REIT**

This certificate is issued in accordance with the terms of our engagement letter with reference no. NVS/2022-23/013 dated July 22, 2022

We, Deloitte Haskins & Sells LLP, the statutory auditors of Mindspace Business Parks REIT (the "Trust") have been requested by the Management of the Investment Manager to state whether the financial information contained in the attached "Statement of Utilization of Funds raised by issuance of Non-Convertible Debentures on July 28, 2022 by Mindspace Business Parks REIT as at September 21, 2022" (the "Statement") has been appropriately extracted from the unaudited books of account and other records of the REIT (the "books of account and other records of Trust"). We have been informed by the Management of Investment Manager that the certificate is required for submission to the Catalyst Trusteeship Limited (the "debentures trustee") in accordance with the requirements of Debenture Trust Deed dated July 22, 2022. The statement has been initialed by us for identification purpose only.

**Management's responsibility**

The preparation of the Statement is the responsibility of the Management of the Investment Manager. This includes collecting, collating and validating data and presentation thereof in the Statement and design, implementation and maintenance of internal control relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or error. The Management of the Investment Manager is also responsible for the maintenance of proper books of account and other records and documents containing relevant details about the utilisation of proceeds from NCDs.

The Management of the Investment Manager is also responsible for ensuring compliance with the requirements of the debenture trust deed, debt listing agreement and for providing all relevant information to the Securities and Exchange Board of India.

**Auditor's responsibility**

Our responsibility, for the purpose of this certificate, is to provide a limited assurance on the financial information in the Statement by comparing the said information with the corresponding amounts and particulars in the books of account and the records of the Trust. The procedures performed in limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by The Institute of Chartered Accountants of India (ICAI) and the Standards on Auditing specified under Section 143(10) of the Act. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.



*DHS LLP*

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Review Historical Financial Information, and Other Assurance and Related Services Engagements.

**Conclusion**

On the basis of our verification of the unaudited books of account and other relevant records, nothing has come to our attention that causes us to believe that the amounts contained in the Statement is not appropriately extracted from the unaudited books of account and other records of the Trust.

**Restriction on Distribution**

This certificate is addressed to and provided to the Governing Board of the Investment Manager solely for the purpose to submit the accompanying statement to Catalyst Trusteeship Limited, the trustee of the NCDs, for compliance with its obligations under the debenture trust deed and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

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



**Niles Shah**  
Partner

Membership No. 49660  
UDIN: 22049660ATNOJH2876

Mumbai, September 21, 2022





**Statement of Utilization of Funds raised by issuance of Non-Convertible Debentures on July 28, 2022, by Mindspace Business Parks REIT as at September 21, 2022.**

Particulars	Rs. in Million
<b>Sources of Funds</b>	
Funds raised by 5,000 Senior, Listed, Rated, Secured, Non-Cumulative, Taxable, Transferable, Redeemable, Non-Convertible Debentures of face value of Rs. 1,000,000 each.	5,000
<b>Total (A)</b>	<b>5,000</b>
<b>Utilization of Funds based on the purpose mentioned in the Information Memorandum</b>	
In compliance with the provisions of the Applicable Laws for general corporate purposes including payment of fees and expenses in connection with the issuance of the Debentures	26
Repayment of existing financial indebtedness, interim investments (including investments in cash equivalent investments), direct or indirect acquisition of commercial properties and for providing loans to the Group SPVs (directly or indirectly) for meeting their construction related expenses, working capital or general corporate requirements, including interim investments in cash equivalent investments, repayment of their existing financial indebtedness, for providing inter-company deposits to the members of the 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.	4,974
<b>Total (B)</b>	<b>5,000</b>
<b>Balance (A) - (B)</b>	<b>-</b>

Note:

The above amounts are extracted from the unaudited books of account and other relevant records of Mindspace Business Parks REIT.

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

*Preeti Chheda*

**Preeti Chheda**  
Chief Financial Officer  
Mumbai, September 21, 2022

*[Signature]*



*[Signature]*

REF: SNG/Catalyst/RP\_\_\_\_

Date: 02.06.2022

**TITLE SEARCH REPORT**

**Catalyst Trusteeship Limited,  
Windsor, 6th Floor, Office No - 604,  
C.S.T. Road, Kalina, Santacruz (East),  
Mumbai - 400 098.**

**Kind Attn: - Mr. Umesh Salvi**

**Re: Property being**

- A.** (a) Unit No.201 and 301 admeasuring 1,37,059 square feet carpet area or thereabouts on the second and third floor, (b) Unit No. 401 admeasuring 41,026 square feet carpet area or thereabouts on the fourth floor, (c) Unit No. 402 admeasuring 27,251 square feet carpet area or thereabouts on the fourth floor, (d) Unit No. 501 admeasuring 68,300 square feet carpet area or thereabouts on the fifth floor, (e) Unit No. 601 admeasuring 63,846 square feet carpet area or thereabouts on the sixth floor, (f) Unit No. 701 admeasuring 41,073 square feet carpet area or thereabouts on the seventh floor, (g) Unit No. 702 admeasuring 27,356 square feet carpet area or thereabouts on the seventh floor, (h) Unit No. 801 admeasuring 67,908 square feet carpet area or thereabouts on the eighth floor, (i) Unit No. 902 admeasuring 28,910 square feet carpet area or thereabouts on the ninth floor, (j) Unit No. 1001 admeasuring 51,759 square feet carpet area or thereabouts on the tenth floor, (k) Unit No. 1101 admeasuring 32,799 square feet carpet area or thereabouts on the eleventh floor, (l) Unit No. 1002 admeasuring 18,527 square feet carpet area or thereabouts on the tenth floor, (m) Unit No. 1102, 1201 & 1301 admeasuring 1,73,652 square feet carpet area or thereabouts on the eleventh, twelfth and thirteenth floor, respectively, together with proportionate undivided right, title and interest over the Said Building ("**collectively Said Units**"); and

**B.** Property being building popularly known as 12D comprising of three basements, ground floor (part), first floor (part), for parking and 14 upper floors i.e. 2<sup>nd</sup> to 15<sup>th</sup> floor with terrace including the common areas, amenities, passages, easements etc., admeasuring in the aggregate 7,79,466 square feet carpet area equivalent to 10,42,990 square feet leasable area (**"Said Building"**) constructed on all that piece and parcel of notionally demarcated land admeasuring approximately 17414.77 square meters equivalent to 4.30 Acres (**"Said Land"**) forming part of land admeasuring 4,42,577.65 square meters equivalent to 109.36 acres or thereabouts bearing Survey No. 64 (Part), lying, being and situated at Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad (**"Larger Property"**) which land is bounded as follows:

<b>On or towards the North by:</b>	Neighbors Property/ Open Space
<b>On or towards the South by:</b>	30 MT Wide Road
<b>On or towards the East by:</b>	Neighbors Property/ Open Space
<b>On or towards the West by:</b>	Building 12C

**1. NAME OF THE OWNER/MORTGAGOR:**

Sundew Properties Limited

**2. NATURE OF THE PROPERTY:**

Freehold Property

**3. LIST OF DOCUMENTS PERUSED/SCRUTINIZED:**

In relation to the above, we have been provided with and have examined the following documents:

<b>Sr. No.</b>	<b>Date of Document</b>	<b>Name of Documents</b>	<b>Nature of the document</b>
1.	23 <sup>rd</sup> December, 2003	Development Agreement executed between The Andhra Pradesh Industrial Infrastructure Corporation Private Limited and Messrs. K. Raheja IT Park (Hyderabad) Limited.	Photocopy
2.	24 <sup>th</sup> December, 2003	Development Agreement executed between The Andhra Pradesh Industrial Infrastructure Corporation Limited and Messrs. K. Raheja IT Park (Hyderabad) Private Limited.	Photocopy
3.	29 <sup>th</sup> April, 2004	Development Agreement executed between The Andhra Pradesh Industrial Infrastructure Corporation Limited and Messrs. K. Raheja IT Park (Hyderabad) Private Limited.	Photocopy
4.	24 <sup>th</sup> June, 2004	Development Agreement executed between The Andhra Pradesh Industrial Infrastructure Corporation Limited and Messrs. K. Raheja IT Park (Hyderabad) Private Limited.	Photocopy
5.	31 <sup>st</sup> May, 2004	Sale Deed executed by The Andhra Pradesh Industrial Infrastructure Corporation Limited and Messrs. K. Raheja IT Park (Hyderabad) Private Limited.	Photocopy
6.	31 <sup>st</sup> May, 2004	Sale Deed executed by The Andhra Pradesh Industrial Infrastructure	Photocopy

Sr. No.	Date of Document	Name of Documents	Nature of the document
		Corporation Limited and Messrs. K. Raheja IT Park Private (Hyderabad) Limited.	
7.	31 <sup>st</sup> May, 2004	Sale Deed executed by The Andhra Pradesh Industrial Infrastructure Corporation Limited and Messrs. K. Raheja IT Park (Hyderabad) Private Limited.	Photocopy
8.	27 <sup>th</sup> April, 2005	Sale Deed executed by The Andhra Pradesh Industrial Infrastructure Corporation Limited and Messrs. K. Raheja IT Park (Hyderabad) Private Limited.	Photocopy
9.	27 <sup>th</sup> December, 2012	Certificate of Incorporation issued by Registrar of Companies	Photocopy
10.	16 <sup>th</sup> October, 2006	Notification Number S.O. 1770 (E) published in the Official Gazette of India wherein the Ministry of Commerce and Industry notified the total area of 16.29 Hectares at survey no. 64 (part), Hi-tech City, Madhapur, Ranga Reddy District, Hyderabad, Andhra Pradesh as Special Economic Zone.	Photocopy
11.	10 <sup>th</sup> January, 2007	No objection Letter bearing reference No. 45/OSD(ITES)/Prom/2002 addressed to A.P Industrial Infrastructure	Photocopy



Sr. No.	Date of Document	Name of Documents	Nature of the document
		Corporation Limited by the Government of Andhra Pradesh for demerger of the Messrs. K. Raheja IT Park (Hyderabad) Limited in three successor companies.	
12.	18 <sup>th</sup> May, 2007	Notification Number S.O. 780 (E) published in the Official Gazette of India wherein the Ministry of Commerce and Industry notified an amendment in the Notification dated 16.10.2006 in which the name of Messrs. Sundew Properties Private Limited was substituted in place of Messrs. K. Raheja IT Park (Hyderabad) Limited	Photocopy
13.	23 <sup>rd</sup> March, 2007	Order passed by the Hon'ble High Court, Andhra Pradesh in company petition no. 24 and 26 of 2007 in the matter of scheme of arrangement between M/s K. Raheja IT Park (Hyderabad) Pvt. Ltd. and M/s Sundew Properties Private Limited and registered under Serial No. 5388/2007.	Photocopy
14.	06 <sup>th</sup> August, 2010	Notification Number S.O. 1928 (E) published in the Official Gazette of India wherein the Ministry of Commerce and Industry on the proposal of Messrs. Sundew Properties Private Limited denotified an area of 1.82 Hectares from being a Special economic zone, making the resultant area as 14.47 hectares as Special Economic Zone at survey no. 64	Photocopy

Sr. No.	Date of Document	Name of Documents	Nature of the document
		(part), Hi-tech City, Madhapur, Ranga Reddy District, Hyderabad, Andhra Pradesh.	
15.	07 <sup>th</sup> June, 2005	Application for exemption under Urban Lands and Ceiling Act, 1976 by Messrs. K. Raheja IT Park (Hyderabad) Limited to the Competent Authority.	Photocopy
16.	29 <sup>th</sup> December, 2005	Order issued by the Competent Authority, Urban Land Ceiling, Hyderabad bearing reference No. F1/2165/6(1)/2005.	Photocopy
17.	10 <sup>th</sup> February, 2006	Order issued by the Governor of Andhra Pradesh bearing G.O.MS. No. 141.	Photocopy
18.	08 <sup>th</sup> November, 2016	Fresh Certificate of Incorporation in the name of Messrs. K. Raheja IT Park (Hyderabad) Limited issued by Registrar of Companies upon conversion from Private to Public Limited Company.	Photocopy
19.	10 <sup>th</sup> June, 2002	Memorandum of Understanding executed by and between Government of Andhra Pradesh through its Information Technology and Communications Department and Messrs. K. Raheja Corp Private Limited.	Photocopy
20.	19 <sup>th</sup> May, 2003	Memorandum of Understanding dated 19th May, 2003 executed by and between	Photocopy

Sr. No.	Date of Document	Name of Documents	Nature of the document
		Government of Andhra Pradesh through its Information Technology and Communications Department and Messrs. K. Raheja Corp Private Limited.	
21.	05 <sup>th</sup> June, 2003	Deed of Adherence executed by and between Messrs. K. Raheja IT Park (Hyderabad) Limited, Government of Andhra Pradesh and Messrs. K. Raheja Corp Private Limited.	Photocopy
22.	23 <sup>rd</sup> August, 2003	Joint Venture Agreement executed by and between Andhra Pradesh Industrial Infrastructure Corporation Limited, Messrs. K. Raheja Corp Private Limited and Messrs. K. Raheja IT Park (Hyderabad) Limited.	Photocopy
23.	31 <sup>st</sup> October, 1996	Government Memo No.27154/ AssnIII(3)/96-4 from Secretary to Government Revenue Department	Photocopy
24.	27 <sup>th</sup> December, 2012	Fresh Certificate of Incorporation in the name of Messrs. Sundew Properties Limited issued by Registrar of Companies upon conversion from Private to Public Limited Company.	Photocopy
25.	18 <sup>th</sup> February,	Building Permit Order in favour of	Photocopy

Sr. No.	Date of Document	Name of Documents	Nature of the document
	2020	Messrs. Sundew Properties Limited vide letter bearing File No. IIC/0551/2019, Permit No. IIC/0551/2019 in respect of the said Building.	
26.	30 <sup>th</sup> March, 2020	Occupancy Certificate bearing serial no. LR.No. 1154/TSIIC/IALA/MDP/2013 in the favour of Messrs. Sundew Properties Limited in respect Building No. 12D	Photocopy
27.	17 <sup>th</sup> July, 2019	Notification Number S.O. 2609 (E) published in the Official Gazette of India wherein the Ministry of Commerce and Industry on the proposal of Messrs. Sundew Properties Private Limited denotified an area of 0.45 Hectares from being a Special economic zone, making the resultant area as 14.02 hectares as Special Economic Zone at survey no. 64 (part), Hi-tech City, Madhapur, Ranga Reddy District, Hyderabad, Andhra Pradesh.	Photocopy
28.		Memorandum of Association and Articles of Association of Messrs. Sundew Properties Limited.	Photocopy
29.		Demarcation Plan clearly demarcating the Said Building from the Larger Property.	

<b>Sr. No.</b>	<b>Date of Document</b>	<b>Name of Documents</b>	<b>Nature of the document</b>
30.	9 <sup>th</sup> February, 2021	Lease deed executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Schneider Electric Systems India Private Limited therein referred to as “Lessee” of the Other Part.	Photocopy
31.	27 <sup>th</sup> February, 2020	Lease deed executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and UTC Fire and Security India Limited therein referred to as “Lessee” of the Other Part.	Photocopy
32.	1 <sup>st</sup> January, 2020	Lease deed executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Vitech Systems Asia Private Limited therein referred to as “Lessee” of the Other Part.	Photocopy
33.	27 <sup>th</sup> February, 2020	Deed of Modification and Surrender executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Carrier Technologies India Limited therein referred to as “Lessee” of the Other Part.	Photocopy
34.	1 <sup>st</sup> January, 2020	Lease deed executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Vitech Systems Asia Private Limited	Photocopy



Sr. No.	Date of Document	Name of Documents	Nature of the document
		therein referred to as “Lessee” of the Other Part.	
35.	29 <sup>th</sup> January, 2021	Deed of Amendment to Lease deed dated executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Messrs. Model and India Software Private therein referred to as “Lessee” of the Other Part.	Photocopy
36.	15 <sup>th</sup> July, 2020	Lease deed executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Messrs. Wipro Limited therein referred to as “Lessee” of the Other Part, and registered with the Office of Joint Sub-registrar 2 Ranga Reddy Book 1/8249/2020.	Photocopy
37.	19 <sup>th</sup> November, 2020	Lease deed executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Messrs. IBM India Private Limited therein referred to as “Lessee” of the Other Part.	Photocopy
38.	10 <sup>th</sup> February, 2022	Lease deed executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Messrs. Wipro Limited therein referred to as “Lessee” of the Other Part,	Photocopy

Sr. No.	Date of Document	Name of Documents	Nature of the document
		and registered with the Office of Joint Sub-registrar 2 Ranga Reddy Book 1/2335/2022.	
39.	29 <sup>th</sup> January, 2021	Unregistered Lease deed executed between Messrs. Sundew Properties Limited therein referred to as "Lessor" of the One Part and Model N India Software Limited therein referred to as "Lessee" of the Other Part	Photocopy
40.	11 <sup>th</sup> February, 2022	Lease deed executed between Messrs. Sundew Properties Limited therein referred to as "Lessor" of the One Part and Messrs. Mindtree Limited therein referred to as "Lessee" of the Other Part and registered with the Office of Joint Sub-registrar 1 Ranga Reddy Book 1/3971/2021.	Photocopy
41.	19 <sup>th</sup> October, 2021	Lease deed executed between Messrs. Sundew Properties Limited therein referred to as "Lessor" of the One Part and Messrs. Telstra Global Business Services LLP therein referred to as "Lessee" of the Other Part and registered with the Office of Joint Sub-registrar 1 Ranga Reddy Book 1/18541/2021.	Photocopy
42.	16 <sup>th</sup> March, 2022	Unregistered Lease deed executed between Messrs. Sundew Properties Limited therein referred to as "Lessor" of	Photocopy

Sr. No.	Date of Document	Name of Documents	Nature of the document
		the One Part and Messrs. Thryve Digital Health LLP therein referred to as "Lessee" of the Other Part.	
43.	25 <sup>th</sup> May, 2022	Architect Certificate issued by Mr. Venkat Reddy G. in respect of Building No. 12D.	Photocopy

**4. SCOPE OF WORK:**

The scope of our opinion is limited to the Said Units only, based upon the documents provided to us in respect of the Said Units and the searches conducted with the concerned Sub-Registrar of Assurances and Registrar of Assurances for the last 30 years i.e. from 1991 to 2022.

**5. TRACING OF TITLE:**

On perusal of the documents furnished to us and search conducted in the offices of the concerned Sub Registrar of Assurances for the past 39 years i.e. 1<sup>st</sup> January, 1983 to 30<sup>th</sup> May, 2022 in respect of the Said Units, we observe as under:

- (i) It appears that Government of Andhra Pradesh ("**the said Government**") was the owner in respect of the land admeasuring 4,42,577.65 square meters equivalent to 109.36 acres or thereabouts bearing Survey No. 64 (Part) at Madhapur Village, Serilingampally Mandal Ranga Reddy District, Hyderabad, Andhra Pradesh ("**the Larger Property**").
- (ii) It appears that by and under Government Memo No.27154/ AssnIII(3)/96-4 dated 31<sup>st</sup> October, 1996 from Secretary to Government Revenue Department dated 18<sup>th</sup> June, 1998 ("**the said Order**"), the said Government vested large

tracts of land including Larger Property in favour of the Andhra Pradesh Industrial Infrastructure Corporation Limited.

- (iii) Further, in pursuance of the aforesaid Order, it appears that the Andhra Pradesh Industrial Infrastructure Corporation Limited ("**APIICL**") became the owner in respect of the Larger Property.
- (iv) It appears that the said Government in view of promoting Information Technology (including hardware) (IT) and Information Technology Enabled Services (ITES) sector in the state of Andhra Pradesh, announced its Information and Communication Technology policy vide G.O. Ms. No. 27 dated 27th June, 2002 along with G. O. Ms. No.5 dated 28th January, 2002 ("**the said Policy**").
- (v) Pursuant to the said Policy, the Government in order to cater the needs of software developers, hardware manufacturers, information technology, back office processing operations, information technology enabled services and other commercial user ("**Main User**") and retail, apartment hotel, banking facilities, residential, recreational, food court etc., ("**Ancillary User**") approached Messrs. K. Raheja Corp Private Limited which is the part of C.L. Raheja group of Companies and conceded the setting up of joint venture in the state of Andhra Pradesh for the project proposed to be known as "Mindspace Cyberabad Project".
- (vi) By and under a Memorandum of Understanding dated 10th June, 2002 executed by and between the said Government, through its Information Technology and Communications Department and Messrs. K. Raheja Corp Private Limited, Messrs. K. Raheja Corp Private Limited agreed to develop and construct complexes for ITES Companies and the said Government *inter alia* agreed to make available the Larger Property for the aforesaid construction subject to terms and conditions mentioned therein.
- (vii) By and under a Memorandum of Agreement dated 19th May, 2003 executed by and between the said Government, through its Information Technology and Communications Department and Messrs. K. Raheja Corp Private Limited, it

was agreed that the Mindspace Cyberabad Project to be constructed on the Larger Property shall be executed through a joint venture to be incorporated by its initial subscribers viz Andhra Pradesh Industrial Infrastructure Corporation Limited and Messrs. K. Raheja Corp Private Limited subject to terms and conditions mentioned therein **[Comment: The same was a typographical error]**.

(viii) We note that on 2<sup>nd</sup> June, 2003, Messrs. K. Raheja IT Park (Hyderabad) Private Limited (**"KRIT"**) was incorporated under Companies Act, 1956. Subsequently, by and under Deed of Adherence dated 5<sup>th</sup> June, 2003, the said Government, Messrs. K. Raheja Corp and KRIT acknowledged and confirmed that the KRIT is to be the joint venture company and it shall act as a joint venture company of the Andhra Pradesh Industrial Infrastructure Corporation Limited (**"APIICL"**) and Messrs. K. Raheja Corp for the development of the Mindspace Cyberabad Project.

(ix) By and under a Joint Venture Agreement dated 23<sup>rd</sup> August, 2003 executed between the APIICL, KRIT and Messrs. K. Raheja Corp, the shareholding pattern, the rights and obligations of the said Government and Messrs. K. Raheja Corp and the other matters related thereto were agreed and recorded (**"the JV Agreement"**). The important terms and conditions set out in the JV Agreement are as follows:

- I. **Clause 6.11** - *"The Joint Venture Company shall be entitled to create charge on that extent of the land which would be handed over to it (in phases) and the building to be constructed thereon for the purposes of raising finance for development. APIIC shall ensure that no charges or other rights are created in favour of any other person in respect of the said land or any part thereof or any construction thereon".<sup>1</sup>*

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<sup>1</sup> On plain reading of the clause 6.11, we observe that KRIT was entitled to raise finance only for the development of Mindspace Cyberabad Project. However, it is relevant to note that there are subsequent registered Development Agreement (*recorded herein below*) for phase wise development of the Mindspace Cyberabad Project and post adherence of the terms and conditions of the Development Agreement (*recorded herein below*), APIIC sold, transferred and conveyed the Larger Property along with structure standing thereon absolutely, unconditionally and forever unto KRIT vide operative clause of Sale Deeds (*the particulars of the*



II. **Clause 6.12** – *“The development of the said land shall be carried out in phases as elsewhere mentioned in this Agreement. For such purpose, the land shall be vested in and transferred to the Joint Venture Company in phases by execution of a separate development agreement for each phase of development. The development agreement shall be between the Joint Venture Company and APIIC. The Joint Venture Company shall pay full stamp duty on each such Agreement”.*

III. **Clause 6.13** – *“The Joint Venture Company shall be entitled to transfer the said land or any part thereof or any building constructed or any part thereof by way of leases, transfer of ownership, licenses or on such other basis as the Joint Venture Company may deem fit on appropriation of consideration to itself”.*

IV. **Clause 6.14** – *“On completion of the development:*

- (a) *If the development has been of built-up space, the property comprising of the built-up area and an undivided interest in the land shall be transferred to the final owners jointly by APIIC and the Joint Venture Company.*
- (b) *If the development has been of plotted development, the plotted land shall be transferred to the final owners jointly by APIIC and the Joint Venture Company.*

*Transfers pursuant to (a) and (b) above and pursuant to 6.13 shall be exempted from stamp duty and all other transfer of property duty or other local levies and registration charges. The exemption of stamp duty will only be available for the transactions of sale, lease, license between the Joint Venture Company / APIIC and the purchaser, lessee, licensee and the benefit of exemption shall be available till completion of the MINDSPACE CYBERABAD PROJECT as per the Government Orders”.<sup>2</sup>*

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*Sale Deeds are recorded herein below).* In view of which, it appears that the condition under clause 6.11 of Joint Venture Agreement dated 23rd August, 2003 has been overridden.

<sup>2</sup> It is relevant to note that there are subsequent registered Development Agreement (*recorded herein below*) for phase wise development of the Mindspace Cyberabad Project and post adherence of the terms and conditions of the Development Agreement (*recorded herein below*), APIIC sold, transferred and conveyed the Larger Property along with structure standing thereon absolutely, unconditionally and forever unto KRIT vide operative clause of Sale Deeds (*the particulars of the Sale Deeds are recorded herein below*). In view of which, it appears that the conditions under Joint Venture Agreement dated 23rd August, 2003 have been overridden.

- (x) To fulfill the object of development and marketing of Mindspace Cyberabad Project and in order to comply with the terms and conditions as set out in the JV Agreement, by and under the Development Agreement dated 23<sup>rd</sup> December, 2003, the APIICL therein referred to as “the Owner” of the One Part and KRIT therein referred to as “the Developer” of the Other Part, the APIICL granted development rights in respect of the land admeasuring 30,229.12 square meters equivalent to 7.47 acres or thereabouts (**“the First Portion”**) from and out of the Larger Property in favour of the KRIT (**“First Development Agreement”**). The said First Development Agreement is registered with the Office of Sub Registrar of Assurances under Serial No.16593 of 2003. Further, pursuant to the execution and registration of the First Development Agreement, a Power of Attorney dated 27<sup>th</sup> February, 2004 was executed by APIICL in favor of KRIT, granting, *inter alia*, various powers, authorities and discretions in respect of the development as contemplated under the First Development Agreement.
- (xi) Further, by and under Development Agreement dated 24<sup>th</sup> December, 2003, the APIICL therein referred to as “the Owner” of the One Part and KRIT therein referred to as “the Developer” of the Other Part, the APIICL granted development rights in respect of the land admeasuring 29,616.67 square meters equivalent to 7.32 acres or thereabouts from and out of the Larger Property (**“the Second Portion”**) in the favour of the KRIT in the manner and on the terms and conditions stated therein (**“Second Development Agreement”**). The said Second Development Agreement is registered with the Office of Sub Registrar of Assurances under Serial No. 16594 of 2003. Further, pursuant to the execution and registration of the Second Development Agreement, a Power of Attorney dated 27<sup>th</sup> February, 2004 was executed by APIICL in favor of KRIT, granting, *inter alia*, various powers, authorities and discretions in respect of the development as contemplated under the Second Development Agreement.
- (xii) Subsequently by and under Development Agreement dated 29<sup>th</sup> April, 2004, the APIICL therein referred to as “the Owner” of the One Part and KRIT therein referred to as “the Developer” of the Other Part, the APIICL granted development rights in respect of the land admeasuring 2,62,610.29 square meters equivalent to 64. 89 acres or thereabouts from and out of the Larger

Property (**"the Third Portion"**) in the favour of the KRIT in the manner and on the terms and conditions stated therein (**"Third Development Agreement"**). The said Third Development Agreement is registered with the Office of Sub Registrar of Assurances under Serial No. 5138 of 2004. Further, pursuant to the execution and registration of the Third Development Agreement, a Power of Attorney dated 1<sup>st</sup> May, 2004 was executed by APIICL in favor of KRIT, granting, *inter alia*, various powers, authorities and discretions in respect of the development as contemplated under the Third Development Agreement.

- (xiii) Thereafter by and under Development Agreement dated 24<sup>th</sup> June, 2004, the APIICL therein referred to as "the Owner" of the One Part and KRIT therein referred to as "the Developer" of the Other Part, the APIICL granted development rights in respect of the land admeasuring 1,20,097.48 square meters equivalent to 29.67 acres or thereabouts from and out of the Larger Property (**"the balance Fourth Portion"**) in the favour of the KRIT in the manner and on the terms and conditions stated therein (**"Fourth Development Agreement"**). The said Fourth Development Agreement is registered with the Office of Sub Registrar of Assurances under Serial No. 7290 of 2004.
- (xiv) The common salient clause incorporated in all the Development Agreements dated 23<sup>rd</sup> December, 2003, 24<sup>th</sup> December, 2003, 29<sup>th</sup> April, 2004 and 24<sup>th</sup> June, 2004 are set out hereunder as:-

**(a) Development Agreement 23<sup>rd</sup> December, 2003**

**"Article 4 Owners Covenants"**

*(a) Grant, convey, transfer and assure free from all encumbrance and charges, the said property (i.e. land admeasuring 30,229.12 square meters equivalent to 7.47 acres or thereabouts from and out of the Larger Property) to the Developer or to such other nominee/nominees which includes the Condominium company/Society/Apex Society of the Developer as instructed by the Developer".*

**(b) Development Agreement 24<sup>th</sup> December, 2003**

**"Article 4 Owners Covenants"**

*(a) Grant, convey, transfer and assure free from all encumbrance and charges, the said property (i.e. land admeasuring 29,616.67 square meters equivalent to 7.32 acres or thereabouts from and out of the Larger Property) to the Developer or to such other nominee/nominees which includes the Condominium company/Society/Apex Society of the Developer as instructed by the Developer”.*

**(c) Development Agreement 29<sup>th</sup> April, 2004**

**“Article 4 Owners Covenants**

*(a) Grant, convey, transfer and assure free from all encumbrance and charges, the said property (i.e. land admeasuring 2,62,610.29 square meters equivalent to 64. 89 acres or thereabouts from and out of the Larger Property) to the Developer or to such other nominee/nominees which includes the Condominium company/Society/Apex Society of the Developer as instructed by the Developer”.*

**(d) Development Agreement 24<sup>th</sup> June, 2004**

**“Article 4 Owners Covenants**

*(a) Grant, convey, transfer and assure free from all encumbrance and charges, the said property (i.e. land admeasuring 1,20,097.48 square meters equivalent to 29.67 acres or thereabouts from and out of the Larger Property) to the Developer or to such other nominee/nominees which includes the Condominium company/Society/Apex Society of the Developer as instructed by the Developer”.*

- (xv) In the circumstance stated hereinabove, KRIT acquired development rights in respect of the Larger Property for the purpose of developing and marketing of Mindspace Cyberabad Project.
- (xvi) Pursuant to First Development Agreement dated 23<sup>rd</sup> December, 2003 and Article 4 mentioned hereinabove, by and under Sale deed dated 31<sup>st</sup> May 2004, the APIICL therein referred to as “the Vendor” of the One Part and KRIT therein referred to as “the Purchaser” of the Other Part, the APIICL sold and transferred land admeasuring 30,229.12 square meters equivalent to 7.47 acres or

thereabouts (**"the First Portion"**) in the favour of the KRIT absolutely and unconditionally and in the manner and on the terms and conditions stated therein. The Sale Deed is registered with the Office of Sub Registrar of Assurances under Serial No. 5668 of 2005.

(xvii) Pursuant to Second Development Agreement dated 24<sup>th</sup> December, 2003 and Article 4 mentioned hereinabove, by and under Sale deed dated 31<sup>st</sup> May 2004, the APIICL therein referred to as "the Vendor" of the One Part and KRIT therein referred to as "the Purchaser" of the Other Part, the APIICL sold and transferred land admeasuring 29.616.67 square meters equivalent to 7.32 acres or thereabouts from and out of the Larger Property (**"the Second Portion"**) in the favour of the KRIT absolutely and unconditionally and in the manner and on the terms and conditions stated therein. The Sale Deed is registered with the Office of Sub Registrar of Assurances under Serial No. 5667 of 2005.

(xviii) Pursuant to Third Development Agreement dated 29<sup>th</sup> April, 2004 and Article 4 mentioned hereinabove, by and under Sale deed dated 31<sup>st</sup> May 2004, the APIICL therein referred to as "the Vendor" of the One Part and KRIT therein referred to as "the Purchaser" of the Other Part, the APIICL sold and transferred land admeasuring 2,62,610.29 square meters equivalent to 64. 89 acres or thereabouts from and out of the Larger Property (**"the Third Portion"**) in the favour of the KRIT absolutely and unconditionally and in the manner and on the terms and conditions stated therein. The Sale Deed is registered with the Office of Sub Registrar of Assurances under Serial No. 5666 of 2005.

(xix) Pursuant to Fourth Development Agreement dated 24<sup>th</sup> June, 2004 and Article 4 mentioned hereinabove, by and under Sale deed dated 27<sup>th</sup> April, 2005, the APIICL therein referred to as "the Vendor" of the One Part and KRIT therein referred to as "the Purchaser" of the Other Part, the APIICL sold and transferred land admeasuring 1,20,097.48 square meters equivalent to 29.67 acres or thereabouts from and out of the Larger Property (**"the balance Fourth Portion"**) in the favour of the KRIT absolutely and unconditionally and in the manner and on the terms and conditions stated therein. The Sale Deed is registered with the Office of Sub Registrar of Assurances under Serial No. 6268 of 2005.



- (xx) It is pertinent to note that, since the development of Mindspace Cyberabad Project were carried out phase wise, various Development Agreement and Sale Deeds were executed on different dates as described herein above by APIICL in the favour of KRIT.
- (xxi) Owing to the aforesaid, KRIT became the owner of the Larger Property (aggregate of First Portion Second Portion and Third Portion and balance Fourth Portion).
- (xxii) Further, we observe that Messrs. K. Raheja IT Park (Hyderabad) Private Limited was subsequently changed as Messrs. K. Raheja IT Park (Hyderabad) Limited vide fresh Certificate of Incorporation dated 8<sup>th</sup> November, 2016 issued by Registrar of Companies.
- (xxiii) In the meanwhile, a Company Petition bearing Nos. 24 and 26 of 2007 was filed by and between Messrs. K. Raheja IT Park (Hyderabad) Private Limited and Messrs. Sundew Properties Private Limited before the Hon'ble High Court of Andhra Pradesh under section 394 r/w sections 391 to 393 of the Companies Act, 1956 for the scheme of arrangement.
- (xxiv) By and under Notification Number S.O. 1770 (E) dated 16th October, 2006 published in the Official Gazette of India wherein the Ministry of Commerce and Industry notified the total area of 16.29 Hectares at survey no. 64 (part), Hi-tech City, Madhapur, Ranga Reddy District, Hyderabad, Andhra Pradesh as Special Economic Zone.
- (xxv) Further, we note that the Hon'ble High Court was pleased to pass an Order dated 23<sup>rd</sup> March, 2007 for amalgamation of the said companies and consequently, by virtue of an Order dated 23<sup>rd</sup> March, 2007, a portion of land admeasuring 1,62,903.52 square meters equivalent to 40.25 acres together with structure standing thereon from and out of the Larger Property (referred therein as "SEZ Property") vested in Messrs. Sundew Properties Private Limited. The aforesaid Order dated 23<sup>rd</sup> March, 2007 is duly registered with the concerned Sub-Registrar of Assurances under Document No. 5388 of 2007.

(xxvi) By and under Notification Number S.O. 780 (E) dated 18th May, 2007 published in the Official Gazette of India wherein the Ministry of Commerce and Industry notified an amendment in the Notification dated 16<sup>th</sup> October, 2006 in which the name of Messrs. Sundew Properties Private Limited was substituted in place of Messrs. K. Raheja IT Park (Hyderabad) Limited.

(xxvii) By and under Notification Number S.O. 1928 (E) dated 16th August, 2010 published in the Official Gazette of India wherein the Ministry of Commerce and Industry on the proposal of Messrs. Sundew Properties Private Limited denotified an area of 1.82 Hectares from being a Special economic zone, making the resultant area as 14.47 hectares as Special Economic Zone at survey no. 64 (part), Hi-tech City, Madhapur, Ranga Reddy District, Hyderabad, Andhra Pradesh.

(xxviii) By and under Notification Number S.O. 2609 (E) dated 17<sup>th</sup> July, 2019 published in the Official Gazette of India wherein the Ministry of Commerce and Industry on the proposal of Messrs. Sundew Properties Private Limited denotified an area of 0.45 Hectares from being a Special economic zone, making the resultant area as 14.02 hectares as Special Economic Zone at survey no. 64 (part), Hi-tech City, Madhapur, Ranga Reddy District, Hyderabad, Andhra Pradesh.

#### **SNG OBSERVATION ON SEZ NOTIFIED LAND:**

A. The SEZ notified land is governed by the rules and regulations framed under Special Economic Zones Act, 2005 (“**SEZ Act**”) and the Special Economic Zones Rules, 2006 (“**SEZ Rules**”).

B. The Rule 11 of SEZ Rules inter-alia provides as under:

*“... (5) The land or built-up space in the processing area or Free Trade and Warehousing Zone shall be given on lease only to the entrepreneurs holding a valid Letter of Approval issued under rule 19 and the lease shall not be less than five years but notwithstanding any other condition in the lease deed, the*

*lease rights would cease to exist in case of the expiry or cancellation of the Letter of Approval.*

....

*(7) Any transfer by way of sub-lease or any other mode by the Developer shall be valid only if the same is made to a person holding a valid letter of approval issued by the Development Commissioner.*

*(8) The Developer may allot land in the processing area on lease basis to a person desiring to create infrastructure facilities for use by the prospective Units.*

*(9) The Developer shall not sell the land in a Special Economic Zone.*

*(10) No vacant land in the non-processing area shall be leased for business and social purposes such as educational institutions, hospitals, hotels, recreation and entertainment facilities, residential and business complex to any person except a co-developer approved by the Board .."*

- C. Upon a reading of the above, it is clear that the SEZ notified land cannot be sold by the Developer in view of restriction imposed by Rule 11(9) of the SEZ Rules. The SEZ notified land can only be allotted on lease basis by a Developer to a person holding a valid Letter of Approval issued by the Development Commissioner of SEZ.
- D. The SEZ Act and SEZ Rules are silent regarding creation of mortgage on the SEZ land and therefore, it has become necessary to examine the decision of Board of Approval issued and practice followed in that regard so as to ascertain the state of affairs on the subject matter. Though, the decisions of BoA are rendered basing on the facts and circumstances of each case, and that such decision are not having statutory force of law, still they can be considered to find out the stand taken by BoA while decision such matters.
- E. The following Minutes of Meeting of Board of Approval, guidelines etc., are relevant for the present purpose:

Board of Approval - Minutes of Meeting:

- (a) At Item No. 48.2 of the Agenda for 48th Meeting of the Board of Approval (to be held on 09.09.2011) was to consider request of M/s. Hyderabad Infratech Private Limited for co-developer in the sector specific SEZ for IT/ITES at Gachibowli village, Serilingampally Mandal, R.R. District, Andhra Pradesh, being developed by M/s. Phoenix Infocity Private Limited. In that case, it is observed in the draft lease deed submitted to the BoA that, the lease tenure of 99 years and right of co-developer to create a lien, charge or mortgage in favour of a bank, amounts to sale/transfer of land which is not allowed in the SEZ Rules. Subsequently, the co-developer revised the lease agreement by reducing the lease term from 99 years to 33 years and right of the co-developer to create a lien, charge or mortgage in favour of bank has been restricted to the tenure of lease only. Further a condition has been put in lease agreement which requires No Objection Certificate from the Development Commissioner in the event of any such mortgage by the co-developer. Subsequently, in the 48th meeting of the SEZ Board of Approval held on 19.09.2011 the request of co-developer has been approved by BoA.
- (b) The BoA in the matter of SEZ at Panvel, Maharashtra approved the request of Sunny Vista Realtors Pvt. Ltd., for change of ownership to Persipina Developers Pvt. Ltd. as developer of SEZ at Panvel, Maharashtra in its meeting held on 19th May 2015. It appears from the agenda said BoA meeting held on 19th May 2015 that, due to failure of Sunny Vista Pvt. Ltd. to pay the interest and installments for the land mortgaged for the SEZ, the account was declared as a Non-Performing Asset by Punjab National Bank ("**PNB**") under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("**SARFAESI Act**") and Persipina Developers Pvt. Ltd. was declared as successful bidder pursuant to E-Auction sale by PNB. Persipina Developers Pvt. Ltd., thereafter requested to notify them as a developer of SEZ in respect of the formal approval dated 15.10.2007 granted to Sunny Vista Realtors Pvt. Ltd. ("**Case of Persipina**"). The

said request was approved by BoA in its Meeting held on 19th May 2015, however subject to following conditions:-

- I. Seamless continuity of the SEZ activities with unaltered responsibilities and obligations for the altered developer entity;
- II. Fulfillment of all eligibility criteria applicable to developers, including security clearances etc., by the altered developer entity and its constituents;
- III. Applicability of and compliance with all Revenue / Company Affairs / SEBI etc. rules which regulate issues like capital gains, equity change, transfer, taxability etc.
- IV. Full financial details relating to change in equity/merger, demerger, amalgamation or transfer in ownership etc. shall be furnished immediately to Member (IT), CBDT, Department of Revenue and to the jurisdictional Authority.
- V. The Assessing Officer shall have the right to examine and assess the taxability and eligibility for deduction under relevant sections of the Income Tax Act, 1961.
- VI. The applicant shall comply with relevant State Government laws, including those relating to lease of land, as applicable.
- VII. The developer shall furnish details of PAN and jurisdictional assessing officer of the developer to CBDT.

(c) **Recommendation under CAG Report:**

The Controller and Auditor General of India, in its report for the year 2012-13 on the Performance of Special Economic Zones ("**Report**"), raised the issue of mortgage of SEZ Lands by developers to raise loans against the SEZ lands for the purposes other than the development of SEZ. The Report also mentioned (at page 51) about the reply of Department of Commerce ("**DoC**") (April 2014) which stated that raising of loans from financial institutions by mortgaging leased SEZ lands is the concern of the financial institution and DoC has no jurisdiction over it. It is further mentioned that, the DoC in their reply (June 2014), while not accepting audit suggestion to have specific provision in SEZ

Act/Rules to restrict utilization of loans raised by mortgaging SEZ land only for purposes of development of SEZ, stated that SEZ Act/Rules does not restrict the Developer from mortgaging the lease hold rights in favour of the banks/financial institution and the bank has the right to proceed under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, subject to grant of LoA/LoP to the successful bidder by the BoA.

- F. While the above minutes of meeting deal with grant of approval by the BoA subsequent to enforcement of mortgage, we did not come across minutes of the BoA pertaining to grant of approval prior to creation of mortgage.
- G. In view of above stated finding of the minutes of meeting of BoA and CAG Report, it is clear that prior permission of Development Commissioner is not mandatory requirement for creation of mortgage as derived from the Case of Persipina. In such case, as an abundant precaution, we suggest that an intimation letter to be given to Development Commissioner, SEZ for creation of mortgage over the Said Property.
- H. We further say that it is advisable that the Client takes into consideration the recommendations of the minutes of meeting of BoA, as stated in the table hereinabove, at the time of enforcement of mortgage created over SEZ land and/or structures thereon so as to avoid difficulty in the auction process and subsequent transfer of mortgaged asset onto the successful bidder. Further, upon enforcement of mortgage on an SEZ land/structures thereon, any transfer of the SEZ land/structures to the successful bidder pursuant to an enforcement action would be subject to grant of approval by the Board of Approval. The Board of Approval may approve the change of ownership subject to conditions as it may deem fit.

(xxix) Further, the name of Messrs. Sundew Properties Private Limited was subsequently changed as Messrs. Sundew Properties Limited vide fresh



certificate of Incorporation dated 27<sup>th</sup> December, 2012 issued by Registrar of Companies.

- (xxx) Owing to the aforesaid, Messrs. Sundew Properties Limited became entitled to a portion of land admeasuring 1,62,903.52 square meters equivalent to 40.25 acres together with the buildings/ structures (including Said Building) standing thereon from and out of the Larger Property absolutely.
- (xxxi) Telangana State Industrial Infrastructure Corporation Limited addressed a Letter dated 26<sup>th</sup> March, 2015 to KRIT intimating the return of bank guarantees submitted by it.
- (xxxii) Further, we understand that various lease deeds have been executed by the Mortgagor in the favour of various lessees. The detailed list of leases executed by the Mortgagor have been recorded under the Schedule I of Annexure E hereto which is reproduces as under:

Sr. No.	Particulars of the Lease Deeds
1.	By and under Deed of Amendment to Lease deed dated 29 <sup>th</sup> January, 2021 executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Messrs. Model and India Software Private Limited therein referred to as “Lessee” of the Other Part, Messrs. Sundew Properties Limited granted leasehold rights in respect of <b>Unit No. 1001</b> on 10 <sup>th</sup> floor of the said Building in favour of Model and India Software Private Limited for a term of 5 (Five) years commencing from 1 <sup>st</sup> April, 2021, in the manner and on the terms and conditions stated therein.
2.	By and under Deed of Modification and Surrender deed dated 27 <sup>th</sup> February, 2020 executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Messrs. Carrier Technologies India Limited therein referred to as “Lessee” of the Other Part, Messrs. Sundew Properties Limited granted leasehold rights in respect of <b>Unit No. 501</b> on 5 <sup>th</sup> floor of the said Building in favour of Carrier

Sr. No.	Particulars of the Lease Deeds
	Technologies India Limited for a term of 5 (Five) years commencing from 1st April, 2021, in the manner and on the terms and conditions stated therein.
3.	By and under Lease deed dated 19 <sup>th</sup> November, 2020 executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Messrs. IBM India Private Limited therein referred to as “Lessee” of the Other Part, Messrs. Sundew Properties Limited granted leasehold rights in respect of <b>Unit Nos. 1102, 1201 and 1301</b> on the 11 <sup>th</sup> , 12 <sup>th</sup> and 13 <sup>th</sup> floor respectively of the said Building in favour of Messrs. IBM India Private Limited commencing from 1 <sup>st</sup> October, 2020 ending on 30 <sup>th</sup> September, 2030, in the manner and on the terms and conditions stated therein.
4.	By and under Lease deed dated 27 <sup>th</sup> February, 2020 executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Messrs. UTC Fire and Security India Limited therein referred to as “Lessee” of the Other Part, Messrs. Sundew Properties Limited granted leasehold rights in respect of <b>Unit Nos. 501 and 601</b> on 5 <sup>th</sup> floor and 6 <sup>th</sup> floor respectively of the said Building in favour of Messrs. UTC Fire and Security India Limited for a term of 10 years commencing from 1 <sup>st</sup> August 2020, in the manner and on the terms and conditions stated therein. The said Indenture is registered with the Office of Joint Sub-registrar 2 Ranga Reddy Book 1/3646/2020.
5.	By and under Lease deed dated 1 <sup>st</sup> January, 2020 executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Messrs. Vitech Systems Asia Private Limited therein referred to as “Lessee” of the Other Part, Messrs. Sundew Properties Limited granted leasehold rights in respect of <b>Unit No. 701</b> on 7 <sup>th</sup> floor of the said Building in favour of Messrs Vitech Systems Asia Private Limited for the term, in the manner and on the terms and conditions stated therein. The said Indenture

Sr. No.	Particulars of the Lease Deeds
	is registered with the Office of Joint Sub-registrar 1 Ranga Reddy Book 1/3155/2020.
6.	By and under Lease deed dated 15 <sup>th</sup> July, 2020 executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Messrs. Wipro Limited therein referred to as “Lessee” of the Other Part, Messrs. Sundew Properties Limited granted leasehold rights in respect of <b>Unit Nos. 201 and 301</b> on 2 <sup>nd</sup> and 3 <sup>rd</sup> floor of the said Building in favour of Messrs. Wipro Limited for the term, in the manner and on the terms and conditions stated therein. The said Indenture is registered with the Office of Joint Sub-registrar 2 Ranga Reddy Book 1/8249/2020.
7.	By and under Lease deed dated 10 <sup>th</sup> February, 2022 executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Messrs. Wipro Limited therein referred to as “Lessee” of the Other Part, Messrs. Sundew Properties Limited granted leasehold rights in respect of <b>Unit No. 402</b> on the 4 <sup>th</sup> floor of the said Building in favour of Messrs. Wipro Limited for a term of 5 years commencing from 5 <sup>th</sup> July, 2017, in the manner and on the terms and conditions stated therein. The said Indenture is registered with the Office of Joint Sub-registrar 2 Ranga Reddy Book 1/2335/2022.
8.	By and under Addendum to Lease deed dated 1 <sup>st</sup> January, 2020 executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Messrs. Vitech Systems Asia Private Limited therein referred to as “Lessee” of the Other Part, Messrs. Sundew Properties Limited granted leasehold rights in respect of <b>Unit No. 701</b> on 7 <sup>th</sup> floor of the said Building in favour of Messrs Vitech Systems Asia Private Limited for a term of 10 years commencing from 11 <sup>th</sup> February, 2021 and ending on 10 <sup>th</sup> November, 2030, in the manner and on the terms and conditions stated therein.
9.	By and under Addendum to Lease deed undated executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part

Sr. No.	Particulars of the Lease Deeds
	and Messrs. Vitech Systems Asia Private Limited therein referred to as “Lessee” of the Other Part, Messrs. Sundew Properties Limited granted leasehold rights in respect of <b>Unit No. 702</b> on 7 <sup>th</sup> floor of the said Building in favour of Messrs Vitech Systems Asia Private Limited for a term of 10 years commencing from 11 <sup>th</sup> November and ending on 10 <sup>th</sup> November, 2030, in the manner and on the terms and conditions stated therein.
10.	By and under unregistered Lease deed dated 29 <sup>th</sup> January, 2021 executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Model N India Software Limited therein referred to as “Lessee” of the Other Part, Messrs. Sundew Properties Limited granted leasehold rights in respect of <b>Unit No. 1001</b> on 10 <sup>th</sup> floor of the said Building in favour of Model N India Software Limited for a term of 5 Years commencing on 1 <sup>st</sup> March 2021, in the manner and on the terms and conditions stated therein.
11.	By and under Lease deed dated 10 <sup>th</sup> February, 2022 executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Messrs. Schneider Electric Systems India Private Limited therein referred to as “Lessee” of the Other Part, Messrs. Sundew Properties Limited granted leasehold rights in respect of <b>Unit No. 401</b> on the 4 <sup>th</sup> floor of the said Building in favour of Messrs. Schneider Electric Systems India Private Limited for a term of 5 years commencing from 1 <sup>st</sup> January, 2021 to 31 <sup>st</sup> December, 2025, in the manner and on the terms and conditions stated therein. The said Indenture is registered with the Office of Joint Sub-registrar 2 Ranga Reddy Book 1/7341/2021.
12.	By and under Lease deed dated 11 <sup>th</sup> February, 2022 executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Messrs. Mindtree Limited therein referred to as “Lessee” of the Other Part, Messrs. Sundew Properties Limited granted leasehold rights in respect of <b>Unit No. 801</b> on the 8 <sup>th</sup> floor of the said Building in favour of Messrs. Mindtree Limited for a term of 10 years commencing from 1 <sup>st</sup> April,

Sr. No.	Particulars of the Lease Deeds
	2021 to 31 <sup>st</sup> March, 2031, in the manner and on the terms and conditions stated therein. The said Indenture is registered with the Office of Joint Sub-registrar 1 Ranga Reddy Book 1/3971/2021.
13.	By and under Lease deed dated 19 <sup>th</sup> October, 2021 executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Messrs. Telstra Global Business Services LLP therein referred to as “Lessee” of the Other Part, Messrs. Sundew Properties Limited granted leasehold rights in respect of <b>Unit No. 1101</b> on the 11 <sup>th</sup> floor of the said Building in favour of Messrs. Telstra Global Business Services LLP for a term of 5 years commencing from 1 <sup>st</sup> January, 2021 to 31 <sup>st</sup> December, 2025, in the manner and on the terms and conditions stated therein. The said Indenture is registered with the Office of Joint Sub-registrar 1 Ranga Reddy Book 1/18541/2021.
14.	By and under unregistered Lease deed dated 16 <sup>th</sup> March, 2022 executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Messrs. Thryve Digital Health LLP therein referred to as “Lessee” of the Other Part, Messrs. Sundew Properties Limited granted leasehold rights in respect of Unit No. 601 on the 6 <sup>th</sup> floor of the said Building in favour of Messrs. Thryve Digital Health LLP for a term of 5 years commencing from 16 <sup>th</sup> February, 2022 to 15 <sup>th</sup> February, 2027, in the manner and on the terms and conditions stated therein.

*Note: - We have not perused any other Lease Deeds apart from the aforementioned Lease Deeds. In view of which, it is advisable to provide intimation to all the Lessees occupying the units in the said Building No.12D upon creation of mortgage over the Said Units.*

#### 6. **REVENUE RECORD:**

On perusal of Khasra Pahani Patrika for period 2000-01 in respect of Survey No. 64 admeasuring 645 Acres 16 Gunthas, we observe that the same records the name of Sarkari /Government of Andhra Pradesh.

**Observation:**

*Andhra Pradesh Industrial Infrastructure Corporation Limited (APIIC) was the original land-owning authority of Larger Property inter-alia other lands forming part of Survey No. 64 who subsequently sold and transferred a portion of land admeasuring approximately 109 acres from and out of Survey No. 64 to Messrs. K. Raheja IT Park (Hyderabad) Limited under four separate registered Sale Deeds and renumbered as the same as Survey No. 64 (part). We observe that the Larger Property is industrial in nature and also there is no separate khasra/Pahani for such industrial land. Hence, no revenue record is maintained for the Larger Property. This is further substantiated with the fact that the online portal for revenue records in the State of Telangana (<https://dharani.telangana.gov.in>) does not maintain records for the Larger Property. Hence, non-maintenance of revenue records by the Government/Competent Authorities shall not impact the title of Sundew Properties Limited vis-à-vis the Said Units.*

**7. LETTER CUM DECLARATION:**

By a Letter cum declaration dated [●] ("**Letter cum declaration**"), attached hereto as "**Annexure E**", the Mortgagor has stated the following:

- (a) That there is no existing charge over the Said Units;
- (b) That the Said Building falls under Special Economic Zone (SEZ);
- (c) That we confirm that we have acquired the title in respect of the Said Building by virtue of the by virtue of Order on Scheme of Arrangement dated 23<sup>rd</sup> March, 2007 is duly registered with the concerned Sub-Registrar of Assurances under Document No. 5388 of 2007;
- (d) That various units of the Said Building have been granted on lease and details of the same has been captured in the Schedule I of Annexure E hereto;
- (e) That there are no litigations with respect to the Said Building and Said Units and they have not received any notice from any court or from any central or



state authority threatening any litigation in respect of their title to the Said Building and Said Units.

8. ULC:

- (a) On perusal of letter dated 07<sup>th</sup> June, 2005 addressed to Special Officer & Competent Authority Urban Land Ceiling by K. Raheja IT Park (Hyderabad) Pvt. Ltd. in regards to ULC Exemption, we observe that inter-alia a formal application under section 6(1) of Urban Land Ceiling Act, 1976 before the Competent Authority was made for exempted under section 20 of ULCR;
- (b) Further, the Proceeding before Special Officer & Competent Authority, Urban Land Ceiling, Hyderabad was initiated and accordingly vide an Order dated 29<sup>th</sup> December, 2005 bearing no. Proc.No.F1/216/6(1)/2005, the said authority acknowledged the ownership of Messrs. K. Raheja IT Part (Hyderabad) Private vis-à-vis the large piece of land bearing Sy. No. 64/P admeasuring 109.36 acres equivalent to 442553.56 square meters purchased from APIIC Ltd as per several sale deeds executed between them and to treat them as the holder of the property under provisions of U.L. (C&RI Act, 1976) and is allowed to retain 1000.00 square meters u/s 4(1)(b) of the Act;
- (c) Vide an Abstract dated 10<sup>th</sup> February, 2006 of Government of Andhra Pradesh Revenue Department bearing no. G.O.MS. No. 141 the order records that in exercise of powers conferred by clause (a) of sub-section (I) of section 20 of the Urban Land (Ceiling & Regulation) Act, 1976, the Government hereby exempts land of 4,41,553.56 square meters of excess land in Survey No. 64/P, Madhapur Village, Serilingampally, Mandal, Ranga, Reddy District, Hyderabad Urban Agglomeration filed by Messrs. K. Raheja IT Park(Hyd) Private Ltd., from the provisions of Chapter III of the said act. The exemption shall be subject to the terms and conditions stipulated in the Memorandum of Understanding entered into by the Company with Government of Andhra Pradesh on 19<sup>th</sup> May, 2003 and also registered Sale Deed Nos. 5666/05 dated 28<sup>th</sup> April, 2005 and 6268/05 dated 07<sup>th</sup> May, 2005 entered into with the Andhra Pradesh Industrial Infrastructure Corporation Limited.

**Observation:**

*On perusal of aforesaid Abstract dated 10<sup>th</sup> February, 2006 of Government of Andhra Pradesh Revenue Department bearing no. G.O.MS. No. 141, we understand that the Government has exempted an area admeasuring 4,41,553.56 square meters from and out of the Larger Property (“**ULC exempted portion**”).*

**9. MEMORANDUM OF ARTICLES AND ASSOCIATION OF ARTICLES (“MOA and AOA”)**

On perusal of MOA and AOA of Sundew Properties Limited, we observe that the same is entitled to borrow or raise money as per following salient clause:-

***Clause 35:** “To sell, issue, mortgage, surrender, abandon and in any other manner deal with or dispose of the undertaking or property of the Company or any part thereof for such consideration or as the company may think fit and in particular for shares, debentures and other securities of any other company having objects altogether or in part similar to those of the company.”*

***Clause 35:** “To borrow or raise money other than public deposits, at interest or otherwise in such manners as the Company may think fit and in particular by the issue of debentures or debenture-stock perpetual or otherwise including debentures or debenture-stock convertible into shares of this or any other company or companies or perpetual annuities and in security of any such money so borrowed, raised or received, to mortgage, hypothecate, pledge, or charge the whole or any part of the property assets or revenue of the Company, present or future including its uncalled capital by special assignment or otherwise and to transfer or convey the same absolutely or in trust and to give the tenders powers of sale and other powers as may seem expedient and to purchase, redeem, exchange, vary, extend or pay off and from time to time re-issue any such securities. But the company shall not do any banking business as defined in the Banking Regulation Act, 1949, subject to the provisions of sec. 58A, of the Companies Act, 1956 and the Directives of R.B.I.”*

***Clause 57:** “To mortgage or take on mortgage, take on lease, exchange or otherwise deal in lands, buildings, hereditaments of any tenure of freehold for residential or business purposes.”*

**10. PROPERTY TAX:**

We have perused Property Tax Demand Notice dated 8<sup>th</sup> April, 2021 bearing No. 411836 issued by T.S. Industrial Infrastructure Corporation Limited in the name of Messrs. Sundew Properties Limited for an amount of Rs. 1,74,81,236/- (Rupees One Crore Seventy-Four Lakhs Eight One Thousand Two Hundred and Thirty-Six Only) along with Payment Receipt dated 27<sup>th</sup> April, 2022 bearing No.8420 issued by T.S. Industrial Infrastructure Corporation in the name of Messrs. Sundew Properties Limited acknowledging receipt of payment of Rs. 1,66,07,174/- (Rupees One Crore Sixty-Six Lakhs Seven Thousand One Hundred and Seventy-Four Only) being made for the period from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023 in respect of Building No. 12D. We note that the payment of Rs. 1,66,07,174/- (Rupees One Crore Sixty-Six Lakhs Seven Thousand One Hundred and Seventy-Four Only) has been made by Messrs. Sundew Properties Limited after availing a 5% rebate.

**11. LITIGATIONS:**

We have caused to conduct online litigation search for cases filed by or against Sundew Properties Limited through Karza Technologies Private Limited. The search report dated 23.05.2022 for the same are annexed hereto and marked as “**Annexure A**”. On perusal of the said report, we came across 5 litigations filed by or against Sundew Properties Limited. A detailed summary of the 5 pending litigations is mentioned in our litigation note mentioned in “**Annexure A-1**” of this report.

**12. RERA REGISTRATION AND CERTIFICATE:**

Not Applicable as the Said Units in Building 12D are to be granted on lease basis to various third parties and are not intended to be sold.

**13. ENCUMBRANCES:**

**(A) SEARCH WITH THE CONCERNED SUB-REGISTRAR OF ASSURANCES:**

- i. At your instructions, we have caused to retrieved Encumbrance Certificate dated 07.06.2022 for the period 01.01.1993 to 06.06.2022 for the period of 29 years in respect of the Said Building, a copy of the same is annexed hereto as “**Annexure B-1**”. Upon perusal of the same, we have not come across any registered encumbrance in respect of the Said Units.
- ii. At your instructions, we have caused to retrieved Encumbrance Certificate dated 02.06.2022 for the period 01.07.1992 to 01.06.2022 for the period of 30 years in respect of the Said Units, a copy of the same is annexed hereto as “**Annexure B-2**”. Upon perusal of the same, we have not come across any registered encumbrance in respect of the Said Units.

**(B) SEARCH WITH THE REGISTRAR OF COMPANIES:**

We have caused to conduct the search of Messrs. Sundew Properties Limited with respect to the Said Property from Company Secretaries, D. S. Momaya & Company on 23.05.2022. The report for the same is annexed hereto as “**Annexure C**”. Upon perusal of the said report, we did not come across any registered charge in respect of Said Building and Said Units.

**14. APPROVALS/PERMISSIONS:**

- i. That, Messers. Sundew Properties intended to construct a multi- storeyed building 12D and accordingly obtained the following no objections certificates:
  - a. Letter dated 11.10.2019 bearing acknowledgement No.146460002018 issued by Telangana State Disaster Response and Fire Services in the favour of Messrs. Sundew Properties Limited,
  - b. Letter dated 11.02.2019 issued by Airport Authority of India in the favour of Messrs. Sundew Properties Limited, and

- c. Letter dated 08.02.2021 bearing consent Order No.21042270033 issued by Telangana State Pollution Control Board in the favour of Messrs. Sundew Properties Limited.
- ii. By and under Letter dated 11.10.2019 bearing acknowledgement No.146460002018 issued by Telangana State Disaster Response and Fire Services in the favour of Messrs. Sundew Properties Limited, Telangana State Disaster Response and Fire Services granted it's no objection for construction of the multi- storeyed building 12D, subject to the terms and conditions stated therein.
- iii. Further, upon completion of the said Building in accordance with sanctioned plans, the Telangana State Industrial Infrastructure Corporation Industrial Area Local Authority Serilingampalli, Madhapur, issued the Final Occupancy Certificate dated 30<sup>th</sup> March, 2020 bearing serial no. LR.No.1154/TSIIC/IALA/MDP/2013 in the favour of Messrs. Sundew Properties Limited whereby Telangana State Industrial Infrastructure Corporation granted declared that the said Building is fit for occupation and comprises of three basements, ground floor (part), first floor (part), for parking and 14 upper floors i.e. 2<sup>nd</sup> to 15<sup>th</sup> floor with terrace for office use.
- iv. The APIIC also issued its Building Permit Order in favour of Messrs. Sundew Properties Limited vide letter dated 18<sup>th</sup> February, 2020 bearing File No. IIC/0551/2019, Permit No. IIC/0551/2019 in respect of the said Building.

**15. OBSERVATION:**

In view of what is stated hereinabove, we observe as follows:

- i. There is a pending litigation before the Land Reforms Tribunal cum Special Grade Deputy Collector and Revenue Divisional Officer pertaining to the Said Land.
- ii. The executed version of the Letter cum Declaration is awaited.

## **16. CONCLUSION:**

In view of whatever stated above and subject to what is stated in our Observation column No.15 above, we conclude as under:

- (i) The title of Sundew Properties Limited as the owner of the Said Units is clear and marketable by virtue of Order on Scheme of Arrangement dated 23<sup>rd</sup> March, 2007 is duly registered with the concerned Sub-Registrar of Assurances under Document No. 5388 of 2007.
- (ii) Sundew Properties Limited can create charge over the Said Units by way of registered mortgage after complying with the following:
  - a) an intimation letter to be given to Development Commissioner, SEZ for creation of mortgage over the Said Units;
  - b) Deposit of documents mentioned in Annexure D herein below with the bank/financial institution;
  - c) a master plan clearly demarcating the Said Building Land certified by Architect to be attached with the proposed indenture of mortgage.
- (iii) Since, the said Property are notified as SEZ, it is suggested to take into consideration the recommendations of the minutes of meeting of BoA at the time of enforcement of mortgage created over SEZ land and/or structures thereon so as to avoid difficulty in the auction process and subsequent transfer of mortgaged asset onto the successful bidder. Further, upon enforcement of mortgage on an SEZ land/structures thereon, any transfer of the SEZ land/structures to the successful bidder pursuant to an enforcement action would be subject to grant of approval by the Board of Approval. The Board of Approval may approve the change of ownership subject to conditions as it may deem fit.

## **17. QUALIFICATIONS AND ASSUMPTIONS:**



Title searches in India are carried out at the office maintaining land revenue records; sub registrar of assurances; municipal corporations; State Government Bodies developing the lands; State Government Bodies owning lands; Town Planner Office; Judicial and Quasi-Judicial Bodies depending upon the mandate given by client.

Most of the searches are carried out physically by the experienced search clerks appointed by the law firm on behalf of the client which are relied upon for the purposes of issuance of the title report and hence law firm does not or cannot take any liability arising on account of any error on judgment or lapse on behalf of the search clerk.

This Report is given subject to the following qualifications:

- (i) We rely on the photocopies of the documents given / shown to us by the mortgagor/borrower and their representatives including declarations given by the mortgagor. We assume that the same are legally executed by authorized parties and are conclusive and have not been further amended or modified in any manner. If the documents submitted to us or being relied upon by client and submitted to us are incorrect or incomplete or fraudulent, we shall not be liable in any manner. This opinion does not extend to any amendment to the said documents, which has not been shared by us in writing.
- (ii) Verification of litigation proceedings or identifying any pending dispute before any judicial forum is excluded from our scope on account of various reasons including (i) litigation can be instituted at different forums depending on the reliefs sought; (ii) litigation records including arbitration proceedings, are not publicly available for inspection;
- (iii) Our maximum aggregate liability to our client arising from, or in relation to, this engagement shall not in any circumstances exceed the professional fee payable to SNG & PARTNERS for this specific mandate. We owe no liability or responsibility to any third party including any government agency who has not engaged us. This report is for the use of the addressee and the

addressee can share this with any third party with our written consent, however, our liability is confined to our client only.

- (iv) It may be pertinent to note that searches at the office of the Sub-Registrar of Assurances and our consequent liability are subject to and in relation to the records made available to search clerks for inspection and exclude the records which is stated to be torn and / or mutilated.
- (v) The present report and the opinion expressed thereunder is arrived at basis the searches conducted at the office of a particular Sub-Registrar of Assurances based on the jurisdiction of the subject property (ies). Our Report does not cover or elucidate any encumbrance/charges created on the said property(ies), in case such property(ies) were used as a collateral or otherwise and the document for security creation was done in jurisdiction of some other Sub-Registrar's office, unless specifically informed by Client about the presence of such encumbrance
- (vi) Online records and information on the website of the Ministry of Corporate Affairs may not be comprehensive or updated on prompt and regular basis and the reliability of the Search relating to the charges created by any Company or LLP is qualified to that extent.
- (vii) For the purpose of this opinion we have perused the receipt clauses specified in the registered conveyances/agreements and have presumed that consideration amount specified therein were the only amounts payable to the respective vendors of the properties and the signatories to the receipt have received the said amount from the purchaser. Further, we have presumed that no other commercials were involved in the transaction.
- (viii) Please note that our scope of services exclude any physical inspection of the subject property. It is highly recommended that the physical possession of subject property is adequately verified by any of the authorized representatives of the client.

- (ix) We assume that technical diligence from a qualified architect is conducted in respect of the subject property as regards the development potential of the same including verification of the development and construction approvals. Unless specifically required by the client and agreed by us we express no opinion/view on consumed, current or potential user, zoning, reservations, development and F.S.I sanctioned /consumed related approvals including environmental sanction pertaining to the subject property which should form part of architect's report.

Thanking you,  
Yours faithfully,  
**For SNG & PARTNERS**

**Authorized Signatory**

**ANNEXURE - D**

*[The following documents are required to be deposited with the Client for creation of mortgage over the Said Property]*

<b>Sr. No.</b>	<b>Date of Document</b>	<b>Name of Documents</b>	<b>Nature of the document</b>
1.	10 <sup>th</sup> June 2002	Memorandum of Understanding executed between the Government of Andhra Pradesh, through its Information Technology and Communications Department and K. Raheja Corp Private Limited	True Copy
2.	19 <sup>th</sup> May 2003	Memorandum Of Agreement Executed Between Government Of Andhra Pradesh	True Copy

Sr. No.	Date of Document	Name of Documents	Nature of the document
		of One Part And KRCPL Of The Other Part.	
3.	23rd August 2003	Joint Venture Agreement executed between Telangana State Industrial Infrastructure Corporation Limited ("TSIIC") formerly known as Andhra Pradesh Industrial Infrastructure Corporation Limited ("APIIC"), KRCPL and K. Raheja IT Park (Hyderabad) Limited.	True Copy
4.	23rd December, 2003	Development Agreement executed between The Andhra Pradesh Industrial Infrastructure Corporation Private Limited and Messrs. K. Raheja IT Park (Hyderabad) Limited.	True Copy
5.	24th December, 2003	Development Agreement executed between The Andhra Pradesh Industrial Infrastructure Corporation Limited and Messrs. K. Raheja IT Park (Hyderabad) Private Limited.	True Copy
6.	29th April, 2004	Development Agreement executed between The Andhra Pradesh Industrial Infrastructure Corporation Limited and Messrs. K. Raheja IT Park (Hyderabad) Private Limited.	True Copy
7.	24th June, 2004	Development Agreement executed between The Andhra Pradesh Industrial Infrastructure Corporation Limited and	True Copy

Sr. No.	Date of Document	Name of Documents	Nature of the document
		Messrs. K. Raheja IT Park (Hyderabad) Private Limited.	
8.	31 <sup>st</sup> May, 2004	Sale Deed executed by The Andhra Pradesh Industrial Infrastructure Corporation Limited and Messrs. K. Raheja IT Park (Hyderabad) Private Limited.	True Copy
9.	31 <sup>st</sup> May, 2004	Sale Deed executed by The Andhra Pradesh Industrial Infrastructure Corporation Limited and Messrs. K. Raheja IT Park Private (Hyderabad) Limited.	True Copy
10.	31 <sup>st</sup> May, 2004	Sale Deed executed by The Andhra Pradesh Industrial Infrastructure Corporation Limited and Messrs. K. Raheja IT Park (Hyderabad) Private Limited.	True Copy
11.	27 <sup>th</sup> April, 2005	Sale Deed executed by The Andhra Pradesh Industrial Infrastructure Corporation Limited and Messrs. K. Raheja IT Park (Hyderabad) Private Limited.	True Copy
12.	30 <sup>th</sup> March, 2020	Occupancy Certificate bearing serial no. LR.No. 1154/TSIIC/IALA/MDP/2013 in the favour of Messrs. Sundew Properties Limited in respect Building No. 12D	Photocopy
13.	23 <sup>rd</sup> March, 2007	Order bearing no. 5388 passed by the Hon'ble High Court, Andhra Pradesh in company petition no. 24 and 26 of 2007 in the matter of scheme of arrangement between M/s K. Raheja IT Park	True copy

Sr. No.	Date of Document	Name of Documents	Nature of the document
		<p>(Hyderabad) Pvt. Ltd. and M/s Sundew Properties Private Limited and registered under Serial No. 5388/2007.</p> <p><b>(Note: - Vide Confirmation Letter dated 23<sup>rd</sup> April, 2021 bearing reference no. 27061/ITSL/OPR/2021-22 issued by IDBI Trusteeship Services Limited addressed to M/s Deloitte Haskins &amp; Sells LLP, we observe that the original of the aforesaid Order dated 23<sup>rd</sup> March, 2007 bearing no. 5388 is in the custody of IDBI Trusteeship Services Limited. The original of aforesaid order was given for inspection by Mr. J. V. Rama Rao (Representative of IDBI Trusteeship Service Limited) to Adv. M Ramu (Regional Counsel for SNG &amp; Partners) on 23.09.2021.</b></p>	
14.		Digitally signed Finance Committee/ Board Resolution of Messrs. Sundew Properties Limited towards the proposed mortgage in respect of the Said Property	<p>Original</p> <p>(On the Letter head of the Mortgagor)</p>
15.		Digitally signed list of present Directors of Sundew Properties Limited.	<p>Original</p> <p>(On the Letter head of the Mortgagor)</p>



Sr. No.	Date of Document	Name of Documents	Nature of the document
16.		Demarcation Plan clearly demarcating the Said Property from the Larger Property.	Photocopy
17.		Digitally signed Letter cum Declaration issued by the director of Sundew Properties Limited in favour of Catalyst Trusteeship Limited in respect of the said Properties. <b>(The copy of the same is attached to this Title Search Report as Annexure E).</b>	Original  (On the Letter head of the Mortgagor)
18.	16 <sup>th</sup> October, 2006	Notification Number S.O. 1770 (E) published in the Official Gazette of India wherein the Ministry of Commerce and Industry notified the total area of 16.29 Hectares at survey no. 64 (part), Hi-tech City, Madhapur, Ranga Reddy District, Hyderabad, Andhra Pradesh as Special Economic Zone.	Photocopy
19.	18 <sup>th</sup> May, 2007	Notification Number S.O. 780 (E) published in the Official Gazette of India wherein the Ministry of Commerce and Industry notified an amendment in the Notification dated 16.10.2006 in which the name of Messrs. Sundew Properties Private Limited was substituted in place of Messrs. K. Raheja IT Park (Hyderabad) Limited	Photocopy
20.	06 <sup>th</sup> August, 2010	Notification Number S.O. 1928 (E) published in the Official Gazette of India wherein the Ministry of Commerce and	Photocopy

Sr. No.	Date of Document	Name of Documents	Nature of the document
		Industry on the proposal of Messrs. Sundew Properties Private Limited denotified an area of 1.82 Hectares from being a Special economic zone, making the resultant area as 14.47 hectares as Special Economic Zone at survey no. 64 (part), Hi-tech City, Madhapur, Ranga Reddy District, Hyderabad, Andhra Pradesh.	
21.	29 <sup>th</sup> December, 2005	Order issued by the Competent Authority, Urban Land Ceiling, Hyderabad bearing reference No. F1/2165/6(1)/2005.	Photocopy
22.	10 <sup>th</sup> February, 2006	Order issued by the Governor of Andhra Pradesh bearing G.O.MS. No. 141.	Photocopy
23.	31 <sup>st</sup> October, 1996	Government Memo No.27154/ AssnIII(3)/96-4 from Secretary to Government Revenue Department	Photocopy
24.	27 <sup>th</sup> December, 2012	Fresh Certificate of Incorporation in the name of Messrs. Sundew Properties Limited issued by Registrar of Companies upon conversion from Private to Public Limited Company.	Photocopy
25.	18 <sup>th</sup> February, 2020	Building Permit Order in favour of Messrs. Sundew Properties Limited vide letter bearing File No. IIC/0551/2019, Permit No. IIC/0551/2019 in respect of the Said Building.	Photocopy

<b>Sr. No.</b>	<b>Date of Document</b>	<b>Name of Documents</b>	<b>Nature of the document</b>
26.	17 <sup>th</sup> July, 2019	Notification Number S.O. 2609 (E) published in the Official Gazette of India wherein the Ministry of Commerce and Industry on the proposal of Messrs. Sundew Properties Private Limited denotified an area of 0.45 Hectares from being a Special economic zone, making the resultant area as 14.02 hectares as Special Economic Zone at survey no. 64 (part), Hi-tech City, Madhapur, Ranga Reddy District, Hyderabad, Andhra Pradesh.	Photocopy
27.	7 <sup>th</sup> April, 2021	Property Tax Demand Notice bearing No. 359637 issued by Telangana State Industrial Infrastructure Corporation Limited in the name of Messrs. Sundew Properties Limited in respect of Building No. 12B.	Photocopy
28.	28 <sup>th</sup> April, 2021	Payment Receipt bearing No. 7904 acknowledging the full payment of property tax for the period from 01.04.2021 to 31.03.2022 in respect of Building No. 12B.	Photocopy
29.	28 <sup>th</sup> April, 2021	Payment Receipt bearing No. 7905 acknowledging the full payment of property tax for the period from 01.04.2021 to 31.03.2022 in respect of Building No. 20.	Photocopy

Sr. No.	Date of Document	Name of Documents	Nature of the document
30.	7 <sup>th</sup> April, 2021	Property Tax Demand Notice bearing No. 359637 issued by Telangana State Industrial Infrastructure Corporation Limited in the name of Messrs. Sundew Properties Limited in respect of Building No. 20.	Photocopy
31.		Memorandum of Association and Articles of Association of Messrs. Sundew Properties Limited.	Photocopy
32.	25 <sup>th</sup> May, 2022	Architect Certificate issued by Mr. Venkat Reddy G. in respect of Building No. 12D Property.	Photocopy
33.	9 <sup>th</sup> February, 2021	Lease deed executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Schneider Electric Systems India Private Limited therein referred to as “Lessee” of the Other Part.	Photocopy
34.	27 <sup>th</sup> February, 2020	Lease deed executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and UTC Fire and Security India Limited therein referred to as “Lessee” of the Other Part.	Photocopy
35.	1 <sup>st</sup> January, 2020	Lease deed executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Vitech Systems Asia Private Limited	Photocopy

Sr. No.	Date of Document	Name of Documents	Nature of the document
		therein referred to as “Lessee” of the Other Part.	
36.	27 <sup>th</sup> February, 2020	Deed of Modification and Surrender executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Carrier Technologies India Limited therein referred to as “Lessee” of the Other Part.	Photocopy
37.	1 <sup>st</sup> January, 2020	Lease deed executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Vitech Systems Asia Private Limited therein referred to as “Lessee” of the Other Part.	Photocopy
38.	29 <sup>th</sup> January, 2021	Deed of Amendment to Lease deed dated executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Messrs. Model and India Software Private therein referred to as “Lessee” of the Other Part.	Photocopy
39.	15 <sup>th</sup> July, 2020	Lease deed executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Messrs. Wipro Limited therein referred to as “Lessee” of the Other Part, and registered with the Office of Joint Sub-registrar 2 Ranga Reddy Book 1/8249/2020.	Photocopy

Sr. No.	Date of Document	Name of Documents	Nature of the document
40.	19 <sup>th</sup> November, 2020	Lease deed executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Messrs. IBM India Private Limited therein referred to as “Lessee” of the Other Part.	
41.	10 <sup>th</sup> February, 2022	Lease deed executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Messrs. Wipro Limited therein referred to as “Lessee” of the Other Part, and registered with the Office of Joint Sub-registrar 2 Ranga Reddy Book 1/2335/2022.	Photocopy
42.	29 <sup>th</sup> January, 2021	Unregistered Lease deed executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Model N India Software Limited therein referred to as “Lessee” of the Other Part	Photocopy
43.	11 <sup>th</sup> February, 2022	Lease deed executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Messrs. Mindtree Limited therein referred to as “Lessee” of the Other Part and registered with the Office of Joint Sub-registrar 1 Ranga Reddy Book 1/3971/2021.	Photocopy
44.	19 <sup>th</sup> October, 2021	Lease deed executed between Messrs. Sundew Properties Limited therein	Photocopy

Sr. No.	Date of Document	Name of Documents	Nature of the document
		referred to as “Lessor” of the One Part and Messrs. Telstra Global Business Services LLP therein referred to as “Lessee” of the Other Part and registered with the Office of Joint Sub-registrar 1 Ranga Reddy Book 1/18541/2021.	
45.	16 <sup>th</sup> March, 2022	Unregistered Lease deed executed between Messrs. Sundew Properties Limited therein referred to as “Lessor” of the One Part and Messrs. Thryve Digital Health LLP therein referred to as “Lessee” of the Other Part.	Photocopy



**ANNEXURE A-1**  
**("Summary on pending litigations")**

1. Case No. O.S. 4524/2017 filed by Sundew Properties against Hanumanthappa H Dr, Lakshidevi and ors. before City Civil and Civil Sessions Court, Bengaluru(**"said Case No. O.S. 4524/2017"**).

**Observation:-**

We have been provided with an Order dated 11.04.2018 passed in the said Case No. O.S.4524/2017. On review of which, we observe that the matter has been filed by Sundew Properties being a partnership firm. Hence, prima facie it appears that the said Case No. O.S. 4524/2017 does not pertain to Sundew Properties Limited which is a limited company registered under Companies Act, 2013 and hence, not with respect to the Said Property.

2. Writ Petition No. 15988/2015 filed by Sobha Limited and M/s. Sundew Properties against Bangalore Water Supply and Sewerage Board, The State of Karnataka before the Hon'ble High Court of Karnataka (**"said Writ Petition No. 15988/2015"**).

**Observation:-**

We have been provided with online case status extracted on 09.07.2021 in respect of said Writ Petition No. 15988/2015. On review of which, we observe that the matter has been filed by Sundew Properties being a partnership firm registered under the provisions of the Indian Partnership Act, 1932, having its office at no.29, S.N. Complex, 14th Main Road, "E" block extension, Sahakar Nagar, Bengaluru – 560092. Moreover, the Said Property are located in Telangana and not in Bangalore.

In view of which, we observe that the said Writ Petition No. 15988/2015 does not pertain to Sundew Properties Limited which is a limited company registered under Companies Act, 2013 and hence, not with respect to the Said Property.

3. C.A. No. 8978/2019 filed by Sundew Properties Limited against Southern Power Distribution Company Of Telangana Ltd, Telangana State Electricity Regulatory Commission before Supreme Court of India.

**Observations:-**

On review of the aforesaid Appeal, we observe that the Civil Appeal has been filed under Section 125 of the Electricity Act, 2003 against the impugned Final Judgment and Order dated 27.09.2019 passed by the Ld. Appellate Tribunal for Electricity, New Delhi whereby Ld. Appellate Tribunal for Electricity uphold the Order dated 15.02.2016 in O.P. No. 10 of 2015 passed by Ld. Telangana State Electricity Regulatory Commission whereby Telangana Commission held that Sundew Properties Limited is not required to make an application seeking grant of a electricity distribution license but the rules of capital adequacy are applicable to Sundew Properties Limited in the terms of regulation nos. 12 & 49 of the distribution license regulations of Telangana Commission and accordingly directed Sundew Properties Limited to infuse further equity to tune of Rs. 26.9 crores (*being 30% of the total anticipated investment of Rs. 89.53 Crores*) as equity share capital for the power distribution business, by way of account payee cheques and not as book entries.

We observe that the aforesaid Appeal is related to compliance of regulation nos. 12 & 49 of electricity distribution license and does not pertain to any immovable property.

4. Service Tax case no. 30338/2017 filed by Sundew Properties Limited against the Additional Commissioner, Hyderabad IV before Customs, Excise and Service Tax Appellate Tribunal ("said Service Tax case no. 30338/2017").

**Observations:-**

On review of the Application, we observe that the matter relates to demand for service tax on pure fit out charges collected from customers and irregular availment of cenvat credit on construction services. The service tax litigation does not pertain to any immovable property.

5. Service Tax case no. 20307/2015 filed by Sundew Properties Limited against the Additional Commissioner, Hyderabad I before Customs, Excise and Service Tax Appellate Tribunal (“said Service Tax case no. 20307/2017”).

**Observations:-**

On review of the Application, we observe that the matter relates to demand for service tax on pure fit out charges collected from customers and does not pertain to any immovable property.

**DISCLOSED LITIGATION:**

In addition to the five pending litigations, we have been disclosed with the following litigation by Sundew Properties Limited:-

Proceedings before the Land Reforms Tribunal cum Special Grade Deputy Collector and Revenue Divisional Officer:

The Office of the Land Reforms Tribunal Cum Deputy Collector & Special Grade Revenue Divisional Officer, Attapur (“**Tribunal**”) had, by letter dated 27<sup>th</sup> August 2009, sought full and correct particulars of lands held by Sundew under Section 8(2) of the Andhra Pradesh Land Reforms (Ceiling on Agriculture Holdings) Act, 1973 (“**APLRAC**”) in respect of the said Land failing which Sundew Property Limited shall be liable for prosecution under Section 24 of APLRAC.

The Revenue Department of the Government of Andhra Pradesh forwarded a Memo dated 5<sup>th</sup> September 2009 for furnishing of certain information to the Government of Andhra Pradesh, including information requested by the aforesaid letter dated 27<sup>th</sup> August 2009. Sundew has filed a detailed response on 30<sup>th</sup> September, 2009 stating that (a) the land was originally granted by the Government of Andhra Pradesh to KRIT which was a joint venture company with APIIC, (b) the land was vested in Sundew by way of demerger order of the Andhra Pradesh High Court, (c) the land has been declared as an SEZ and is therefore exempt from the

local laws; (d) the land was shown as a non-agricultural land in the master plan of Hyderabad and is therefore not “land” covered under the APLRAC. The Tribunal issued a final notice to Sundew in January 2012 requesting Sundew to submit a declaration for full and correct particulars of the lands held by Sundew.

In September 2009, Sundew also submitted a copy of the order dated August 9, 2012, which was passed by the Hon’ble High Court of Andhra Pradesh (“High Court”) in a similar matter (being Writ Petition No. 19300/2012 filed by Neogen Properties Pvt. Ltd.) wherein a stay was granted by the High Court until further orders reasoning that the petitioners were already declared as SEZ by the central government and further that the parliament had chosen to repeal the provisions of Urban Land Ceiling Act, on the ground that it is coming in way of establishment of industries and further that the lands have acquired as under the APLRAC. The matter is currently pending before the Tribunal.

**Comment:**

We observe that pursuant to the receipt of the aforesaid notice, (i) various construction approvals have been granted to Sundew Property Limited by Andhra Pradesh Industrial Infrastructure Corporation Limited and Telangana State Industrial Infrastructure Corporation for construction of structures over the Said Land and (ii) Said Land has been notified as SEZ under the SEZ Act and SEZ Rules by the Development Commissioner of SEZ. Accordingly, it may be noted that although the aforesaid proceedings were initiated there has been no progress in the same. Further, we have been represented by Sundew Properties Limited vide its Status Letter dated [●] that they have not received any further correspondence/ next date of hearing in relation to the above litigation and are unaware about the stage of the matter. Accordingly, we suggest that a suitable undertaking cum indemnity be obtained from Sundew Property Limited regarding the pending litigations.

A low-angle photograph of several skyscrapers reaching towards a bright blue sky filled with wispy white clouds. The buildings are dark and have a repetitive architectural pattern of windows and balconies. One building on the right is particularly prominent, showing a double-tower structure.

# Catalyst Trusteeship Limited

Valuation of floors of Building no 12D, Mindspace, Madhapur,  
Hyderabad, Telangana – 500 081

Final Report  
19<sup>th</sup> July 2022



Our Ref: IND2200108

July 19, 2022

**Catalyst Trusteeship Limited,  
604, 6<sup>th</sup> floor, Windsor Building,  
Off CST Road, Kalina, Santacruz East,  
Mumbai, Maharashtra – 400 098**

Attn: Ms. Sharon Pereira,

**Re: Proposal for valuation of 1.04 million sq ft in Building 12D, Mindspace IT Park, Madhapur, Hyderabad, Telangana (the "Property")**

In accordance with our terms of engagement dated 19<sup>th</sup> May, 2022, we attach our report setting out our opinion on the value of "the Property".

We confirm that we have carried out an inspection of the Property, made relevant enquiries and obtained such further information as we consider necessary as to allow us to provide you with our opinion of subject as of 30<sup>th</sup> April 2022, for fund raising purpose. Please note this report is for your sole use and for the purpose indicated only and no liability to any third party can be accepted for the whole or any part of the contents of the document. It has been informed by the Client that access to this report shall be provided to statutory authorities, appointed third party consultants and/or auditors of the Client. Colliers both consent to provide access to this report but will have no liability to any third party other than the Client. Neither the whole nor any part of this valuation report nor any reference thereto may not be included in any published documents, circular or statement, nor published in any way whatsoever except for purposes mentioned above and/or with the prior written approval of Colliers International (India) Property Services Pvt Ltd (hereinafter referred to as "Colliers") as to the form and context in which it may appear.

Should you have any queries on the content of this report, please contact our Mr. Digbijay Das at +91 9606321409, who would be pleased to assist.

Yours faithfully,

For and on behalf of

**Colliers International (India) Property Services Private Limited**

**Abhishek Appala**

*PGP-NICMAR, B. Tech Civil,*

*Manager*

Valuation Services

**Digbijay Das, MRICS**

*MBA (Finance), B. Com (Hons).*

*Associate Director*

Valuation Services

# Contents

ABBREVIATIONS	5
1 EXECUTIVE SUMMARY	6
2 DETAILS	7
2.1 Terms of Engagement....	7
2.2 The Property.....	7
2.3 Valuation Date .....	7
2.4 Basis of Valuation.....	7
2.5 Standards Adopted.....	7
2.6 The Valuers.....	7
2.7 Caveats and Assumptions	8
2.8 Special Caveat – Corona	
Virus Pandemic.....	8
3 CITY OVERVIEW	9
3.1 Hyderabad.....	9
3.2 West Hyderabad.....	9
3.3 Infrastructure Overview	10
3.4 Location Overview.....	11
3.5 Hyderabad Commercial	
Market Overview .....	12
3.6 Top Developers and	
Occupiers in Hyderabad.....	12
3.7 West Hyderabad –	
Commercial Market Overview	13
3.8 Opinion on Rental Trends	13
3.9 Market Evidence &	
Benchmarking.....	14
4 PROPERTY OWNERSHIP	15
4.1 Documents/ Information	
Shared .....	15
5 PROPERTY DETAILS	16
5.1 Property Brief.....	16
5.2 Key Highlights of the	
Property .....	16



5.3	Location & Neighbourhood.....	16
5.4	Access and Connectivity 17	
5.5	Environmental Issue.....	18
5.6	Approval and Regulatory Status.....	18
6	APPROACH & METHODOLOGY	19
7	VALUATION ASSUMPTIONS	20
8	VALUATION	21
8.1	Summary.....	27
9	CONCLUSION	28
10	Appendix	29
	Appendix I   Caveats and Assumptions.....	29

# ABBREVIATIONS

List of Abbreviations	
Sq.ft.	Square feet (a measuring unit)
Kms	Kilometres (a measuring unit)
Mn	Million
INR	Indian Rupee
US\$	United State Dollar
DCF	Discounted Cash Flow
DP	Development Planning
EBIDTA	Earnings Before Interest, Depreciation, Taxes & Amortization
FSI	Floor Space Index
FAR	Floor Area Ratio
HABU	Highest and Best Use
PPP	Public Private Partnership
RICS	Royal Institution of Chartered Surveyors
MRICS	Member of Royal Institution of Chartered Surveyors
NH	National Highway
SH	State Highway
U/C	Under Construction
WACC	Weighted Average Cost of Capital
NPV	Net Present Value
IRR	Internal Rate of Return
IT	Information Technology
ITeS	Information Technology Enabled Services
Unit Conversion	
1 Hectare	2.47 acres
1 acre	4046.85 sq. m
1 acre	43560 sq. ft
1 sq. m	10.764 sq. ft

# 1 EXECUTIVE SUMMARY

Property Address	Building No 12D, Mindspace IT Park, Madhapur, Hyderabad, Telangana – 500 081		
Description	Subject Project is an IT/ITeS SEZ office space comprising of a tower. Super structure for of the subject tower is observed to be completed and finishing works are observed to be in progress. The area breakup of the facility is as following:		
	Particulars	Leased (sq ft)	Total Developer's share of leasable area (sq ft)
	Building 12D	10,42,990	10,42,990
Site Area	Approx. 2.4 acres		
Registered Owner	Catalyst Trusteeship Limited		
Zoning	Commercial cum office use as per masterplan for Cyberabad Development Region		
Area Under Valuation	Developer's share of leasable area admeasuring 10,42,990 sq ft		
Interest Valued	Leasehold		
Purpose of Valuation	Fund raising purpose		
Valuation Approach	Income Approach (Discounted Cash Flow Method)		
Date of Inspection	24 May 2022		
Valuation as of	30 June 2022		
Market Value of the Property	INR 11,603 million (Indian Rupees Eleven Thousand Six Hundred and Three Million Only)		

## 2 DETAILS

### 2.1 Terms of Engagement

On instructions received from **Catalyst Trusteeship Limited** (the “Client”) and as agreed in our terms of engagement dated 19<sup>th</sup> May 2022, we have conducted inspection of the property and provided our opinion of the Market Value of the Property (as defined hereinafter) in its existing state, for fund raising purpose only.

### 2.2 The Property

The subject property under valuation is IT/ITeS SEZ office space; Building no 12D, Mindspace IT Park located at Madhapur, Hyderabad, Telangana – 500 081 (“the Property”/ “Subject Property”). The office complex comprises of 1.04 Mn sq ft of leasable space. Further, as per the inputs provided, it is understood the developer’s share of leasable area is completely leased to thirteen tenants as on date of valuation.

### 2.3 Valuation Date

The date of the discounted cash flow analysis is 30<sup>th</sup> June 2022. Due to possible changes in market forces and circumstances in relation to the Property, the report can only be regarded as representing our opinion of the value of the Property as at the date of valuation.

### 2.4 Basis of Valuation

Our valuation is provided on the basis of Market Value, which we define as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion”.

### 2.5 Standards Adopted

The valuation report has been carried out in accordance with the Royal Institution of Chartered Surveyors (RICS) Global and India valuation professional standards incorporating the International Valuation Standard Council (IVSC) valuation standards.

### 2.6 The Valuers

The valuation report has been prepared by Abhishek Appala. The report has been reviewed by Digbijay Das.

**Abhishek Appala**, Manager, holds a Bachelor’s in Civil Engineering and Post-Graduation Degree in Real-Estate & Urban Infrastructure Management from NICMAR, Pune. He has over 7.0 years of experience in Real Estate Valuations, Advisory, Technical Due Diligence, and Research.

**Digbijay Das**, MRICS, Associate Director holds an MBA (Finance) degree along with a bachelor’s degree in Commerce. He has over 14 years of experience in Real Estate encompassing Valuation and Consultancy, Research and Government Advisory.

The above-mentioned appraiser has accepted instructions to value the Subject Property only for the Client. Neither they nor Colliers have any pecuniary interest that could reasonably be regarded as being capable of affecting their ability to give an unbiased opinion of the values or that could conflict with proper valuation of the Property.

## 2.7 Caveats and Assumptions

This report is subject to and includes our Standard Caveats and Assumptions as set out in the appendices at the end of this report, as well as our agreed terms of our engagement.

Please note the report is for your sole use and for the purpose indicated only and no liability to any third party can be accepted for the whole or any part of the contents of the document. It has been informed by the Client that access to this report shall be provided to statutory authorities, appointed third party consultants and/or auditors of the Client. The registered valuer and Colliers both consent to provide access to this report but will have no liability to any third party other than the Client. The whole nor any part of the valuation report nor any reference thereto may not be included in any published documents, circular or statement, nor published in any way whatsoever except for the purposes mentioned above and/or with the prior written approval of Colliers as to the form and context in which it may appear.

Colliers shall at all times keep all information relating to this valuation report confidential and not release it to third parties, without the written consent of the client.

## 2.8 Special Caveat – Corona Virus Pandemic

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a “Global Pandemic” on the 11th March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries. Market activity is being impacted in many sectors. As at the valuation date, we consider that we can attach less weight to previous market evidence for comparison purposes to inform opinions of value. Indeed, the current response to COVID-19 means that we are faced with an unprecedented set of circumstances on which to base a judgement.

Under current circumstances our valuation(s) is / are therefore reported on the basis of ‘material valuation uncertainty’ as per VPS 3 and VPGA 10 of the RICS Red Book Global. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that you keep the valuation of [this property] under frequent review.

## 3 CITY OVERVIEW

### 3.1 Hyderabad

Hyderabad is the common capital for the states of Andhra Pradesh and Telangana for a period of 10 years (with effect from 2<sup>nd</sup> June 2014). Hyderabad City has a spatial spread of approx. 7,200+ square kilometers and is governed by the Hyderabad Metropolitan Development Authority (HMDA). The city was initially positioned as an important trading hub of South India for various products. Hyderabad enjoys excellent connectivity to other cities through multiple National Highways and State Highways.

Hyderabad is serving as a manufacturing and services hub with the establishment of many prominent educational institutes, pharmaceutical industries, R & D laboratories, Data Centers and large office spaces. The manufacturing activities in the city focus on manufacturing of medical/clinical drugs, cement and fertilizers. Over the last decade, the city has emerged as an important IT & biotech hub in India.

For the purpose of comprehending the real estate sector, Hyderabad city has been classified into five different activity zones based on the concentration and profile of development activity, as detailed below:

- **Central** ~ Panjagutta, Ameerpet, Begumpet, S P Road, Somajiguda, Raj Bhavan Road, Secunderabad, Banjara Hills, Jubilee Hills, Abids, Himayat Nagar, etc.
- **East** ~ Uppal, Nagole, Nacharam, Pocharam, etc.
- **North** ~ Alwal, Bolarum, Kompally, Shamirpet, Hakimpet, Jeedimetla, Medchal, etc.
- **West** ~ Madhapur, Hitech Layout, Raidurg, Gachibowli, Nanakramguda, Kondapur, Kukatpally, Manikonda, Gopanpally, Tellapur, Nallagandla, etc.
- **South** ~ Shamshabad and surroundings.

### 3.2 West Hyderabad

The subject project currently being Developed by K Raheja Corp is located at Raidurg which forms part of the IT corridor of Hyderabad. Subject region is an established market with significant real estate activity in terms of various asset classes including IT/ITeS offices supported by Residential, Retail and Hospitality. The subject project is in close vicinity to Hitech City which comprises of a number of office space IT parks at various stages of construction and operations. Few prominent developments are Novartis, Oracle, HSBC, Tata Consulting Services, JP Morgan & Chase, Ascendas and etc. Subject vicinity also hosts hospitality developments such as Lemon Tree Hotel, Trident, Westin, Ibis etc.

Subject micro-market in the last decade has witnessed high levels of commercial real estate development activity. These key connecting roads comprises of prominent pockets and developments such as Knowledge City Layout (Salarpuria Knowledge City, RMZ Skyview, MY Home Twitza, Aurobindo Galaxy etc.), Phoenix Avance, Raheja Mindspace etc.

A large number of residential supplies have been launched owing to the significant opportunity in the West Hyderabad. Local and National level developers have launched large scale residential apartment projects in this vicinity and the same is expected to cater to the demand generated from employed population. Some of the prominent residential apartment developments in the subject vicinity include NCC Gardenia, My Home Bhooja, Meenakshi Trident Towers, Ramky Towers, Bollineni Bion etc.

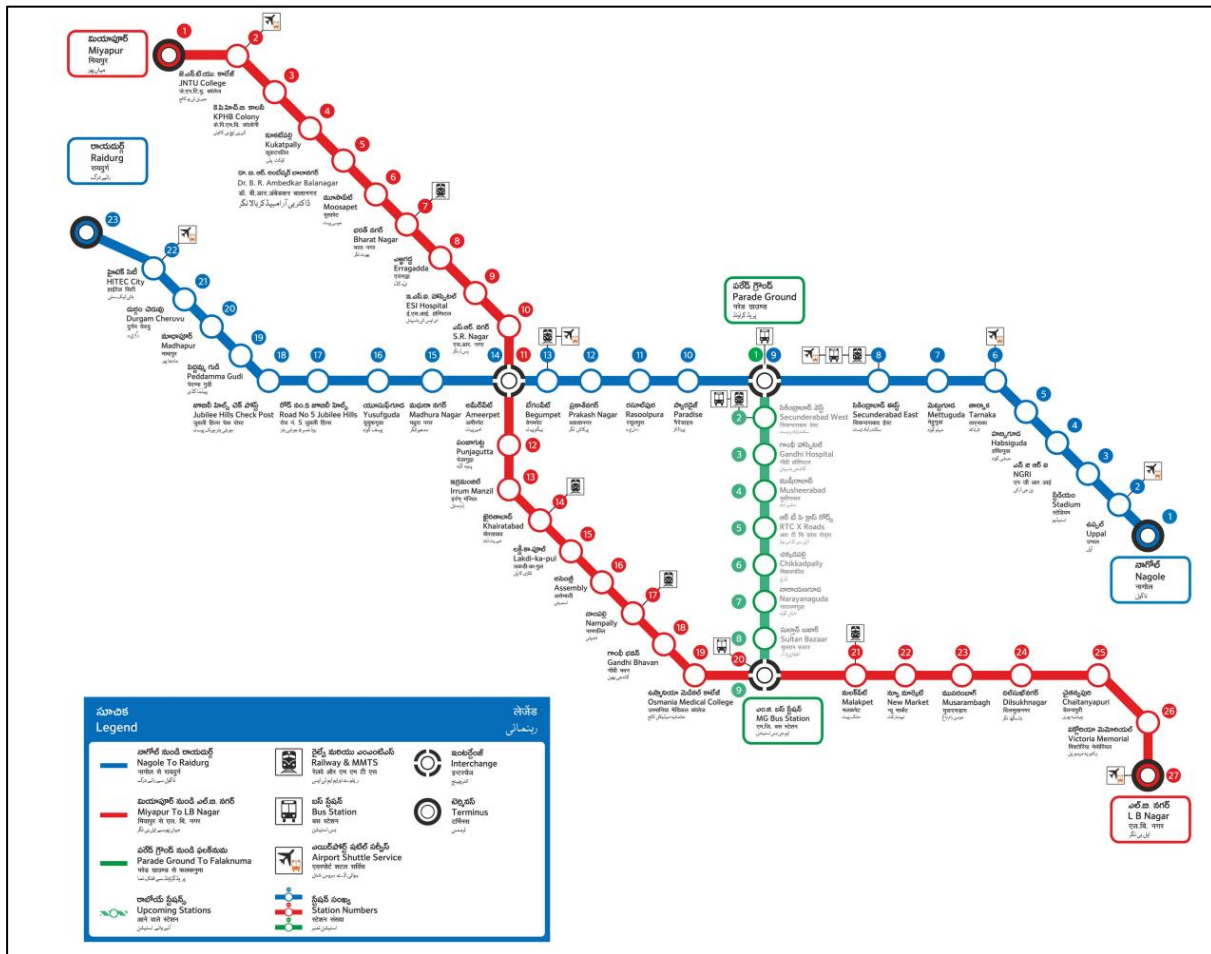
### 3.3 Infrastructure Overview

A number of infrastructure initiatives have been taken by Telangana State Government to ease the vehicular mobility within the city and access to other key nodes of adjacent states. Key infrastructure activities undertaken by the state government are as follows –

- **Nehru Outer Ring Road** – A total of 162 kms stretch around the city
  - **Phase 1 (20 – 25 km stretch)** - West Hyderabad to Hyderabad International Airport
  - **Phase 2A (60 – 65 km stretch)** – Samshabad – Pedda Amberpet – Narsingi and further to Patancheru.
  - **Phase 2B (75 - 80 km stretch)** – Patancheru – Pedda Amberpet.
- **MMTS** - Hyderabad Multi-Modal Transport System known as MMTS is a suburban rail system. It spreads across a distance of 44 km which includes 27+ stations and connects Secunderabad, Nampally, Malakpet, Falaknuma, Hitech city and Lingampally.
- **Inter City Bus Depot/Terminal**
- **Multi-level flyovers**
- **Mass Rapid Transit System (MRTS) –**
  - As a part of urban and city planning, Hyderabad Metro Rail has been envisaged and developed to connect the important hubs in the city through 67 stations across 3 rail lines.
  - MRTS is spread across a length of approx. 71 km comprising of 3 lines viz.
    - Line 1 - LB Nagar – Miyapur
    - Line 2 - Jubilee Bus Stand - Falaknuma
    - Line 3 - Nagole – Shilparamam / Raidurg
  - Further, the HMRL authority is expected to undertake initiatives towards providing connectivity from West Hyderabad (Gachibowli – Rajiv Gandhi International Airport) along the Outer Ring Road as part of Phase II of the Hyderabad Metro Project.



The exhibit below highlights the route map for MRTS:



### 3.4 Location Overview

The subject property comprises of a single tower and is located along the 80 feet wide Mindspace IT Park internal road. Subject land parcel enjoys excellent frontage along the primary access road. Further, the subject micro-market is very well connected to key nodes in the city like Hyderabad International Airport and other key economic nodes of the city through the Hitech City Main Road, State-highways and Outer Ring Road. The distances from prominent areas to the subject project are highlighted below:

Particulars	Approx. Distance (kms)	Approx. Travel Time
Key Locations		
Gachibowli ORR Circle	4.3	9 – 11
Hi-Tech City – Cyber Towers Junction	3.3	8 – 10
Raidurg Metro Station	1.9	5 - 7
Secunderabad Railway Station	17.8	38 – 40
CBD – Panjagutta (Nagarjuna Circle)	10.1	27 – 29
Hyderabad International Airport (RGIA)	32.8	40 – 45

### 3.5 Hyderabad Commercial Market Overview

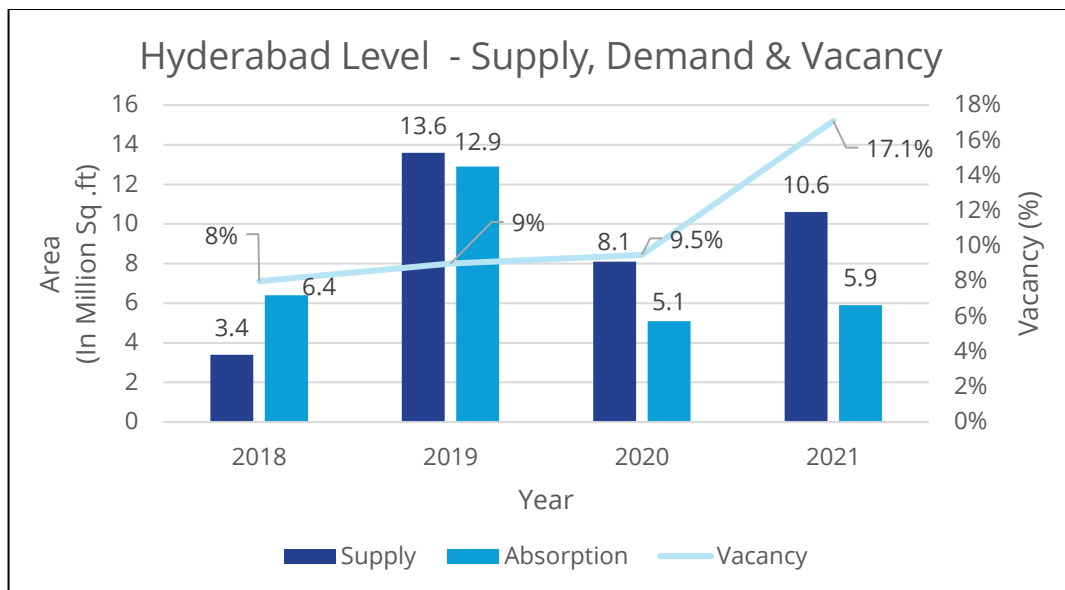
Hyderabad Office market has been witnessing steep upward trend from the last 4 - 5 years. Political stability after bifurcation of the state in 2014 has provided major boost to commercial real estate activities. Moreover, infrastructure development, suitable government policies and presence of other knowledge-based industries like Pharma and Biotechnology have stimulated commercial real estate growth in the city.

Hyderabad level commercial office – Supply, Absorption & Vacancy Levels –

Particulars	Area
City Level Operational Stock	80 – 82 Mn sq. ft
Occupied stock (Mn sq. ft)	71.5 – 72.5 Mn sq. ft
Stock in the western quadrant (Mn sq. ft)	69 – 70 Mn sq. ft
CBD Zone (Mn sq. ft)	8.5 – 9.0 Mn sq. ft
Peripheral, Eastern & Southern markets (Mn sq. ft)	3 – 4 Mn sq. ft

Source: Colliers Research

The graph below highlights the year-on-year supply, absorption and vacancy levels on a Hyderabad Level –



Source: Colliers Research

### 3.6 Top Developers and Occupiers in Hyderabad

Table below highlights the top developers and respective share of leasable area vis-à-vis the total supply/stock in Hyderabad –

S. No	Name of Developer	Total Leasable Area (Mn sq. ft)	% of Total stock
1	K Raheja Corp	10+	14.0 – 15.0%
2	Divyasree Developers	6+	8.5 – 9.0%
3	Salarpuria Sattva	Approx. 6.0	8.0 – 8.5%

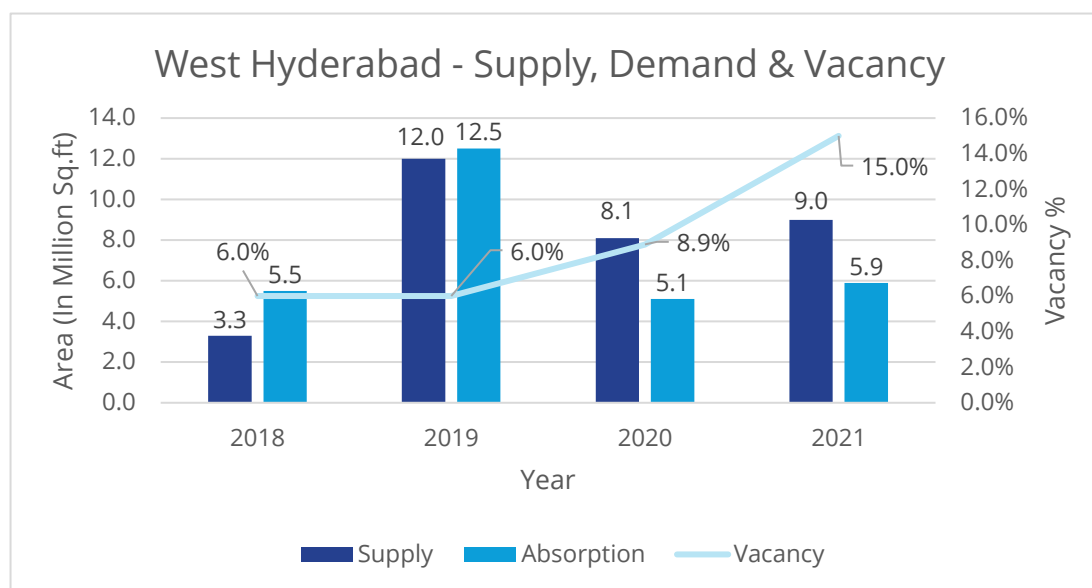
4	Meenakshi Constructions	Approx. 5.0	6.5 – 7.0%
5	RMZ Corp and My Home Group	3+	4.5 – 5.0%
6	L & T Infocity Limited	Approx. 3.0	3.5 – 4.0%
<b>Total</b>		<b>33 – 34</b>	<b>45.0 – 47.0%</b>

**Source:** Colliers Research

The above-mentioned top developers contribute more than 45% of supply on a city level. Further, the major occupiers in the city are Qualcomm, Deloitte, Cognizant, Accenture, Google, Amazon, IBM, Cap Gemini etc.

### 3.7 West Hyderabad – Commercial Market Overview

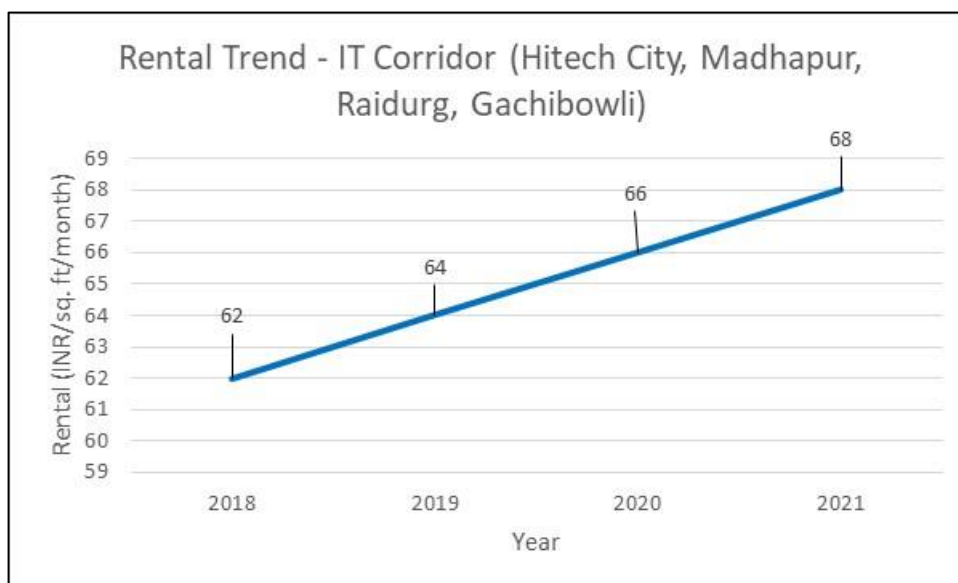
West Hyderabad from a reference point view has been split into two regions namely IT Corridor and Extended IT Corridor. IT Corridor comprises of micro markets such as HITEC City, Madhapur, Gachibowli, Kondapur, Raidurg. Extended IT where the subject project is located comprises of markets namely, Financial District (Nanakramguda), Puppalguda, Narsingi, Kokapet, Manikonda etc. West Hyderabad hosts 86% the total commercial office supply in the Hyderabad City. The graph below highlights the year-on-year supply, absorption and vacancy levels on a West - Hyderabad Level –



**Source:** Colliers Research

### 3.8 Opinion on Rental Trends

The subject vicinity has witnessed fairly good growth in the rentals over the last 3 – 4 years. The current transacted rentals are in the range of INR 65 – 75 per sq. ft per month depending upon the developer reputation, location, development profile, facilities and amenities. Higher rental range is observed to be achieved in SEZ projects on account of superior quality of development, developer reputation and limited availability of SEZ space in the region. Further, newly completed developments in the subject region are observed to be signing deals in the range of INR 68 – 72 per sq. ft per month on account of its proximity to IT Corridor and superior quality of construction. The exhibit below represents the average market rental trends witnessed over the last few years in the subject micro market:



Source: Colliers Research

### 3.9 Market Evidence & Benchmarking

Following exhibit highlights the prominent transactions in West Hyderabad –

S. No	Name of Building	Location	Tenant/ Occupier	Area (sq. ft)	Quarter & Year of Transaction	Base Rental (INR/sq. ft/ month)
1	My Home Twitza	Raidurg	Confidential	85,000	Q1 2022	70 (WS*)
2	Aurobindo Galaxy	Raidurg	Confidential	41,000	Q1 2022	70 (WS)
3	My Home Twitza	Raidurg	Tablespace	1,00,000	Q4 2021	69 (WS)
4	Raheja 3A & 3B	Hitech City	Smartworks	4,00,000	Q3 2021	65 (WS)
5	DLF Cybercity	Gachibowli	Berkedia Services	55,000	Q3 2021	62 (WS)
6	Divyasree Orion	Raidurg	Wells Fargo	10,00,000	Q4 2021	64 (WS)
7	Terminus – One West	Nanakramguda	Grabon	50,000	Q4 2021	55 (WS)

Source: Colliers Research; \*Warmshell

Basis on our understanding of factors pertaining to the subject development such as specifications, visibility, location, developer profile, scale of development etc., we are of the opinion that the market rent for the space in the subject tower as on date of valuation would range from INR 66 per sq ft per month – INR 70 per sq ft per month (Say an average of INR 68 per sq ft per month).

## 4 PROPERTY OWNERSHIP

As per the entity details provided by the Client, it is understood that owner for the leasable area of 1.04 Mn sq ft which is under purview of this valuation exercise is Catalyst Trusteeship Limited. For the purpose of this report, Catalyst Trusteeship Limited is considered as the owner of the Property.

For the purpose of this valuation, we have assumed that the Property is free from and clear of any and all charges, liens and encumbrances of an onerous nature likely to affect value, whether existing or otherwise, unless otherwise stated. We assume no responsibility for matters legal in nature nor do we render any opinion as to the title which is assumed to be good and marketable. We are not aware of any easements or rights of way affecting the Property and our valuation assumes that none exists.

### 4.1 Documents/ Information Shared

The following documents have been shared for the purpose of preparation of this report:

- Summary of lease terms of the tenants who have signed to take up a leasable area of 1.02 Mn sq ft.
  - Key details of lease signed (Signed rent, Lease commencement dates (LCD), rent commencement dates (RCS), lock in period, escalation terms, CAM Charges, Fit-out income, Car Parking Charges and etc).
  - Capex details for balance cost to be incurred

## 5 PROPERTY DETAILS

### 5.1 Property Brief

Subject property is a commercial (IT/ITeS) office project viz. Building No 12D in Mindspace IT Park. Super structure for subject project is completed. Subject project is spread across a plot area admeasuring 2.4 acres. Following table comprises of basic details of Subject project.

Property Details	
Address	Building No 12D, Mindspace IT Park, Hyderabad, Telangana – 500 081
Plot Area	2.4 acres
Leasable Area	Developer's share of leasable area is 10,42,990 sq ft
Permissible Usage	IT/ITeS
Access Road	Mindspace IT Park internal road (Existing 80 ft wide black top road)
Ownership Type	Leasehold
Name of the owner	M/s. Catalyst Trusteeship Limited

Subject site enjoys access through an existing 80 feet wide Mindspace IT Park Road. The following table highlights leasable area –

Particulars	Leased (sq ft)	Total Developer's share of leasable area(sq ft)
<b>Building 12D</b>	<b>10,42,990</b>	<b>10,42,990</b>

### 5.2 Key Highlights of the Property

This section of the report lists out the occupier/tenant details and a few structural highlights of the property -

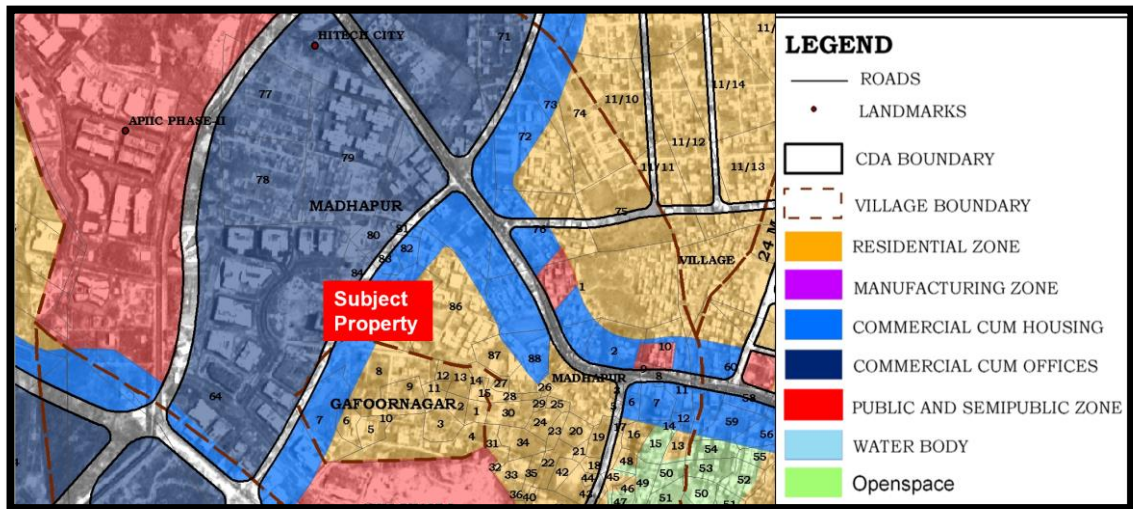
- ✓ Thirteen prominent IT MNCs have signed space of 1.04 Mn sq ft in subject tower and the same area is under the purview of this valuation exercise.
- ✓ Availability of larger floor plates
- ✓ Availability of open areas/ green areas
- ✓ 2 functional entry/exit point
- ✓ Availability of all the basic requirements for the occupier viz. Food Court, ATM, convenience stores etc.

### 5.3 Location & Neighbourhood

The subject project under valuation is Building 12D, Raheja Mindspace located at Madhapur, Hyderabad, Telangana – 500 081. The immediate neighborhood also well known as IT Corridor comprises of mix of commercial and residential projects. The micro market is predominantly known for commercial IT office space and houses multi tenanted (RMZ Skyview, Salarpuria Knowledge City, Raheja Mindspace, Aurobindo Galaxy, My Home Twitza and etc.). Hitech City, Madhapur, Gachibowli, Kondapur, Khanamet and Manikonda etc. are the neighboring localities of subject property.



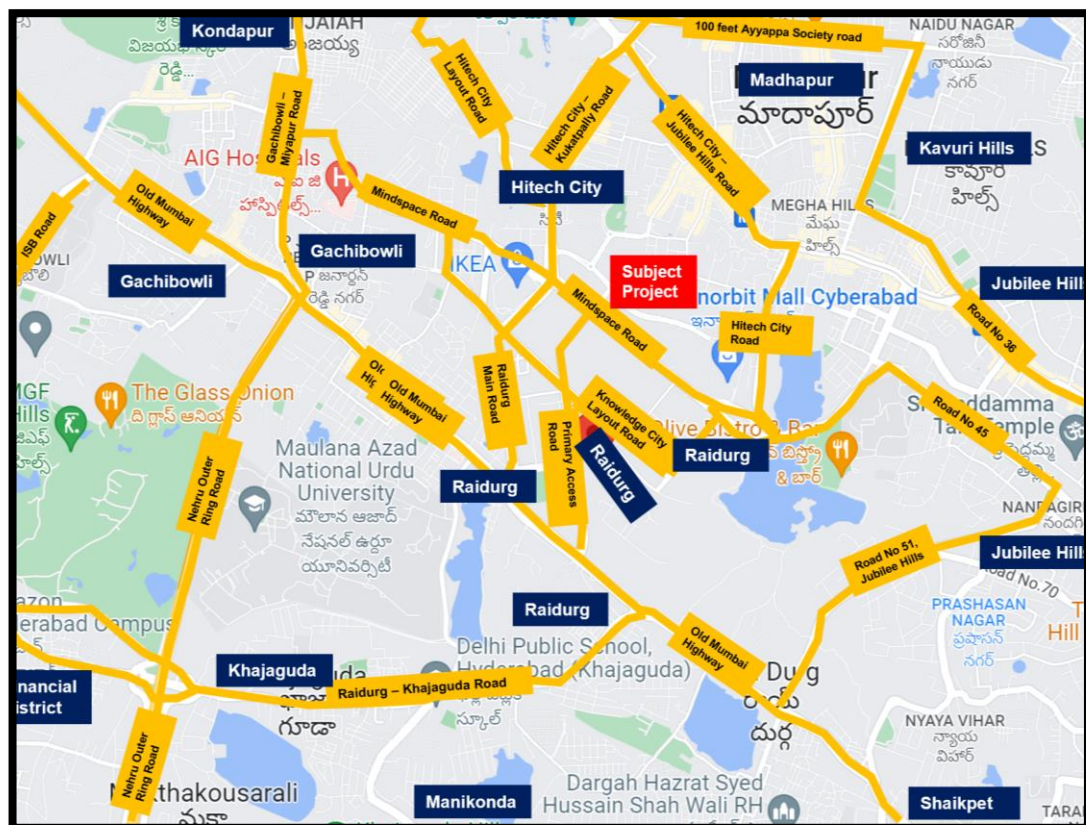
The following map illustrates the zoning of the subject project region through masterplan for Cyberabad Development Authority region -



Source: Colliers Research & HMDA website

## 5.4 Access and Connectivity

The subject building is accessible through an existing 80 ft wide Mindspace IT Park internal road and multiple infrastructure initiatives have been taken up in the neighbourhood of the subject project. The following map illustrates the location of the Subject Property with respect to the mentioned connectivity nodes.



Source: Google Maps; Colliers



## 5.5 Environmental Issue

We have no knowledge of any environmental concerns or contamination of the subject site and surrounding sites. We are not qualified to assess environment concerns; it is therefore recommended that the client should seek professional advice from an expert.

## 5.6 Approval and Regulatory Status

This valuation exercise has been conducted with an assumption that all the regulatory approvals are in place.

## 6 APPROACH & METHODOLOGY

The market value of the subject property has been estimated using Income Approach – Discounted Cash Flow Method.

Our valuation is on the basis of Market Value which we would define as intended to mean “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion”.

### Discounted Cash Flow (DCF) Method

DCF method/analysis is a financial modelling technique based on explicit assumptions regarding the prospective income arising out of the development to be carried out on the subject land parcel. In case of a valuation of a large land parcel like the property, where the development potential is realized over a period of time (i.e., time value of money comes into the picture) and also where there are no or few immediate similar properties (i.e., comparable) available for comparison, DCF method considering relevant potential developments of the project is used.

The DCF method requires the entire development cash flows to be drawn up and assumptions made about the market performance over the entire project time frame. This requires an in-depth understanding of

- the demand / supply dynamics,
- transaction values and quantum,
- construction costs, quality and infrastructure requirements/constraints,
- time frame of the project,
- profit / returns, and other analysis.

All this market data must be compiled (as relevant to the subject site) in order to create a financial model that captures all market drivers and value impacting parameters.

## 7 VALUATION ASSUMPTIONS

This report is subject to our Standard Caveats and Assumptions as set out in the end of this report as well as those mentioned below:

- We have assumed that the property is free from and clear of any charges, liens and encumbrances of an onerous nature likely to affect value.
- It is assumed that any land premium or other relevant fees payable for the acquisition, transfer, sale, letting or mortgage of the property have been fully paid and settled.
- We are not aware of any easements or rights - of - way affecting the property and our valuation assumes that none exists.
- We have assumed proper title has been obtained, and the property and the interest valued therein can be freely transferred, mortgaged or let in the market.
- We have assumed that all Information, estimates and opinions furnished to us and contained in this report, including all information provided by the client or its representative, are fit for valuation purposes, and have been obtained from sources considered reliable and believed to be true and correct. We can assume no responsibility for accuracy.
- We have not carried out any detailed site measurements to verify the correctness of the areas in respect of the Property but have assumed that the areas shown on the documents provided to us are correct. All documents and contracts have been used as references only and all dimensions, measurements and areas are therefore approximations.
- We have assumed the Property is free of contamination and any other environmental problem and can be developed in accordance with the plans, and to the construction quality as stated in the supplied information.
- Transaction cost like stamp duty, registration charges, mode of payment, brokerage and any other additional cost related to transaction structuring, taxes such as capital gains, Income tax etc. pertaining to sale / purchase of the property have not been considered while arriving at the sale value.
- Real estate market in India is unorganized and there are no official market databases/ sources for their prevailing market rates. The information pertaining to the sales/ listing data has been obtained from sources deemed to be reliable however no written confirmation or verification was made available and hence our analysis is limited to that extent.
- For any use of the Property upon which this valuation report is based, all required licenses, permits, certificates, and authorizations as required have been obtained, and are capable of renewal without difficulty, except only where otherwise stated.

## 8 VALUATION

As per our observation at the time of site inspection that the Subject Property comprises of office space development which is 87% leased as on date of valuation. Owing to the income generating nature of the Property, discounted cash flow method under the Income Approach is being utilized. The following section shows the area statement basis the information shared by the client and a table highlighting the assumptions adopted for this valuation exercise -

### Area Statement and Base Assumptions:

Area Statement	
Total Leasable Area	10,42,990
Leased	10,42,990
Lease Reversion Assumptions	
Date of Valuation	30-Jun-22
Market Rental (INR/sft) - Office	68.00
Market escalation (per annum)	5%
Rent free period (months)	3
Brokerage (months)	2
Other incomes (INR mn p.a.)	
Interest on deposits (in %)	5.6%
Exit Assumptions	
Quarter of Capitalization	2032 - Q2
Capitalization Rate - % (Leased Space)	8.00%
Transaction Cost on Exit (%)	0.50%
Discount Rate for future cash flows (%)	11.50%
Vacancy Loss (%) - at the time of operations	2.00%
Vacancy Loss (%) - at the time of exit	2.00%

### Critical assumptions and details adopted in valuation -

1. A market rent of INR 68 per sq ft has been assumed for the leased space in the subject project
2. Office rental is escalated by 5% on previous year rent from 1<sup>st</sup> escalation date.
3. Security deposit of 6 months (for unleased spaces) has been assumed with an interest on security deposit at 5.6%.
4. CAM charges, fit out rent and car parking charges have been considered as per the details mentioned in the rent roll provided by the Client. Please refer to the below sections for the details considered for the valuation.
5. **Cap rate** - The capitalization rate is a term used in the world of commercial real estate. It is the rate of return on a real estate investment property based on the income that the property is expected to generate. It was used to estimate the investor's potential return on his or her investment. The capitalization rate of an investment can be calculated by dividing the property's net operating income (NOI) by the current market value or acquisition cost of a property. Basis analysis of market date and considering the size, development profile, location and other factors we opine that the cap rate for the subject property is 8.0% and same is used in this valuation exercise as the 'terminal cap rate'.

6. Discount rate –

Particulars	Value
Debt proportion	70%
Equity Proportion	30%
Cost of equity	15%
Cost of debt	10%
<b>Weighted Average Cost of Capital</b>	<b>11.50%</b>

*This reflects the risk associated by the market with this type of project. Cost of long-term debt for a commercial asset in India is close to 9.0% - 13% at present. This cost may vary based on reputation and credit worthiness of the borrower and the project financials and risk. Commercial Real Estate, as an asset class, has been given a high-risk weight by the Reserve Bank of India and the Capital Adequacy Ratio for loans provided to this sector are also high. Thus, Discount Rate is estimated as 11.50% considering a Debt-Equity weightage of 70% and 30% respectively.*

### Lease Details:

S No.	Tenant Name	Building	Floor	BUA as per agreements (sft)	Current Base Rent (INR/sft)	Market Rental (INR/sft)	Lease commencement date	Rent commencement date	Lease end date	Escalation due (months)	Escalation % age ~ 1	Escalation % age ~ 2
1	Wipro Limited	12D	Unit No.201 and 301	1,82,745	70.88	68	01-Jan-21	01-Jan-21	31-Dec-30	12 Months	5%	5%
2	Schneider Electric Systems India Private Limited	12D	Unit No.401	55,441	69.30	68	01-Jan-21	16-Jan-21	31-Dec-25	12 Months	5%	5%
3	Wipro Limited	12D	Unit No.402	36,826	67.50	68	01-Nov-21	01-Nov-21	31-Oct-31	12 Months	5%	5%
4	CARRIER TECHNOLOGIES INDIA LIMITED	12D	Unit No.501	91,067	66.15	68	01-Aug-20	01-Aug-20	31-Jul-30	12 Months	5%	5%
5	Thryve Digital Health LLP	12D	Unit No.601	85,128	67.00	68	16-Feb-22	01-Aug-22	15-Feb-27	36 Months	15%	15%
6	Vitech Systems Asia Private Limited	12D	Unit No.701	54,764	65.10	68	11-Nov-20	11-Feb-21	10-Nov-30	36 Months	5%	5%
7	Vitech Systems Asia Private Limited	12D	Unit No.702	36,475	65.10	68	11-Nov-20	11-Nov-20	10-Nov-30	36 Months	5%	5%
8	Mindtree Limited	12D	Unit No.801	90,544	67.60	68	01-Apr-21	15-May-21	31-Mar-31	36 Months	4%	4%
9	Charnham India Private Limited	12D	Unit No.902	39,067	67.00	68	01-Sep-21	01-Sep-21	31-Aug-31	36 Months	5%	5%
10	Model N India Software Private Limited	12D	Unit No.1001	69,945	69.30	68	01-Apr-21	01-Apr-21	31-Mar-26	36 Months	5%	5%
11	Telstra Global Business Service LLP	12D	Unit No.1101	44,323	67.50	68	01-Jun-21	01-Aug-21	31-May-26	36 Months	5%	4%
12	Mindtree Limited	12D	Unit No.1002	25,130	67.40	68	15-Jun-22	15-Oct-22	14-Jun-27	36 Months	4%	4%
13	IBM India Private Limited	12D	Unit No.1102, 1201 & 1301	2,31,535	65.31	68	01-Oct-20	01-Mar-21	30-Sep-30	36 Months	5%	5%

S No.	Tenant Name	Date of First Escalation	Date of Second Escalation	Period of Lease	Period of Lease	Remaining months	Completed months	Lock-in period (in years)	Lock-in expiry date	Security Deposit (in months)	Security Deposit (INR Mn)	Year of Lease Completion
1	Wipro Limited	31-Dec-21	31-Dec-22	120 months	10 yrs	102 months	18 months	4.00	31-Dec-24	2 months	27.20	Year 2031
2	Schneider Electric Systems India Private Limited	31-Dec-21	31-Dec-22	60 months	5 yrs	42 months	18 months	4.00	31-Dec-24	2 months	8.07	Year 2026
3	Wipro Limited	31-Oct-22	31-Oct-23	120 months	10 yrs	112 months	8 months	4.00	31-Oct-25	2 months	4.97	Year 2031
4	CARRIER TECHNOLOGIES INDIA LIMITED	31-Jul-21	31-Jul-22	120 months	10 yrs	97 months	23 months	3.00	31-Jul-23	2 months	12.65	Year 2030
5	Thryve Digital Health LLP	15-Feb-23	15-Feb-24	60 months	5 yrs	56 months	4 months	4.46	15-Jul-26	2 months	11.41	Year 2027
6	Vitech Systems Asia Private Limited	10-Nov-21	10-Nov-22	120 months	10 yrs	100 months	20 months	5.00	10-Oct-25	2 months	7.49	Year 2030
7	Vitech Systems Asia Private Limited	10-Nov-21	10-Nov-22	120 months	10 yrs	100 months	20 months	5.00	10-Oct-25	2 months	4.99	Year 2030
8	Mindtree Limited	31-Mar-22	31-Mar-23	120 months	10 yrs	105 months	15 months	3.00	31-Mar-24	2 months	14.69	Year 2031
9	Charnham India Private Limited	31-Aug-22	31-Aug-23	120 months	10 yrs	110 months	10 months	4.00	31-Aug-25	2 months	5.23	Year 2031
10	Model N India Software Private Limited	31-Mar-22	31-Mar-23	60 months	5 yrs	45 months	15 months	3.00	31-Mar-24	2 months	9.69	Year 2026
11	Telstra Global Business Service LLP	31-May-22	31-May-23	60 months	5 yrs	47 months	13 months	5.00	31-May-26	2 months	5.98	Year 2026
12	Mindtree Limited	14-Jun-23	14-Jun-24	60 months	5 yrs	60 months	0 months	5.00	14-Jun-27	2 months	4.05	Year 2027
13	IBM India Private Limited	30-Sep-21	30-Sep-22	120 months	10 yrs	99 months	21 months	5.00	31-Aug-25	3 months	37.93	Year 2030



### Parking Income -

S No.	Tenant Name	Floor	No. of Chargeable Car Park Slots	Charges per car park as on date of signing
1	Wipro Limited	Unit No.201 and 301	185	2,000
2	Schneider Electric Systems India Private Limited	Unit No.401	120	2,542
3	Wipro Limited	Unit No.402	37	2,000
4	CARRIER TECHNOLOGIES INDIA LIMITED	Unit No.501	121	2,000
5	Thryve Digital Health LLP	Unit No.601	100	1,500
6	Vitech Systems Asia Private Limited	Unit No.701	23	2,000
7	Vitech Systems Asia Private Limited	Unit No.702	15	2,000
8	Mindtree Limited	Unit No.801	120	1,500
9	Charnham India Private Limited	Unit No.902	46	2,500
10	Model N India Software Private Limited	Unit No.1001	140	2,000
11	Telstra Global Business Service LLP	Unit No.1101	49	1,750
12	Mindtree Limited	Unit No.1002	33	1,500
13	IBM India Private Limited	Unit No.1102, 1201 & 1301	-	-

### CAM Income -

S No.	Tenant Name	Floor	BUA as per agreements (sft)	CAM Charges as on date of signing
1	Wipro Limited	Unit No.201 and 301	1,82,745	12.0
2	Schneider Electric Systems India Private Limited	Unit No.401	55,441	12.2
3	Wipro Limited	Unit No.402	36,826	12.2
4	CARRIER TECHNOLOGIES INDIA LIMITED	Unit No.501	91,067	12.2
5	Thryve Digital Health LLP	Unit No.601	85,128	12.0
6	Vitech Systems Asia Private Limited	Unit No.701	54,764	12.2
7	Vitech Systems Asia Private Limited	Unit No.702	36,475	12.2
8	Mindtree Limited	Unit No.801	90,544	12.0
9	Charnham India Private Limited	Unit No.902	39,067	12.0
10	Model N India Software Private Limited	Unit No.1001	69,945	12.0
11	Telstra Global Business Service LLP	Unit No.1101	44,323	12.0
12	Mindtree Limited	Unit No.1002	25,130	14.0
13	IBM India Private Limited	Unit No.1102, 1201 & 1301	2,31,535	12.2

### Fit-out Income -

Tenant Name	Leasable Area (sft)	Current Rent (INR/sft/month)	Date of commencement	Lease end date
Wipro Limited	1,82,745.00	43.80	01-Jan-21	01-Jan-26
Schneider Electric Systems India Private Limited	55,441.00	60.38	16-Jan-21	16-Jan-26
Wipro Limited	36,826.00	51.19	01-Nov-21	01-Nov-26
Model N India Software Private Limited	69,945.00	39.10	01-Apr-21	01-Apr-26
Telstra Global Business Service LLP	44,323.00	38.88	01-Aug-21	01-Aug-26



# Consolidated cashflows –

Particulars	2022 - Q3 2022	2022 - Q4 2022	2023 - Q1 2023	2023 - Q2 2023	2023 - Q3 2023	2023 - Q4 2023	2024 - Q1 2024	2024 - Q2 2024	2024 - Q3 2024	2024 - Q4 2024	2025 - Q1 2025	2025 - Q2 2025	2025 - Q3 2025	2025 - Q4 2025
Gross Rental Income	200.2	211.0	211.0	211.02	212.83	221.43	230.77	236.15	237.44	238.97	240.20	241.91	242.67	242.67
Car Parking Rentals	5.5	5.8	5.8	5.78	5.85	5.90	6.23	6.45	6.49	6.55	6.58	6.63	6.65	6.65
Margin on CAM	5.99	6.31	6.31	6.31	6.31	6.31	6.31	6.31	6.31	6.31	6.31	6.31	6.31	6.31
<b>Total Income</b>	<b>211.71</b>	<b>223.11</b>	<b>223.11</b>	<b>223.11</b>	<b>224.99</b>	<b>233.64</b>	<b>243.30</b>	<b>248.91</b>	<b>250.24</b>	<b>251.83</b>	<b>253.09</b>	<b>254.85</b>	<b>255.63</b>	<b>255.63</b>
<b>Other Income</b>														
Interest on security deposit	5.61	5.91	5.91	5.91	5.96	6.20	6.46	6.61	6.65	6.69	6.73	6.77	6.79	6.79
<b>Less: Vacancy Provision</b>	<b>(4.35)</b>	<b>(4.58)</b>	<b>(4.58)</b>	<b>(4.58)</b>	<b>(4.62)</b>	<b>(4.80)</b>	<b>(5.00)</b>	<b>(5.11)</b>	<b>(5.14)</b>	<b>(5.17)</b>	<b>(5.20)</b>	<b>(5.23)</b>	<b>(5.25)</b>	<b>(5.25)</b>
<b>Other Expenses</b>														
Brokerage	(14.79)	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating expenses	(10.01)	(10.55)	(10.55)	(10.55)	(10.64)	(11.07)	(11.54)	(11.81)	(11.87)	(11.95)	(12.01)	(12.10)	(12.13)	(12.13)
Property Taxes	(6.01)	(6.33)	(6.33)	(6.33)	(6.38)	(6.64)	(6.92)	(7.08)	(7.12)	(7.17)	(7.21)	(7.26)	(7.28)	(7.28)
Insurance	(0.60)	(0.63)	(0.63)	(0.63)	(0.64)	(0.66)	(0.69)	(0.71)	(0.71)	(0.72)	(0.72)	(0.73)	(0.73)	(0.73)
Balance cost to be incurred (INR Mn)	(150.00)	130.00												
<b>Net Annual Cash Flow</b>	<b>29.95</b>	<b>336.92</b>	<b>206.92</b>	<b>206.92</b>	<b>208.67</b>	<b>216.66</b>	<b>225.62</b>	<b>230.81</b>	<b>232.04</b>	<b>233.52</b>	<b>234.68</b>	<b>236.31</b>	<b>237.04</b>	<b>237.04</b>
<b>Capitalisation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash Flow from Project</b>	<b>29.95</b>	<b>336.92</b>	<b>206.92</b>	<b>206.92</b>	<b>208.67</b>	<b>216.66</b>	<b>225.62</b>	<b>230.81</b>	<b>232.04</b>	<b>233.52</b>	<b>234.68</b>	<b>236.31</b>	<b>237.04</b>	<b>237.04</b>
Dates	30-Sep-22	31-Dec-22	31-Mar-23	30-Jun-23	30-Sep-23	31-Dec-23	31-Mar-24	30-Jun-24	30-Sep-24	31-Dec-24	31-Mar-25	30-Jun-25	30-Sep-25	31-Dec-25
Applicable share	100%													
	29.95	336.92	206.92	206.92	208.67	216.66	225.62	230.81	232.04	233.52	234.68	236.31	237.04	237.04

Particulars	2026 - Q1 2026	2026 - Q2 2026	2026 - Q3 2026	2026 - Q4 2026	2027 - Q1 2027	2027 - Q2 2027	2027 - Q3 2027	2027 - Q4 2027	2028 - Q1 2028	2028 - Q2 2028	2028 - Q3 2028	2028 - Q4 2028	2029 - Q1 2029	2029 - Q2 2029	2029 - Q3 2029	2029 - Q4 2029
Gross Rental Income	229.42	222.68	238.66	255.85	251.48	260.66	266.64	272.76	273.19	273.19	273.19	273.19	274.53	276.91	281.80	293.18
Car Parking Rentals	6.65	6.65	6.73	6.79	7.16	7.42	7.47	7.53	7.57	7.62	7.65	7.65	7.65	7.65	7.74	7.81
Margin on CAM	5.97	5.80	6.13	6.31	5.97	6.09	6.21	6.31	6.31	6.31	6.31	6.31	6.31	6.31	6.31	6.31
<b>Total Income</b>	<b>242.04</b>	<b>235.13</b>	<b>251.52</b>	<b>268.94</b>	<b>264.61</b>	<b>274.16</b>	<b>280.32</b>	<b>286.60</b>	<b>287.06</b>	<b>287.12</b>	<b>287.14</b>	<b>287.14</b>	<b>288.48</b>	<b>290.87</b>	<b>295.85</b>	<b>307.29</b>
<b>Other Income</b>																
Interest on security deposit	6.42	6.23	6.68	7.16	7.04	7.30	7.47	7.64	7.65	7.65	7.65	7.65	7.69	7.75	7.89	8.21
<b>Less: Vacancy Provision</b>	<b>(4.97)</b>	<b>(4.83)</b>	<b>(5.16)</b>	<b>(5.52)</b>	<b>(5.43)</b>	<b>(5.63)</b>	<b>(5.76)</b>	<b>(5.88)</b>	<b>(5.89)</b>	<b>(5.90)</b>	<b>(5.90)</b>	<b>(5.90)</b>	<b>(5.92)</b>	<b>(5.97)</b>	<b>(6.07)</b>	<b>(6.31)</b>
<b>Other Expenses</b>																
Brokerage	(8.95)	(11.42)	(7.30)	-	(14.51)	-	(4.35)	-	-	-	-	-	-	-	-	-
Operating expenses	(11.47)	(11.13)	(11.93)	(12.79)	(12.57)	(13.03)	(13.33)	(13.64)	(13.66)	(13.66)	(13.66)	(13.66)	(13.73)	(13.85)	(14.09)	(14.66)
Property Taxes	(6.88)	(6.68)	(7.16)	(7.68)	(7.54)	(7.82)	(8.00)	(8.18)	(8.20)	(8.20)	(8.20)	(8.20)	(8.24)	(8.31)	(8.45)	(8.80)
Insurance	(0.69)	(0.67)	(0.72)	(0.77)	(0.75)	(0.78)	(0.80)	(0.82)	(0.82)	(0.82)	(0.82)	(0.82)	(0.82)	(0.83)	(0.85)	(0.88)
Balance cost to be incurred (INR Mn)																
<b>Net Annual Cash Flow</b>	<b>213.81</b>	<b>204.09</b>	<b>225.05</b>	<b>249.35</b>	<b>229.13</b>	<b>253.09</b>	<b>255.04</b>	<b>265.71</b>	<b>266.14</b>	<b>266.20</b>	<b>266.22</b>	<b>266.22</b>	<b>267.46</b>	<b>269.67</b>	<b>274.28</b>	<b>284.85</b>
<b>Capitalisation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash Flow from Project</b>	<b>213.81</b>	<b>204.09</b>	<b>225.05</b>	<b>249.35</b>	<b>229.13</b>	<b>253.09</b>	<b>255.04</b>	<b>265.71</b>	<b>266.14</b>	<b>266.20</b>	<b>266.22</b>	<b>266.22</b>	<b>267.46</b>	<b>269.67</b>	<b>274.28</b>	<b>284.85</b>
Dates	31-Mar-26	30-Jun-26	30-Sep-26	31-Dec-26	31-Mar-27	30-Jun-27	30-Sep-27	31-Dec-27	31-Mar-28	30-Jun-28	30-Sep-28	31-Dec-28	31-Mar-29	30-Jun-29	30-Sep-29	31-Dec-29
Applicable share	100%															
	213.81	204.09	225.05	249.35	229.13	253.09	255.04	265.71	266.14	266.20	266.22	266.22	267.46	269.67	274.28	284.85

Particulars	2030 - Q1 2030	2030 - Q2 2030	2030 - Q3 2030	2030 - Q4 2030	2031 - Q1 2031	2031 - Q2 2031	2031 - Q3 2031	2031 - Q4 2031	2032 - Q1 2032	2032 - Q2 2032
Gross Rental Income	304.33	310.15	293.32	217.50	248.39	286.26	310.60	299.23	313.21	319.90
Car Parking Rentals	8.24	8.53	8.58	8.66	8.70	8.76	8.79	8.79	8.79	8.79
Margin on CAM	6.31	6.31	5.94	4.34	5.03	5.77	6.23	6.00	6.23	6.31
<b>Total Income</b>	<b>318.87</b>	<b>324.99</b>	<b>307.85</b>	<b>230.50</b>	<b>262.12</b>	<b>300.79</b>	<b>325.62</b>	<b>314.03</b>	<b>328.23</b>	<b>335.00</b>
<b>Other Income</b>										
Interest on security deposit	8.52	8.68	8.21	6.09	6.95	8.02	8.70	8.38	8.77	8.96
<b>Less: Vacancy Provision</b>	<b>(6.55)</b>	<b>(6.67)</b>	<b>(6.32)</b>	<b>(4.73)</b>	<b>(5.38)</b>	<b>(6.18)</b>	<b>(6.69)</b>	<b>(6.45)</b>	<b>(6.74)</b>	<b>(6.88)</b>
<b>Other Expenses</b>										
Brokerage	-	-	(18.38)	(65.78)	(37.64)	(18.88)	-	(16.21)	-	-
Operating expenses	(15.22)	(15.51)	(14.67)	(10.88)	(12.42)	(14.31)	(15.53)	(14.96)	(15.66)	(16.00)
Property Taxes	(9.13)	(9.30)	(8.80)	(6.53)	(7.45)	(8.59)	(9.32)	(8.98)	(9.40)	(9.60)
Insurance	(0.91)	(0.93)	(0.88)	(0.65)	(0.75)	(0.86)	(0.93)	(0.90)	(0.94)	(0.96)
Balance cost to be incurred (INR Mn)										
<b>Net Annual Cash Flow</b>	<b>295.59</b>	<b>301.25</b>	<b>265.16</b>	<b>138.19</b>	<b>199.02</b>	<b>257.28</b>	<b>301.46</b>	<b>273.38</b>	<b>303.89</b>	<b>310.53</b>
<b>Capitalisation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,662.76</b>
<b>Cash Flow from Project</b>	<b>295.59</b>	<b>301.25</b>	<b>265.16</b>	<b>138.19</b>	<b>199.02</b>	<b>257.28</b>	<b>301.46</b>	<b>273.38</b>	<b>303.89</b>	<b>15,973.29</b>
Dates	31-Mar-30	30-Jun-30	30-Sep-30	31-Dec-30	31-Mar-31	30-Jun-31	30-Sep-31	31-Dec-31	31-Mar-32	30-Jun-32
Applicable share	100%									
	<b>295.59</b>	<b>301.25</b>	<b>265.16</b>	<b>138.19</b>	<b>199.02</b>	<b>257.28</b>	<b>301.46</b>	<b>273.38</b>	<b>303.89</b>	<b>15,973.29</b>

Discount Rate	11.50%
Date of Valuation	30-Jun-22
Value of the property (INR Mn)	10,961
Value of Fit-outs (INR Mn)	642
Resultant Total Value of Property (INR Mn)	11,603

## 8.1 Summary

Particulars	INR Mn
Value for 10,42,990 sq ft of office space	10,961
Value for fit out	642
<b>Total</b>	<b>11,603</b>

## 9 CONCLUSION

We are of the opinion that the estimated market value of the Subject Property comprising a total leasable area admeasuring 10,42,990 sq ft spread on a plot area 2.4 acres located at Building No 12, Mindspace IT Park, Madhapur, Hyderabad, as on 30<sup>th</sup> June 2022 has been estimated as.

**INR 11,603 Million**

**(Indian Rupees Eleven Thousand Six Hundred and Three Million Only)**

For and on behalf of

**Colliers International (India) Property Services Private Limited**



**Abhishek Appala**

*PGP-NICMAR, B. Tech Civil,*

*Manager*

Valuation Services



**Digbijay Das, MRICS**

*MBA (Finance), B.Com (Hons).*

*Associate Director*

Valuation Services

# 10 Appendix

## Appendix I | Caveats and Assumptions

### DEFINITIONS

- 1.1 In these Caveats and Assumptions the following words or phrases shall have the meaning or meanings set out below:
- 'Confidential Information'** means information that:
- (a) Is by its nature confidential.
  - (b) Is designed by Us as confidential.
  - (c) You know or ought to know is confidential.
  - (d) Includes, without limitation: information comprised in or relating to any of Our intellectual property in the Services or any reports or certificates provided as part of the Services.
  - (e) You or Your affiliates provide to Us for the purposes of the Services.
- 'Currency Date'** means, in relation to any valuation report, the date as at which our professional opinion is stated to be current.
- 'Fee'** means the amount agreed to be paid for the Services as set out in the Quotation.
- 'Parties'** means You or Us as the context dictates.
- 'Quotation'** means the written quote provided by Us in relation to the Services.
- 'Services'** means the valuation services provided pursuant to these terms and conditions and the Quotation, and includes any documents, reports or certificates provided by Us in connection with the Services.
- 'The Property'** means the assets which are subject of our appointment as your advisor. This may include land, buildings, plant & equipment and other assets as described in the appointment agreement.
- 'We', 'Us', 'Our', 'Colliers'** means Colliers International Limited.
- 'You', 'Your', 'Client'** means the person, company, firm or other legal entity by or on whose behalf instructions are given, and any person, firm, company or legal entity who actually gave the instructions to us even though such instructions were given as agent for another.
- 'Professional Property Practice Standards'** refers to RICS Valuation - Professional Standards, or appropriate standards.

### 2. PERFORMANCE OF SERVICES

- 2.1 We have provided the Services in accordance with:
- a) The Terms and Conditions contained herein; or
  - b) As specifically instructed by You for the purpose of the Services; and
  - c) Within the current provisions set by the prevailing Professional Property Practice Standards.

### 3. CONDITION OF THE PROPERTY

- 3.1 No allowance has been made in our report for any charges, mortgages or amounts owing on any of the properties valued nor for any expenses or taxation which may be incurred in effecting a sale. We have assumed that the Property is free from and clear of any and all charges, liens and encumbrances of an onerous nature likely to affect value, whether existing or otherwise, unless otherwise stated. We assume no responsibility for matters legal in nature nor do we render any opinion as to the title which is assumed to be good and marketable. We are not aware of any easements or rights of way affecting the property and our valuation assumes that none exists.
- 3.2 We have assumed that the Property has been constructed, occupied and used in full compliance with, and without contravention of, all ordinances, except only where otherwise stated. We have further assumed that, for any use of the Property upon which this report is based, any and all required licences, permits, certificates, and authorisations have been obtained, except only where otherwise stated.
- 3.3 We have assumed that any development sites are in a condition suitable for development; this has not been checked by us.
- 3.4 We have not carried out detailed site measurements to verify the correctness of the site areas in respect of the properties but have assumed that the site areas shown on the documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.

- 3.5 We have assumed that there is no timber infestation, asbestos or any other defect (unless advised otherwise) and that the property is compliant with all relevant environmental laws. It is Your responsibility to provide reports to Us that are relevant to these issues.
- 3.6 An internal inspection has been made, unless otherwise stated, no detailed on-site measurements have been taken.
- 3.7 While due care is exercised in the course of our inspection to note any serious defects, no structural survey of the Property will or has been undertaken, and We will not (and are not qualified to) carry out a structural, geotechnical or environmental survey. We will not inspect those parts of the property that are unexposed or inaccessible.
- 3.8 None of the services have been tested by Us and we are unable therefore to report on their present condition, but will presume them to be in good working order.
- 3.9 We recommend that You engage appropriately qualified persons to undertake investigations excluded from our Services.
- 3.10 No responsibility will be accepted either to You or to any third party for loss or damage that may result directly or indirectly from the condition of the property

#### 4. ENVIRONMENT AND PLANNING

- 4.1 We have obtained only verbal town planning information. It is your responsibility to check the accuracy of this information by obtaining a certificate under the appropriate legislation.
- 4.2 We do not hold ourselves to be experts in environmental contamination. Unless otherwise stated, our inspection of the site did not reveal any contamination or pollution affectation, and our valuation has been prepared on the assumption that that the land is not contaminated and has not been affected by pollutants of any kind. We would recommend that this matter be checked by a suitably qualified environmental consultant. Should subsequent investigation show the site is contaminated, our valuation may require revision.

#### 5. BUILDING AREAS

- 5.1 Where a survey is provided to Us for consideration, We will assume that information contained in the survey is accurate and has been prepared in accordance with the prevailing Professional Property Practice Standards
- 5.2 If you do not provide Us with a survey, We will estimate building areas based only upon available secondary information (including but not limited to building plans, deposited plans, and our own measurements). Such estimates do not provide the same degree of accuracy or certainty as would be provided by a survey prepared by an appropriately qualified professional in accordance with the prevailing Professional Property Practice Standards.
- 5.3 Where such a survey is subsequently produced which differs from the areas estimated then You will refer the valuation back to Us for comment or, where appropriate, amendment

#### 6. OTHER ASSUMPTIONS

- 6.1 Unless otherwise notified by You, We will assume:
  - (a) There are no easements, mortgages, leases, encumbrances, covenants, caveats, rights of way or encroachments except those shown on the title.
  - (b) All licences and permits can be renewed and We have not made any enquiries in this regard.
- 6.2 Where third party expert or specialist information or reports are provided to Us or obtained by Us in connection with Services (including but not limited to surveys, quantity surveyors reports, environmental audits, structural / dilapidation reports), we will rely upon the apparent expertise of such experts / specialists. We will not verify the accuracy of this information or reports and assume no responsibility for their accuracy.
- 6.3 Our services are provided on the basis that the Client has provided us, to the best of its knowledge, with a full and frank disclosure of all information and other facts which may affect the service, including all secrecy clauses and side agreements. We accept no responsibility or liability whatsoever for the valuation unless such a full disclosure has been made.
- 6.4 Any plans, sketches or maps included in this report are for identification purposes only and should not be treated as certified copies of areas or other particulars contained therein.
- 6.5 The study of possible alternative development options and the related economics are not within the scope of this report, unless otherwise stated.
- 6.6 Our opinion about the market value of the property is free from any influence and/ or point of views of any other parties.

#### 7. ESTIMATED SELLING PRICE

- 7.1 Where you instruct Us to provide an estimated selling price, You agree that the Services:

- (a) Are limited to the provision of an opinion based on Our knowledge of the market and informal enquiries.
  - (b) We are not required to carry out a full inspection of the property; any inspection of comparable properties; a search of title(s) or other enquiries as to encumbrances, restrictions or impediments on title(s); or other investigations which would be required for a formal valuation.
  - (c) Provide an indicative figure only which is not suitable for use for any purpose other than as general information or guide as to sale expectations. It is not suitable to be relied upon for the purpose of entry into any transaction.
- 7.2 No responsibility will be accepted either to You or to any third party for loss or damage that may result from the issue of such an estimated selling price.

## 8. CURRENCY OF VALUATION

- 8.1 Due to possible changes in market forces and circumstances in relation to the property the Services can only be regarded as relevant as at the Currency Date.
- 8.2 Where You rely upon Our valuation report after the Currency Date, You accept the risks associated with market movements between the Currency Date and the date of such reliance.
- 8.3 Without limiting the generality of 8.2, You should not rely upon Our valuation:
  - (a) After the expiry of 3 months from the Currency Date;
  - (b) Where circumstances have occurred during that period which may have a material effect on the value of the property, or the assumptions or methodology used in the valuation report.

## 9. MARKET PROJECTIONS

- 9.1 Any market projections incorporated within our Services including, but not limited to, income, expenditure, associated growth rates, interest rates, incentives, yields and costs are projections only and may prove to be inaccurate. Accordingly, such market projections should be interpreted as an indicative Valuation of potentialities only, as opposed to certainties.
- 9.2 Where Our Services include market projections such projections require the dependence upon a host of variables that are highly sensitive to varying conditions. Accordingly, variation in any of these conditions may significantly affect these market projections.
- 9.3 Where market projections form part of Our Services, We draw your attention to the fact that there will be a number of variables within acceptable market parameters that could be pertinent to Our Services and the projections adopted are representative of only one of these acceptable parameters.
- 9.4 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to us by you.

## 10. YOUR OBLIGATIONS

- 10.1 You warrant that the instructions and subsequent information supplied by You, to the best of your knowledge, contain a full and frank disclosure of all information that is relevant to Our provision of the Services.
- 10.2 You warrant that all third party expert or specialist reports provided to Us by You for the purpose of Us providing the Services are provided with the authority of the authors of those reports.
- 10.3 You authorise and license Us to incorporate Your intellectual property within Our report(s).
- 10.4 You will not release any part of Our valuation report or its substance to any third party without Our written consent. When we consent for You to release Our report or any part of Our report to any third party, we do so on the basis that these terms and conditions will apply to the new addressee(s) as if it / they had been a party to the original letter of instruction between us. Where we consent to such reliance, You agree to furnish the addressee with a copy of any reliance letter issued by Us and/or a copy of these terms and conditions.
- 10.5 We reserve the right to reconsider or amend the valuation advice, or the Fee set out in Our Quotation to You, if;
  - (a) Certificates, surveys, leases, side agreements or related documentation that were not provided to Us prior to the provision of the Services are subsequently provided, and contain matters that may affect the value of the advice; or
  - (b) Where subsequent site inspections made in relation to any of the matters raised in Clause 3 materially affect or may alter the value of the property, the subject of the Services.
  - (c) The information provided to Us by You prior to the provision of services is in any way incomplete, misleading or wrong.
- 10.6 If You release any part of the valuation advice or its substance without written consent, You agree to defend and indemnify Us against claims by a third party who has reviewed the report if We have not, at or subsequent to the time of engagement,



- provided our specific written consent to such party reviewing and relying on the report. We have no responsibility to any other person even if that person suffers damage as a result of You providing this valuation without Our prior consent.
- 10.7 You agree that the only remedy for losses or damages relating to the breach of this Agreement shall be limited to three times Our contracted fee for the assignment and no claim shall be made for any consequential or punitive damages.
- 10.8 You agree not to bring any claim for any losses against any director, consultant or any employee of Ours. You hereby agree that Our director, consultant or any employee does not have a personal duty of care to You and any claim for losses must be brought against Colliers International.
- 10.9 Where any loss is suffered by You for which We and any other person are jointly and severally liable to You the loss recoverable by You from Us shall be limited so as to be in proportion to our relative contribution to the overall fault.

## 11. CONFIDENTIALITY

- 11.1 This report and each part of it is prepared and intended for the exclusive use of the Client for the sole purpose outlined in Our agreement for internal reference purposes, and/or the purposes as specified in the agreement, and in accepting this report, the Client expressly agrees not to use or rely upon this report or any part of it for any other purpose. No person other than the Client shall use or rely upon this report or any part of it for any purpose unless we have given Our express written consent. Similarly, neither the whole nor any part of this report nor any reference thereto may be included in any document, circular or statement nor published in any way without our written approval of the form and context in which it may appear.
- 11.2 If consent to disclose the Confidential Information is provided by Us, You agree to abide by any additional terms and conditions that We may apply to that disclosure.
- 11.3 You agree that You will indemnify, hold harmless and defend Us from and against any and all loss, liability, costs or expenses (including but not limited to professional or executive time) We may suffer or reasonably incur, directly or indirectly, as a result of a breach of this clause.
- 11.4 Unless otherwise directed in writing by Client, SVEE Valuation and Advisory LLP and Colliers International retains the right to include references to the Services in its promotional material. Such references shall not contain confidential material.

## 12. PRIVACY

- 12.1 We may obtain personal information about You in the course of performing Our Services. We respect your privacy and advise You that we will only obtain information that is necessary to assist us in the course of performing Our Services. If it is necessary for Us to engage third parties, we will inform these parties that they are not to disclose any personal information about You to any person or organisation other than Us.

## 13. SUBCONTRACTING

- 13.1 We may sub-contract or otherwise arrange for another person to perform any part of the Services or to discharge any of Our obligations under any part of these terms and conditions, with Your consent.

## 14. LIMITATION OF LIABILITY

- 14.1 To the extent permissible under applicable laws, in no event shall SVEE Valuation and Advisory LLP and Colliers International be liable to Client or anyone claiming by, through or under Client, including insurers, for any lost, delayed, or diminished profits, revenues, production, business, use or opportunities, or any incidental, special, indirect, or economic losses, wasted costs, diminution of value or consequential damages, of any kind or nature whatsoever, however caused, except for those as prescribed by law
- 14.2 We shall be released from Our obligations to the extent that performance thereof is delayed, hindered or prevented by any circumstances beyond Our reasonable control (examples being a strike, act of God or act of terrorism). All the costs and benefits forecasted will, ultimately, be determined by future market conditions. Forecasts of these elements are based on assumptions of certain variable factors, which, in turn, are extremely sensitive to changes in the market and economic contexts. For this reason, the figures mentioned in this report were not computed under any known or guaranteed conditions. Rather, these are forecasts drawn from reliable sources of data and information and made in the best judgment and professional integrity of SVEE Valuation and Advisory LLP and Colliers International. Notwithstanding this, SVEE Valuation and Advisory LLP and Colliers International reiterates that it will not accept any responsibilities in the face of damage claims that might result from any error, omission or recommendations, viewpoints, judgments and information provided in this report, except as per law.

- 14.3 Neither SVEE Valuation and Advisory LLP and Colliers nor any employee of Ours shall be required to give testimony or to appear in court or any other tribunal or at any government agency by reason of this valuation report or with reference to the property in question, except by court summons / judicial notification, and unless prior arrangements have been made and we are properly reimbursed for reasonable time and expenses incurred. The hourly billings pertain to court preparation, waiting and travel time, document review and preparation (excludes valuation report) and all meetings related to court testimony.
- 14.4 We are free from any possible legal and/ or non-legal issue which may attach to the Property's title documents.
- 14.5 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to Us by You.
- 14.6 Our liability for loss and damage attributable to Our negligence, breach of contract, misrepresentation or otherwise (but not in respect of fraud, fraudulent misrepresentation, death or personal injury) shall be limited to a maximum of three times Our contracted fee for the assignment per property for any single case. A single case of damages is defined as the total sum of all damage claims of all persons entitled to claim, which arise from one and the same professional error / offence. In the case of damages suffered from several offences brought about by the same technical error within the scope of several coherent services of a similar nature, we are only to be held liable for an amount of three times Our contracted fee for the assignment per property.
- 14.7 Where the agreement is addressed to more than one Client, the above limit of liability applies to the aggregate of all claims by all such Clients and not separately to each Client.
- 14.8 No third party will be entitled to rely on any part of Our valuation report or its substance or advice except with our written consent. Should any third party rely on Our report without obtaining Our written consent, We are not bound by any liability which arises from the use of or reliance upon Our valuation report by such unauthorised party.
- 14.9 We will not be liable for any services outside the scope of the services agreed to be performed by Us, and in respect of any consequential losses or loss of profits.
- 14.10 Responsibility for Our valuation extends only to the party(ies) to whom it is addressed. However in the event of Us being asked by You to re-address Our report to another party or other parties or permit reliance upon it by another party or other parties, We will give consideration to doing so, to named parties, and We reserve the right to charge additional fee for doing so although We will agree such fee with You before commencing the work
- 15. ENTIRE AGREEMENT**
- 15.1 No further agreement, amendment or modification of these terms and conditions shall be valid or binding unless made in writing and executed on behalf of the Parties by their duly authorised officers.
- 15.2 If there is inconsistency between these terms and conditions and the Quotation, any letter of instruction from You, or other specific request or information shall prevail to the extent of the inconsistency.
- 15.3 Copyright in any reports, documents or other material provided to You by Us shall remain Our property at all times unless otherwise stated.
- 16. ANTI BRIBERY AND CORRUPTION MEASURES**
- 16.1 We represent, in connection with any services to be provided to You, that neither We nor Our contractors, employees or agents (collectively, "Consultant") has made or will make, either directly or indirectly, any payments (i) to or for the use or benefit of any Government Official (ii) to any other person either for an advance or reimbursement, if Consultant knows or has reason to know that any part of such payment has been or will be given to any Government official or (iii) to any person or entity, the payment of which would violate laws and regulations in Australia, the United States, the United Kingdom or any other government entity having jurisdiction over the activities carried out by Consultant. The term "Government Official" in this paragraph means any officer or employee of a government or any governmental department or agency, or any person acting in an official capacity for or on behalf of any such government or governmental department or agency, including employees of state-owned or controlled entities and candidates for political office.
- 16.2 We represent that, in connection with any services to be provided to You, We will conduct operations at all times in compliance with applicable financial recordkeeping and reporting requirements, including all applicable money laundering-related laws of any jurisdictions where We conduct business or own asset

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September 26, 2022

To,  
**BSE Limited**  
25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400001

**Scrip Code: 960327, 973069, 973754 and 974075**

**Sub: - Compliance Certificate pursuant to Regulation 52 (7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir,

Pursuant to Regulation 52(7) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that issue proceeds of Non-Convertible Debentures (NCDs) issued by the Company and allotted as on July 28, 2022, are being utilized as per the objects stated in the offer document. Further, we also confirm that there have been no deviations in the use of proceeds of issue of NCDs from the objects stated in the offer document

Please take the same on your record.

Thanking you,

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

**PREETI NAVEEN** Digitally signed by PREETI  
NAVEEN CHHEDA  
**CHHEDA** Date: 2022.09.26 17:52:14  
+05'30'

**Name: Preeti Chheda**  
**Designation: Compliance Officer**  
**Place: Mumbai**

**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**

REF: NVS/2022-2023/016

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

**Statutory Auditor's Certificate on Statement of Utilization of the Funds raised by issuance of Non-Convertible Debentures ("NCDs") by Mindspace Business Parks REIT**

This certificate is issued in accordance with the terms of our engagement letter with reference no. NVS/2022-23/013 dated July 22, 2022

We, Deloitte Haskins & Sells LLP, the statutory auditors of Mindspace Business Parks REIT (the "Trust") have been requested by the Management of the Investment Manager to state whether the financial information contained in the attached "Statement of Utilization of Funds raised by issuance of Non-Convertible Debentures on July 28, 2022 by Mindspace Business Parks REIT as at September 21, 2022" (the "Statement") has been appropriately extracted from the unaudited books of account and other records of the REIT (the "books of account and other records of Trust"). We have been informed by the Management of Investment Manager that the certificate is required for submission to the Catalyst Trusteeship Limited (the "debentures trustee") in accordance with the requirements of Debenture Trust Deed dated July 22, 2022. The statement has been initialed by us for identification purpose only.

**Management's responsibility**

The preparation of the Statement is the responsibility of the Management of the Investment Manager. This includes collecting, collating and validating data and presentation thereof in the Statement and design, implementation and maintenance of internal control relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or error. The Management of the Investment Manager is also responsible for the maintenance of proper books of account and other records and documents containing relevant details about the utilisation of proceeds from NCDs.

The Management of the Investment Manager is also responsible for ensuring compliance with the requirements of the debenture trust deed, debt listing agreement and for providing all relevant information to the Securities and Exchange Board of India.

**Auditor's responsibility**

Our responsibility, for the purpose of this certificate, is to provide a limited assurance on the financial information in the Statement by comparing the said information with the corresponding amounts and particulars in the books of account and the records of the Trust. The procedures performed in limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by The Institute of Chartered Accountants of India (ICAI) and the Standards on Auditing specified under Section 143(10) of the Act. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.



*DHS LLP*

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Review Historical Financial Information, and Other Assurance and Related Services Engagements.

**Conclusion**

On the basis of our verification of the unaudited books of account and other relevant records, nothing has come to our attention that causes us to believe that the amounts contained in the Statement is not appropriately extracted from the unaudited books of account and other records of the Trust.

**Restriction on Distribution**

This certificate is addressed to and provided to the Governing Board of the Investment Manager solely for the purpose to submit the accompanying statement to Catalyst Trusteeship Limited, the trustee of the NCDs, for compliance with its obligations under the debenture trust deed and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

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

**Niles Shah**  
Partner

Membership No. 49660  
UDIN: 22049660ATNOJH2876

Mumbai, September 21, 2022





**Statement of Utilization of Funds raised by issuance of Non-Convertible Debentures on July 28, 2022, by Mindspace Business Parks REIT as at September 21, 2022.**

Particulars	Rs. in Million
<b>Sources of Funds</b>	
Funds raised by 5,000 Senior, Listed, Rated, Secured, Non-Cumulative, Taxable, Transferable, Redeemable, Non-Convertible Debentures of face value of Rs. 1,000,000 each.	5,000
<b>Total (A)</b>	<b>5,000</b>
<b>Utilization of Funds based on the purpose mentioned in the Information Memorandum</b>	
In compliance with the provisions of the Applicable Laws for general corporate purposes including payment of fees and expenses in connection with the issuance of the Debentures	26
Repayment of existing financial indebtedness, interim investments (including investments in cash equivalent investments), direct or indirect acquisition of commercial properties and for providing loans to the Group SPVs (directly or indirectly) for meeting their construction related expenses, working capital or general corporate requirements, including interim investments in cash equivalent investments, repayment of their existing financial indebtedness, for providing inter-company deposits to the members of the 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.	4,974
<b>Total (B)</b>	<b>5,000</b>
<b>Balance (A) - (B)</b>	<b>-</b>

Note:

The above amounts are extracted from the unaudited books of account and other relevant records of Mindspace Business Parks REIT.

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

*Preeti Chheda*

**Preeti Chheda**  
Chief Financial Officer  
Mumbai, September 21, 2022

*[Signature]*



*[Signature]*



June 22, 2022

**SUNDEW PROPERTIES LIMITED**

HITECH CITY, MADHAPURK.RAHEJA IT PARK,  
MINDSPACEAPIIC SOFTWARE LAYOUT  
UNIT HYDERABAD - 500 081

Dear Customer,

**Sub: Business Suraksha Plus Variant 2 Insurance Policy No: 2999204688916900000**

We thank you for having preferred us for your *Insurance* requirements. We at HDFC ERGO General Insurance believe "*Insurance*" as not only to be an assurance to indemnify in the event of unfortunate circumstances, but one that signifies protection and support, which you can count on when you need it most.

The Insurance Policy enclosed herewith is a written agreement providing confirmation of our responsibility towards you that puts insurance coverage into effect against stipulated perils.

Please note that the policy has been issued based on the information contained in the proposal form and / or documents received from directly from you or through the Intermediary.

Name of the Intermediary: Unilight Insurance Brokers Private Limited  
Intermediary Code: 200707801097

Where the proposal form is not received, information obtained from you or your representative /broker, whether orally or otherwise, is captured in the policy document.

If you wish to contact us in reference to your existing policy and /or other general insurance solutions offered by us, you may write to our correspondence address as mentioned below. Alternatively, you may visit our website [www.hdfcergo.com](http://www.hdfcergo.com) . To enable us to serve you better, you are requested to quote your Policy Number in all correspondences.

Thanking you once again for choosing HDFC ERGO General Insurance Company Limited and looking forward to many more years of association.

Yours Sincerely,



Authorised Signatory

## Policy Schedule

Policy No. 2999204688916900000

## Business Suraksha Plus Variant 2

Insured Name	SUNDEW PROPERTIES LIMITED			PAN No.	AAKCS1816K
Correspondence Address	HITECH CITY, MADHAPURK.RAHEJA IT PARK, MINDSPACEAPIIC SOFTWARE LAYOUT UNIT HYDERABAD - 500 081				
Period of Insurance	From Date & Time	22/05/2022 00:01hrs	To Date & Time	21/05/2023 Midnight	
RM Code	Na	Case Id/Loan Account No	Na	Client ID	1001606556350002
Financier Name	1) IDBI TRUSTEESHIP SERVICES LTD - BLDG. NO. 12 B FLOOR NO. 7 AND 8 FOR THE BENFIT OF DEBENTURE HOLDERS 2) ICICI BANK LIMITED - ICICI BANK TOWERS BANDRA KURLA COMPLEX BANDRA (E) MUMBAI- 400051- Building No 14. 3) IDBI TRUSTEESHIP SERVICES LTD - BLDG. NO. 12 C - IDBI TRUSTEESHIP SERVICES LTD FOR THE BENFIT OF HSBC\ 4) IDBI TRUSTEESHIP SERVICES LTD - BLDG. NO. 12A FOR THE BENFIT OF DEBENTURE HOLDERS 5) CATALYST TRUSTEESHIP LIMITED - BLDG. NO. 12B FLOOR NO. 13 AND 14 - FOR THE BENFIT OF DEBENTURE HOLDERS 6) CATALYST TRUSTEESHIP LIMITEDBLDG. NO. 20 - FOR THE BENFIT OF DEBENTURE HOLDERS – Bldg No. 20 (excluding save and except 7) the 11,974 square feet area of the cafeteria located on the stilt floor (the “Cafeteria”) and the 1520 square feet area of the SEZ office area located on 8) the stilt floor (the “SEZ Office”) 9) Account title Sundew Properties Limited Escrow Account NCD 2 Branch address ICICI Bank Ltd. Ground Floor, South Towers, East Wing Bandra Kurla Complex, Bandra (E), Mumbai. 400051 Account number 777705001823 Name of the Bank ICICI Bank Ltd. Account branch BKC, Mumbai IFSC Code ICIC0000555				
Intermediary Name	Unilight Insurance Brokers Private Limited		Intermediary Code	200707801097	
Co-insurance Details	HDFC Ergo General Insurance Co. Ltd - 60%		Bajaz Allianz Ergo General Insurance Co. Ltd - 40%		

## COVERAGE DETAILS, SUM INSURED &amp; PREMIUM

Sr. No	Section Description	Sum Insured (Rs.)	Premium (Rs.)	Excess/ Deductible
1	Section I A : Material Damage (Fire)	1,430,933,8961.00	6,582,296.00	2.1 Location having Sum Insured upto INR 100 Cr per location for PD & BI Material Damage - 5% of claim amount subject to a minimum of 5 lakhs Business Interruption (FLOP)- Other than Petro Chemical Risks - 7 days of Standard Gross Profit
2	Section II A : Business Interruption Insurance (Loss Of Profits)	8,253,736,269.00	3,796,719.00	2.2 Location having Sum Insured above INR 100 Cr and up to INR 1500 cr per location for PD & BI. Material Damage - 5% of claim amount subject to a minimum of 10 lakhs Business Interruption (FLOP)- Other than Petro Chemical Risks - 7 days of Standard Gross Profit 2.3 Location having Sum Insured above INR 1500 Cr and up to INR 2500 cr per location for PD & BI. Material Damage - 5% of claim amount subject to a minimum of 25 lakhs Business Interruption (FLOP)- Other than Petro Chemical Risks - 7 days of Standard Gross Profit

Sr. No	Section Description	Sum Insured (Rs.)	Premium (Rs.)	Excess/ Deductible
				2.4 Location having Sum Insured above INR 2500 cr per location for PD & BI. Material Damage - 5% of claim amount subject to a minimum of INR 50 lakh Business Interruption- FLOP - 14 Days of Standard Gross Profit Note: The limit for sum insured is combined limit for MD + BI per location
2	Section VI : Electronic Equipment	409,817,356.00	1,159.00	Deductible as per erstwhile TAC tariff.
<b>Basic Premium</b>				10,380,174.00
<b>Terrorism Premium</b>				0.00
<b>Total Premium</b>				<b>10,380,174.00</b>
<b>GST (Rate And Amount Shown Below)</b> Invoice Number: 204688916900000 GSTN : 36AAKCS1816K2Z3 Place of Supply: Telangana				0.00
<b>Final Premium Payable</b>				<b>10,380,174.00</b>

## DETAILS OF ADD ON COVERS

## Section I: Fire (Material Damage)

Sr. No	Description Of Add On Cover	Sum Insured (Rs.)
1	Earthquake, Fire & Shock	14,309,338,961.00
2	Architects Surveyors Fees aggregate limit	50,000,000.00
3	Removal of Debris (including foreign debris, slush removal, dewatering expenses sub-limited to INR 50 lacs AOA and aggregate)	50,000,000.00
4	Omission to Insure 5%	715,466,948.00
5	Loss of Rent - Indemnity Period - 7 days	50,000,000.00
6	Escalation 5%	715,466,948.00
7	Computer Records Clause AOA and aggregate	50,000,000.00
8	Obsolete Parts Clause AOA and aggregate	50,000,000.00
9	"Tenant's Improvements clause Tenants Clause AOA and aggregate"	50,000,000.00
10	Expediting Costs AOA and aggregate	50,000,000.00
11	Protection And Preservation Of Property AOA and aggregate	50,000,000.00
12	Valuable Papers & records AOA and aggregate	50,000,000.00
13	Accounts receivables 50 Lakhs AOA, 1 Cr Aggregate	10,000,000.00
14	De Contamination and cost of clean up AOA and aggregate	50,000,000.00
15	Additional Custom Duty/Import tax cost AOA and aggregate	50,000,000.00
16	Modification cost/Incompatibility expenses AOA and aggregate	50,000,000.00
17	Shut Down-Start Up clause AOA and aggregate	50,000,000.00
18	Leak Search and Finding Cost AOA and aggregate	50,000,000.00
19	Cost of Re writing records clause AOA and aggregate	50,000,000.00
	<b>Supplementary Clauses and condition</b>	
20	Minor Works-Completely erected value per project not to exceed INR 1 cr & INR 5 cr in aggregate combining all projects during the year being the value of the said minor works at the commencement thereof.	50,000,000.00

Sr. No	Description Of Add On Cover	Sum Insured (Rs.)
21	Claims Preparation Cost- AOA and in aggregate	50,000,000.00
22	Employee personal property AOA and aggregate	50,000,000.00
23	Extra expenses Aggregate limit	10,000,000.00
24	Loss minimisation expenses including firefighting expense AOA and in aggregate	50,000,000.00
25	Control of damage property- 5 Crs AOA and in aggregate	50,000,000.00
26	Immediate repairs AOA and aggregate	50,000,000.00
27	Pair and Set clause AOA and aggregate	50,000,000.00
28	Inhibition Cost AOA and aggregate	50,000,000.00
29	Destruction cost AOA and aggregate	50,000,000.00
30	Electrical clause AOA and aggregate	50,000,000.00
31	Deliberate Damage clause AOA and aggregate	50,000,000.00
32	Sprinkler upgradation cost arising out of insured perils AOA And aggregate	50,000,000.00
33	Undamaged foundations AOA and aggregate	50,000,000.00
34	"Errors and omission clause - AOA and aggregate 5 crs with wording as below It is hereby understood and agreed that the coverage afforded by this Policy shall not be invalidated or affected by any unintentional errors omissions or improper description in the Policy provided that the error omission and/or corrected description is reported as soon as practicable after discovery. Subject otherwise to the terms, exceptions and conditions of the Policy"	50,000,000.00
35	Capital additions 5 crs AOA And aggregate	50,000,000.00
36	OEM clause - Covered for the limit of 25% of sum insured subject to max of INR 5 crs AOA and aggregate	50,000,000.00

## SECTION II: BUSINESS INTERRUPTION

Sr.No	Description Of Add On Cover	Sum Insured (Rs.)
1	Auditors Fees AOA and aggregate	50,000,000.00
2	Additional Increased Cost of Working Aggregate	50,000,000.00
3	Accidental Failure of Public (Electricity/ Gas/ Water) Supply Aggregate	50,000,000.00
4	Un-named suppliers & customers premises extension aggregate limit	50,000,000.00
	<b>Supplementary Clauses and condition</b>	
5	Prevention of access with maximum limit of 30 days (over & above the policy time excess) and with maximum radius of 5 kilometers from insured premises & only inland	339,194,641.00

## DESCRIPTION OF PROPERTY INSURED

## SECTION I: FIRE - MATERIAL DAMAGE

Sr.No	Risk Location	Occupancy	Details Of the Property Insured	Sum Insured (Rs.)
1	As per Annexure A	Electronic Software Park / Electronic Software Development Unit/s	All Physical assets at or attached to above premises including but not limited to Building Electrical Installation & all Civil Structures (including Plinth & Foundations and their various columns) incl. but not limited to Compound Wall, Gates, Bore Well , Scurity Cabin, Road ,internal roads ,improvement to building, landscaping, work done for Family entertainment centre,	14,306,838,961.00

			façade, site development & such other constructions, Landscape , Furniture, Fixtures, Fittings +Computer + Fit out for clients and Plate glass, and other iteam related to Insured trade,	
			Money,Demand Draft,Cheque,Foreign Currency and others	2,500,000.00
<b>TOTAL</b>				<b>14,309,338,961.00</b>

## SECTION II: BUSINESS INTERRUPTION

Sr. No	Description	Risk Location	Indemnity period	Sum Insured (Rs.)
1	Annual Gross Profit	As per annexure A	24 months	4,126,868,135.00
2	FLOP Sum Insured			8,253,736,269.00

## SECTION VI: ELECTRONIC EQUIPMENT

Sr.No	Risk Location	Description of property insured	Sum Insured (Rs.)
1	SUNDEW SEZ: B# 12A, 12B, 12C, 12D, 14 AND 20 - K RAHEJA IT PARK, APIIC SOFTWARE UNIT LAYOUT, HITECH CITY, MADHAPUR, HYDERABAD., TELANGANA, PIN - 500081	Electronic Equipment	409,817,356.00

## CLAUSES AND EXTENSIONS

Sr. No	Section	Clauses
I	Fire – Material Damage	1. 72 Hours Clause 2. Designation Of Property Clause 3. Reinstatement Value Clause (Not applicable on stocks) 4. Local Authority Clause (Not applicable on stocks) 5. Earthquake (Fire&Shock) Inclusion 6. Removal of Debris (In excess of 1% of claim amount) (including foreign debris, slush removal, dewatering expenses sub-limited to INR 50 lacs AOA and aggregate) 7. Architects, Surveyors And Consulting Engineers Fees (In Excess Of 3% Of The Claim Amount) 8. Omission to Insure 5% of sum insured (excluding stocks) 9. STFI inclusion 10. Escalation Clause 11. Employee personal property cover 12. Breakage Of Fixed Glass And Outdoor Signs 13. Obsolete Parts Clause 14. De Contamination and cost of clean up AOA and aggregate 15. Modification cost/Incompatibility expenses 16. Computer Records Clause AOA and aggregate 17. Tenant's Improvements clause 18. Tenants Clause AOA and aggregate 19. Expediting Costs AOA and aggregate 20. Cost of Rewriting records clause 21. Protection And Preservation Of Property AOA and aggregate 22. Valuable Papers & records AOA and aggregate 23. Additional Custom Duty/Import tax cost AOA and aggregate 24. Shut Down-Start Up clause AOA and aggregate 25. Leak Search and Finding Cost AOA and aggregate 26. Automatic reinstatement clause upto INR 5 crs AOA and aggregate

Sr. No	Section	Clauses
		27. DG Set Endorsement For Loss Minimisation (For MBD Section) 28. Landscaping cost INR 5 crs subject to inclusion in total sum insured 29. Claims Preparation Cost- AOA and in aggregate 30. Employee personal property AOA and aggregate 31. On account payment clause 32. Loss minimisation expenses including firefighting expense AOA and in aggregate 33. Control of damage property- 5 Crs AOA and in aggregate 34. Immediate repairs AOA and aggregate 35. Pair and Set clause AOA and aggregate 36. Inhibition Cost AOA and aggregate 37. Destruction cost AOA and aggregate 38. Electrical clause AOA and aggregate 39. Deliberate Damage clause AOA and aggregate 40. Sprinkler upgradation cost arising out of insured perils AOA And aggregate 41. Undamaged foundations AOA and aggregate 42. Capital additions 5 crs AOA And aggregate 43.
2	Business Interruption (FLOP)	44. Departmental clause 45. Alternative Basis Clause 46. Insurance on Gross Profit on Difference Basis 47. Auditors clause 48. Return of premium clause 49. Revenue Basis 50. Difference Basis

**SPECIAL CONDITIONS, WARRANTIES AND EXCLUSIONS**

Sr. No	Section	Special conditions, warranties and exclusions
I	Fire – Material Damage	<ol style="list-style-type: none"> <li>1. Warranted Basement is used for car parking &amp;/or housing of utilities only</li> <li>2. Warranted that Kutcha Construction (if any) is not covered</li> <li>3. Kutcha Construction : Building (s) having walls and / or roofs of wooden planks/ Thatched leaves and / or grass /hay of any kind/ bamboo / plastic / cloth / asphalt</li> <li>4. Warranted that hazardous goods of Category I, II, III, Coir waste, coir fibre and Caddies are not stored therein. (applicable for Godown risk &amp; to be suitably modified by UW)</li> <li>5. For the detailed list of Hazardous goods Category I, II and III kindly refer our company website <a href="https://customersupport.hdfcergo.com/documents/Downloads/hazardous-goods.pdf">https://customersupport.hdfcergo.com/documents/Downloads/hazardous-goods.pdf</a></li> <li>6. Machinery/FFF/Office Equipment held in trust- subject to included in total sum insured</li> <li>7. Sum insured for walls, gates and fences, small outbuildings, extensions, annexes, exterior staircase and steel or iron frameworks in the said premises subject to inclusion in total sum insured</li> <li>8. Machinery and equipments temporarily removed for repairs, cleaning, renovation or other similar purpose for a period not exceeding 60 days which is inbuilt cover under IAR</li> <li>9. Minor Works-Completely erected value per project not to exceed INR 1 cr &amp; INR 5 cr in aggregate combining all projects during the year being the value of the said minor works at the commencement thereof.</li> <li>10. All payments to be made to escrow account only</li> <li>11. EXTRA EXPENSE:</li> </ol> <p>Measurement of Loss:            The recoverable EXTRA EXPENSE loss will be the reasonable and necessary extra costs incurred by the Insured of the following during the PERIOD OF LIABILITY:            1) extra expenses to temporarily continue as nearly normal as practicable the conduct of the Insured's business; and            2) extra costs of temporarily using property or facilities of the Insured or others, less any value remaining at the end of the PERIOD OF LIABILITY for property obtained in connection with the above.</p> <p>This Policy does not insure:            1) Any loss of income.            2) Costs that usually would have been incurred in conducting the business during the same period had no physical loss or damage happened.            3) Costs of permanent repair or replacement of property that has been damaged or</p>



		<p>destroyed.</p> <p>4) Any expense recoverable elsewhere in this Policy.</p> <p>Period of Liability : 12month</p> <p>Deductibles: Policy deductibles</p> <p>Waiting Period: 1 day</p> <p>Limit : AOA:AOY: 1 Cr</p> <p>12. On account payment clause upto 50% of claim amt on the maximum crystalized liability after Surveyors Inspection on case to case basis subject to admissibility of claim</p> <p>13. Sprinkler upgradation cost arising out of insured perils AOA And aggregate</p> <p>14. Errors and omission clause - AOA and aggregate 5 crs with wording as below It is hereby understood and agreed that the coverage afforded by this Policy shall not be invalidated or affected by any unintentional errors omissions or improper description in the Policy provided that the error omission and/or corrected description is reported as soon as practicable after discovery. Subject otherwise to the terms, exceptions and conditions of the Policy</p> <p>15. Expiration clause - If this policy should expire or be cancelled while an insured event affecting the Property Insured is in progress, it is understood and agreed that Insurers, subject to all other terms and conditions of this Policy, are responsible as if the entire loss had occurred prior to the expiration of this insurance.</p> <p>16. Resilient Repairs Extension - INR 5 Crs AOA and aggregate This insurance extends to include the reasonable additional cost of reinstatement incurred with the consent of the insurers to make Resilient Repairs during the reinstatement, repair or replacement of the Property Insured following Damage. For the purposes of this extension, Resilient Repairs shall mean improvements intended to mitigate and if possible prevent a recurrence of the same insured peril, including but not limited to the type of materials used in the reinstatement of the Property Insured, and the design and construction of the building and its internal and external fixtures and fittings.</p> <p>17. Property Sustainability Clause - INR 5 Crs AOA and aggregate This policy extends to include the additional costs upto INR 5Cr, incurred by the insured resulting from a loss or damage insured under this policy, in case the reinstatement, rebuilding, salvage and/or clearance is being conducted in a sustainable way but reinstated/repared structure no way superior to the structure prior to the occurrence of loss</p>
VI	ElectronicequipmentIns urance	<p>1. Terrorism Damage Exclusion Warranty.</p> <p>2. Exclusion Of Damage Caused By Fire And AlliedPerils</p> <p>3. AssetCapitalization Clause - Coverageisrestricted to those items which have been capitalized on the date of Inception of coverunderthis Policy. Additions willberequired to becovered by payment of additional premium and coverwillbe effective from the date of receipt of premium. In case of a claim, itwillbe the duty of insured to provethat the said item was in the Capitlised List of items. Under insurance if any as per the policy condition shallbeapplied. All otherterms and condition remainunaltered.</p>
	Business Interruption	<p>4. Prevention of access with maximum limit of 30 days (over &amp; above the policy time excess) and with maximum radius of 5 kilometers from insured premises &amp; only inland. Coverage under this section shall extend to include loss or reduction resulting from cessation, interruption, interference or inhabitation to the business as consequence of physical destruction of or damage to property belonging to the Insured or property within a radius of 5 kms from the insured premises (inland only) which prevents or hinders the use of or access to the premises (excluding port blockage).</p> <p>5. Accidental Failure of Public (Electricity/ Gas/ Water) Supply (For maximum limit of 17 % of business interruption SI subject to maximum of INR 5 crs ) - Coverage restricted to FLEXA &amp; AoG perils upto First Tier/ Direct Utility Providers premises Only. Terrorism risk is not covered for this extension.Coverage is restricted to last off take (Terminal) point only. Waiting Period - 24 Hours. Indemnity Period - max 60 days. The limits specified are in aggregate across all onshore public utilities.</p> <p>6. Unnamed Customers &amp; Suppliers Premises Extension - Coverage restricted to First Tier/ Direct Domestic Customers &amp; Suppliers premises Only for FLEXA perils only. Terrorism risk is not covered for this extension.Maximum up to 10% of BI sum insured and not to exceed INR 5 cr any one loss/aggregate whichever is less. The limits specified are in aggregate across all onshore Customers &amp; Suppliers.</p> <p>7. Additional Increase cost of working - It is hereby agreed and declared that</p>



		<p>notwithstanding anything contained herein to the contrary, this policy extends to cover costs and expenses necessarily and reasonably incurred during the indemnity period in consequence of the 'Damage' and not otherwise payable under Loss of Gross Profit Provision (increase in cost of working) for the purposes of maintaining the business, it being understood that if any such costs under Loss of Gross Profit provisions (Reduction in turnover and increase in cost of working) are of a capital asset nature then account shall be taken of the residual value of such capital items so involved existing at the end of the maximum Indemnity Period. Limit : 10% of limit of indemnity ( BI SI / BI Loss limit ) Subject to Maximum amount INR 5 Cr</p> <p>8.</p>
	General Clause	<ol style="list-style-type: none"> <li>1. Sanction And Embargo Clause</li> <li>2. Cyber Exclusion Clause - NMA 2915 Electronic Data Endorsement B</li> <li>3. Communicable Disease Exclusion Clause</li> <li>4. Aggred Bank Clause</li> </ol>

<b>For Queries/Claim Services</b>	<b>Toll-free</b>	022-6234 6234	<b>E-mail</b>	<a href="mailto:care@hdfcergo.com">care@hdfcergo.com</a>	<b>HSN Code</b>	<b>9971</b>
<b>Address</b>	6th Floor, Leela Business Park, Andheri-Kurla Road, Andheri(E), Mumbai 400 059.					

Goods and Service Tax Registration No: 27AABCL5045N1Z8

The contract will be cancelled abintio in case; the consideration under the policy is not realized. The stamp duty of Rs. 0.5/- Fifty Paise only paid by Demand Draft, vide Receipt/Challan no LOA NO. CSD/366/2022/2430 (Validity Period Dt. 06/06/2022 to Dt.31/03/2023) DATE- 06/Jun/2022 as prescribed in Government as prescribed in Government Notification Revenue and Forest Department No Mudrank - 2017/CR.97/M-1, dated 09/01/2018.

**Note:** Where the proposal form is not received, information obtained from insured, whether orally or otherwise, is captured in the policy document. Discrepancies, if any, in the information contained in the policy document may be pointed out by an insured within 15 days from the policy issue date after which information contained in the policy document shall be deemed to have been accepted as correct.

The company may cancel the policy by sending 15 days notice in case of any fraud, misrepresentation, non disclosure of material fact or non cooperation of the insured as per Regulation 11.1.(xiii) of IRDAI (Protection on Policy Holders interests) Regulations, 2017.

The Company shall be under no obligation to renew the policy on expiry of the period for which premium has been paid. The Company reserves the right to offer revised rates, terms and conditions at renewal based on claim experience and a fresh assessment of the risk. This policy may be renewed only by mutual consent and subject to payment in advance of the total premium at the rate in force at the time of renewal. The Company, however, shall not be bound to give notice that the policy is due for renewal or to accept any renewal premium. Unless renewed as herein provided, this policy shall automatically terminate at the expiry of the period for which premium has already been paid.

<b>Branch :</b>	6th Floor, Leela Business Park, Andheri-Kurla Road, Andheri(E), Mumbai 400 059
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**Intermediary Name:** Unilight Insurance Brokers Private Limited

**Intermediary Code :** 200707801097

For HDFC ERGO General Insurance Company Ltd.



Duly Constituted Attorney

## Annexure A Risk Location

Sr. No	Risk Location	Occupancy	All Physical assets at or attached to above premises including but not limited to Building Electrical Installation & all Civil Structures (including Plinth & Foundations and their various columns) incl. but not limited to Compound Wall, Gates, Bore Well, Security Cabin, Road, internal roads, improvement to building, landscaping, work done for Family entertainment centre, façade, site development & such other constructions, Landscape, Furniture, Fixtures, Fittings +Computer + Fit out for clients and Plate glass, and other item related to Insured trade,	Money, Demand Draft, Cheque, Foreign Currency and others	Gross Profit	BI Sum Insured
1	SUNDEW SEZ: B# 12A, 12B, 12C, K RAHEJA IT PARK, APIIC SOFTWARE UNIT LAYOUT, HITECH CITY, MADHAPUR, , HYDERABAD, HYDERABAD., TELANGANA, PIN - 500081	Electronic Software Park / Electronic Software Development Unit/s	6,950,040,008	2,500,000	1,787,895,754	3,575,791,508
2	SUNDEW SEZ: B# 12D - K RAHEJA IT PARK, APIIC SOFTWARE UNIT LAYOUT, HITECH CITY, MADHAPUR, , HYDERABAD, HYDERABAD., TELANGANA, PIN - 500081	Electronic Software Park / Electronic Software Development Unit/s	4,534,798,318		1,402,295,327	2,804,590,654
3	SUNDEW SEZ: B# 14 - K RAHEJA IT PARK, APIIC SOFTWARE UNIT LAYOUT, HITECH CITY, MADHAPUR, , HYDERABAD, HYDERABAD., TELANGANA, PIN - 500081	Electronic Software Park / Electronic Software Development Unit/s	599,713,286		364,756,944	729,513,888
4	SUNDEW SEZ: B# 20 - K RAHEJA IT PARK, APIIC SOFTWARE UNIT LAYOUT, HITECH CITY, MADHAPUR, , HYDERABAD, HYDERABAD., TELANGANA, PIN - 500081	Electronic Software Park / Electronic Software Development Unit/s	2,222,287,349		571,920,110	1,143,840,219
			<b>14,306,838,961</b>	<b>2,500,000</b>	<b>4,126,868,135</b>	<b>8,253,736,269</b>

**CLAUSES:**

(Section I of Schedule, Attached to and forming part of Policy No: **2999204688916900000**)

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**LOCAL AUTHORITIES CLAUSE**

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The insurance by this Policy extends to include such additional cost of reinstatement of the destroyed or damaged property hereby insured as may be incurred solely by reason of the necessity to comply with the Building or other Regulations under or framed in pursuance of any act of Parliament or with Bye-laws of any Municipal or Local authority provided that

1. The amount recoverable under this extension shall not include :

- a) the cost incurred in complying with any of the aforesaid Regulations or Bye-laws,
  - i) in respect of destruction or damage occurring prior to the granting of this extension,
  - ii) in respect of destruction or damage not insured by the Policy,
  - iii) under which notice has been served upon the Insured prior to the happening of the destruction of damage,
  - iv) in respect of undamaged property or undamaged portions of property other than foundations (unless foundations are specifically excluded from the insurance by this Policy) of that portion of the property destroyed or damaged,
- b) the additional cost that would have been required to make good the property damaged or destroyed to a condition equal to its condition when new had the necessity to comply with any of the aforesaid Regulations or Bye-laws not arisen,
- c) the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid Regulations or Bye-laws.

2. The work of reinstatement must be commenced and carried out with reasonable dispatch and in any case must be completed within twelve months after the destruction or damage or within such further time as the Company may (during the said twelve months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid Regulations or Bye-laws so necessitate) subject to the liability of the Company under this extension not being thereby increased.

3. If the liability of the Company under (any item of) the Policy apart from this extension shall be reduced by the application of any of the terms and conditions of the Policy then the liability of the Company under this extension (in respect of any such item) shall be reduced in like proportion.

4. The total amount recoverable under any item of the Policy shall not exceed the sum insured thereby.

All the Conditions of the Policy except in so far as they may be hereby expressly varied shall apply as if they had been incorporated herein.

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**DESIGNATION OF PROPERTY CLAUSE**

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For the purpose of determining, where necessary, the item under which any property is insured, the Company agrees to accept the designation under which the property has been entered in the Insured's books.

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**REINSTATEMENT VALUE CLAUSE**

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It is hereby declared and agreed that in the event of the property insured under the stated items within the Policy being destroyed or damaged, the basis upon which the amount payable under (each of the said items of) the Policy is to be calculated shall be cost of replacing or reinstating on the same site or any other site with property of the same kind or type but not superior to or more extensive than the insured property when new as on date of the loss, subject to the following Special Provisions and subject also to the terms and conditions of the Policy except in so far as the same may be varied hereby.

**Special Provisions**

1. The work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable dispatch and in any case must be completed within 12 months after the destruction or damage or within such further time as the Company may in writing allow, otherwise no payment beyond the amount which would have been payable under the Policy if this memorandum had not been incorporated therein shall be made.

2. Until expenditure has been incurred by the Insured in replacing or reinstating the property destroyed or damaged the Company shall not be liable for any payment in excess of the amount which would have been payable under the Policy if this memorandum had not been incorporated therein.

3. If at the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the property covered had been destroyed, exceeds the Sum Insured thereon or at the commencement of any destruction or damage to such property by any of the perils insured against by the Policy, then the Insured shall be considered as being his own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of the Policy (if more than one) to which this memorandum applies shall be separately subject to the foregoing provision.

4. This Memorandum shall be without force or effect if

- a) the Insured fails to intimate to the Company within 6 months from the date of destruction or damage or such further time as the Company may in writing allow his intention to replace or reinstate the property destroyed or damaged.
- b) the Insured is unable or unwilling to replace or reinstate the property destroyed or damaged on the same or another site.

#### **EARTHQUAKE (FIRE AND SHOCK) (WHEN STORM, TEMPEST, FLOOD, INUNDATION PERILS ARE COVERED)**

In consideration of the payment by the Insured to the Company of the additional premium, it is hereby agreed and declared that notwithstanding anything stated in the printed Exclusions of this Policy to the contrary, this insurance is extended to cover loss or damage (including loss or damage by fire) to any of the property insured by this Policy occasioned by or through or in consequence of Earthquake including Flood or Overflow of the sea, lakes, reservoirs and rivers and/or Landslide / Rockslide resulting therefrom.

Provided always that all the conditions of this Policy shall apply (except in so far as they may be hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by any of the perils which this insurance extends to include by virtue of this Endorsement.

#### **Special conditions**

##### **1. Excess**

Location having Sum Insured up to INR 10 Cr - 5% of claim amount subject to a minimum of Rs 10,000/-

2. This extension cover applies only if the entire property in one complex / compound / location covered under this Policy is extended to cover this risk and the Sum Insured for this extension is identical to the Sum Insured against the risk covered under Policy except for the value of the plinth and foundations of the building(s).

##### **3. Onus of proof**

In the event of the Insured making any claim for loss or damage under this Policy he must (if so required by the Company) prove that the loss or damage was occasioned by our through or in consequence of Earthquake.

#### **ARCHITECTS, SURVEYORS AND CONSULTING ENGINEERS FEE (IN EXCESS OF 3% OF THE CLAIMS AMOUNT)**

It is hereby declared and understood that the expenses incurred towards Architects, Surveyors and Consulting Engineers fees for plans, specification tenders, quantities and services in connection with the superintendence of the reinstatement for the Building, Machinery, Accessories and equipment insured under this Policy up to 7.5% of the adjusted loss is covered, but it is understood that this does not include any cost in connection with the preparation of the Insured's claim or estimate of loss in the event of damage by the insured perils.

#### REMOVAL OF DEBRIS (IN EXCESS OF 1% OF THE CLAIM AMOUNT)

It is hereby declared and understood that the insurance extends to cover costs and expenses necessarily incurred by the Insured

- in the removal of debris from the premises of the Insured;
- dismantling or demolishing;
- shoring up or propping;

of the portion or portions of the property insured (specified as being insured by this Endorsement in the Schedule of) this Policy destroyed or damaged by perils hereby insured against but not exceeding in the aggregate the amount (limited to 10% of the total sum insured) stated in the Schedule in respect of this Endorsement.

#### OMISSION TO INSURE ADDITION, ALTERATION OR EXTENSIONS

The insurance by this Policy extends to cover Buildings and/or Machinery, Plant and other Contents as defined in the Schedule hereof which the Insured may erect or acquire or for which they may become responsible:-

1. at the within described premises
2. for use as factories

- a) The liability under this Extension shall not exceed in respect of (1) above, 5% of the Sum Insured by items of the Schedule, in respect of (2) above, 5% of the Sum Insured by items of the Schedule.
- b) The Insured shall notify the Company of each additional insurance as soon as it shall come to their knowledge and shall pay the appropriate additional premium thereon from the date of inception.
- c) Following the advice of any additional insurance as aforesaid, cover by this extension shall be fully reinstated.
- d) No liability shall attach to the Company in respect of any Building, Machinery Plant or other contents while such property is otherwise insured.

All new additions to Buildings and/or Machinery and Plant not specifically insured/included during the currency of the Policy should be declared at the end of the year and suitable additional premium paid on pro rata basis from the date of completion of construction/erection of additions may be suitably adjusted.

If the Insured fails to declare the values of such additions within 30 days after expiry of the Policy, there shall be no refund of the advance premium collected.

"Other contents" in the above Clause shall mean "Furniture and Fittings" and does not include 'stocks'.

#### ESCALATION CLAUSE

In consideration of the payment of an additional premium amounting to 50% of the premium produced by applying the specified percentage to the first or the annual premium as appropriate on the under noted items(s) the Sum(s) Insured thereby shall, during the period of insurance, be increased each day by an amount representing  $\frac{1}{365^{th}}$  of the specified percentage increased per annum.

Unless specifically agreed to the contrary the provisions of this clause shall only apply to the sums insured in force at the commencement of each period of insurance.

At each renewal date the insured shall notify the Insurers:-

1. The sum to be insured under each item above, but the absence of such instructions the Sums Insured by the above items shall be those stated on the policy (as amended by the any endorsement effective prior to the aforesaid renewal date) to which shall be added the increases which have accrued under this Clause during the period of insurance upto that renewal date, and
2. The specified percentage increase(s) required for the forthcoming period of insurance, but in the absence of instructions to the contrary prior to renewal date the existing percentage increase shall apply for the period of insurance from renewal.

All the conditions of the policy in so far as they may be hereby expressly varied shall apply as if they had been incorporated herein.

## 72 HOURS CLAUSE

Only for the purpose of the application of any Deductible all loss, destruction, damage or Interruption resulting from Earthquake, Storm, Flood, occurring during each period of 72 consecutive hours shall be considered as one event. Each event shall be deemed to have commenced on the first happening of any such loss destruction or damage not within the period of any previous event

## ACCIDENTAL DAMAGE COVER CLAUSE

In consideration of the payment of additional premium, it is hereby declared and agreed that the insurance under this policy shall, subject to terms, conditions and exclusions of this Policy and also subject to terms, conditions and exclusions hereinafter contained,

Extend to cover the property described in the Schedule of this Policy, destroyed or damaged by Accidental External Damage, however the liability of the Company shall in no case exceed in respect of each item the sum expressed in the said Schedule to be insured thereon or in the whole the total Sum Insured hereby.

### EXCLUSIONS APPLICABLE TO THIS EXTENSION

The company shall not be liable for

#### 1. Damage caused by

(a) any of the perils mentioned in Standard Fire and Special Perils policy, Terrorism cover clause and Business Interruption including any of the causes expressly excluded from the perils mentioned in Standard Fire and special Perils policy (whether or not insured) ,Forest Fire, Impact Damage due to Insured's own Rail/Road Vehicles, Fork lifts, Cranes,Stackers and the like and articles dropped there from, Spontaneous Combustion, Leakage and Contamination, Spoilage Material Damage, Deterioration of Stocks due to any cause, Breakage Of Fixed Glass And Outdoor Signs, Broad Water Damage

(b) to any property caused by its own faulty design or material, inherent vice, latent defect gradual deterioration, wear and tear, faulty or defective workmanship, operational error or omission on the part of the Insured or any of their employees but this shall not exclude subsequent damage which itself from a cause not otherwise excluded

(c) caused by corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or Insects, mechanical or electrical Breakdown or derangement in respect of the particular machine apparatus or equipment in which the Breakdown or derangement originates , change in temperature, color, flavor, texture or finish, joint leakage , failure of welds ,cracking, fracturing ,collapse or overheating of boilers , economizers, super heaters, pressure vessels or any range of steam and feed piping in connection therewith, breakage, cracking or scratching of crockery, glass, cameras, binoculars, lenses, sculptures, curios, pictures, musical instruments, sports gear or similar articles of a brittle or fragile nature unless caused by fire or accident to the means of conveyance.

(d) caused by pollution or contamination , acts of fraud or dishonesty, unexplained disappearance or inventory shortage misfiling or misplacing of information process defects or rejections

(e) to a building or structure caused by its own collapse or cracking ,moveable property in the open fences and gates by wind rain hail sleet snow flood or dust , property resulting from its undergoing any process of production testing commissioning servicing or repair and property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection

(f) property in transit outside the insured premises

(g) Money and securities of any description

#### 2. The Excess mentioned in the policy

#### 3. Loss, destruction or damage to the stocks in Cold Storage premises caused by change in temperature

4. Loss, destruction or damage to any electrical and / or electronic machine, apparatus, fixture or ficing (excluding fans and electrical wiring in dwellings) arising from or occasioned by overrunning, excessive pressure, short circuiting, arcing, self – heating, or leakage of electricity,from whatever cause (lightning included) provided that this exclusion shall apply only to the



particular electrical machine, apparatus, fixture or fitting so affected and not to other machines, apparatus, fixture, or fittings which may be destroyed or damaged by fire so set up.

5. Loss or damage by spoilage resulting from the retardation or interruption or cessation of any process or operation.

6. Loss by theft and burglary

7. Loss or damage occasioned by or through or in consequence directly or indirectly due to earthquake, Volcanic eruption or other convulsions of nature.

8. Damage to belts, ropes, chains, rubber tyres, dies, moulds, blades, cutters, knives or exchangeable tools, engraved or impression cylinders or rolls; objects made of glass, porcelain, ceramics, all operating media (e.g. lubricating oil, fuel, catalysts, refrigerants etc.) felts, endless conveyor belts or wires, sieves, fabrics, heat resisting and anti-corrosive linings and parts of similar nature, packing material, parts not made of metal (except insulating material) and non-metallic lining or coating of metal parts.

Definition : 'Breakdown' means the actual failure or breaking, distortion or burning out of any part of the Machinery, Equipment and Plant whilst in use arising out of mechanical or electrical defects in the item.

Limit of Indemnity: The Indemnity provided under this extension, is limited to the amount specified in the schedule.

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#### **EMPLOYEE PERSONAL PROPERTY COVER**

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In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, the policy extends to cover the loss and/or damage of employee's personal property at the insured premises for which insured is responsible provided that the insurer would not be responsible to pay more than what limit per employee per event set by the insured. Loss not payable if the damaged property is specifically insured in some other policy

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#### **BREAKAGE OF FIXED GLASS AND OUTDOOR SIGNS**

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It is hereby noted and agreed that breakage (which for the purpose of this clause shall not include damage by scratches) of any of the fixed glass and/or outdoor signs mentioned in the schedule below not occasioned by or happening through:

1. Fire and Explosion

2. War, invasion, Act of Foreign Enemy, Hostilities (whether war be declared or not), Civil War, Revolution, Insurrection or Military Usurped Power.

The company shall pay or make good to the Insured the intrinsic value thereof together with the cost of any necessary boarding up pending replacement up to % of the policy sum insured for building or subject to amount which is mentioned in schedule.

#### **CONDITIONS:**

1. This policy covers loss or damage to:

a) Framework of Frame of any description

b) The removal or replacement of any fitting or fixtures in order to replace glass.

2. All the glass described by this policy is insured only so long as it is fixed. If there be an alteration of the premises, or in the tenancy, occupancy of or business carried on or in the building containing the glass described in this policy, or if the premises should become void or disused, then and in every such case the same must be immediately notified to the company if the risk is increased and the company shall have the option of charging a suitable extra premium or refusing to continue the insurance.

3. All salvage glass shall be property of the Company and must be carefully preserved and it shall be at the option of the Company either to pay to the Insured the amount of the intrinsic value in money or make replacement, with the glass of similar manufacture and quality.

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**ELECTRICAL CLAUSE/ ELECTRICAL INSTALLATION CLAUSE**

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Loss or damage by fire to the electrical appliance and installation insured by this Policy arising from or occasioned by overrunning, excessive pressure, short circuit, arcing, self-heating or leakage of electricity, from whatever cause (lightning included) is covered subject to the terms and conditions of this Policy, but it is expressly understood that no liability exists under this Policy for loss or damage to any electrical machine, apparatus, fixture or fittings or to any portion of the electrical installation, unless caused by fire or lightning.

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**OBSOLETE PARTS CLAUSE**

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It is noted and agreed that in the event of spare parts currently insured under this policy becoming obsolete following an indemnifiable loss to the operating unit and/or units to which they belong, such spare parts shall also be deemed a constructive total loss, provided that such parts cannot be used as spares for any other units within the premises of the insured. The company retains the salvage rights over such parts.

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**ACCOUNT RECEIVABLE CLAUSE**

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In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, the policy extends to cover the shortage in collection of accounts receivable resulting from insured physical loss or damage including accounts receivable records stored as electronic data or reconstruction cost of such records whichever is lower.

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**DE CONTAMINATION AND COST OF CLEAN UP**

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In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, the policy extends to cover the cost of decontamination and/or clean up cost of insured property contaminated including but not limited to presence of pollution or hazardous materials in compliance with the regulatory requirement/s as a result of physical damage to the insured property due to insured perils. This coverage is applicable to only that part of insured property contaminated as a direct result of insured physical damage. Company is not liable for the costs involved in removal of neither contaminated uninsured property nor the contaminant therein, whether or not the contaminant results from an insured event.

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**MODIFICATION COST/INCOMPATIBILITY EXPENSES**

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Extension to cover the cost or expenses for modification of (A) damaged or undamaged equipments including but not limited to computers and ancillary equipments and/or (B) the cost of replacement/restoration and recompilation of computer records to mitigate the incompatibility between the replaced equipment and undamaged equipment and/or computer records. Insurer will indemnify the cost to achieve compatibility between the above two situation whichever is lesser subject to limit as mentioned in schedule.

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**COST OF RE WRITING RECORDS CLAUSE**

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It is hereby agreed and declared that company will Indemnify the insured cost, charges and expenses incurred in replacing and/or restoring documents but only for the value of the material and not for their value to the insured which may have been destroyed, lost or mislaid. The documents may be deeds, books, plans agreements, maps, plans, record, certificates and likes but not bonds, currency notes, coupons and other negotiable instruments

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**EXPEDITING COSTS CLAUSE**

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The Insurer shall indemnify the Insured up to the limit of indemnity as specified in the schedule, in respect of reasonable extra costs for overtime, night-work, work on public holidays, express freight (except airfreight) incurred to rectify loss of or damage to property Insured.

Subject otherwise to the terms, exceptions and conditions of the Policy.

## PROTECTION AND PRESERVATION OF PROPERTY CLAUSE

This Policy covers: 1. reasonable and necessary costs incurred for actions to temporarily protect or preserve insured property; provided such actions are necessary due to actual, or to prevent immediately impending, insured physical loss or damage to such insured property. 2. Reasonable and necessary: a) fire department fire fighting charges imposed as a result of responding to fire in, on or exposing the insured property. b) Costs incurred on restoring and recharging fire protection systems following an insured loss. c) Costs incurred for the water used for fighting a fire in, on or exposing the insured property. This Additional Coverage is subject to the deductible provisions that would have applied had the physical loss or damage occurred. Indemnity limited upto the amount specified in the schedule per event and in aggregate. Subject otherwise to the terms, exceptions and conditions of the Policy

## MINOR WORK

It is understood and agreed that these Sections of the Policy automatically include minor alterations and/or construction and/or re-construction and/or additions and/or maintenance and/or testing and commissioning and/or modifications and/or work carried out on any of the property insured under this policy, subject to a maximum contract value as specified in schedule any one Project (as specified in the schedule) being the value of the said Project at the commencement thereof. Notwithstanding other terms and conditions herein, this Extension of the Policy shall only pay in excess of more specific insurance, if any, arranged in respect of minor works. The deductibles applicable to this Policy shall not apply where the amount payable under such other insurance exceeds the deductible herein but in no case shall any loss be payable below the deductible amount herein. Any Consequential Loss, following a loss covered hereunder, is excluded

## CLAIM PREPARATION COST

On costs and expenses necessarily and reasonably incurred by the insured following loss or damage to the property insured. I. to reconstruct and recompile records (but not for the value to the insured of the insured information contained therein) II. to extract and compile information required by the Company from the insured's own records for the purpose of preparing a claim under the Policy but excluding legal, investigation fees/expenses incurred for the purpose of contesting any issue over the Company's Liability under the Policy. Provided always that no amount shall be recoverable under this endorsement if subsequent to the incurrence of any expenses, the Company shall deny liability for any claim in respect of which the expenses have been incurred (with or without the consent of the Company)

## COMPUTER RECORD CLAUSE

It is hereby declared and noted that the policy provides cover against loss of data, data media and records, as well as its regeneration up to the amount as specified in the schedule subject to: 1. the loss of data, data media and records having been caused by a damage covered under section I 2. data / software back-up being kept in fireproof safe 3. The following special exclusions shall apply: a) loss or damage for which the repair company or maintenance company is contractually liable. b) any costs for standard adjustment, rectifying functional failures and maintenance of insured object unless necessary in connection with the repair of an insured loss c) normal wear and tear of media. d) erroneous programming, perforating, loading or printing. e) Any consequential loss or damage Subject otherwise to the terms, exceptions and conditions of the Policy.

## VALUABLE PAPERS & RECORDS CLAUSE

The Insurer shall indemnify the Insured up to the limit of indemnity *as specified in the schedule*, in respect of physical loss or damage to documents, business books, registered mortgages, bill of lading, and any other document all of which must be of value to the Insured but only for the value of the materials as stationary together with the cost of clerical labour expended in writing up or restoring said documents but not for the value to the Insured of the information contained therein. Subject otherwise to the terms, exceptions and conditions of the Policy.

## LEAK SEARCH AND FINDING COST

In addition to indemnifiable costs of repair or replacement the company will indemnify the assured for the cost and expenses necessarily and reasonably incurred in locating and obtaining access to any part or parts of the Insured property in order to locate and repair leaks or other damages subject to limit of indemnity as specified in the schedule for each and every occurrence.

## PAIRS AND SETS CLAUSE

In the event of insured loss or damage to the personal property, this policy shall insure the resulting reduction in value of the remaining undamaged components or parts of products customarily sold as individual units or sold as pairs, sets, lots or in ranges.

At the Insured's option, the Insured may collect the full value of the pair or set provided the Insured tenders the remaining article or articles of the pair or set to the Insurer.

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**IMMEDIATE REPAIR CLAUSE**

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It is understood and agreed that in case of loss, the Insured, if they so elect, may immediately begin repairs or reconstruction but such work shall at all times be open to supervision by the Insurer and in case of dispute as to the cost of repair and/or reconstruction, the loss shall be settled in accordance with the terms of this Policy, the sole object of this Condition being not to deprive the Insured from the use of operating properties which may be necessary to their Business.

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**EXPENSE FOR LOSS MINIMIZATION**

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This Policy includes expenses for loss minimization necessarily incurred by The Insured to prevent any aggravation of an Insured Loss following a loss or damage at any Insured's Premises specified in The Schedule, including moving / shifting of property if this contributes to loss minimization, subject to a limit per loss as per schedule

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**FIRE FIGHTING EXPENSE CLAUSE**

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It is understood and agreed that this Policy includes expenses for loss minimization necessarily incurred by the Insured to prevent any aggravation of an Insured Loss following a loss or damage at any Insured's Premises specified in the Schedule, including moving / shifting of property if this contributes to loss minimization and charges raised by any local authority for the provision of fire fighting appliances called upon for the purpose of protecting the premises shall be recoverable. In case of actual or imminent loss or damage it shall be lawful and necessary for the Insured, their factors, Servants or assigns to sue, labour and travel for, in or about the Defence, safeguard and recovery of the property Insured hereunder, or any part thereof, without prejudice to this insurance, nor shall the acts of the Insured or the Insurer in recovering, saving and preserving the property Insured in case of loss or damage be considered a waiver or an acceptance of abandonment. Coverage also includes the cost of replenishment of fire fighting appliances or damage to fire fighting materials. Limit: Upto 10% of claim amount per event subject to company's overall liability not to exceed policy sum insured. Subject otherwise to the terms, exceptions and conditions of the Policy

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**TENANT'S IMPROVEMENTS CLAUSE / TENANTS CLAUSE**

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It is hereby agreed and declared that the coverage under this policy is inclusive of tenant's improvements, alterations and decorations up to the amount as specified in the schedule.

Subject otherwise to the terms, exceptions and conditions of the Policy.

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**ADDITIONAL CUSTOM DUTY/IMPORT TAX COST**

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The Insurer shall indemnify the Insured up to the limit of indemnity as specified in the schedule, in respect of the additional, extra custom duty/taxes incurred in replacing/importing equipment in a event of claim.

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**CONTROL OF DAMAGED PROPERTY CLAUSE**

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This Policy gives control of physically damaged property consisting of as specified in schedule as follows: 1. The Insured will have full rights to the possession and control of damaged property in the event of Insured physical damage to such property provided proper testing is done to show which property is physically damaged. 2. The Insured using reasonable judgment will decide if the physically damaged property can be reprocessed or sold. 3. Property so judged by the Insured to be unfit for reprocessing or selling will not be sold or disposed of except by the Insured, or with the Insured's consent. 4. Any salvage proceeds received will go to the : a. Company at the time of loss settlement; orb. Insured if received prior to loss settlement and such proceeds will reduce the amount of loss payable accordingly.

Subject otherwise to the terms, exceptions and conditions of the Policy.

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**ERRORS & OMISSIONS CLAUSE**

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It is hereby understood and agreed that the coverages afforded by this Policy shall not be invalidated or affected by any unintentional errors omissions or improper description in the Policy provided that the error omission and/or corrected description is reported as soon as practicable after discovery.

Subject otherwise to the terms, exceptions and conditions of the Policy.

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**INHIBITION COST**

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It is hereby agreed and declared that insurer will indemnify the loss or damage to undamaged property of insured damaged in order to extinguish or inhibit the spread of fire or other catastrophe insured herein up to a limit of 10% of the Sum Insured.

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**DELIBERATE DAMAGE**

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This Insurance covers physical loss of property insured or expenses incurred by the Insured directly caused by any act or order of any governmental authority acting under the powers vested in them to prevent or mitigate the pollution hazard or threat thereof, resulting directly from damage to the property insured, provided such act of governmental authority has not resulted from lack of due diligence by the Insured to prevent or mitigate such hazard or threat.

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**CAPITAL ADDITIONS CLAUSE**

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The insurance by this policy shall, subject to its terms and conditions extend to cover: any newly acquired buildings, machinery and plant in so far as the same are not otherwise insured, and; alterations, additions and improvements to buildings, machinery and plant, during the current period of insurance at any of the premises hereby insured, provided that: at any one situation this cover shall not exceed 5 pct. of the total sums insured on such property; the Insured undertake to give particulars of any such capital additions forthwith and pay such additional premiums as the Insurers may require.

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**OEM CLAUSE**

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It is further noted and agreed that in the event of accidental physical loss or damage to the Property Insured hereunder The Insured, at sole discretion, shall have the option to accept repair or replacement terms as offered by the Original Equipment Manufacturer (OEM) regardless of any other terms offered from other suppliers, manufacturers or fabricators. Provided always that the difference between the OEM quote and the lowest quote does not exceed 25% of the lowest quote and quotes are based on same technological specifications

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**EXPIRATION CLAUSE**

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If this Policy should expire or be cancelled while an insured event is in progress, it is understood and agreed that Insurers, subject to all other terms, exceptions and conditions of this Policy, are responsible as if the entire loss had occurred prior to the expiration of this insurance.

Subject otherwise to the terms, exceptions and conditions of the Policy.

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**WAIVER OF UNDER INSURANCE CLAUSE**

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It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions if, in the event of loss or damage, it is found that the sum insured is less than the amount required to be insured, then the amount recoverable by the insured under this section shall be reduced in such proportion as the sum insured bears to the amount required to be insured. Provided, however, if the said sum insured in respect of such item(s) of the schedule shall not be less than 85% of the value of the item(s) thereat, this condition shall be of no purpose and effect

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**UN REPAIRED DAMAGES**

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In the event of insured deciding not to replace or repair the damaged item covered under the policy and decides to continue with the damaged item after incurring necessary expenditure for safe working of the damaged item. The insurer shall indemnify amount expended in making the item safe plus the reasonable repair cost which would have been incurred by the Insured had the Insured repaired the damage item or reasonable amount equivalent to reduced life of damaged item.

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**ON ACCOUNT OF PAYMENT CLAUSE**

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It is hereby declared and agreed that progress payment on account of any loss recoverable under this Policy will be made to the Insured at such stages as may be mutually agreed upon if desired by the Insured and on production of an interim report and recommended payment on account amount by the loss adjuster (if appointed) that such payments are deducted from the final agreed claim settlement figures.

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**AUTOMATIC REINSTATEMENT CLAUSE**

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The sums insured shall not be reduced by the amount of any loss and the Insured shall be entitled to automatic reinstatement of the sum insured to the extent of 10% of policy sum insured following a loss.

Subject otherwise to the terms, exceptions and conditions of the Policy.

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**NOMINATED LOSS ADJUSTOR'S CLAUSE**

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It is hereby declared and agreed that in the event of any loss / damage covered under the policy, the amount of such loss shall be adjusted subject to the terms and conditions of the policy by any of the approved firms of adjustors agreed. Nominated Loss Adjusters 1:- Proclaim Insurance Surveyors & loss Assessors India Pvt Ltd, 2:- Puri Crawford Insurance Surveyors & Loss Assessors India Pvt. Ltd. 3:- Protocol Surveyors. 4:-Mehta & Padamsey. 5:- J C Gupta 6:- Any other surveyors as mutually agreed Any other surveyor may be deputed subject to type and situation of loss

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**EXTRA EXPENSE**

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Measurement of Loss:

The recoverable EXTRA EXPENSE loss will be the reasonable and necessary extra costs incurred by the Insured of the following during the PERIOD OF LIABILITY:

- 1) extra expenses to temporarily continue as nearly normal as practicable the conduct of the Insured's business; and
- 2) extra costs of temporarily using property or facilities of the Insured or others, less any value remaining at the end of the PERIOD OF LIABILITY for property obtained in connection with the above.

This Policy does not insure:

- 1) Any loss of income.
- 2) Costs that usually would have been incurred in conducting the business during the same period had no physical loss or damage happened.
- 3) Costs of permanent repair or replacement of property that has been damaged or destroyed.
- 4) Any expense recoverable elsewhere in this Policy.

Period of Liability : 12 month

Deductibles: Policy deductibles

Waiting Period: 1 day

Limit : AOA:AOY: as mentioned above

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**CARE CUSTODY & CONTROL CLAUSE**

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The Insurer shall indemnify the Insured, in respect of property of others in the care, custody or control of the Insured, at the amount for which the Insured may be liable but not exceeding the replacement cost (without deduction for depreciation) with materials of like kind and quality plus cost of labour and materials expended by the Insured in performing work thereon including freight, insurance, taxes overhead, fees and profits upto 10% of sum insured per event and in aggregate.

Subject otherwise to the terms, exceptions and conditions of the Policy.

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**PROPERTY SUSTAINABILITY CLAUSE: AOA AND AGGREGATE 5 CRS**

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This policy extends to include the additional costs upto INR 5Cr, incurred by the insured resulting from a loss or damage insured under this policy, in case the reinstatement, rebuilding, salvage and/or clearance is being conducted in a sustainable way but reinstated/repared structure no way superior to the structure prior to the occurrence of loss

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**RESILIENT REPAIRS EXTENSION AOA AND AGGREGATE 5 CRS**

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This insurance extends to include the reasonable additional cost of reinstatement incurred with the consent of the insurers to make Resilient Repairs during the reinstatement, repair or replacement of the Property Insured following Damage. For the purposes of this extension, Resilient Repairs shall mean improvements intended to mitigate and if possible prevent a recurrence of the same insured peril, including but not limited to the type of materials used in the reinstatement of the Property Insured, and the design and construction of the building and its internal and external fixtures and fittings.



**Difference Basis Clause**

Item No.	Sum Insured
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1. On Gross Profit	Rs (8,253,736,269)
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The insurance under Item No.1 is limited to loss of Gross Profit due to (a) Reduction in Turnover and (b) increase in Cost of Working and the amount payable as indemnity thereunder shall be: -

- (a) IN RESPECT OF REDUCTION IN TURNOVER: the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Turnover.
- (b) IN RESPECT OF INCREASE IN COST OF WORKING: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity period in consequence of the Damage but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided.

Less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the business payable out of the Gross Profit as may cease or be reduced in consequence of the Damage;

Provided that if the Sum Insured by this Item be less than the sum produced by applying the Rate of Gross Profit to \* the Annual Turnover, the amount payable shall be proportionately reduced.

\* Insert the appropriate multiple if the Indemnity Period exceeds 12 months.

**Departmental Clause:**

If the business be conducted in departments, the independent trading results of which are ascertainable, the provision of Clauses (a) and (b) of Item 1 shall apply separately to each department affected by the damage except that if the Sum Insured by the said item be less than the aggregate of the sum produced by applying the rate of gross profit for each department of the business (whether affected by the damage or not) to the relative Annual Turnover thereof, the amount payable shall be proportionately reduced.

**Definitions**

GROSS PROFIT – The amount by which

- (1) The sum of the Turnover and the amount of the Closing Stock shall exceed.
- (2) The sum of the amount of the Opening Stock and the amount of the Specified Working Expenses

Note 1- The amount of the Opening and Closing Stocks shall be arrived at in accordance with Insured's normal accountancy methods, due provisions being made for depreciation.

Specified Workings Expenses:-

1. All Purchases (less Discounts Received) ;
2. % Of the Annual Wage Roll (including Holiday and Insurance contributions);
3. Power;
4. Consumable Stores;
5. Carriage;
6. Packing Materials;
7. Bad Debts;
8. Discounts Allowed;
9. Any other expenses to be specified.

Note 2 – The words and expressions used in this Definition shall have the meaning usually attached to them in the books and accounts of the Insured.

TURNOVER – The money paid or payable to the Insured for goods sold and delivered and for services rendered in course of the business at the premises.

INDEMNITY PERIOD – The period beginning with the occurrence of the damage and ending not later than 12 months thereafter during which the results of the business shall be affected in consequence of the damage.

RATE OF GROSS PROFIT – The rate of Gross Profit earned	To which such adjustments shall be made as may be
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on the turnover during the financial year immediately before the date of the damage.	necessary to provide for the trend of the business and for variations in or special circumstances affecting the business either before or after the damage or which would have affected the business had the damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the damage, would have been obtained during the relative period after the damage.
ANNUAL TURNOVER – The Turnover during the twelve months immediately before the date of the damage.	
STANDARD TURNOVER – The Turnover during that Period in the twelve months immediately before the date of the damage which corresponds with the Indemnity Period.	

**Memo 1:** If during the Indemnity Period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period.

**Memo 2:** If the Insured declares, at the latest twelve months after the expiry of any Period of Insurance, that the Gross Profit earned (or a proportionately increased multiple thereof where the maximum Indemnity Period exceeds 12 months) during the accounting period of 12 months most nearly concurrent with any period of Insurance, as certified by the Insured's Auditors, was less than the Sum Insured thereon, a pro-rata return of premium not exceeding 50% of the premium paid on such Sum Insured for such period of Insurance shall be made in respect of the difference. Where, however, the declaration is not received by the Company within twelve months after the expiry of the period of insurance, no refund shall be admissible.

If any damage has occurred giving rise to a claim under this policy, such return shall be made in respect only of said difference as is not due to the damage.

### Co-Insurance Clause

1. It is hereby declared and agreed that insurers named hereunder severally agree and accept the following for the proportion set against its name:

1.1. In event of any claim being admissible by the insurer towards the liability, to pay or make good to the insured the value of the property at the time of the happening of its loss or destruction or the amount of such damage thereto as provided for under the policy and or

1.2. To indemnify the insured against liability at law or damage to any property or injuries to persons as provided for under the policy

### 2 Co-insurance Schedule:

SN	Name of the Insurer	Share (%)
1	HDFC ERGO GENERAL INSURANCE CO.LTD.	60%
2	BAJAJ ALLIANZ GENERAL INSURANCE CO LTD	40%

### 3. Conditions forming part of this clause

It is hereby agreed and understood that:

3.1 The Insured in exercise of his option has after having understood the implications, selected the above named lead Insurer and the named Co-insurers vide sr. Nos. of the co-Insurance schedule as in point no. 2 under the policy.

3.2 The duties of insured would devolve upon the authorized intermediary licensed by IRDA (referred to as authorised representative here after) where the insured appoints such authorized intermediary to transact on his behalf with the insurer/s.

3.3 It shall be the responsibility of the insured or his authorised representative licensed by IRDA to decide on the panel of co-insurers and their respective shares of the risk herein as set out in co-insurance share under paragraph 2 above and communicate the same to all such participating co-insurers, prior to assumption of risk.

3.4 The lead Insurer shall finalise the terms and conditions applicable to the risk in the form of an underwriting slip with a unique code to be handed over to the Insured/Authorised intermediary.

3.5 It shall be the responsibility of the insured or his authorized representative to ensure that all insurers listed in the co-insurance schedule under paragraph 2 above, are fully aware of the terms and conditions of this policy and shall secure their unqualified acceptance of such terms and conditions prior to issuance of cover and inclusion of names of insurers in this co-insurance arrangement.

3.6 During the currency of the policy, if there are any material changes in risk or as changes in original terms and conditions such as variation in Sum Insured, changes in premium charged, extension of policy period, etc., the same shall be communicated by the insured or his authorised representative giving sufficient advance notice of 7 days to the leader as well as all other participating co-insurers listed in the co-insurance schedule under paragraph 2 above and procure confirmation thereon. The endorsement to this effect shall be executed by the lead insurer under advice to all other participating co-insurers.

3.7 The liability of the insurers shall in no case exceed in respect of each item of the sum expressed in the set schedule to be insured thereon or in the all, the total sum insured hereby or sums as may be substituted thereof by endorsement.

3.8 In the event of any of the insurers, chosen by the Insured as per paragraph 3.1 above and listed in the co-insurance schedule, withdrawing from participation in this Policy at any time during its currency after giving due notice of 14 days, the insured shall arrange for an alternative insurer to take up the full share of risk vacated by the existing insurer. In the event of insured failing to do so, the insured shall be considered as his own insurer for such share of risk or part there of which is not taken up by such alternative co-insurer.

3.9 In the event of a claim under this policy, the insured shall give notice of its occurrence to the Lead Insurer with a copy to all the insurers as listed in clause 2 above.

3.10 Upon receipt of such notification of claim, all claim related activities including appointment of surveyors, etc shall be done by the lead insurer who shall decide the admissibility as well as quantum of the claim and the co-insurers shall abide by the same.

3.11 In the event of any claim being value of more than 5 crores the lead insurer can immediately demand and the following co-insurer shall pay the cash call of their proportionate share of loss.

3.12 In all other cases, where the Lead Insurer pays 100% of the assessed loss, the following co-insurer/s shall remit their share of the loss to the Lead Insurers within a maximum period of 21 days from the date on which the Lead Insurer makes the demand.

Lead Insurer's declaration that the Claim and the amount there of was in accordance with terms and conditions of the Policy issued shall be considered sufficient by the co-insurers for the purpose of remitting their share of the loss to the Lead Insurer.

3.13 The co-insurers forming part of this agreement shall be entitled to demand and obtain from the Lead Insurer/Intermediaries copies of all policies, endorsements or other claim related documents relevant to this co-insurance clause.

In witness, whereof, this policy has been signed by HDFC ERGO General Insurance Company (Lead Insurer) for itself and as authorized agents for other participating insurers named herein

Subject otherwise to the terms, exceptions, conditions and limitations of this policy.

**ELECTRONIC EQUIPMENT SECTION –****OMISSION TO INSURE ADDITIONS OR EXTENSIONS**

The insurance by this policy extends to cover Portable equipment as defined in the Schedule hereof which the insured may acquire or for which they may become responsible:-

1. The liability under this extension shall not exceed in respect of portable equipment 5% of the sum insured by the items of the Schedule
2. The insured shall notify the company of each additional insurance as soon as it shall come to their knowledge and shall pay the appropriate additional premium thereon from the day of inception.
3. Following the advice of any additional insurance as aforesaid, cover by this extension shall be fully reinstated.
4. No liability shall attach to the company in respect of any portable item while such property is otherwise insured.

All new additions to the portable equipments by the insured not specifically insured/included during the currency of the policy should be declared at the end of the year and suitable additional premium paid on pro rata basis from the date of acquisition of additions may be suitably adjusted.

If the insured fails to declare the values of such additions within 30 days after expiry of the policy, there shall be no refund of the advance premium collected.

**SANCTION AND EMBARGO CLAUSE**

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

**CYBER EXCLUSION CLAUSE - NMA 2915****ELECTRONIC DATA ENDORSEMENT B****1. Electronic Data Exclusion**

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:-

- a) This Policy does not insure, loss, damage, destruction, distortion, erasure, corruption or alteration of ELECTRONIC DATA from any cause whatsoever (including but not limited to COMPUTER VIRUS) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

ELECTRONIC DATA means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software, and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

COMPUTER VIRUS means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. COMPUTER VIRUS includes but is not limited to 'Trojan Horses', 'worms' and 'time or logic bombs'.

- b) However, in the event that a peril listed below results from any of the matters described in paragraph a) above, this Policy, subject to all its terms, conditions and exclusions will cover physical damage occurring during the Policy period to property insured by this Policy directly caused by such listed peril.

Listed Perils  
Fire  
Explosion

## 2) Electronic Data Processing Media Valuation

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:-

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the ELECTRONIC DATA from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such ELECTRONIC DATA. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However this Policy does not insure any amount pertaining to the value of such ELECTRONIC DATA to the Assured or any other party, even if such ELECTRONIC DATA cannot be recreated, gathered or assembled.

### N.M.A. 2915

#### COMMUNICABLE DISEASE EXCLUSION [ENDORSEMENT][CLAUSE]

1. Notwithstanding any provision, clause or term of this [Insurance Contract] to the contrary, this [Insurance Contract] excludes any loss, cost, damage, liability, claim, fines, penalty or expense or any other amount of whatsoever nature, whether directly or indirectly and/or in whole or in part, related to, caused by, contributed to by, resulting from, as a result of, as a consequence of, attributable to, arising out of, arising under, in connection with, or in any way involving (this includes all other terms commonly used and/or understood to reflect or describe nexus and/or connection from one thing to another whether direct or indirect):
  - 1.1 a Communicable Disease and/or the fear or threat (whether actual or perceived) of a Communicable Disease and/or the actual or alleged transmission of a Communicable Disease regardless of any other cause or event contributing and/ or occurring concurrently or in any sequence thereto, and
  - 1.2 a pandemic or epidemic, as declared by the World Health Organisation or any governmental authority.
2. As used herein, Communicable Disease means: any infectious, contagious or communicable substance or agent and/or any infectious, contagious or communicable disease which can be caused and/or transmitted by means of substance or agent where:
  - 2.1 the disease includes, but is not limited an illness, sickness, condition or an interruption or disorder of body functions, systems or organs, and
  - 2.2 the substance or agent includes, but is not limited to, a virus, bacterium, parasite, other organism or other micro-organism (whether asymptomatic or not); including any variation or mutation thereof, whether deemed living or not, and
  - 2.3 the method of transmission, whether direct or indirect, includes but not limited to, airborne transmission, bodily fluid transmission, transmission through contact with human fluids, waste or the like, transmission from or to any surface or object, solid, liquid or gas or between organisms including between humans, animals, or from any animal to any human or from any human to any animal, and
  - 2.4 the disease, substance or agent is such:
    - 2.4.1 that causes or threatens damage or can cause or threaten damage to human health or human welfare, or
    - 2.4.2 that causes or threatens damage to or can cause or threaten damage to, deterioration to, contamination of, loss of value of, loss of marketability of or loss of use or usefulness of, tangible or intangible property.

For avoidance of doubt, Communicable Disease includes but is not limited to Coronavirus Disease 2019 (Covid -19) and any variation or mutation thereof.

3. For further avoidance of doubt, any contingent or other business interruption loss, cost, damage, loss of income, loss of use, increased cost of working and/or extra expense arising out of or attributable to:
  - 3.1 any partial or complete closure of and/or slowdown in, including but not limited to any closure by or under the advisories of public, military, government or civil authorities, or any denial of access to insured premises, or customer and or supplier premises (including service / utility providers), or
  - 3.2 change in consumer behaviour, or
  - 3.3 an absence of infected employees or employees suspected of being infected

shall not be covered by this [Insurance Contract].

4. For still further avoidance of doubt, loss, cost, damage, liability, claim, fines, penalty or expense or any other amount excluded hereby, includes but is not limited to any cost to identify, clean-up, detoxify, disinfect, decontaminate, mitigate, remove, evacuate, repair, replace, monitor, sanitize or test: (1) for a Communicable Disease or (2) any tangible or intangible property covered by this [Insurance Contract] that is affected by such Communicable Disease.

5. It is clarified that (1) no other prior, concurrent or subsequent provision, clause, term or exception of this [Insurance Contract] (including (but not limited to) any prior, concurrent or subsequent endorsement and/or any provision, clause, term, buy back or exception that operates, or is intended to operate, to extend the coverage of, or protections provided by, this [Insurance Contract] by whatever name called like any coverage extension, additional coverage, global extension, exception to any exclusion); (2) no change in the law, clause or similar provision; (3) no follow the fortunes clause or similar provision; and/or (4) no change in the law or any regulation (to the extent permitted by applicable law), shall operate to provide any insurance, coverage or protection under this [Insurance Contract] that would otherwise be excluded through the exclusion set forth in this [Endorsement][Clause].
6. If the [Insurer] alleges that by reason of this [Endorsement][Clause] any amount is not covered by this [InsuranceContract] the burden of proving the contrary shall rest in the [Insured]

#### **AGREED BANK CLAUSE**

"It is hereby declared and agreed:-

- i. That upon any monies becoming payable under this policy the same shall be paid by the Company to the Bank and such part of any monies so paid as may relate to the interests of other parties insured hereunder shall be received by the Bank as Agents for such other parties.
- ii. That the receipts of the Bank shall be complete discharge of the Company therefor and shall be binding on all the parties insured hereunder.

N.B: The Bank shall mean the first named Financial Institution/ Bank named in the policy.

- iii. That if and whenever any notice shall be required to be given or other communication shall be required to be made by the Company to the insured or any of them in any manner arising under or in connection with this policy such notice or other communication shall be deemed to have been sufficiently given or made if given or made to the Bank.
- iv. That any adjustment, settlement, compromise or reference to arbitration in connection with any dispute between the Company and the insured or any of them arising under or in connection with this policy if made by the Bank shall be valid and binding on all parties insured hereunder but not so as to impair rights of the Bank to recover the full amount of any claim it may have on other parties insured hereunder.
- v. That this insurance so far only as it relates to the interest of the Bank therein shall not cease to attach to any of the insured property by reason of operation of condition 3 of the Policy except where a breach of the condition has been committed by the Bank or its duly authorised agents or servants and this insurance shall not be invalidated by any act or omission on the part of any other party insured hereunder whereby the risk is increased or by anything being done to upon or any building hereby insured or any building in which the goods insured under the policy are stored without the knowledge of the Bank provided always that the Bank shall notify the Company of any change of ownership or alterations or increase of hazards not permitted by this insurance as soon as the same shall come to its knowledge and shall on demand pay to the Company necessary additional premium from the time when such increase of risks first took place and
- vi. It is further agreed that whenever the Company shall pay the Bank any sum in respect of loss or damage under this policy and shall claim that as to the Mortgagor or owner no liability therefore existed, the Company shall become legally subrogated to all the rights of the Bank to the extent of such payments but not so as to impair the right of the Bank to recover the full amount of any claim it may have on such Mortgagor or Owner or any other party or parties insured hereunder or from any securities or funds available.

N.B: In cases where the name of any Central Government or State Government owned and / or sponsored Industrial Financing or Rehabilitation Financing Corporations and /or Unit Trust of India or General Insurance Corporation of India and/or its subsidiaries or LIC of India/ any Financial Institution is included in the title of the Fire Policy as mortgagees, the above Agreed Bank Clause may be incorporated in the Policy substituting the name of such institution in place of the word 'Bank' in the said clause.

**BUSINESSSURAKSHAPLUS-**  
**VARIANT2POLICYWORDING**

**Section I - Material Damage**

In consideration of the insured paying to the Company, the premium shown in the schedule, HDFC ERGO General Insurance company (herein after called the Company) agrees (subject to the terms, conditions and exclusions contained herein or endorsed or otherwise expressed hereon which shall so far as the nature of them respectively will permit be deemed to be conditions precedent to the right of the Insured to recover hereunder) that after payment of the premium any of the property insured be accidentally physically lost, destroyed or damaged other than by an excluded cause during the period of insurance or any subsequent period in respect of which the insured shall have paid and the Insurer shall have accepted the premium required for the renewal of this policy, the Insurer will pay to the Insured the value of the property at the time of the happening of its accidental physical loss or destruction or damage (being hereinafter termed Damage) or at its option reinstate or replace such property or any part thereof.

Provided that the liability of the Insurer in respect of any one loss or in the aggregate in any one period of insurance shall in no case exceed

- i. As regards buildings, plants and machinery, furniture, fixture, fitting etc. the cost of replacement or reinstatement on the date of replacement or reinstatement subject to the maximum liability being restricted to the sum insured in respect of that category of the item under the policy.
- ii. As regards stocks the market value of the same not exceeding the sum insured in respect of that category of item under the policy.

**EXCLUSIONS**

**A. EXCLUDED CAUSES**

- 1) This policy does not cover damage to the property insured caused by:
  - i) faulty or defective design materials or workmanship inherent vice latent defect gradual deterioration deformation or distortion or wear and tear
  - ii) interruption of the water supply gas electricity or fuel system or failure of the effluent disposal system to and from the premises
  - iii) spontaneous combustion unless additional premium is paid towards such coverage and agreed by the insurer
  - iv) leakage &/or contamination of oil, chemicals or such other like items from its container by accidental means and / or accidental contamination by contact with foreign matter unless the same is covered by additional premium paid by the insured and agreed by the insurer.

unless Damage by a cause not excluded in the policy ensues and then the Insurer shall be liable only for such ensuing Damage.

- a)
  - i) collapse or cracking of buildings
  - ii) corrosion, rust, extreme or changes in temperature, dampness, dryness, wet or dry rot, fungus, shrinkage, evaporation, loss of weight, pollution, contamination, change in colour, flavour, texture or finish, action of light, vermin, insects, marring or scratching



unless such loss is caused directly  
by damage to the property insured or to premises containing such property by a cause not excluded in the policy

- c)
    - i) larceny
    - ii) acts of fraud or dishonesty
    - iii) disappearance unexplained or inventory shortage misfiling or misplacing of information shortage in supply or delivery of materials or shortage due to clerical or accounting error
  - d)
    - i) coastal or river erosion
    - ii) normal settlement or bedding down of new structures
  - 2) Damage caused by or arising from:-
    - a) any willful act or willful negligence on the part of the Insured or any person acting on his behalf
    - b) cessation of work, delay or loss of market or any other consequential or indirect loss of any kind or description whatsoever
  - 3) Damage occasioned directly or indirectly by or through or in consequence of any of the following occurrences, namely:-
    - a) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war
    - b) mutiny, civil commotion assuming the proportions of a riot, popular rising, military rising, insurrection, rebellion, revolution, military or usurped power
  - 4)
    - i) permanent or temporary dispossession resulting from nationalisation, commandeering or requisition by any lawfully constituted authority
    - ii) permanent or temporary dispossession of any building resulting from the unlawful occupation of such building by any person

provided that the Insurers are not relieved of any liability to the Insured in respect of damage to the property insured occurring before dispossession or during temporary dispossession which is otherwise insured by this Policy

  - iii) the destruction of property by order of any public authority
- In any action, suit or other proceeding where the Insurer alleges that by reason of the provisions of Exclusions A3 (a) and (b) above any loss, destruction or damage is not covered by this insurance, the burden of proving that such loss, destruction or damage is covered shall be upon the Insured.

- 5) Damage directly or indirectly caused by or arising from or in consequence of or contributed confiscation to by:-
  - a) nuclear weapons material
  - b) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this Exclusion Combustion shall include any self-sustaining process of nuclear fission
- 6) Deliberate and sustained operation of the plant beyond rated capacity, imposition of abnormal operating conditions directly or indirectly resulting from overload beyond safe limits except for conditions permitted by the Original Equipment Manufacturers/Suppliers (OEM)
- 7) Freezing, solidification, and/or inadvertent escape of molten material
- 8) Damage to boilers economisers turbines or other vessels machinery or apparatus in which pressure is used or their contents resulting from their explosion or rupture.
- 9) Damage to electronic installations, computers and data processing equipment resulting from their breakdown or derangement.
- 10) Damage due to mechanical or electrical breakdown or derangement of machinery or equipment.
- 11) Expenses necessarily incurred on (i) architects, surveyors and consulting engineer's fees and (ii) debris removal by the Insured following a loss, destruction or damage to the Property insured by an insured peril in excess of 3% and 1% of the claim amount respectively
- 12) Terrorism Damage Exclusion Warranty  
This Policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this exclusion, an act of terrorism means an act or series of acts, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Amendment Act, 2008 or any other related and applicable national or state legislation formulated to combat unlawful and terrorist activities in the nation for the time being in force, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear for such purposes.

This exclusion also includes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to the above.

- 13) Any loss or damage occasioned by or through or in consequence directly or indirectly due to earthquake, volcanic eruption or other convulsions of nature

## **B. EXCLUDED PROPERTY**

This Policy does not cover:

- 1) Money, cheques, stamps, bonds, credit cards, securities of any description, jewellery, precious stones, precious metals, bullion, furs, curiosities, rare books or works of art, Portable

- Electronic Equipments unless specifically mentioned as insured by this policy and provided that the additional premium towards such coverage has been paid by the insured to the Company
- 2) Unless specifically mentioned as insured by this Policy goods held in trust or on commission documents, manuscripts, business books, computer systems records, patterns, models, moulds, plans design explosives.
  - 3)
    - a) vehicles licensed for road use (including accessories thereon) caravan trailers rail way locomotives or rolling stock watercraft aircraft spacecraft or the like
    - b) property in transit other than within the premises specified in the Schedule
    - c) property or structures in course of demolition construction or erection and materials or supplies in connection therewith
    - d) land (including top-soil back-fill drainage or culverts) driveways pavements roads runways railway lines dams reservoirs canals rigs wells pipeline tunnels bridges docks piers jetties excavations wharves mining property underground off-shore property unless specifically covered.
    - e) livestock growing crops or trees
    - f) property damaged as a result of its undergoing any process. However this exclusion does not apply to loss or damage by spoilage resulting from the retardation or interruption or cessation of any process or operation caused by any of the perils not excluded under this Policy, provided that the additional premium towards such coverage has been paid by the insured to the Company and liability for destruction of or damage to the property insured described in the schedule to this policy, or any part of such property, is agreed by the Company.
    - g) property undergoing testing installation including materials and supplies therefore if directly attributable to the operations of work being performed thereon unless damage by a cause not otherwise excluded ensues and then the insurer will be liable only for such ensuing loss.
    - h) property more specifically insured
    - i) property insured if removed to any building or place other than in which it is herein stated to be insured, except machinery and equipments temporarily removed for repairs, cleaning, renovation or other similar purpose for a period not exceeding 60 days.
    - j) damage to property which at the time of the happening of such damage is insured by or would for the existence of this policy be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected.
    - k) property for which the manufacturer or supplier or repairer is responsible for loss or damage either in law or contract
    - l) property having faults or defects existing at the time of commencement of this insurance and known to the insured or his authorized representative but not disclosed to the Company.

## DEDUCTIBLES

This policy does not cover the deductibles stated in the schedule in respect of each and every loss as ascertained after the application of all other terms and conditions of the policy including any condition of Average.

Warranted that during the currency of the policy the Insured shall not effect insurance in respect of the amount of the deductible stated in the schedule.

**Special Conditions to Section I**

1. **Sums Insured**  
It is a requirement of this Insurance that the sums insured stated in the Schedule shall not be less than the cost of reinstatement as if such property (except for stocks) were reinstated on the first day of the Period of Insurance which shall mean the cost of replacement of the insured items by new items in a condition equal to but not better or more extensive than its condition when new.
2. **Basis of Loss Settlement**  
In the event of any loss, destruction or damage, the indemnification under this section shall be calculated on the basis of the reinstatement or replacement of the property lost, destroyed or damaged, subject to the following provisions:

Reinstatement or replacement shall mean:

1. where property is lost or destroyed, the rebuilding of any buildings or the replacement of any other property by similar property, in either case in a condition equal to but not better or more extensive than its condition when new
2. where property is damaged, the repair of the damage and the restoration of the damaged portion of the property to a condition substantially the same as but not better or more extensive than its condition when new.

**Special Provisions**

1. The work of reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Insurers not being thereby increased) must be commenced and carried out within 12 months after the destruction or damage, otherwise no payment beyond the amount which would have been payable under the policy if this special provision had not been incorporated herein shall be made.
  2. Where any property is lost, destroyed or damaged in part only, the liability of the Insurers shall not exceed the sum representing the cost which the Insurers could have been called upon to pay for reinstatement if such property had been wholly destroyed.
  3. Until the cost of reinstatement or replacement shall have been actually incurred, the amount payable under each of the items shall be calculated on the basis of the actual cash value of such items immediately before the loss, destruction or damage with due allowance for depreciation for age and condition.
3. If the property hereby insured shall at the time of reinstatement/replacement repair following a loss or damage indemnifiable under this section be of greater value than the Sum Insured under the policy, then the insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of loss.

Each item of this section to which this condition applies shall be separately subject to the foregoing provision. Provided however that if the said Sum Insured in respect of such item(s) of the Schedule shall not be less than 85% (Eighty Five percent) of the value of the item(s) thereof, this condition shall be of no purpose and effect.

**Material Damage – Supplementary Clauses & Conditions**

**1. Minor Work**

It is understood and agreed that these Sections of the Policy automatically include minor alterations and/or construction and/or re-construction and/or additions and/or maintenance and/or testing and commissioning and/or modifications and/or work carried out on any of the property insured under this policy, subject to a maximum contract value as specified in schedule any one Project (as specified in the schedule) being the value of the said Project at the commencement thereof.

Notwithstanding other terms and conditions herein, this Extension of the Policy shall only pay in excess of more specific insurance, if any, arranged in respect of minor works. The deductibles applicable to this Policy shall not apply where the amount payable under such other insurance exceeds the deductible herein but in no case shall any loss be payable below the deductible amount herein. Any Consequential Loss, following a loss covered hereunder, is excluded.

## 2. Expense for loss minimization

It is understood and agreed that this Policy includes expenses for loss minimization necessarily incurred by the Insured to prevent any aggravation of an Insured Loss following a loss or damage at any Insured's Premises specified in the Schedule, including moving / shifting of property if this contributes to loss minimization and charges raised by any local authority for the provision of fire fighting appliances called upon for the purpose of protecting the premises shall be recoverable.

In case of actual or imminent loss or damage it shall be lawful and necessary for the Insured, their factors, Servants or assigns to sue, labour and travel for, in or about the Defence, safeguard and recovery of the property Insured hereunder, or any part thereof, without prejudice to this insurance, nor shall the act of the Insured or the Insurer in recovering, saving and preserving the property Insured in case of loss or damage be considered a waiver or an acceptance of abandonment.

Coverage also includes the cost of replenishment of fire fighting appliances or damage to fire fighting materials.

Limit: Up to 10% of claim amount per event subject to company's overall liability not to exceed policy sum insured.

Subject to the rest of the terms, exceptions and conditions of the Policy.

## 10. Local Authorities Clause

The insurance by this Policy extends to include such additional cost of reinstatement of the destroyed or damaged property hereby insured as may be incurred solely by reason of the necessity to comply with the Building or other Regulations under or framed in pursuance of any act of Parliament or with Bye-laws of any Municipal or Local authority provided that

1. The amount recoverable under this extension shall not include:

- a) The cost incurred in complying with any of the aforesaid Regulations or Bye-laws,
  - i) in respect of destruction or damage occurring prior to the granting of this extension,
  - ii) in respect of destruction or damage not insured by the Policy,
  - iii) under which notice has been served upon the Insured prior to the happening of the destruction or damage,
  - iv) in respect of undamaged property or undamaged portions of property other than foundations (unless foundations are specifically excluded from the insurance by this Policy) of that portion of the property destroyed or damaged,
- b) The additional cost that would have been required to make good the property damaged or destroyed to a condition equal to its condition when new had the necessity to comply with any of the aforesaid Regulations or Bye-laws not arisen,
- c) The amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid Regulations or Bye-laws.

2. The work of reinstatement must be commenced and carried out with reasonable dispatch and in any case must be completed within twelve months after the destruction or damage or within such further time as the Company may (during the said twelve months) in writing allow and may be carried out wholly or

partially upon another site (if the aforesaid Regulations or Bye-laws so necessitate) subject to the liability of the Company under this extension not being thereby increased.

3. If the liability of the Company under (any item of) the Policy apart from this extension shall be reduced by the application of any of the terms and conditions of the Policy then the liability of the Company under this extension (in respect of any such item) shall be reduced in like proportion.

4. The total amount recoverable under any item of the Policy shall not exceed the sum insured thereby.

5. All the Conditions of the Policy except in so far as they may be hereby expressly varied shall apply as if they had been incorporated herein.

**11. Loss Of Rent Clause**

The insurance on rent applies only if (any of) the said building(s) or any part thereof is unfit for occupation in consequence of its destruction or damage by the perils insured against and then the amount payable shall not exceed such portion of the sum insured on Rent as the period necessary for reinstatement bears to the term of the Rent Insured.

**12. Modification Cost/Incompatibility Expenses**

Extension to cover the cost or expenses for modification of (A) damaged or undamaged equipments including but not limited to computers and ancillary equipments and/or (B) the cost of replacement/restoration and recompilation of computer records to mitigate the incompatibility between the replaced equipment and undamaged equipment and/or computer records. Insurer will indemnify the cost to achieve compatibility between the above two situations whichever is lesser subject to limit as mentioned in schedule.

**13. Obsolete Parts Clause**

It is noted and agreed that in the event of spare parts currently insured under this policy becoming obsolete following an indemnifiable loss to the operating unit and/or units to which they belong, such spare parts shall also be deemed a constructive total loss, provided that such parts cannot be used as spares for any other units within the premises of the insured. The company retains the salvage right over such parts.

**14. Omission To Insure Additions Or Extensions**

The insurance by this Policy extends to cover Buildings and/or Machinery, Plant and other Contents as defined in the Schedule hereof which the Insured may erect or acquire or for which they may become responsible:-

1. at the within described premises
2. for use as factories

- a) The liability under this Extension shall not exceed in respect of (1) above, 5% of the Sum Insured by items of the Schedule, in respect of (2) above, 5% of the Sum Insured by items of the Schedule.
- b) The Insured shall notify the Company of each additional insurance as soon as it shall come to their knowledge and shall pay the appropriate additional premium thereon from the date of inception.
- c) Following the advice of any additional insurance as aforesaid, cover by this extension shall be fully reinstated.
- d) No liability shall attach to the Company in respect of any Building, Machinery Plant or other contents while such property is otherwise insured.

All new additions to Buildings and/or Machinery and Plant not specifically insured/included during the currency of the Policy should be declared at the end of the year and suitable additional premium paid on pro rata basis from the date of completion of construction/erection of additions may be suitably adjusted.

If the Insured fails to declare the values of such additions within 30 days after expiry of the Policy, there shall be no refund of the advance premium collected.

"Other contents" in the above clauses shall mean "Furniture and Fittings" and does not include 'stocks'.

## 15. Reinstatement Value Clause

It is hereby declared and agreed that in the event of the property insured under the stated items within the Policy being destroyed or damaged, the basis upon which the amount payable under (each of the said items of) the Policy is to be calculated shall be cost of replacing or reinstating on the same site or any other site with property of the same kind or type but not superior to or more extensive than the insured property when new as on date of the loss, subject to the following Special Provisions and subject also to the terms and conditions of the Policy except insofar as the same may be varied hereby.

### Special Provisions

1. The work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable dispatch and in any case must be completed within 12 months after the destruction or damage or within such further time as the Company may in writing allow, otherwise no payment beyond the amount which would have been payable under the Policy if this memorandum had not been incorporated therein shall be made.
2. Until expenditure has been incurred by the Insured in replacing or reinstating the property destroyed or damaged the Company shall not be liable for any payment in excess of the amount which would have been payable under the Policy if this memorandum had not been incorporated therein.
3. If at the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the property covered had been destroyed, exceeds the Sum Insured thereon or at the commencement of any destruction or damage to such property by any of the perils insured against by the Policy, then the Insured shall be considered as being his own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of the Policy (if more than one) to which this memorandum applies shall be separately subject to the foregoing provision.
4. This Memorandum shall be without force or effect if
  - a) the Insured fails to intimate to the Company within 6 months from the date of destruction or damage or such further time as the Company may in writing allow his intention to replace or reinstate the property destroyed or damaged.
  - b) the Insured is unable or unwilling to replace or reinstate the property destroyed or damaged on the same or another site.

## 18. Removal of Debris (in excess of 1% of the claim amount)

It is hereby declared and understood that the insurance extends to cover costs and expenses necessarily incurred by the Insured in the removal of debris from the premises of the Insured; dismantling or demolishing; shoring up or propping; of the portion or portions of the property insured (specified as being insured by this Endorsement in the Schedule of) this Policy destroyed or damaged by perils hereby insured against but not exceeding in the aggregate the amount (limited to 10% of the total sum insured) stated in the Schedule in respect of this Endorsement.

## 19. Shut Down-Start Up clause

The Insurers shall indemnify the Insured up to the limit of indemnity as specified in the schedule, in respect of the actual shut down and start up costs for power and other utilities namely water, electricity, steam, gas and necessarily as well as fuels and combustibles to re-establish the plant it was at the time of the damage subject to limits specified. Start up cost due to normal and/or emergency shutdown not recoverable.



**20. StartUpExpenses**

It is hereby agreed and declared that this policy extends to cover start-up costs necessarily and reasonably incurred by the insured consequent upon a loss or damage covered by this policy.

**21. ComputerRecordsClause**

It is hereby declared and noted that the policy provides cover against loss of data, data media and records, as well as its regeneration up to the amount as specified in the schedule subject to:

- 1) the loss of data, data media and records having been caused by a damage covered under section I
- 2) data/software back-up being kept in fireproof safe
- 3) The following special exclusions shall apply:
  - a. loss or damage for which the repair company or maintenance company is contractually liable.
  - b. any costs for standard adjustment, rectifying functional failures and maintenance of insured object unless necessary in connection with the repair of an insured loss
  - c. normal wear and tear of media.
  - d. erroneous programming, perforating, loading or printing.
  - e. any consequential loss or damage

Subject to the terms, exceptions and conditions of the Policy.

**22. Tenant'sImprovementsClause/TenantsClause**

It is hereby agreed and declared that the coverage under this policy is inclusive of tenant's improvements, alterations and decorations up to the amount as specified in the schedule.

Subject to the terms, exceptions and conditions of the Policy.

**23. ExpeditingCostsClause**

The Insurer shall indemnify the Insured up to the limit of indemnity as specified in the schedule, in respect of reasonable extra costs for overtime, night-work, work on public holidays, express freight (except air freight) incurred to rectify loss or damage to property Insured.

Subject to the terms, exceptions and conditions of the Policy

**24. ProtectionAndPreservationOfPropertyClause**

This Policy covers:

- (i) Reasonable and necessary costs incurred for actions to temporarily protect or preserve insured property; provided such actions are necessary due to actual, or to prevent immediately impending, insured physical loss or damage to such insured property.
- (ii) Reasonable and necessary:
  - Fire department firefighting charges imposed as a result of responding to fire in, or exposing the insured property.
  - Costs incurred on restoring and recharging fire protection systems following an insured loss.
  - Costs incurred for the water used for fighting a fire in, or exposing the insured property.

This Additional Coverage is subject to the deductible provisions that would have applied had the physical loss or damage occurred.

Indemnity limited up to the amount specified in the schedule per event and in aggregate Subject to the

terms, exceptions and conditions of the Policy

**25. ValuablePapers& records/ Cost of Rewriting records clause**

The Insurer shall indemnify the Insured up to the limit of indemnity as specified in the schedule, in respect of physical loss or damage to documents, business books, registered mortgages, bill of lading, and any other document all of which must be of value to the Insured but only for the value of the materials as

stationary together with the cost of clerical labour expended in writing up or restoring said documents but not for the value to the Insured of the information contained therein.

Subject to the other terms, exceptions and conditions of the Policy.

#### **26. Leak Search and Finding Cost**

In addition to indemnifiable costs of repair or replacement the company will indemnify the assured for the cost and expenses necessarily and reasonably incurred in locating and obtaining access to any part or parts of the Insured property in order to locate and repair leaks or other damages subject to limit of indemnity as specified in the schedule for each and every occurrence.

#### **27. Inhibition Cost**

It is hereby agreed and declared that insurer will indemnify the loss or damage to undamaged property of insured damaged in order to extinguish or inhibit the spread of fire or other catastrophe insured herein up to a limit of 10% of the Sum Insured.

#### **28. Expiration Clause**

If this Policy should expire or be cancelled while an insured event is in progress, it is understood and agreed that Insurers, subject to all other terms, exceptions and conditions of this Policy, are responsible as if the entire loss had occurred prior to the expiration of this insurance.

Subject to the other terms, exceptions and conditions of the Policy.

#### **29. Agreed Bank Clause**

It is hereby declared and agreed:-

1. That upon any monies becoming payable under this Policy the same shall be paid by the Company to the Bank and such part of any monies so paid as may relate to the interests of other parties insured hereunder shall be received by the Bank as Agents for such other parties.

2. That the receipts of the Bank shall be complete discharge of the Company therefore and shall be binding on all the parties insured hereunder.

N.B: The Bank shall mean the first named Financial Institution/Bank named in the Policy.

3. That if and whenever any notice shall be required to be given or other communication shall be required to be made by the Company to the Insured or any of them in any manner arising under or in connection with this Policy such notice or other communication shall be deemed to have been sufficiently given or made if given or made to the Bank.

4. That any adjustment, settlement, compromise or reference to arbitration in connection with any dispute between the Company and the Insured or any of them arising under or in connection with this Policy if made by the Bank shall be valid and binding on all parties insured hereunder but not so as to impair rights of the Bank to recover the full amount of any claim it may have on other parties insured hereunder.

5. That this insurance is for as far only as it relates to the interest of the Bank therein shall not cease to attach to any of the insured property by reason of operation of Condition 3 of the Policy except where a breach of the Condition has been committed by the Bank or its duly authorised agents or servants and this insurance shall not be invalidated by any act or omission on the part of any other party insured hereunder whereby the risk is increased or by anything being done to or upon or any building hereby insured or any building in which the goods insured under the Policy are stored without the knowledge of the Bank provided always that the Bank shall notify the Company of any change of ownership or alterations or increase of hazards not permitted by this insurance as soon as the same shall come to its knowledge and shall on demand

pay to the Company necessary additional premium from the time when such increase of risks first took place and

6. It is further agreed that whenever the Company shall pay the Bank any sum in respect of loss or damage under this Policy and shall claim that as to the Mortgagor or owner no liability therefore existed, the Company shall become legally subrogated to all the rights of the Bank to the extent of such payments but not so as to impair the right of the Bank to recover the full amount of any claim it may have on such Mortgagor or Owner or any other party or parties insured hereunder or from any securities or funds available.

**30. Architects, Surveyors and Consulting Engineers Fee (in excess of 3% of the claims amount)**

"It is hereby declared and understood that the expenses incurred towards Architects, Surveyors and Consulting Engineers fees for plans, specification tenders, quantities and services in connection with the superintendence of the reinstatement for the Building, machinery, Accessories and equipment insured under this policy up to 7.5

% of the adjusted loss is covered, but is understood that this does not include any cost in connection with the preparation of the Insured's claim or estimate of loss in the event of damage by insured perils".

**Architects', Surveyors' & Consulting Engineers' Fees**

The insurance by the Policy shall include an amount in respect of Architects', Surveyors, Consulting Engineers' and Legal and other Fees necessarily incurred in the reinstatement of the Property Insured consequent upon its

destruction or damage but not for preparing any claim, it being understood that the amount payable for such Fees shall not exceed those authorized under the scales of the various Institutions and/or Bodies regulating such charges. This extension shall also include reasonable costs incurred by the Insured of a like nature.

Limit as specified in the schedule each and every loss.

**31. Designation Of Property Clause**

For the purpose of determining, where necessary, the item under which any property is insured, the Company agrees to accept the designation under which the property has been entered in the Insured's books

**32. Earthquake (Fire & Shock) When Storm, Tempest, Flood, Inundation Perils Are Covered**

In consideration of the payment by the Insured to the Company of the additional premium, it is hereby agreed and declared that notwithstanding anything stated in the printed Exclusions of this Policy to the contrary, this insurance is extended to cover loss or damage (including loss or damage by fire) to any of the property insured by this Policy occasioned by or through or in consequence of Earthquake including Flood or Overflow of thesea, lakes, reservoirs and rivers and/or Landslide/Rockslide resulting therefrom.

Provided always that all the conditions of this Policy shall apply (except in so far as they may be hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by any of the perils which this insurance extends to include by virtue of this Endorsement.

**Special conditions**

1. Excess  
Excess/Deductible as appearing in the schedule shall be applicable.
2. This extension cover applies only if the entire property in one complex / compound / location covered under this Policy is extended to cover this risk and the Sum Insured for this extension is identical to the Sum Insured against the risk covered under Policy except for the value of the plinth and foundations of the building(s).
3. Onus of proof  
In the event of the Insured making any claim for loss or damage under this Policy he must (if so required by the Company) prove that the loss or damage was occasioned by our through or in consequence of Earthquake

**33. Escalation Clause**

In consideration of the payment of an additional premium amounting to 50% of the premium produced by applying the specified percentage to the first or the annual premium as appropriate on the under noted items(s) the Sum(s) Insured thereby shall, during the period of insurance, be increased each day by an amount representing  $\frac{1}{365}$ th of the specified percentage increased per annum.

Unless specifically agreed to the contrary the provisions of this clause shall only apply to the sums insured in force at the commencement of each period of insurance.

At each renewal date the insured shall notify the Insurers:-

1. The sum to be insured under each item above, but the absence of such instructions the Sums Insured by the above items shall be those stated on the policy (as amended by the any endorsement effective prior to the aforesaid renewal date) to which shall be added the increases which have accrued under this Clause during the period of insurance up to that renewal date, and
2. The specified percentage increase(s) required for the forthcoming period of insurance, but in the absence of instruction to the contrary prior to renewal date the existing percentage increase shall apply for the period of insurance from renewal.

All the conditions of the policy insofar as they may be here by expressly varied shall apply as if they had been incorporated herein.

**34. Capital Additions**

The insurance by this policy shall, subject to its terms and conditions extend to cover:

- i. any newly acquired buildings, machinery and plant insofar as the same are not otherwise insured, and;
- ii. alterations, additions and improvements to buildings, machinery and plant

during the current period of insurance at any of the premises hereby insured, provided that:

- i. at any one situation this covers shall not exceed 5% of the total sums insured on such property;
- ii. the Insured undertakes to give particulars of any such capital additions forthwith and pay such additional premium as the Insurers may require.

**35. Breakage of Fixed Glass and Outdoor Signs**

It is hereby noted and agreed that property covered under the Policy is inclusive of glass and/or outdoor signs. Subject to the terms, exceptions and conditions of the Policy.

**54. Electrical Clause/Electrical Installation Clause**

Loss or damage by fire to the electrical appliance and installation insured by this Policy arising from or occasioned by overrunning, excessive pressure, short circuit, arcing, self-heating or leakage of electricity, from whatever cause (lightning included) is covered subject to the terms and conditions of this Policy, but it is expressly understood that no liability exists under this Policy for loss or damage to any electrical machine, apparatus, fixture or fittings or to any portion of the electrical installation, unless caused by fire or lightning.

**55. On Account Payment Clause**

It is hereby declared and agreed that progress payment on account of any loss recoverable under this Policy will be made to the Insured at such stages as may be mutually agreed upon if desired by the Insured and on production of an interim report and recommended payment on account amount by the loss adjuster (if appointed) that such payments are deducted from the final agreed claim settlement figures.

**56. Claim Preparation Cost (Excluding appointment of experts)**

On costs and expenses necessarily and reasonably incurred by the insured following loss or damage to the property insured.

- I. to reconstruct and recompile records (but not for the value to the insured of the insured information contained therein)
  - II. to extract and compile information required by the Company from the insured's own records for the purpose of preparing a claim under the Policy but excluding legal, investigation fees/expenses incurred for the purpose of contesting any issue over the Company's Liability under the Policy.
- Provided always that no amount shall be recoverable under this endorsement if subsequent to the incurrence of any expenses, the Company shall deny liability for any claim in respect of which the expenses have been incurred (with or without the consent of the Company)

**57. Misdescription Clause/Errors & Omissions Clause**

It is hereby understood and agreed that the coverages afforded by this Policy shall not be invalidated or affected by any unintentional errors, omissions or improper description in the Policy provided that the error, omission and/or corrected description is reported as soon as practicable after discovery.

Subject to the terms, exceptions and conditions of the Policy.

**58. Control of Damaged Property Clause**

This Policy gives control of physically damaged property consisting of as specified in schedule as follows:

- 1) The Insured will have full rights to the possession and control of damaged property in the event of insured physical damage to such property provided proper testing is done to show which property is physically damaged.
- 2) The Insured using reasonable judgment will decide if the physically damaged property can be reprocessed or sold.
- 3) Property so judged by the Insured to be unfit for reprocessing or selling will not be sold or disposed of except by the Insured, or with the Insured's consent.
- 4) Any salvage proceeds received will go to the:
  - a. Company at the time of loss settlement; or
  - b. Insured if received prior to loss settlement and such proceeds will reduce the amount of loss payable accordingly.

Subject to the terms, exceptions and conditions of the Policy.

#### **64 Terrorism Damage Cover Endorsement - Material Damage And Loss Of Profit Insuring Clause**

Subject otherwise to the terms, exclusions, provisions and conditions contained in the Policy and in consideration of the payment by the Insured to the Company of additional premium as stated in the Schedule, it is hereby agreed and declared that notwithstanding anything stated in the 'Terrorism Risk Exclusion' of this Policy to the contrary, this Policy is extended to cover:-

- (i) Physical loss or physical damage occurring during the period of this Policy caused by an act of terrorism, subject to the exclusions, limits and excess hereinafter contained,

For the purpose of this cover, an act of terrorism means an act or series of acts, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Amendment Act, 2008 or any other related and applicable national or state legislation formulated to combat unlawful and terrorist activities in the nation for the time being in

force, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear for such purposes.

- (ii) loss, damage, cost or expense directly caused by, resulting from or in connection with any action taken in suppressing, controlling, preventing or minimizing the consequences of an act of terrorism by the duly empowered government or Military Authority.

Provided that If the Insured is eligible for indemnity under any government compensation plan or other similar scheme in respect of the damage described above, this Policy shall be excess of any recovery due from such plan or scheme.

For the purpose of the aforesaid inclusion clause, "Military Authority" shall mean armed forces, paramilitary forces, police or any other authority constituted by the government for maintaining law and order.

- (iii) Loss resulting from necessary interruption of business caused by direct physical loss or damage in respect of which liability has been admitted by the Company under (i) and/or (ii) above. In the event of such direct physical loss or damage, this Policy shall be liable for the actual loss sustained by the insured resulting directly from such necessary interruption of business, but not exceeding the loss of gross profits, as defined in the Policy, less charges and expenses which are not necessary during the interruption of business, for such length of time as would be required, with the exercise of due diligence and dispatch, to repair, rebuild or replace such part of the property as has been destroyed or damaged, commencing with the date of such direct physical loss or damage and not limited by the expiration of this Policy.

Due consideration shall be given to the continuation of normal charges and expenses, including payroll expenses, to the extent necessary to resume operations of the Insured with the same operational capability as existed immediately before the loss.

## **2. LOSSES EXCLUDED**

### **(A) For Materials Damage**

This cover shall not indemnify loss of or damage to property caused by any or all of the following:-

1. loss by seizure or legal or illegal occupation;

2. loss or damage caused by:

(i) voluntary abandonment or vacation,

(ii) confiscation, commandeering, nationalisation, requisition, detention, embargo, quarantine, or any result of any order of public or government authority, which deprives the Insured of the use or value of its property;

3. loss or damage arising from acts of contraband or illegal transportation or illegal trade;

4. loss or damage directly or indirectly arising from or in consequence of the seepage and or discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment;

5. loss or damage arising directly or indirectly from or in consequence of chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind;

6. loss or damage arising directly or indirectly from or in consequence of asbestos emission, release, discharge, dispersal or escape or asbestos exposure of any kind;

7. any fine, levy, duty, interest or penalty or cost or compensation/damages and/or other assessment which is incurred by the Insured or which is imposed by any court, government agency, public or civil authority or any other person;

8. loss or damage by electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon.

This exclusion shall not operate to exclude losses (which would otherwise be covered under this Policy) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile;

9. loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, labour unrest, riots or civil commotion;

10. loss or increased cost occasioned by any public or government or local or civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder;

11. any consequential loss or damage, loss of use, delay or loss of markets, loss of income, depreciation, reduction in functionality, or increased cost of working;

12. loss or damage caused by factors including but not limited to cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications or any type of service;

13. loss or increased cost as a result of threat or hoax;



14. loss or damage caused by or arising out of burglary, house - breaking, looting, theft, larceny or any such attempt or any omission of any kind of any person (whether or not such act is committed in the course of a disturbance of public peace) in any action taken in respect of an act of terrorism;
15. loss or damage caused by mysterious disappearance or unexplained loss;
16. loss or damage directly or indirectly caused by mould, mildew, fungus, spores or other micro-organism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health;
17. total or partial cessation of work or the retardation or interruption or cessation of any process or operations or omissions of any kind.

**(B) For Loss of Profit**

This cover shall not indemnify:-

1. Increase in loss resulting from interference at the insured premises, by terrorists or other persons, with rebuilding, repairing or replacing the property or with the resumption or continuation of operation;
2. increase in loss caused by the suspension, lapse, or cancellation of any lease, license, contract, or order, unless such results directly from the insured interruption of business, and then the Company shall be liable for only such loss as affects the Insured's earnings during, and limited to, the period of indemnity covered under this Policy;
3. increase in loss caused by the enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any property insured hereunder;
4. the Insured's lack of sufficient capital for timely restoration or replacement of property lost, destroyed or damaged;
5. loss resulting from:
  - a) deliberate erasure, loss, distortion or corruption of information on computer systems or other records, programmes or software;
  - b) other erasure, loss, distortion or corruption of information on computer systems or other records, programmes or software unless caused by damage to the machine or apparatus in which the records are mounted;
6. loss resulting from alterations, additions, improvements, rectification of defects or faults or elimination of any deficiencies carried out after the physical;
7. loss of market or any other consequential loss.
8. loss as a result of physical or mental or bodily injury to any person.
9. Loss arising from contingent Business Interruption Extension of the Business Interruption \ loss of profit Section under this policy, comprising of Customers and Suppliers premises, Prevention of Access and Public Utilities.

**LIMIT OF INDEMNITY**

The limit of indemnity under this cover shall not exceed the Total Sum Insured for Material Damage and Loss of Profits given in the Policy Schedule or INR 15,000,000,000 whichever is lower. In respect of several insurance policies within the same compound/location with one or different insurers, the maximum aggregate loss payable per compound/location by any one or all insurers shall be INR 15,000,000,000 for Material Damage and Loss of Profits. If the actual aggregate loss suffered at one compound/location is more than INR 15,000,000,000 for Material damage and Loss of Profits, the amounts payable under individual policies shall be reduced in proportion to the sum insured of the policies.

**EXCESS****A. For material damage**Shops & Residential Risks-

1% of the claim amount for each and every claim subject to minimum of INR 10,000 and a maximum of INR 5,00,000/-.

Non-Industrial Risks-

1% of the claim amount for each and every claim subject to minimum of INR 25,000 and a maximum of INR 10,00,000/-.

Industrial Risks-

5% of the claim amount for each and every claim subject to minimum of INR 1,00,000 and a maximum of INR 2,50,00,000

**B. For Loss of Profit**

In any one occurrence of loss or damage, the Company shall not be liable for the amount obtained by multiplying seven (7) days standard turnover with rate of gross profit.

**CANCELLATION CLAUSE**

Notwithstanding the cancellation provisions relating to the basic insurance policy on which this endorsement is issued, there shall be no refund of premium allowed for cancellation of the Terrorism risk insurance during the period of insurance except where such cancellation is done along with the cancellation of the basic insurance. Where a policy is cancelled and rewritten mid-term purely for the purpose of coinciding with the accounting year of the insured, pro-rata refund of the cancelled policy premium will be allowed.

If the cancellation is for any other purpose, refund of premium will only be allowed after charging short term scale rates.

Note: The definitions, terms and conditions of the Policy save as modified or endorsed herein shall apply

**Section II - Business Interruption**

The Insurers agree that if during the period of insurance the business carried on by the insured at all the premises specified & listed in the Schedule is interrupted or interfered with in consequence of loss, destruction or damage indemnifiable under Section I, then the Insurers shall indemnify the Insured for the amount of loss as hereinafter defined resulting from such interruption or interference provided that the liability of

the Insurers in no case exceed the total sum insured or such other sum as may hereinafter be substituted therefore by Endorsements signed by or on behalf of the Insurers.

## **Special Exclusions to Section II:**

1. This Policy does not cover loss resulting from interruption of or interference with the business directly or indirectly attributable to

any restriction on reconstruction or operation imposed by any public authority the Insured's lack of sufficient capital for timely restoration or replacement of property lost, destroyed or damaged

loss of business due to causes such as suspension, lapse or cancellation of a lease, license or order etc. which occurs after the date when the items lost, destroyed or damaged are again in operating condition and the business could have been resumed, if said lease, license or order etc. had not lapsed or had not been suspended or cancelled.

Damage resulting from:

- a) deliberate erasure, loss, distortion or corruption of information on computer systems or other records, programs or software.
- b) Other erasure, loss, distortion or corruption of information on computer systems or other records, programs or software unless resulting from fire, lightning, explosion, aircraft, impact by any road vehicle or animal, earthquake, hurricane, wind storm, flood, bursting, overflowing, discharging or leaking of water tanks, apparatus or pipes in so far as it is not otherwise excluded unless caused by Damage to the machine or apparatus in which the records are mounted.

2. This Policy does not cover the deductible stated in the Schedule to be borne by the Insured.

## **Basis of Insurance:**

The cover provided under this Section shall be limited to loss of Gross Profit due to (a) Reduction in Turnover and (b) Increase in Cost of Working and the amount payable as indemnity hereunder shall be

- (a) in respect of Reduction in Turnover:

The sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall fall short of the Standard Turnover in consequence of the loss, destruction or damage

- (b) in respect of Increase in Cost of Working:

The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the Reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of loss, destruction or damage, but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided less any sum saved during the indemnity Period in respect of such of the charges and expenses of the business payable out of Gross Profit as may cease or be reduced in consequence of loss, destruction or damage provided that if the sum insured by this item be less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

## **Definitions:**

### **1. Gross Profit**

The amount by which

- the sum of the amount of the Turnover and the amount of the closing stock and work in progress shall exceed
- the sum of the amount of the opening stock and work in progress and the amount of the Specified Working Expenses.

Note: The amount of the opening and closing stocks and work in progress shall be arrived at in accordance with the Insured's normal accountancy methods, due provision being made for depreciation.

## **Specified Workings Expenses:-**

1. All Purchases (less Discounts Received);
2. % Of the Annual Wage Roll (including Holiday and Insurance contributions);
3. Power;
4. Consumable Stores;
5. Carriage;
6. Packing Materials;
7. Bad Debts;
8. Discounts Allowed;
9. Any other expense to be specified.

Note 2 – The words and expressions used in this Definition shall have the meaning usually attached to them in the books and accounts of the Insured.

## **2. Turnover**

The money (less discounts allowed) paid or payable to the Insured for goods sold and delivered and for services rendered in the course of the business at the Premises.

## **3. Indemnity Period**

The period beginning with the occurrence of loss destruction or damage and ending not later than the Maximum Indemnity Period thereafter during which the results of the Business shall be affected in consequence thereof. Provided always that the Company is not liable for the amount equal to the Standard Gross Profit for the period of time exclusion stated in the schedule.

## **4. Rate of Gross Profit**

The Rate of Gross Profit earned on the turnover during the financial year immediately before the date of loss destruction or damage

## **5. Annual Turnover**

The Turnover during the twelve months immediately before the date of loss destruction or damage

## **6. Standard Turnover**

The Turnover during that period in the twelve months immediately before the date of loss destruction or damage which corresponds with the Indemnity Period appropriately adjusted where the indemnity Period exceeds twelve months to which such adjustments shall be made as may be necessary to provide for the trend of business and for variations in or other circumstances affecting the Business either before or after loss destruction or damage or which would have affected the Business had the loss destruction or damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the loss destruction or damage would have been obtained during the relative period after the loss destruction or damage.

## **7. Standard Gross Profit**

The amount equivalent to the rate of gross profit applied to the standard turnover.

## **Provisions:**

### **Memo 1 - Benefits from Other Premises**

If during the indemnity period goods are sold or services are rendered elsewhere than at the premises for the benefit of the Business either by the Insured or by others acting on his behalf, the money paid or payable in respect of such sales or services shall be taken into account in arriving at the Turnover during the Indemnity Period.

**Memo2-ReturnofPremium**

If the Insured declares, at the latest nine months after the expiry of any Period of Insurance, that the Gross Profit earned (or a proportionately increased multiple thereof where the maximum Indemnity Period exceeds 12 months) during the accounting period of 12 months most nearly concurrent with any period of Insurance, ascertained by the Insured's Auditors, was less than the Sum Insured thereon, a pro-rata return of premium not exceeding one third of the premium paid on such Sum Insured for such period of Insurance shall be made in respect of the difference.

Where, however, the declaration is not received by the Company within nine months after the expiry of the period of insurance, no refund shall be admissible.

If any loss destruction or damage has concurred giving rise to a claim under this policy, such return shall be made in respect only of so much of said difference as is not due to such loss destruction or damage.

**Memo3-Overhauls**

In calculating the loss, due allowances shall be made for the times spent on any overhauls, inspections, modifications carried out during any period of interruption.

**Business Interruption-Supplementary clauses & conditions:****1. Departmental Clause:**

If the business be conducted in departments, the independent trading results of which are ascertainable, the provision of Clauses (a) and (b) of Item 1 shall apply separately to each department affected by the damage except that if the Sum Insured by the said item be less than the aggregate of the sum produced by applying the rate of gross profit for each department of the business (whether affected by the damage or not) to the relative Annual Turnover thereof, the amount payable shall be proportionately reduced.

**2. Accumulated Stock clause**

In adjusting any loss, accounts shall be taken and an equitable allowance made if any shortage in turnover due to damage is postponed by reason of the turnover being temporarily maintained from accumulated stocks of finished goods owned by the Insured.

**3. Customers, Suppliers And Utilities Extension****Extension To Cover Customers' Premises**

In consideration of the payment of the aforementioned additional premium shown in the policy/the Endorsement, it is hereby agreed and declared that, subject to the conditions of the Policy, loss as insured by item(s) Nos. of this policy, resulting from interruption or interference with the business in consequence

of damage (as within defined) to property due to Fire, Lightning, Explosion, Aircraft Damage (FLEXA) and Act Of God (AOG) perils at the undernoted situations, shall be deemed to be loss resulting from damage to property used by the Insured at the premises. For the purposes of this Extension the term "customers" means those companies, organisations or individuals as named hereunder with whom at the time of the damage, The Insured has direct contract or trading relationships for supply of goods or services.

Provided that the liability under this memorandum in respect of any location shall not exceed the limits as specified in the schedule.

Further Provided that if the percentage, shown against the name of the customer in whose premises damage has occurred, shall be less than the percentage of the Annual Turnover derived by the Insured from that customer, the amount otherwise payable will be proportionately reduced.

Provided Again that the liability under this memorandum in respect of any one location under shall not exceed the limits as specified in the schedule.

**Extension To Cover Suppliers' Premises**

In consideration of the payment of (the aforementioned additional premium) (an additional premium which included in the premium hereon) it is hereby agreed and declared that subject to the conditions of the policy, loss as insured by the item(s) number(s) of this policy, resulting from interruption of or interference with the business in consequence of damage (as within defined) to property due Fire, Lightning, Explosion, Aircraft Damage (FLEXA) and Act of God (AOG) perils at the undernoted situations shall be deemed to be loss resulting from damage to property used by the insured at the premises.

Provided that the liability under this memorandum in respect of any one location shall not exceed in respect of (each of) item(s) number(s) percent as specified in the schedule of the sum insured there under

Where the extension relates to more than one supplier with differing limits, the proviso and "Situations" should be amended to read as follows:

Provided that the liability under this memorandum in respect of any one location under shall not exceed the limits as specified in the schedule.

The terms "suppliers" shall mean those companies, organizations or individuals as named hereunder with whom at the time of the damage, The Insured has direct contracts or trading relationships for purchase of goods or services.

Further provided that if the percentage shown against the name of the supplier in whose premises damage has occurred shall be less than the percentage of dependence of the insured on that supplier, the amount otherwise payable shall be proportionately reduced.

#### **Power And Utilities Extension – Electricity Station Gas Works And Water Works**

In consideration of the payment of an additional premium amounting to Rupees as mentioned in the schedule it is hereby agreed and declared that loss as insured by + (item No's as mentioned in the schedule of) this policy resulting from interruption of or interference with the business carried on by the insured at the premises described within in consequence of failure of electric supply at the terminal ends of the electricity service feeders\*/Gas Works\*/Water Works\* from which the insured obtain electric Supply\*/Gas\*/Water\* at the said premises directly due to Damage (as within defined) to property at an Electricity Station or Substation of Public Electricity Supply Undertaking\*/Gas Works\*/Water Works\* (excluding Jack wells ) from which the insured obtain electricity supply\*/Gas\*/Water\* shall be deemed to be loss resulting from damage to property used by the insured at the premises

+Delete if inapplicable

\*Omit as may be necessary

Provided, however, that the Company shall not be liable for any loss occasioned by the deliberate act of the Government, Municipal or Local Authority or Supply Authority not performed for the sole purpose of safeguarding life or protecting any part of the supply undertaking's system or by the exercise by any such Authority of its power to withhold or restrict or ration supply not necessitated solely by Damage to the supply undertaking's generating or supply equipment by an insured peril. For the purpose of the above extension, the 'Indemnity Period' in respect of each damage or of a series of damages consequent on or attributable to one source or original causes shall be as follows:

"The period beginning with the occurrence of damage and ending not later than 60 days thereafter during which the result of the business shall be affected in consequence of the damage."

Provided that the Company shall not be liable for any loss unless the duration of each such failure exceeds 24 hours.

Subject to the rest of the terms, exceptions, conditions and limitations of this Policy.

In any action, suit or other proceeding, where the Company alleges that by reason of the provisions of this Condition any loss or damage is not covered by this insurance, the burden of proving that this loss or damage is covered shall be upon the insured

#### **4. Solicitors' and Professional Mens' Fees**

1. OnGrossProfit
2. OnAdditionalExpenditure
3. OnLegal,Clericalandothercharges

The insurance under Item no 1 limited to loss of **Gross Fees** and **Increase in Cost of Working** and the amount payable as indemnity thereunder shall be:-

- (a) IN RESPECT OF LOSS OF GROSS FEES: the amount by which Gross Fees earned during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Gross Fees.
- (b) IN RESPECT OF INCREASE IN COST OF WORKING: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Fees which, but for that expenditure, would have taken place during the Indemnity period in consequence of the Damage, but not exceeding the reduction in Gross Fees thereby avoided.

Less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the business as may cease or be reduced in consequence of the damage.

Provided that if the Sum Insured by this Item be less than the Gross Fees, the amount payable shall be proportionately reduced.

THE INSURANCE UNDER ITEM 2 is limited to such further additional expenditure beyond that recoverable under Item 1(b) as the Insured shall necessarily and reasonably incur during the Indemnity Period in consequence of the damage in connection with the fitting up of Temporary Offices, increased Rent, Rates, Taxes, Lighting, Heating and Insurance thereof, removal costs and expenses incidental thereto.

THE INSURANCE UNDER ITEM NO 3: is limited to Legal, Clerical and other charges necessarily incurred in the replacement or restoration of deeds and other documents (including stamps thereon) manuscripts, plans, specifications and writings of every description and books (written and printed), books of account, card indexes and other business records, not exceeding in respect of any one document, plan, book or card index the sum shown on the schedule

### Definitions

#### GROSS FEES—

The money paid or payable to the insured for services rendered in course of the business at the premises.

**INDEMNITY PERIOD** – The period beginning with the occurrence of the damage and ending not later than period as mentioned in the schedule thereafter during which the results of the business shall be affected in consequence of the damage.

ANNUAL GROSS FEES – The Gross Fees earned during the twelve months immediately before the date of the damage.	To which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or special circumstances affecting the business either before or after the damage or which would have affected the business had the damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the damage, would have been obtained during the relative period after the damage.
STANDARD GROSS FEES – The Gross Fees earned during that Period in the twelve months immediately before the date of the damage which corresponds with the Indemnity Period.	



Memo 1: If during the Indemnity Period services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf the money paid or payable in respect of such services shall be brought into account in arriving at the Gross Fees during the Indemnity Period.

Memo 2: The Insurance by item 3 extends to cover property as therein described if and in so far as it is not otherwise insured whilst temporarily removed to any premises not in the insured's occupation and whilst in transit between such places by road, rail or inland waterway, in India to an amount not exceeding 10 percent of the sum insured by the said item.

Memo 3: If the Insured declares, at the latest twelve months after the expiry of any Period of Insurance, that the Gross Fees earned (or a proportionately increased multiple thereof where the maximum Indemnity Period exceeds 12 months) during the accounting period of 12 months most nearly concurrent with any period of Insurance, as certified by the Insured's Auditors, was less than the Sum Insured thereon, a pro-rata return of premium not exceeding 50% of the premium paid on such Sum Insured for such period of Insurance shall be made in respect of the difference.

If any damage has occurred giving rise to a claim under this policy, such return shall be made in respect only of said difference as is not due to the damage.

Note: As regards the rate for covering Professional Mens' Fees, the standard percentage scale of the basis provided in the Consequential Loss (Fire) Tariff would be applicable to such covers.

## 5. Prevention of Access

This Section is extended to include the actual loss of Gross Profit sustained as a consequence of physical damage or destruction resulting out of causes not excluded under policy to any property within a maximum radius in kms as specified in schedule from the insured's premises and only inland resulting in the insured being unable to or prohibited by any governmental or municipal order, to obtain access or exit from the insured premises.

Provided that after the application of all other terms, conditions and provisions of policy the liability under this extension in respect of any one occurrence shall not exceed the maximum indemnity periods under Section II of this Policy of Insurance but always subject to the Sum Insured stated in the Particular Conditions.

Limit: Maximum weeks as specified in schedule over and above the policy time excess

## SECTION III - BREAKDOWN OF ELECTRICAL AND MECHANICAL APPLIANCE (Machinery Breakdown)

Subject to the terms, exceptions, exclusions, provisions and conditions contained herein or endorsed

hereon, the Company will at its own option by payment or reinstatement or repair indemnify the Insured against unforeseen and sudden physical damage by any cause not hereinafter excluded to any Property insured specified in the attached Schedule(s) whilst in the premises therein mentioned necessitating its immediate repair or replacement. This section shall apply to the Property insured after successful completion of their performance/acceptance tests, whether they are at work or at rest, or being dismantled for the purpose of cleaning or overhauling, or in the course of the aforesaid operations themselves, or when being shifted within the aforesaid premises, or during subsequent re-erection. The liability of the Company for any one item of the Property insured shall not exceed in the aggregate in any one period of insurance the Sum Insured set against such Property insured in the attached Schedule(s), unless the Sum Insured under such item is reinstated after occurrence of a claim for the balance period.

## EXPENSE FOR LOSS MINIMIZATION

The following provision is applicable if the Insured has opted for this extension.

This Policy also includes expenses for loss minimization necessarily incurred by The Insured to prevent any aggravation of an Insured Loss following a loss or damage at any Insured's Premises specified in The Schedule, including moving/shifting of property if this contributes to loss minimization, subject to a limit per loss as per schedule. Limit: Upto Per event and in aggregate as agreed and specified in Schedule

## EXCEPTIONS UNDER SECTION III

The company shall not be liable under this section in respect of-

1. Loss, damage and/or liability caused by or arising from or in consequence, directly or indirectly of fire including extinguishment of a fire or clearance of debris and dismantling necessitated thereby, smoke, soot, aggressive substance, lightning, explosion of any kind (other than bursting or disruption of turbines, compressors, cylinders of steam engines, hydraulic cylinders or fly wheels or other apparatus subject to centrifugal force, internal pressure) theft, collapse of buildings, subsidence, landslide, rockslide, water which escapes from water containing apparatus, flood, inundation, storm, tempest, earthquake, volcanic eruption or other Acts of God, impact of land borne or water borne or air borne craft or other aerial devices and/or articles dropped therefrom.

Any loss or damage by fire within the electrical appliances and installation insured by this Policy arising from or occasioned by overrunning, excessive pressure, short circuiting, arcing, self heating or leakage of electricity, from whatever cause (lightning included), is covered; provided that this extension shall apply only to the particular electrical machine; apparatus fixture fitting or portions of the electrical installation so affected and not to other machines, apparatus, fixtures fittings or portions of the electrical installation which may be destroyed or damaged by fires so set up.

2. Accident, loss, damage and/or liability resulting from overload experiments or tests requiring the imposition of abnormal conditions.
3. Gradually developing flaws, defects, cracks or partial fractures in any part not necessitating immediate stoppage, although at some future time repair or renewal of the parts affected may be necessary.
4. Deterioration of or wearing away or wearing out of any part of any machine caused by or naturally resulting from normal use or exposure.
5. Loss, damage and/or liability caused by or arising out of the willful act, willful neglect or gross negligence of the Insured or his responsible representatives.
6. Liability assumed by the Insured by agreement unless such liability would have attached to the Insured notwithstanding such agreement.
7. Loss, damage and/or liability due to faults or defects existing at the time of commencement of this insurance and known to the Insured or his responsible representative but not disclosed to the company.
8. Loss of use of the Insured's plant or property of any other consequential loss incurred by the Insured.
9. Loss, damage and/or liability due to explosions in chemical recovery boilers, other than pressure explosions e.g. melt, chemical, ignition, explosions etc.

## SPECIAL EXCLUSIONS-

The Company shall not be liable for-

1. The Excess, as stated in the Schedule, to be first borne by the Insured out of each and every claim; where more than one item is damaged in one and the same occurrence, the Insured shall not, however, be called upon to bear more than the highest Excess applicable to any one such item;
2. Loss or damage to belts, ropes, chains, rubber tyres, dies, moulds, blades, cutters, knives or exchangeable tools, engraved or impression cylinders or rolls; objects made of glass, porcelain, ceramics, all operating media (e.g. lubricating oil, fuel, catalyst, refrigerant, down therm), felts, endless conveyor belts or wires, sieves, fabrics, heat resisting and anti-corrosive lining and parts of similar nature, packing material, parts not made of metal (except insulating material) and non-metallic lining or coating of metal parts.
3. Loss or damage for which the manufacturer or supplier or repairer of the Property insured is responsible either by law or contract.

In any action, suit or other proceeding where the Company alleges that by reason of the provisions of the exceptions or exclusions above, any loss, destruction, damage or liability is not covered by this insurance, the burden of proving that such loss, destruction, damage or liability is covered shall be upon the Insured.

## PROVISIONS-

### 1. SUM INSURED-

It is the requirement of this Insurance that the Sum Insured shall be equal to the cost of replacement of the Property insured by new property of the same kind and same capacity which shall mean its replacement cost including freight and customs duties, if any, and erection costs.

### 2. BASIS OF INDEMNITY-

- a) In cases where damage to the Property insured can be repaired, the Company will pay expenses necessarily incurred to restore the damaged Property insured to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair shop, customs duties if any to the extent such expenses have been included in the Sum Insured. If the repairs are executed at a workshop owned by the Insured the Company will pay the cost of materials and wages incurred for the purpose of the repairs plus a reasonable percentage to cover overhead charges.

No deduction shall be made for depreciation in respect of parts replaced except for (i) wear and tear parts and

(ii) parts for which manufacturers have specified a fixed life for use and the like but the value of any salvage will be taken into account.

If the cost of repairs as detailed herein above equals or exceeds the actual value of the machinery insured immediately before the occurrence of the damage the settlement shall be made on the basis provided for in (b) below.

- b) In cases where the Property insured is destroyed, the Company will pay the actual value of the Property insured immediately before the occurrence of the loss including costs for ordinary freight erection and customs duties if any provided such expenses have been included in the Sum Insured, such actual value to be calculated by deducting proper depreciation from the replacement value of the said Property insured. The Company will also pay any normal charges for the dismantling of the Property insured destroyed but the salvage will be taken into account.

## BREAKDOWN OF ELECTRICAL AND MECHANICAL APPLIANCE – SUPPLEMENTARY CLAUSES & CONDITIONS

### 1. MBD-ESCALATION CLAUSE

In consideration of the payment of an additional premium amounting to 50% of the premium produced by applying the specified percentage to the first or the annual premium as appropriate on the undernoted item(s) the Sum(s) Insured thereby shall, during the period of Insurance, be increased each day by an amount representing  $\frac{1}{365}$ th of the specified percentage increase per annum.

Unless specifically agreed to the contrary the provisions of the Clause shall only apply to the sums insured in force at the commencement of each period of insurance.

At each Renewal Date the Insured shall notify the Insurers:-

1. the Sums to be Insured under each item above, but in the absence of such instructions the Sums Insured by the above items shall be those stated on the policy (as amended by any endorsement effective prior to the aforesaid renewal date) to which shall be added the increases which have accrued under this Clause during the period of Insurance up to that renewal date, and
2. the specified percentage increase(s) required for the forthcoming period of Insurance, but in the absence of instructions to the contrary prior to the renewal date the existing percentage increase shall apply for the period of insurance from renewal.

All the conditions of the policy in so far as they may be hereby expressly varied shall apply as if they had been incorporated herein.

## **2. MBD-EXPRESS FREIGHT**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the insured having paid the agreed extra premium, this insurance shall be extended to cover extra charges for express freight (excluding air freight).

Provided always that such extra charges are incurred in connection with any loss of or damage to the insured items recoverable under the policy.

If the sum(s) insured of the demand item(s) is/are less than the amount(s) required to be insured the amount payable under this endorsement for such extra charges shall be reduced in the same proportion.

## **3. MBD-AIR FREIGHT**

In consideration of insured having paid extra premium specified in the schedule it is hereby declared and agreed that the Policy shall also indemnify towards Air Freight incurred by the Insured in connection with the indemnifiable loss under the Policy.

Limit of indemnity shall be as specified in the schedule during currency of the Policy.

Each and every claim shall be subject to a minimum Excess of 5 % of the admissible Air Freight incurred over and above the excess as applicable under the policy.

Subject to the other terms, conditions and exceptions of the Policy.

## **4. MBD-OWNERS SURROUNDING PROPERTY**

In consideration of insured having paid extra premium as specified in the schedule it is hereby agreed and declared, subject to otherwise terms and conditions of the Policy, that this insurance by within policy is extended to cover loss or damage to property located at or adjacent to the site and belonging to or held in care, custody,

control of the principal(s) or the contractor(s) if occurring directly due to damage of items mentioned in the schedule while at rest or in use for construction or erection during period of policy.

The Company will pay to the insured the value of the damaged property at the time of accident or at its option reinstate or replace such damaged property or any part thereof provided that-

The liability of the Company shall in no case exceed the for any one accident or series of accidents arising out of any one event and in the whole the total indemnity as specified in the schedule during the currency of the Policy.

The insured shall bear the same excess as mentioned in the schedule of the policy.

In respect of loss or damage resulting to underground piping tunneling or underground cables and other underground facilities, the indemnity will be restricted to actual repair cost, provided prior to commencement of work, insured ascertains with the relevant authorities about the exact locations or positions of such cables, pipes or other underground facilities. Cracks that neither impair the stability of the structure nor safety of its users are not covered.

## 5. MBD-THIRDPARTY LIABILITY

Third Party Liability could be covered at an additional premium of 25 % of the gross average rate applied on the limit of liability chosen for third party liability. The excess applicable will be 1% of the TPL limit selected.

## 6. MBD- ADDITIONAL CUSTOMS DUTY

In consideration of the Insured having paid an additional premium as specified in the schedule it is hereby declared and agreed that the Insured shall also be indemnified during the currency of the policy, towards the additional Customs Duty which may be incurred by the Insured over and above the Customs Duty amount taken into account in arriving at the Sum Insured of the affected items.

Each and every claim payable under the extension shall be subject to an Excess of 5 % of the admissible Additional Customs Duty incurred and will be in addition to the Excess amount applicable for the affected item under the Policy.

The Indemnity for such Additional Customs Duty will stand reduced after occurrence of the claim unless reinstated by payment of an additional premium prescribed by the Company.

Subject to the terms, conditions and exceptions of the Policy.

Note- For computation of indemnity under the Additional Customs duty extension, exchange rate applicable on date of occurrence of loss shall be considered.

## 7. MBD-UNREPAIRED DAMAGES

In the event of insured deciding not to replace or repair the damaged item covered under the policy and decide to continue with the damaged item after incurring necessary expenditure for safe working of the damaged item. The insurer shall indemnify amount expended in making the item safe plus the reasonable repair cost which would have been incurred by the Insured had the Insured repaired the damaged item or reasonable amount equivalent to reduced life of damaged item.

**Limit:** Up to Per event and in aggregate as agreed and specified in Schedule

## 8. MBD-WAIVER OF IMPROVEMENT/BETTERMENT CLAUSE FOR REPLACEMENT OF SELECTED MACHINERY

In the event of total physical damage of the insured machinery/ equipment necessitating replacement, which may become obsolete at the time of such replacement, shall be the cost of reinstatement of the

damaged machinery with the follow up model of the same type provided that such cost of replacement does not exceed the sum insured set against the said item.

It is further agreed & declared that this extension shall not be enforceable if the insured is unable or unwilling to reinstate the property. However, if the cost of replacement with the follow up model exceeds the sum insured set against the said item, the company's liability would not exceed the sum insured.

## **9. MBD-AGREED BANK CLAUSE**

It is hereby declared and agreed:-

1. That upon any monies becoming payable under this Policy the same shall be paid by the Company to the Bank and such part of any monies so paid as may relate to the interests of other parties insured hereunder shall be received by the Bank as Agents for such other parties.
2. That the receipts of the Bank shall be complete discharge of the Company therefore and shall be binding on all the parties insured hereunder.

N.B: The Bank shall mean the first named Financial Institution/Bank named in the Policy.

3. That if and whenever any notice shall be required to be given or other communication shall be required to be made by the Company to the Insured or any of them in any manner arising under or in connection with this Policy such notice or other communication shall be deemed to have been sufficiently given or made if given or made to the Bank.
4. That any adjustment, settlement, compromise or reference to arbitration in connection with any dispute between the Company and the Insured or any of them arising under or in connection with this Policy if made by the Bank shall be valid and binding on all parties insured hereunder but not so as to impair rights of the Bank to recover the full amount of any claim it may have on other parties insured hereunder.
5. That this insurance is for as far only as it relates to the interest of the Bank therein shall not cease to attach to any of the insured property by reason of operation of Condition 3 of the Policy except where a breach of the Condition has been committed by the Bank or its duly authorised agents or servants and this insurance shall not be invalidated by any act or omission on the part of any other party insured hereunder whereby the risk is increased or by anything being done to upon or any building hereby insured or any building in which the goods insured under the Policy are stored without the knowledge of

the Bank provided always that the Bank shall notify the Company of any change of ownership or alterations or increase of hazards not permitted by this insurance as soon as the same shall come to its knowledge and shall on demand pay to the Company necessary additional premium from the time when such increase of risks first took place and

6. It is further agreed that whenever the Company shall pay the Bank any sum in respect of loss or damage under this Policy and shall claim that as to the Mortgagee or owner no liability therefore existed, the Company shall become legally subrogated to all the rights of the Bank to the extent of such payments but not so as to impair the right of the Bank to recover the full amount of any claim it may have on such Mortgagee or Owner or any other party or parties insured hereunder or from any securities or funds available.

## **10. MBD-UNREPAIRABLE EQUIPMENT CLAUSE**

The following provision is applicable if the Insured has opted for this extension.

For unrepairable electrical or mechanical equipment, including computer equipment under this Policy the adjustment of the physical damage loss amount will be not exceeding the cost to replace with equipment that is the most functionally equivalent to that damaged or destroyed, even if such equipment has technological advantages and/or represents an improvement in function and/or forms part of a program of system enhancement. Limit: Up to Per event and in aggregate as agreed and specified in Schedule.

Any extra charges incurred for overtime, night-work, work on public holidays, express freight are covered by this insurance only if specifically agreed to in writing.

In the event of the makers' drawings, patterns and core boxes necessary for the execution of a repair not being available the Company shall not be liable for cost of making any such drawing patterns or core boxes.

The cost of any alterations, improvements or overhaul shall not be recoverable under this Policy.

The cost of any provisional repairs will be borne by the Company if such repairs constitute part of the final repairs and do not increase the total repair expenses.

If the Sum Insured is less than the amount required to be insured as per Provision 1 hereinabove, the Company will pay only in such proportion as the Sum Insured bears to the amount required to be insured. Every item of Property insured if more than one shall be subject to this condition separately.

The Company will make payments only after being satisfied, with the necessary bills and documents that the repairs have been effected or replacements have taken place, as the case may be. The Company may, however, not insist for bills and documents in case of total loss where the Insured is unable to replace the damaged equipments for reasons beyond their control. In such cases claims can be settled on 'Indemnity Basis'.

## **11. MBD- ALTERNATE WORKING**

Warranted by the Insured that except when the load is being transferred from one machine to another the No.

\_\_\_\_\_ etc. insured under this policy shall only work alternately with No. \_\_\_\_\_ etc. Insured under

this policy. The plant may be turned over periodically for maintenance purpose only.

If the plant is to be used other wise than as above the Insured shall forthwith notify the

Insurer and

pays such additional premium as may be required by the Insurer failing which the Insurer's liability thereon shall cease.

## **12. MBD-STAND-BY MACHINERY**



Warranted by the Insured that any item of machinery marked 'STANDBY' in the Schedule of machinery shall not be worked at the same time as the machine to which it is standby except for the period when the load is being transferred from one to the other.

Provided that the standby machine may be turned over periodically for maintenance purpose.

Provided always that if the standby machine shall be used otherwise than as above the Insured shall forthwith notify the insurer and pay such additional premium as may be required by the Insurer failing which the Insurer's liability thereon shall cease.

### 13. MBD-INSURANCE OF ROPES IN LIFTS, CRANES AND ROPEWAYS

It is understood and agreed that insurance by this policy shall include sudden and unforeseen damage to ropes resulting in their actual and complete severance. It shall not include breakage or abrasion of wire or strand of ropes/slings although replacement is necessitated thereby.

Provided that the amount indemnifiable in respect of items thus affected is depreciated at an annual rate to be determined at the time of loss, this rate being not less than 15% per annum subject to a maximum of 75%.

### 14. MBD-REDUCTION GEARBOX

It is hereby declared and agreed that all claims pertaining to reduction Gear Box will be subject to depreciation at the rate of 15% per year or part thereof subject to a maximum depreciation of 75%.

Subject to the rest of the terms, conditions and exceptions of the policy.

### 15. MBD-PATTERNS AND CORE-BOXES

It is hereby declared and agreed that in the event of an accident, for which the Insurer is liable under the Policy, involving the replacement of a casting for which no patterns are available, the Insured shall bear the cost of making patterns and core boxes, the Insurer's liability being for the making of the casting itself.

### 16. MBD-DGSET ENDORSEMENT FOR 'LOSS MINIMISATION'

It is hereby declared that any loss or damage payable under the policy to the cylinder head, liner and piston of the Diesel/oil engines insured here will be indemnified subject to—

1. 15% depreciation per annum be made applicable to the Turbo-chargers subject to a maximum of 75%.
2. Turbo-charger cannot be insured in isolation.

### 17. MBD-FURNACE ENDORSEMENT

#### 1. INDUCTION FURNACE-

The Induction Furnaces should be covered subject to the following endorsement, which should be compulsorily used in case of all Induction Furnaces-

'It is hereby declared and agreed that the damage to the refractory lining due to any cause is specifically excluded'.

#### 2. ELECTRICAL FURNACES-

- a) It is hereby declared and agreed that any damage to crucibles and refractory linings due to any cause is excluded under the policy.

Subject to the terms, conditions and exceptions of the policy.

- b) It is hereby declared and agreed that any damage to induction coils/heating element of electric furnace will be subject to 25% depreciation per year or part thereof subject to a maximum depreciation of 75%.

Subject to the terms, conditions and exceptions of the policy.

- c) Warranted that the refractory linings are examined each time the furnace is recharged and linings renewed, if any defects are apparent. Further, the linings are, in any event, replaced periodically in accordance with the Maker's recommendations.

## **18. MBD-OVERHAUL OF PLATEN PRESSES**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon, the following shall apply to this Insurance in respect of item(s) No(s) contained in the specification of the policy.

The Insured shall arrange at his own expense an overhaul (the Insured shall inform the Insurer of such an overhaul in good time so that the Insurers' representatives may be present during the overhaul at the Insurers' expense) of all highly stressed parts of platen presses as well as an inspection by an expert in non-destructive testing and shall supply the insurers with reports on this overhaul and inspection. The expert shall determine the date of the next overhaul. Such overhauls/inspections shall take place at intervals of at least 12 months.

These provisions shall apply regardless of the commencement date of the insurance cover.

The Insured may apply for an extension of the period between overhauls. Such extension shall be granted if in the opinion of the Insurers the risk is not aggravated thereby.

If the Insured fails to comply with the requirements of this Endorsement, the Insurers shall be free from all liability for loss or damage caused by any circumstance which could have been detected had an overhaul taken place.

## **19. MBD-REFRACTORY MATERIALS IN BOILERS**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon, the Insurer shall indemnify the Insured for loss of or damage to refractory materials in item(s) as specified in the schedule, Nos. in the schedule contained in the schedule of the policy, caused by an indemnifiable accident to the above named item(s) subject to depreciation of the amount indemnifiable in respect of the items thus affected, at the time of loss. This rate being not less than 20 % per annum but not more than 80% in total.

## **20. MBD-CAPITAL ADDITIONS**

The insurer shall indemnify the insured up to the 15% of Policy Sum Insured per event and in aggregate in respect of loss of or damage to any buildings, machinery and other equipment acquired or operated by or held in the care, custody or control of the insured after the inception of this policy of insurance and not included in the schedule. Any additions or extensions to property insured which have been carried out after the inception of this policy of insurance collectively referred to as capital additions. Any increase in the new replacement value as a result of such capital additions shall not exceed limit specified as above. This additional insurance cover is also subject to the insuring party advising the insurer within one month of the particulars of any such capital additions and the payment of any additional premium the insurer may require

## 21. MBD-BASIS OF INDEMNITY

In consideration of the payment of additional premium, the policy extends to cover items mentioned in Policy Schedule on replacement basis in cases where the property insured is destroyed the company shall indemnify

the Insured for Replacement Value of the insured items by a new property of the same kind and same capacity including freight and customs duties, if any and erection costs, if any provided such expenses have been included in the Sum Insured but without any allowance for wear and tear and /or depreciation for equipment up to 5 years old.

In case the age of the damaged item exceeds 5 years the settlement shall be on the Replacement Value of the insured items as new at the time of damage less due allowance for Betterment, wear and tear and depreciation or the value which can be realized from the market for such insured item immediately before occurrence of damage whichever is lower

## 22. MBD-Claim Preparation Cost

In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, the insurance by this Policy extends to include costs reasonably incurred by the Insured in producing and certifying any particulars or details in support of any claim as may be required by the Company in terms of the conditions of the Policy.

**Limit:** Up to Per event and in aggregate as agreed and specified in Schedule

## Detail of Property Insured

Sr.No	Risk Location	Description of property insured	Sum Insured (Rs.)	Premium (Rs.)
1				

**Details of SUPPLEMENTARY CLAUSES & CONDITIONS**

Sr.No.	Description	Sum Insured (Rs.)	Premium (Rs.)	Excess/Deductible applicable if any
1				

**CLAUSES, EXTENSIONS AND****DEDUCTIBLE**

- 1.
- 2.

**SPECIAL CONDITIONS, WARRANTIES AND****EXCLUSIONS**

- 1.
- 2.

**SECTION IV - ELECTRONIC EQUIPMENT**

Subject to and/or in consideration of the Insured having paid to the Company the premium mentioned in the Schedule and subject to the terms, exclusions, conditions and provisions contained herein or endorsed hereon the Company will indemnify the Insured in the manner and to the extent therein after provided.

This Section shall apply to the insured items (only after successful completion of their performance/acceptance test whether they are at work or at rest or being dismantled for the purpose of cleaning or overhauling or in the course of aforesaid operation themselves or when being shifted within the premises mentioned in the Schedule or during subsequent re-erection.

The liability of the Company for any one item of the Property insured shall not exceed in aggregate in any one period of Insurance the Sum Insured set against such items in the attached Schedule(s) unless the Sum Insured under such item is reinstated after occurrence of a claim for balance period.

**EQUIPMENTS-**

All electronic equipments like computers, medical, biomedical, micro-processors; audio/visual equipments including the value of systems software may be covered under this section. The term equipment shall include the entire computer system consisting of CPU, keyboards, monitors, printers, stabilizers, UPS, system software etc.

Dish antenna is excluded from the scope of cover under this section. Further portable electronic equipments like notebook, laptop computer, sonograph machine are also excluded under this section.

**SCOPE OF COVER-**

The Company hereby agrees that in the event that the Property insured or any part thereof entered in the Schedule shall suffer any unforeseen and sudden physical loss or damage from any cause, other than

those specifically excluded, in a manner necessitating repair or replacement, the Company will indemnify the Insured in respect of such loss or damage as hereinafter provided by payment in cash, replacement or repair (at the insured's option) up to an amount not exceeding in any one year of insurance in respect of each of the items specified in the Schedule the sum set opposite thereto and not exceeding in all the total sum expressed in the Schedule as insured hereby.

## EXPENSE FOR LOSS MINIMIZATION

The following provision is applicable if the Insured has opted for this extension.

This Policy includes expenses for loss minimization necessarily incurred by the Insured to prevent any aggravation of an insured Loss following a loss or damage at any Insured's Premises specified in the Schedule, including moving / shifting of property if this contributes to loss minimization, subject to a limit per loss as per schedule. Limit: Up to Per event and in aggregate as agreed and specified in Schedule

### Unrepairable Equipment Clause

The following provision is applicable if the Insured has opted for this extension.

For unrepairable electrical or mechanical equipment, including computer equipment under this Policy the adjustment of the physical damage loss amount will be not exceeding the cost to replace with equipment that is the most functionally equivalent to that damaged or destroyed, even if such equipment has technological advantages and/or represents an improvement in function and/or forms part of a program of system enhancement. Limit: Up to Per event and in aggregate as agreed and specified in Schedule

## EXCLUSIONS UNDER SECTION VI

The Company will not indemnify the Insured in respect of loss, damage or liability directly caused by or arising out of or aggravated by-

1. Cessation of work whether total or partial.
2. Cost Incurred/time involved in the movement of machinery and/or any other property and/or personnel outside the territorial limits of India other than the cost of delivery of replacements for machinery lost or damaged.
3. Misalignment of the Property insured not accompanied by damage otherwise covered by this section.
4. Loss of or damage to the Property insured covered under this section falling under the terms of the maintenance agreement.
5. Loss destruction or damage directly occasioned by pressure wave caused by aircraft and other aerial devices traveling at sonic or supersonic speeds.

In any action, suit or other proceedings where the Company alleges that by reason of the provisions of the above exclusions any loss, destruction, damage or liability is not covered by this insurance, the burden of proving that such loss, destruction, damage or liability is covered shall be upon the Insured.

## SPECIAL EXCLUSION TO SECTION VI

The Company shall not, however, be liable for-

1. the Excess stated in the Schedule to be borne by the Insured in any one occurrence; if more than one item

is lost or damaged in one occurrence, the Insured shall not, however, be called upon to bear more than the highest single Excess applicable to such items;

2. loss or damage caused by any fault or defect existing in the Property insured at the time of commencement of the present insurance within the knowledge of the Insured, or his representatives, whether such faults or defects were known to the company or not;
3. loss or damage as a direct consequence of the continual influence of operation (e.g. wear and tear, cavitations, erosion, corrosion, incrustation) or of gradual deterioration due to atmospheric conditions;
4. any costs incurred in connection with the elimination of functional failures unless such failures were caused by an indemnifiable loss or damage to the Property insured;
5. any costs incurred in connection with the maintenance of the Property insured, such exclusion also applying to parts exchanged in the course of such maintenance operations;
6. loss or damage for which the manufacturer or supplier of the Property insured is responsible either by law or under contract;
7. loss of or damage to rented or hired equipment for which the owner is responsible either by law or under a lease and/or maintenance agreement;
8. consequential loss or liability of any kind or description;
9. loss of or damage to bulbs, valves, tubes, ribbons, fuses, seals, belts, wires, chains, rubber tyres, exchangeable tools, engraved cylinders, objects made of glass, porcelain or ceramics, sieves or fabrics, or any operating media (e.g. lubricating oil, fuel, chemicals);
10. aesthetic defects, such as scratches on painted, polished or enamelled surfaces.

In respect of the parts mentioned under 9) and 10) above the Company shall be liable to provide compensation in the event that such parts are effected by an indemnifiable loss or damage to the Property insured.

## PROVISIONS APPLYING TO

### SECTION – VISUM INSURED –

It is a requirement of this insurance that the Sum Insured shall be equal to the cost of replacement of the Property insured by new property of the same kind and same capacity, which shall mean its replacement cost including freight, dues and customs duties, if any, and erection costs.

The Sum Insured of the Property insured under this section shall include the value of 'System Software' provided by the manufacturer to operate the system.

### BASIS OF INDEMNITY –

1. In cases where damage to the Property insured can be repaired, the Company will pay expenses necessarily incurred to restore the damaged Property insured to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair shop, customs duties and dues, if any, to the extent such expenses have been included in the Sum Insured. If the repairs are executed at a workshop owned by the Insured, the Company will pay the cost of materials and wages incurred for the purpose of the repairs plus a reasonable percentage to be determined by the Company to cover overhead charges.

No deduction shall be made for depreciation in respect of parts replaced, except those with limited life, but the value of any salvage will be taken into account. If the cost of repairs as detailed hereinabove equals or exceeds the actual value of the Property insured immediately before the occurrence of the damage, the settlement shall be made on the basis provided for in (b) below.

2. In cases where the Property insured is destroyed, the Company will pay the actual value of the Property insured immediately before the occurrence of the loss, including costs for ordinary freight, erection and customs duties if any, provided such expenses have been included in the Sum Insured, such actual value to be calculated by deducting proper depreciation from the replacement value of the Property insured. The Company will also pay any normal charges for the dismantling of the Property insured which has been destroyed, but the salvage will be taken into account.

Any extra charges incurred for overtime, night-work, work on public holidays, express freight, are covered by this Insurance only if specially agreed to in writing.

In the event of the makers' drawings, patterns and core boxes necessary for the execution of a repair not being available, the Company shall not be liable for the cost of making any such drawings, patterns and core boxes.

The cost of any alterations, improvements or overhaul shall not be recoverable under this policy.

The cost of any provisional repairs will be borne by the Company if such repairs constitute part of the final repairs, and do not increase the total repair expenses.

3. In cases where the Property insured is subjected to total loss and meanwhile it becomes obsolete, all costs necessary to replace the lost or damaged Property insured with a follow-up model (similar type) of similar structure/configuration (of similar quality) i.e. low, average or high capacity – will be reimbursed.

If the Sum Insured is less than the amount required to be insured as per provision – titled "Sum Insured" hereinabove, the Company will pay only in such proportion as the Sum Insured bears to the amount required to be insured. Every item if more than one shall be subject to this condition separately.

The Company will make payments only after being satisfied, with necessary bills and documents, that the repairs have been effected or replacements have taken place, as the case may be. The Company may, however, not insist for bills and documents in case of total loss where the Insured is unable to replace the damaged Property insured for reasons beyond their control. In such cases claims can be settled on 'Indemnity Basis'.

## **WARRANTY–**

It is warranted that the Maintenance Agreement in force at the inception of this policy is maintained during the currency of this policy and no variation in the terms of the Agreement shall be made without the written consent of the Company being obtained.

For the purpose of this warranty the word 'Maintenance' shall mean the following–

- i) Safety checks,
- ii) Preventive maintenance
- iii) Rectification of loss or damage or faults arising from normal operation as well as from ageing.



**ELECTRONIC EQUIPMENT – SUPPLEMENTARY CLAUSES & CONDITIONS****1. EEI-ENDORSEMENT FOR EXCLUSION OF DAMAGE CAUSED BY FIRE AND ALLIED PERILS**

Notwithstanding the conditions, provisions and other endorsements of this policy, it is hereby agreed and understood that the Company shall not be liable to indemnify the insured in respect of any loss, damage or liability directly or indirectly caused by or resulting from –

- 1) Fire (including losses arising out of firefighting and rescue work).
- 2) Lightning.
- 3) Explosion/implosion.
- 4) Riot, Strike and Malicious Damage.
- 5) An act of terrorism committed by a person or persons acting on behalf of or in connection with any organization and/or the action of any lawfully constituted authority in suppressing or attempting to suppress any such act of terrorism or in minimizing consequences thereof.
- 6) Impact by any rail/road vehicle or animals.
- 7) Aircraft and other aerial and/or spaced devices and/or articles dropped therefrom.
- 8) Storm, cyclone, typhoon, tempest, hurricane, tornado, flood and inundation.
- 9) Subsidence and Land Slide including Rockslide.
- 10) Earthquake, Fire and Shock.

**2. EEI- ESCALATION CLAUSE**

In consideration of the payment of an additional premium amounting to 50% of the premium produced by applying the specified percentage to the first or the annual premium as appropriate on the undernoted item(s) the Sum(s) Insured thereby shall, during the period of Insurance, be increased each day by an amount representing  $\frac{1}{365}$  of the specified percentage increase per annum.

Unless specifically agreed to the contrary the provisions of the Clause shall only apply to the sums insured in force at the commencement of each period of insurance.

At each Renewal Date the Insured shall notify the Insurers:-

- 1) the Sums to be Insured under each item above, but in the absence of such instructions the Sums Insured by the above items shall be those stated on the policy (as amended by any endorsement effective prior to the aforesaid renewal date) to which shall be added the increases which have accrued under this Clause during the period of Insurance up to that renewal date, and
- 2) the specified percentage increase(s) required for the forthcoming period of Insurance, but in the absence of instructions to the contrary prior to the renewal date the existing percentage increase shall apply for the period of insurance from renewal.

All the conditions of the policy in so far as they may be hereby expressly varied shall apply as if they had been incorporated herein.

**3. EEI- EXPRESS FREIGHT**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the insured having paid the agreed extra premium, this insurance shall be extended to cover extra charges for express freight (excluding air freight).

Provided always that such extra charges are incurred in connection with any loss of or damage to the insured items recoverable under the policy.

If the sum(s) insured of the demand item(s) is/are less than the amount(s) required to be insured the amount payable under this endorsement for such extra charges shall be reduced in the same proportion.

#### **4. EEI-AIRFREIGHT**

In consideration of insured having paid extra premium as specified in the schedule attached it is hereby declared and agreed that the Policy shall also indemnify towards Air Freight incurred by the Insured in connection with the indemnifiable loss under the Policy.

Limit of indemnity shall be as per the schedule during currency of the Policy.

Each and every claim shall be subject to a minimum Excess of 5 % of the admissible Air Freight incurred over and above the excess as applicable under the policy.

Subject to the other terms, conditions and exceptions of the Policy.

#### **5. EEI-OWNERS SURROUNDING PROPERTY**

In consideration of insured having paid extra premium as specified in the schedule attached it is hereby agreed and declared, subject to otherwise terms and conditions of the Policy, that this insurance by within policy is extended to cover loss or damage to property located at or adjacent to the site and belonging to or held in care, custody, control of the principal(s) or the contractor(s) if occurring directly due to damage of items mentioned in the schedule while at rest or in use for construction or erection during period of policy.

The Company will pay to the insured the value of the damaged property at the time of accident or at its option reinstate or replace such damaged property or any part thereof provided that-

The liability of the Company shall in no case exceed the limit of liability mentioned in the schedule for any one accident or series of accidents arising out of any one event and in the whole the total indemnity during the currency of the Policy.

The insured shall bear the same excess as mentioned in the schedule of the policy.

In respect of loss or damage resulting to underground piping tunneling or underground cables and other underground facilities, the indemnity will be restricted to actual repair cost, provided prior to commencement of work, insured ascertains with the relevant authorities about the exact locations or positions of such cables, pipes or other underground facilities. Cracks that neither impair the stability of the structure nor safety of its users are not covered.

#### **6. EEI-ADDITIONAL CUSTOMS DUTY**

In consideration of the Insured having paid an additional premium as per the schedule it is hereby declared and agreed that the Insured shall also be indemnified during the currency of the policy, towards the additional Customs Duty, amount as specified in the schedule which may be incurred by the Insured over and above the Customs Duty amount taken into account in arriving at the Sum Insured of the affected items.

Each and every claim payable under the extension shall be subject to an Excess of 5 % of the admissible Additional Customs Duty incurred and will be in addition to the Excess amount applicable for the affected item under the Policy.

The Indemnity for such Additional Customs Duty will stand reduced after occurrence of the claim unless reinstated by payment of an additional premium prescribed by the Company.

Subject to the other terms, conditions and exceptions of the Policy.

Note- For computation of indemnity under the Additional Customs duty extension, exchange rate applicable on date of occurrence of loss shall be considered.

#### **7. EEI-THIRD PARTY LIABILITY**

In consideration of the payment of the additional premium as specified in the schedule it is hereby agreed and declared that notwithstanding anything to the contrary stated in this policy, the Company will indemnify the insured –

- a. against legal liability for the accidental loss or damage caused to the property of other persons.
- b. against legal liability (liability under contract excepted) for fatal or non-fatal injury to any persons other than the insured or his own employees or employee of the owner of the works/site/premises/location or employees of the other firms/connected with any other worksite/premises/location or members of the family of the insured or any of the aforesaid.

#### EXCLUSIONS UNDER THE TPLEXTENSION –

The Company will not indemnify the insured, under this extension in respect of –

- a. The first amount of policy excess of each claim for anyone occurrence related to property damage.
- b. Expenditure incurred in doing or redoing or making good or repairing or replacing any thing covered or recoverable under the policy.
- c. Liability consequent upon –
  - i. bodily injury to or illness of employees/workmen/members of the families of the insured or of the owners of the works/site/ premises/location or of any other firm/contractors connected with any other work at the works/site/premises/location.
  - ii. loss of or damage to property belonging to or held in trust by or under custody of the owner of the works/site/ premises/ location of any other firms/contractors or an employee/workmen/family members of any of the aforesaid.
  - iii. any accident caused by vehicles licensed for general road use or by waterborne vessels or by aircraft.
  - iv. any agreement by the insured to pay any sum by way of indemnity or otherwise unless such liability would have attached also in the absence of such agreement.

#### CONDITIONS APPLYING TO TPLEXTENSION –

- a. No admission, offer, promise, payment of indemnity shall be made or given by or on behalf of the insured without written consent of the company who shall be entitled, if any s/he desire, to take over and conduct in the name of the insured the defence or settlement of any claim or to prosecute for their own benefit in the name of the insured any claim for indemnity or damage or otherwise and shall have full discretion in the conduct of any proceeding or in the settlement of any claim and the insured shall give all such information and assistance as the Company may require.
- b. The Company may, so far as any accident is concerned, pay to the insured the limit of indemnity for any one accident/for any one period, after deducting therefrom in such case of any sum/sal already paid as compensation in respect thereof or any lesser sum for which the claim or claims arising from such accident can be settled and the Company shall thereafter be under no further liability in respect of such accident under this section.

Sum insured under TPL extension of annual policies should not exceed 10% of the sum insured subject to a maximum amount of Rs 10 crs per location

## 8. EEI-FLOATER CLAUSE

In consideration of the payment of additional premium, the equipments covered under the policy will enjoy coverage at all locations as specified in the list of locations mentioned in the policy.

If the equipments of all locations hereby insured against be collectively of greater value than the aggregate sum insured of overall locations there on, then the insured shall be considered as being his own insurer for the difference and shall bear a ratable proportion of the loss accordingly.

At all times during the currency of this policy the insured should have a good internal monitoring procedure under which the locations of all the equipments can be established at any particular time if required.

The cover under the policy shall cease during the transit of equipment(s) between any of the two policy locations or to any other location.

The changes in the address of locations, specifically declared at inception, should be communicated to insurer immediately.

## **9. EEI-MODIFICATION COST/INCOMPATIBILITY EXPENSES**

In consideration of the payment of additional premium, the policy extend to cover the cost or expenses for modification of (A) damaged or undamaged equipments including but not limited to computers and ancillary equipments and/or (B) the cost of replacement/restoration and recompilation of computer records to mitigate the incompatibility between the replaced equipment and undamaged equipment and/or computer records. Insurer will indemnify the cost to achieve compatibility between the above two situation whichever is lesser subject to limits as mentioned in schedule

**Limit:** Upto Per event and in aggregate as agreed and specified in Schedule

## **10. EEI-AGREED BANK CLAUSE**

It is hereby declared and agreed:-

1. That upon any monies becoming payable under this Policy the same shall be paid by the Company to the Bank and such part of any monies so paid as may relate to the interests of other parties insured hereunder shall be received by the Bank as Agents for such other parties.
2. That the receipts of the Bank shall be complete discharge of the Company therefore and shall be binding on all the parties insured hereunder.

**N.B:** The Bank shall mean the first named Financial Institution/Bank named in the Policy.

3. That if and whenever any notice shall be required to be given or other communication shall be required to be made by the Company to the Insured or any of them in any manner arising under or in connection with this Policy such notice or other communication shall be deemed to have been sufficiently given or made if given or made to the Bank.

4. That any adjustment, settlement, compromise or reference to arbitration in connection with any

dispute between the Company and the Insured or any of them arising under or in connection with this Policy if made by the Bank shall be valid and binding on all parties insured hereunder but not so as to impair rights of the Bank to recover the full amount of any claim it may have on other parties insured hereunder.

5. That this insurance is for only as it relates to the interest of the Bank therein shall not cease to attach to any of the insured property by reason of operation of Condition 3 of the Policy except where a breach of the Condition has been committed by the Bank or its duly authorised agents or servants and this insurance shall not be invalidated by any act or omission on the part of any other party insured hereunder whereby the risk is increased or by anything being done to upon or any building hereby insured or any building in which the goods insured under the Policy are stored without the knowledge of the Bank provided always that the Bank shall notify the Company of any change of ownership or alterations or increase of hazards not permitted by this insurance as soon as the same shall come to its knowledge and shall on demand pay to the Company necessary additional premium from the time when such increase of risks first took place and

6. It is further agreed that whenever the Company shall pay the Bank any sum in respect of loss or damage under this Policy and shall claim that as to the Mortgagor or owner no liability therefore existed, the Company shall become legally subrogated to all the rights of the Bank to the extent of such payments but not so as to impair the right of the Bank to recover the full amount of any claim it may have on such Mortgagor or Owner or any other party or parties insured hereunder or from any securities or funds available.

## 11. BASIS OF INDEMNITY--ELECTRONIC EQUIPMENT

In consideration of the payment of additional premium, the policy extends to cover items mentioned in Policy Schedule on replacement basis in cases where the Property insured is destroyed the company shall indemnify the Insured for Replacement Value of the insured items by a new property of the same kind and same capacity including freight and customs duties, if any and erection costs, if any provided such expenses have been included in the Sum Insured but without any allowance for wear and tear and /or depreciation for equipment up to 5 years old.

In case the age of the damaged item exceeds 5 years the settlement shall be on the Replacement Value of the insured items as new at the time of damage less due allowance for Betterment, wear and tear and depreciation or the value which can be realized from the market for such insured item immediately before occurrence of damage whichever is lower

## 12. EEI-Medical Equipment using X-ray tubes

As regards depreciation for Medical Equipment using X-ray tubes, it has been decided to adopt the following 'Endorsement's wordings for which are given in the "annexure"

- i) Cover of x-ray valves & tubes
- ii) Special condition Concerning Computer Technographs
- iii) Warranty for Lightning and over-voltage Protection Devices
- iv) Warranty concerning Air-

conditioning Plant Cover of Valves and Tubes

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, this insurance shall be extended to include loss of or damage to valves and tubes. Indemnification shall be limited to the actual value of such items (cf 1 - 7) immediately prior to the occurrence of the loss or damage, including ordinary freight, erection costs and custom duties and dues, if any.

## 1. Actual values of

stationary anode X-ray tubes in single-tank setup and rotating anode X-ray tubes without exposure counters for diagnostic equipment  
 surface and close-range radio-therapy X-ray tubes and valves  
 video amplifiers

Age (months)	Actual value in % of new replacement value
Less than 18	100
Less than 20	90
Less than 23	80
Less than 26	70
Less than 30	60
Less than 34	50
Less than 40	40
Less than 46	30
Less than 52	20
Less than 60	10
More than 60	0

## 2. Actual values of valves for diagnostic equipment

Age (months)	Actual value in % of new replacement value
Less than 33	100
Less than 36	90
Less than 39	80
Less than 42	70
Less than 45	60
Less than 48	50
Less than 51	40
Less than 54	30
Less than 57	20
Less than 60	10
More than 60	0

## 3. Actual value of rotating anode X-ray tubes with lead-sealed exposure counters for diagnostic equipment

Number of exposures	Actual value in % of new replacement value
Less than 10,000	100
Less than 12,000	90
Less than 14,000	80
Less than 16,000	70
Less than 19,000	60
Less than 22,000	50
Less than 26,000	40
Less than 30,000	30
Less than 35,000	20
Less than 40,000	10
More than 40,000	0

## 4. Actual values of deep therapy X-ray tubes and valves

Period of operation (hours) OR Age (months) (whichever results in the lower actual value)		Actual value in % of new replacement value
Period of operation (hours)	Age (months)	
Less than 400	Less than 18	100
Less than 500	Less than 22	90
Less than 600	Less than 26	80
Less than 700	Less than 30	70
Less than 800	Less than 35	60

Less than 900	Less than 40	50
Less than 1000	Less than 45	40
Less than 1100	Less than 50	30
Less than 1200	Less than 55	20
Less than 1300	Less than 60	10
More than 1300	More than 60	0

## 5. Actual values of X-ray tubes and valves for material testing equipment

Period of operation (hours) OR Age (months) (whichever results in the lower actual value)		Actual value in % of new replacement value
Period of operation or (hours)	Age (months)	
Less than 300	Less than 6	100
Less than 380	Less than 8	90
Less than 460	Less than 10	80
Less than 540	Less than 12	70
Less than 620	Less than 14	60
Less than 700	Less than 16	50
Less than 780	Less than 18	40
Less than 860	Less than 20	30
More than 860	More than 20	20

## 6. Actual values of picture and pick-up tubes for TV equipment

After 12 months' use, the actual values of picture and pick-up tubes shall be reduced by 3% per month down to a minimum of 20% of the new replacement values.

## 7. Actual values of other types of tubes and valves

For other types of tubes and valves the actual values on the date of an occurrence shall be determined on the basis of data furnished by the supplier.

## Special condition concerning Computer Tomographs

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall not be liable for any damage consisting in the failure of individual construction elements or components, unless it can be proved that such damage has been caused by an external event acting on the system or by a fire generated within the system.

In contrast to the indemnity scales of Endorsement on "Cover for valves and tubes" incorporated in medical equipment, the following scales shall apply to the tubes indicated below built into computer tomographs:



## 1. X-raytubes

withhigh-voltage timer meter (stationary-anode tubes): (operating hours upto)	with exposure counter (rotating-anode tubes): (No. of exposures upto)	indemnity: (%)
400	10,000	100
440	11,000	90
480	12,000	80
520	13,000	70

600	15,000	60
720	18,000	50
840	21,000	40
960	24,000	30
1,080	27,000	20
1,200	30,000	10

## 2. Tubes for voltage stabilization and regulation

Period of use (months)	Indemnity %
36	100
39	90
41	80
44	70
47	60
49	50
52	40
55	30
57	20
60	10

## Warranty for Lightning and Overvoltage Protection Devices

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall only indemnify the Insured in respect of loss of or damage to electronic equipment or data media or increased cost of working as a result of lightning or overvoltage if the electronic equipment is fitted with lightning and overvoltage protection devices and alarm system and these have been installed and maintained in accordance with the recommendations of the manufacturers of the electronic equipment and the lightning and overvoltage protection devices.

This means that the lightning and overvoltage protection devices and alarm system

--- are regularly serviced by qualified personnel of the manufacturer or supplier,

--- are kept under supervision by trained personnel,

--- are provided with an automatic switch-off device complying with the latest requirements for electronic equipment and the manufacturer's recommendations.

## Warranty Concerning Air-Conditioning Plant

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall not indemnify the Insured in respect of any loss or damage in regard to electronic equipment, data media and increased cost of working due to the failure of the air-conditioning plant, if this air-conditioning plant is not covered against material damage and has been equipped, installed or maintained in accordance with the recommendations of the manufacturers of the electronic equipment and air-conditioning plant.

This means that the insured air-conditioning plant

--- and the alarm and switch-

off devices are maintained by qualified personnel of the manufacturer or supplier at least every six months;

--- is equipped with independent sensors to monitor temperature and humidity, to detect smoke and to release visual and acoustical alarms;

----

is kept under supervision by trained personnel who are able to take all loss prevention measures necessary in the event of an alarm;

--- is provided with an automatic emergency switch-

off device complying with the requirements stipulated by the manufacturers of the electronic equipment.

### 13. EEI-SOFTWARE ENDORSEMENT

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Company shall only indemnify the Insured in respect of loss of or damage to Value of "System Software" which are integral to the hardware and of off-the shelf type and shall exclude any loss of or damage to "Application Software" or "Proprietary Software" which are of external type.

### 1. EEI-CAPITAL ADDITIONS

The insurer shall indemnify the insured up to the 15% of Policy Sum Insured per event and in aggregate in respect of loss of or damage to any equipment acquired or operated by or held in the care, custody or control of the insured after the inception of this policy of insurance and not included in the schedule. Any additions or extensions to property insured which have been carried out after the inception of this policy of insurance collectively referred to as capital additions. Any increase in the new replacement value as a result of such capital additions shall not exceed limit specified as above. This additional insurance cover is also subject to the insuring party advising the insurer within one month of the particulars of any such capital additions and the payment of any additional premium the insurer may require

#### 3. 15. EEI-Omission to Insure additions and Extensions Clause

In consideration of the payment of additional premium, this policy extends to cover equipments as defined in the schedule hereof which the insured may acquire or for which they may become responsible.

i) The liability under this extension shall not to exceed 5% of the sum insured for equipments mentioned in the schedule.

ii) The insured shall notify the company of each additional insurance as soon as it shall come to their knowledge and shall pay the appropriate additional premium thereon from the date of inception.

iii) Following the advice of any additional insurance as aforesaid, cover by this extension shall be fully reinstated.

iv) No liability shall attach to the company in respect of any equipment while such equipment is otherwise insured.

All new additions to the equipments by the insured not specifically insured/included during the currency of the policy should be declared at the end of the year and suitable additional premium paid on prorata basis from the date of acquisition of additions may be suitably adjusted.

If the insured fails to declare the values of such additions within 30 days after expiry of the policy, there shall be no refund of the advance premium collected.

**Limit:** 5% of the Sum Insured as mentioned in schedule

#### 4. **16. EEI-Removal of Debris Clause**

In consideration of the payment of additional premium, this policy extends to cover cost of removal of debris necessary to undertake the repair or replacement of any loss or damage covered hereby and further extends to

include the cost and expenses necessarily and reasonably incurred by the insured in demolition, removal and/or satisfactory disposal of debris following loss of or damage to the insured property.

The company will not pay any cost or expenses

i) Incurred in removing debris except from the site of such property destroyed or damaged

ii) arising from pollution or contamination of property not covered by this policy.

**Limit:** Up to Per event and in aggregate as agreed and specified in Schedule

#### 17. **EEI-Professional Fee**

In consideration of the payment of additional premium, the policy extends to include any amount in respect of Architects, Surveyors and Consulting Engineers' reimbursable fees or other professional fees necessarily incurred by the Insured in the reinstatement of the Insured property consequent upon its loss, destruction or damage but not for preparing any claim.

**Limit:** Up to Per event and in aggregate as agreed and specified in Schedule

#### 18. **EEI-Decontamination and Clean Up Cost**

In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, the policy extends to cover the cost of decontamination and/or clean up cost of insured property contaminated including but not limited to presence of pollution or hazardous materials as a result of physical damage to the insured property due to insured perils.

This coverage is applicable to only that part of insured property contaminated as a direct result of insured physical damage. Company is not liable for the costs involved in removal of neither contaminated uninsured property nor the contaminant therein, whether or not the contaminant results from an insured event.

**Limit:** Up to 10% of Policy Sum Insured

**19. EEI-ClaimPreparationCost**

In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, the insurance by this Policy extends to include costs reasonably incurred by the Insured in producing and certifying any particulars or details in support of any claims as may be required by the Company in terms of the conditions of the Policy.

**Limit:** Upto Per event and in aggregate as agreed and specified in Schedule

**20. EEI-Unrepaired Damages**

In the event of insured deciding not to replace or repair the damaged item covered under the policy and decide to continue with the damaged item after incurring necessary expenditure for safe working of the damaged item, the insurer shall indemnify amount expended in making the item safe plus reasonable amount equivalent to reduced life of damaged item.

**21. EEI-Waiver of Improvement/Betterment clause for replacement of damaged parts or equipments**

In the event of total physical damage to a part of an equipment or equipment itself, which may become obsolete at the time of such replacement, Indemnification shall be the cost of reinstatement of the damaged part or equipment with the follow up model of the same type provided that such cost of replacement does not exceed the sum insured set against the said item.

It is further agreed & declared that this extension shall not be enforceable if the insured is unable or unwilling to reinstate the property. However, if the cost of replacement with the follow up model exceeds the sum insured set against the said item, the company's liability would not exceed the sum insured.

**5. SECTION VII - PORTABLE ELECTRONIC EQUIPMENT**

This Section shall apply to the Property insured at work or at rest or whilst being used by the authorised employee(s) of the Insured on journey to places by train or road or air anywhere within the territorial limits mentioned in the Schedule for the purpose of business or profession of the Insured

The liability of the Company for any one item of the Property insured shall not exceed in aggregate in any one period of Insurance the Sum Insured set out against such items in the attached Schedule(s) unless the Sum Insured under such item is reinstated after occurrence of a claim for balance period.

**Definition**

**"Portable Electronic Equipment"** - Portable Electronic Equipment like Laptops, palm tops, PDAs, Mobile Phones, and the like including the value of Systems Software, Medical, Bio-medical, Micro processors, Audio-visual, geophysical and other mobile/ portable professional instruments / equipment used for survey, measurement and control and others specified equipment including those which are portable in nature.

## EXPENSE FOR LOSS MINIMIZATION

The following provision is applicable if the Insured has opted for this extension.

This Policy includes expenses for loss minimization necessarily incurred by the Insured to prevent any aggravation of an insured Loss following a loss or damage at any Insured's Premises specified in The Schedule, including moving / shifting of property if this contributes to loss minimization, subject to a limit per loss as per schedule. Limit: Up to Prevent and in aggregate as agreed and specified in Schedule

This Section is subject to the same terms, conditions, exclusions, warranties and provisions as that of Electronic Equipment Insurance SECTION except to the extent that the same are overridden by following special exceptions and conditions.

### Special Exceptions:

The Company will not indemnify the Insured in respect of loss, damage or liability directly caused by or arising out of or aggravated by-

The Company will not pay for-

1. the Excess stated in the Schedule to be borne by the Insured in any one occurrence; if more than one item of Property insured is lost or damaged in one occurrence, the Insured shall not, however, be called upon to bear more than the highest single Excess applicable to such items;
2. loss of or damage to rented or hired equipment for which the owner is responsible either by law or under a lease and/or maintenance agreement;
3. loss of or damage to hard disk and read-write head whilst in transit except when caused by an insured damage to the whole computer
4. loss of or damage to bulbs, valves, tubes, ribbons, fuses, seals, belts, wires, chains, rubber tyres, exchangeable tools, engraved cylinders, objects made of glass, porcelain or ceramics, sieves or fabrics, or any operating media (e.g. lubricating oil, fuel, chemicals);
5. aesthetic defects, such as scratches on painted, polished or enamelled surfaces.
6. In respect of the parts mentioned under d) and e) above the Company shall be liable to provide compensation in the event that such parts are affected by an indemnifiable loss or damage to the Property insured.
7. any unexplained disappearance of the Property insured.
8. Loss or damage caused by mechanical or electrical derangement/breakdown of any article unless caused by accidental external means.
9. Cessation of work whether total or partial.
10. Cost Incurred/time involved in the movement of machinery and/or any other property and/or personnel outside the territorial limits of India other than the cost of delivery of replacements for machinery lost or damaged.
11. Misalignment of the Property insured not accompanied by damage otherwise covered by this section.
12. Loss of or damage to the Property insured covered under this section falling under the terms of the maintenance agreement
13. Loss destruction or damage directly occasioned by pressure wave caused by aircraft and other aerial devices traveling at sonic or supersonic speeds.

In any action, suit or other proceedings where the Company alleges that by reason of the provisions of the above exclusions any loss, destruction, damage or liability is not covered by this insurance, the burden of proving that such loss, destruction, damage or liability is covered shall be upon the Insured.

**PROVISIONS APPLYING TO PORTABLE ELECTRONIC****EQUIPMENT SUM INSURED –**

It is a requirement of this insurance that the Sum Insured shall be equal to the cost of replacement of the Property insured by new property of the same kind and same capacity, which shall mean its replacement cost including freight, duties and customs duties, if any, and erection costs.

The Sum Insured of the Property insured under this section shall include the value of 'System Software' provided by the manufacturer to operate the system

**BASIS OF INDEMNITY –**

In cases where damage to the Property insured can be repaired, the Company will pay expenses necessarily incurred to restore the damaged Property insured to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair-shop, customs duties and dues, if any, to the extent such expenses have been included in the Sum Insured. If the repairs are executed at a workshop owned by the Insured, the Company will pay the cost of materials and wages incurred for the purpose of the repairs plus a reasonable percentage to be determined by the Company to cover overhead charges.

No deduction shall be made for depreciation in respect of parts replaced, except those with limited life, but the value of any salvage will be taken into account. If the cost of repairs as detailed herein above equals or exceeds the actual value of the Property insured immediately before the occurrence of the damage, the settlement shall be made on the basis provided for in (b) below.

In cases where the Property insured is destroyed, the Company will pay the actual value of the Property insured immediately before the occurrence of the loss, including costs for ordinary freight, erection and customs duties if any, provided such expenses have been included in the Sum Insured, such actual value to be calculated by deducting proper depreciation from the replacement value of the Property insured. The Company will also pay any normal charges for the dismantling of the Property insured which has been destroyed, but the salvage will be taken into account.

Any extra charges incurred for overtime, night-work, work on public holidays, express freight, are covered by this Insurance only if especially agreed to in writing.

In the event of the makers' drawings, patterns and core boxes necessary for the execution of a repair not being available, the Company shall not be liable for the cost of making any such drawings, patterns and core boxes.

The cost of any alterations, improvements or overhauls shall not be recoverable under this policy.

The cost of any provisional repairs will be borne by the Company if such repairs constitute part of the final repairs, and do not increase the total repair expenses.

In cases where the Property insured is subjected to total loss and meanwhile it becomes obsolete, all costs necessary to replace the lost or damaged Property insured with a follow-up model (similar type) of similar structure/configuration (of similar quality) i.e. low, average or high capacity – will be reimbursed.

If the Sum Insured is less than the amount required to be insured as per provision –titled “Sum Insured”hereinabove, the Company will pay only in such proportion as the Sum Insured bears to the amountrequiredto be insured. Everyitemifmorethanoneshall besubjecttothisconditionseparately.

The Company will make payments only after being satisfied, with necessary bills and documents, that therepairs have been effected or replacements have taken place, as the case may be. The Company may,however, not insist for bills and documents in case of total loss where the Insured is unable to replace the damaged Property insured for reasons beyond their control. In such cases claims can be settled on‘IndemnityBasis’.

## WARRANTY–

It is warranted that the Maintenance Agreement in force at the inception of this policy is maintained during thecurrency of this policy and no variation in the terms of the Agreement shall be made without the writtenconsentoftheCompanybeingobtained.

Forthepurposeofthiswarrantytheword‘Maintenance’shallmeanthefollowing-

- i. Safetychecks,
- ii. Preventivemaintenance
- iii. Rectificationoflossordamageorfaultsarisingfromnormaloperationaswellasfrom ageing.

## SpecialConditions–

Itis aconditionofthis policy,thata llPropertyinsuredbeinginthenatureofportableequipmentcoveredhereby

- i. shallalwaysbeinthecustodyandcontrolofadesignatedpermanentemployeeoftheInsuredandkeptinlockedcup boards/cabinets/safedepositvaultsifcircumstanceswarrantittobe leftunattended.
- ii. shallneverbeleftunattendedinamotorvehicle,aircraftoranyothertypeofconveyance
- iii. shallbehand-baggagedbytheInsuredwhentravelingbyaircraft,butifandwhennotallowedashand-baggage,shouldbe specificallydeclaredtotheairline as "valuablecargo".

## UnrepairableEquipmentClause

Thefollowingprovisionis applicableiftheInsuredhas optedforthisextension.

Forunrepairableelectricalormechanical equipment, including computerequipment underthisPolicy theadjustment of the physical damage loss amount will be not exceeding the cost to replace with equipment that isthe most functionally equivalent to that damaged or destroyed, even if such equipment has technologicaladvantagesand/orrepresentsanimprovementinfunctionand/orformspartofaprogramofsystemenhancement.Limit:Upto Pereventand inaggregate asagreedandspecified in Schedule

## PORTABLEELECTRONICEQUIPMENT–SUPPLIMENTARYCLAUSES&CONDITIONS

### 1. PEEI-REINSTATEMENT VALUECLAUSEFOR PORTABLEITEMS

NotwithstandinganythingcontrarytowhatisstatedinsectionVIIofthispolicyitisherebydeclared

and agreed that in the event of the property insured under this section and stated within the policy beingdestroyed or damaged, the basis upon which the amount payable under (each of the said items of) the policy isto be calculated and shall be cost or replacing or reinstating on the same site or any other site with property ofthe same kind or type but not superior to or more extensive than the insured property when new as on date ofthe loss, subject to the following Special Provisions and subject also to the terms and ;conditions of the policyexceptinsofar as thesamemaybevariedhereby.



## Special Provisions

- 1) Until expenditure has been incurred by the insured in replacing or reinstating the property destroyed or damaged the company shall not be liable for any payment in excess of the amount which would have been payable under the Policy if this memorandum had not been incorporated therein.
- 2) If at the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the property covered has been destroyed, exceeds the sum insured thereon or at the commencement of any destruction or damage to such property by any of the perils insured against by the policy, then the insured shall be considered as being his own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of the policy (if more than one) to which this memorandum applies shall be separately subject to the foregoing provision.
- 3) This memorandum shall be without force or effect if
  - a. The insured fails to intimate to the company within 60 days from the date of destruction or damage or such further time as the company may in writing allow his intention to replace or reinstate the property destroyed or damaged.
  - b. The insured is unable or unwilling to replace or reinstate the property destroyed or damaged on the same or another site.

## 2. PEEI-OMISSION TO INSURE ADDITIONS OR EXTENSIONS

The insurance by this policy extends to cover Portable equipment as defined in the Schedule hereof which the insured may acquire or for which they may become responsible:-

- 1) The liability under this extension shall not exceed in respect of portable equipment 5% of the sum insured by the items of the Schedule
- 2) The insured shall notify the company of each additional insurance as soon as it shall come to their knowledge and shall pay the appropriate additional premium thereon from the date of inception.
- 3) Following the advice of any additional insurance as aforesaid, cover by this extension shall be fully reinstated.
- 4) No liability shall attach to the company in respect of any portable item while such property is otherwise insured.

All new additions to the portable equipments by the insured not specifically insured/included during the currency of the policy should be declared at the end of the year and suitable additional premium paid on pro rata basis from the date of acquisition of additions may be suitably adjusted.

If the insured fails to declare the values of such additions within 30 days after expiry of the policy, there shall be no refund of the advance premium collected.

## 3. PEEI-ESCALATION CLAUSE

In consideration of the payment of an additional premium amounting to 50% of the premium produced by applying the specified percentage to the first or the annual premium as appropriate on the undernoted item(s) the Sum(s) Insured thereby shall, during the period of Insurance, be increased each day by an amount representing 1/365th of the specified percentage increase per annum.

Unless specifically agreed to the contrary the provisions of the clause shall only apply to the sums insured in force at the commencement of each period of insurance.

At each Renewal Date the Insured shall notify the Insurers:-

- i. the Sums to be Insured under each item above, but in the absence of such instructions the Sums Insured by the above items shall be those stated on the policy (as amended by any endorsement effective prior to the aforesaid renewal date) to which shall be added the increases which have accrued under this Clause during the period of Insurance up to that renewal date, and
- ii. the specified percentage increase(s) required for the forthcoming period of Insurance, but in the absence of instructions to the contrary prior to the renewal date the existing percentage increase shall apply for the period of insurance from renewal.

All the conditions of the policy in so far as they may be hereby expressly varied shall apply as if they had been incorporated herein.

#### **4. PEEI-AGREED BANK CLAUSE**

It is hereby declared and agreed:-

1. That upon any monies becoming payable under this Policy the same shall be paid by the Company to the Bank and such part of any monies so paid as may relate to the interests of other parties insured hereunder shall be received by the Bank as Agents for such other parties.
2. That the receipts of the Bank shall be complete discharge of the Company therefore and shall be binding on all the parties insured hereunder.

N.B: The Bank shall mean the first named Financial Institution/Bank named in the Policy.

3. That if and whenever any notice shall be required to be given or other communication shall be required to be made by the Company to the Insured or any of them in any manner arising under or in connection with this Policy such notice or other communication shall be deemed to have been sufficiently given or made if given or made to the Bank.
4. That any adjustment, settlement, compromise or reference to arbitration in connection with any dispute between the Company and the Insured or any of them arising under or in connection with this Policy if made by the Bank shall be valid and binding on all parties insured hereunder but not so as to impair rights of the Bank to recover the full amount of any claim it may have on other parties insured hereunder.
5. That this insurance is for a non-leasehold interest in the property of the Bank and shall not cease to attach to any of the insured property by reason of operation of Condition 3 of the Policy except where a breach of the Condition has been committed by the Bank or its duly authorised agents or servants and

this insurance shall not be invalidated by any act or omission on the part of any other party insured hereunder whereby the risk is increased or by anything being done to or upon any building hereby insured or any building in which the goods insured under the Policy are stored without the knowledge of the Bank provided always that the Bank shall notify the Company of any change of ownership or alterations or increase of hazards not permitted by this insurance as soon as the same shall come to its knowledge and shall on demand pay to the Company necessary additional premium from the time when such increase of risks first took place and

6. It is further agreed that whenever the Company shall pay the Bank any sum in respect of loss or damage under this Policy and shall claim that as to the Mortgagee or owner no liability therefore existed, the Company shall become legally subrogated to all the rights of the Bank to the extent of such payments but not so as to impair the right of the Bank to recover the full amount of any claim it may have on such Mortgagee or Owner or any other party or parties insured hereunder or from any securities or funds available.

## 5. PEEI-CAPITAL ADDITIONS

The insurer shall indemnify the insured up to the 15% of Policy Sum Insured per event and in aggregate in respect of loss of or damage to any equipment acquired or operated by or held in the care, custody or control of the insured after the inception of this policy of insurance and not included in the schedule. Any additions or extensions to property insured which have been carried out after the inception of this policy of insurance collectively referred to as capital additions. Any increase in the new replacement value as a result of such capital additions shall not exceed limit specified as above. This additional insurance cover is also subject to the insuring party advising the insurer within one month of the particulars of any such capital additions and the payment of any additional premium the insurer may require.

## 6. PEEI-BASIS OF INDEMNITY

In consideration of the payment of additional premium, the policy extends to cover items mentioned in Policy Schedule on replacement basis in cases where the Property insured is destroyed the company shall indemnify the Insured for Replacement Value of the insured items by a new property of the same kind and same capacity including freight and customs duties, if any and erection costs, if any provided such expenses have been included in the Sum Insured but without any allowance for wear and tear and /or depreciation for equipment up to 5 years old.

In case the age of the damaged item exceeds 5 years the settlement shall be on the Replacement Value of the insured items as new at the time of damage less due allowance for Betterment, wear and tear and depreciation or the value which can be realized from the market for such insured item immediately before occurrence of damage whichever is lower.

## 7. PEEI-Claim Preparation Cost

In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, the insurance by this Policy extends to include costs reasonably incurred by the Insured in producing and certifying any particulars or details in support of any claim as may be required by the Company in terms of the conditions of the Policy.

**Limit:** Up to Per event and in aggregate as agreed and specified in Schedule

## 8. PEEI-Waiver of improvement/Betterment clause for replacement of selected machinery

In the event of total physical damage of the insured machinery/ equipment necessitating replacement, which may become obsolete at the time of such replacement, shall be the cost of reinstatement of the damaged machinery with the follow up model of the same type provided that such cost of replacement does not exceed the sum insured set against the said item.

It is further agreed & declared that this extension shall not be enforceable if the insured is unable or unwilling to reinstate the property. However, if the cost of replacement with the follow up model exceeds the sum insured set against the said item, the company's liability would not exceed the sum insured.

#### 9. PEEI-WORLDWIDE GEOGRAPHICAL EXTENSION

#### 10. PEEI-UNREPAIRED DAMAGES

In the event of insured deciding not to replace or repair the damaged item covered under the policy and decide to continue with the damaged item after incurring necessary expenditure for safe working of the damaged item. The insurer shall indemnify amount expended in making the item safe plus the reasonable repair cost which would have been incurred by the Insured had the Insured repaired the damage item or reasonable amount equivalent to reduced life of damaged item.

**Limit:** Up to Per event and in aggregate as agreed and specified in Schedule

#### Details of Property Insured

Sr.No	Risk Location	Description of property insured	Sum Insured (Rs.)	Premium (Rs.)
1				

Details of SUPPLEMENTARY CLAUSES & CONDITIONS				
Sr.No.	Description	Sum Insured (Rs.)	Premium (Rs.)	Excess/ Deductible applicable if any
1				

**CLAUSES, EXTENSIONS AND DEDUCTIBLE****E1.****2.****SPECIAL CONDITIONS, WARRANTIES AND EXCLUSIONS****2.****3.****SECTION IV - PORTABLE ELECTRONIC EQUIPMENT**

This Section shall apply to the Property insured at work or at rest or whilst being used by the authorized employee(s) of the Insured on journey to places by train or road or air anywhere within the territorial limits mentioned in the Schedule for the purpose of business or profession of the Insured

The liability of the Company for any one item of the Property insured shall not exceed in aggregate in any one period of Insurance the Sum Insured set out against such items in the attached Schedule(s) unless the Sum Insured under such item is reinstated after occurrence of a claim for balance period.

**Definition**

**"Portable Electronic Equipment"** - Portable Electronic Equipment like Laptops, palm tops, PDAs, Mobile Phones, and the like including the value of Systems Software, Medical, Bio-medical, Micro processors, Audio-visual, geophysical and other mobile/ portable professional instruments / equipment used for survey, measurement and control and others specified equipment including those which are reportable in nature.

**EXPENSE FOR LOSS MINIMIZATION**

The following provision is applicable if the Insured has opted for this extension.

This Policy includes expenses for loss minimization necessarily incurred by the Insured to prevent any aggravation of an Insured Loss following a loss or damage at any Insured's Premises specified in The Schedule, including moving/shifting of property if this contributes to loss minimization, subject to a limit per loss as per schedule. Limit: Up to Prevent and in aggregate as agreed and specified in Schedule

This Section is subject to the same terms, conditions, exclusions, warranties and provisions as that of Electronic Equipment Insurance SECTION except to the extent that the same are over ridden by following special exceptions and conditions.

**Special Exceptions:**

The Company will not indemnify the Insured in respect of loss, damage or liability directly caused by or arising out of or aggravated by-

The Company will not pay for-

14. the Excess stated in the Schedule to be borne by the Insured in any one occurrence; if more than one item of Property insured is lost or damaged in one occurrence, the Insured shall not, however, be called upon to bear more than the highest single Excess applicable to such items;
15. loss of or damage to rented or hired equipment for which the owner is responsible either by law or under a lease and/or maintenance agreement;
16. loss of or damage to hard disk and read-write head whilst in transit except when caused by an insured damage to the whole computer
17. loss of or damage to bulbs, valves, tubes, ribbons, fuses, seals, belts, wires, chains, rubber tyres, exchangeable tools, engraved cylinders, objects made of glass, porcelain or ceramics, sieves or fabrics, or any operating media (e.g. lubricating oil, fuel, chemicals);

18. aesthetic defects, such as scratches on painted, polished or enamelled surfaces.
19. In respect of the parts mentioned under d) and e) above the Company shall be liable to provide compensation in the event that such parts are affected by an indemnifiable loss or damage to the Property insured.
20. any unexplained disappearance of the Property insured.
21. Loss or damage caused by mechanical or electrical derangement/breakdown of any article unless caused by accidental external means.
22. Cessation of work whether total or partial.
23. Cost Incurred/time involved in the movement of machinery and/or any other property and/or personnel outside the territorial limits of India other than the cost of delivery of replacements for machinery lost or damaged.
24. Misalignment of the Property insured not accompanied by damage otherwise covered by this section.
25. Loss or damage to the Property insured covered under this section falling under the terms of the maintenance agreement.
26. Loss, destruction or damage directly occasioned by pressure wave caused by aircraft and other aerial devices traveling at sonic or supersonic speeds.

In any action, suit or other proceedings where the Company alleges that by reason of the provisions of the above exclusions any loss, destruction, damage or liability is not covered by this insurance, the burden of proving that such loss, destruction, damage or liability is covered shall be upon the Insured.

**Special Exceptions:**

The Company will not pay for-

- a) the Excess stated in the Schedule to be borne by the Insured in any one occurrence; if more than one item of Property insured is lost or damaged in one occurrence, the Insured shall not, however, be called upon to bear more than the highest single Excess applicable to such items;
- b) loss of or damage to rented or hired equipment for which the owner is responsible either by law or under a lease and/or maintenance agreement;
- c) loss of or damage to hard disk and read-write head whilst in transit except when caused by an insured damage to the whole computer;
- d) loss of or damage to bulbs, valves, tubes, ribbons, fuses, seals, belts, wires, chains, rubber tyres, exchangeable tools, engraved cylinders, objects made of glass, porcelain or ceramics, sieves or fabrics, or any operating media (e.g. lubricating oil, fuel, chemicals);
- e) aesthetic defects, such as scratches on painted, polished or enamelled surfaces.
- f) In respect of the parts mentioned under d) and e) above the Company shall be liable to provide compensation in the event that such parts are affected by an indemnifiable loss or damage to the Property insured.
- g) any unexplained disappearance of the Property insured.

Loss or damage caused by mechanical or electrical derangement/breakdown of any article unless caused by accidental external means.

**PROVISIONS APPLYING TO PORTABLE ELECTRONIC**

**EQUIPMENTSUMINSURED–**

It is a requirement of this insurance that the Sum Insured shall be equal to the cost of replacement of the Property insured by new property of the same kind and same capacity, which shall mean its replacement cost including freight, dues and customs duties, if any, and erection costs.

The Sum Insured of the Property insured under this section shall include the value of 'System Software' provided by the manufacturer to operate the system

**BASIS OF INDEMNITY–**

In cases where damage to the Property insured can be repaired, the Company will pay expenses necessarily incurred to restore the damaged Property insured to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair-shop, customs duties and dues, if any, to the extent such expenses have been included in the Sum Insured. If the repairs are executed at a workshop owned by the Insured, the Company will pay the cost of materials and wages incurred for the purpose of the repairs plus a reasonable percentage to be determined by the Company to cover overhead charges.

No deduction shall be made for depreciation in respect of parts replaced, except those with limited life, but the value of any salvage will be taken into account. If the cost of repairs as detailed herein above equals or exceeds the actual value of the Property insured immediately before the occurrence of the damage, the settlement shall be made on the basis provided for in (b) below.

In cases where the Property insured is destroyed, the Company will pay the actual value of the Property insured immediately before the occurrence of the loss, including costs for ordinary freight, erection and customs duties if any, provided such expenses have been included in the Sum Insured, such actual value to be calculated by deducting proper depreciation from the replacement value of the Property insured. The Company

will also pay any normal charges for the dismantling of the Property insured which has been destroyed, but the salvage will be taken into account.

Any extra charges incurred for overtime, night-work, work on public holidays, express freight, are covered by this Insurance only if specially agreed to in writing.

In the event of the makers' drawings, patterns and core boxes necessary for the execution of a repair not being available, the Company shall not be liable for the cost of making any such drawings, patterns and core boxes.

The cost of any alterations, improvements or overhauls shall not be recoverable under this policy.

The cost of any provisional repairs will be borne by the Company if such repairs constitute part of the final repairs, and do not increase the total repair expenses.

In cases where the Property insured is subjected to total loss and meanwhile it becomes obsolete, all costs necessary to replace the lost or damaged Property insured with a follow-up model (similar type) of similar structure/configuration (of similar quality) i.e. low, average or high capacity – will be reimbursed.



If the Sum Insured is less than the amount required to be insured as per provision –titled “Sum Insured”hereinabove, the Company will pay only in such proportion as the Sum Insured bears to the amount required tobeinsured.Everyitemifmorethanoneshallbesubjecttothis conditionseparately.

The Company will make payments only after being satisfied, with necessary bills and documents, that therepairs have been effected or replacements have taken place, as the case may be. The Company may,however, not insist for bills and documents in case of total loss where the Insured is unable to replace the damaged Property insured for reasons beyond their control. In such cases claims can be settled on ‘IndemnityBasis’.

## WARRANTY–

It is warranted that the Maintenance Agreement in force at the inception of this policy is maintained during thecurrency of this policy and no variation in the terms of the Agreement shall be made without the written consentof theCompanybeingobtained.

Forthepurposeofthis warrantytheword‘Maintenance’shallmeanthefollowing-

- iv.Safetychecks,
- v. Preventivemaintenance
- vi. Rectificationoflossordamageorfaultsarisingfromnormaloperationaswellasfrom ageing.

## SpecialConditions–

It is a condition of this policy, that all Property insured being in the nature ofportable equipment coveredhereby-

- iv.shall always bein the custody and control ofa designated permanent employee ofthe Insured andkeptinlockedcupboards/cabinets/safedepositvaultsifcircumstanceswarrantittobeleftunattended.
- v. shallneverbeleftunattendedinamotorvehicle,aircraftoranyothertypeofconveyance
- vi.shall be hand-baggage by the Insured when traveling by aircraft, but if and when not allowedashand-baggage,shouldbe specificallydeclaredto theairline as“valuablecargo”.

## UnrepairableEquipmentClause

Thefollowingprovisionis applicableiftheInsuredhas optedforthisextension.

For unrepairable electrical or mechanical equipment, including computer equipment under thisPolicy theadjustment of the physical damage loss amount will be not exceeding the cost to replace with equipment that isthe most functionally equivalent to that damaged or destroyed, even if such equipment has technologicaladvantagesand/orrepresentsanimprovementinfunctionand/orformsapartofaprogramofsystemenhancement.Limit:Upto Pereventand inaggregate asagreedandspecified in Schedule

## PORTABLEELECTRONICEQUIPMENT–SUPPLIMENTARYCLAUSES&CONDITIONS

### 1. PEEI-REINSTATEMENT VALUECLAUSEFOR PORTABLEITEMS

NotwithstandinganythingcontrarytowhatisstatedinsectionVofthispolicyitis herebydeclared

and agreed that in the event of the property insured under this section and stated within the policy beingdestroyed or damaged, the basis upon which the amount payable under (each of the said items of) the policy isto be calculated and shall be cost or replacing or reinstating on the same site or any other site with property ofthe same kind or type but not superior to or more extensive than the insured property when new as on date ofthe loss, subject to the following Special Provisions and subject also to the terms and ;conditions of

the policy except insofar as the same may be varied hereby.

#### Special Provisions

- 4) Until expenditure has been incurred by the insured in replacing or reinstating the property destroyed or damaged the company shall not be liable for any payment in excess of the amount which would have been payable under the Policy if this memorandum had not been incorporated therein.
- 5) If at the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the property covered has been destroyed, exceeds the sum insured thereon or at the commencement of any destruction or damage to such property by any of the perils insured against by the policy, then the insured shall be considered as being his own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of the policy (if more than one) to which this memorandum applies shall be separately subject to the foregoing provision.
- 6) This memorandum shall be without force or effect if
  - a. The insured fails to intimate to the company within 60 days from the date of destruction or damage or such further time as the company may in writing allow his intention to replace or reinstate the property destroyed or damaged.
  - b. The insured is unable or unwilling to replace or reinstate the property destroyed or damaged on the same or another site.

## 2. PEEI-OMISSION TO INSURE ADDITIONS OR EXTENSIONS

The insurance by this policy extends to cover Portable equipment as defined in the Schedule hereof which the insured may acquire or for which they may become responsible:-

- 5) The liability under this extension shall not exceed in respect of portable equipment 5% of the sum insured by the items of the Schedule
- 6) The insured shall notify the company of each additional insurance as soon as it shall come to their knowledge and shall pay the appropriate additional premium thereon from the date of inception.
- 7) Following the advice of any additional insurance as aforesaid, cover by this extension shall be fully reinstated.
- 8) No liability shall attach to the company in respect of any portable item while such property is otherwise insured.

All new additions to the portable equipments by the insured not specifically insured/included during the currency of the policy should be declared at the end of the year and suitable additional premium paid on pro rata basis from the date of acquisition of additions may be suitably adjusted.

If the insured fails to declare the values of such additions within 30 days after expiry of the policy, there shall be no refund of the advance premium collected.

## 3. PEEI-ESCALATION CLAUSE

In consideration of the payment of an additional premium amounting to 50% of the premium produced by applying the specified percentage to the first or the annual premium as appropriate on the undernoted item(s)

the Sum(s) Insured thereby shall, during the period of Insurance, be increased each day by an amount representing 1/365th of the specified percentage increase per annum.

Unless specifically agreed to the contrary the provisions of the clauses shall only apply to the sums insured in force at the commencement of each period of insurance.

At each Renewal Date the Insured shall notify the Insurers:-

- iii. the Sums to be Insured under each item above, but in the absence of such instructions the Sums Insured by the above items shall be those stated on the policy (as amended by any endorsement effective prior to the aforesaid renewal date) to which shall be added the increases which have accrued under this Clause during the period of Insurance up to that renewal date, and
- iv. the specified percentage increase(s) required for the forthcoming period of Insurance, but in the absence of instructions to the contrary prior to the renewal date the existing percentage increase shall apply for the period of Insurance from renewal.

All the conditions of the policy insofar as they may be hereby expressly varied shall apply as if they had been incorporated herein.

#### **4. PEEI-AGREED BANK CLAUSE**

It is hereby declared and agreed:-

1. That upon any monies becoming payable under this Policy the same shall be paid by the Company to the Bank and such part of any monies so paid as may relate to the interests of other parties insured hereunder shall be received by the Bank as Agents for such other parties.
2. That the receipts of the Bank shall be complete discharge of the Company therefore and shall be binding on all the parties insured hereunder.

N.B: The Bank shall mean the first named Financial Institution/Bank named in the Policy.

3. That if and whenever any notice shall be required to be given or other communication shall be required to be made by the Company to the Insured or any of them in any manner arising under or in connection with this Policy such notice or other communication shall be deemed to have been sufficiently given or made if given or made to the Bank.
4. That any adjustment, settlement, compromise or reference to arbitration in connection with any dispute between the Company and the Insured or any of them arising under or in connection with this Policy if made by the Bank shall be valid and binding on all parties insured hereunder but not so as to impair rights of the Bank to recover the full amount of any claim it may have on other parties insured hereunder.
5. That this insurance is for only as it relates to the interest of the Bank therein shall not cease to attach to any of the insured property by reason of operation of Condition 3 of the Policy except where a breach of the Condition has been committed by the Bank or its duly authorised agents or servants and this insurance shall not be invalidated by any act or omission on the part of any other party insured hereunder whereby the risk is increased or by anything being done to upon or any building hereby insured or any building in which the goods insured under the Policy are stored without the knowledge of the Bank provided always that the Bank shall notify the Company of any change of ownership or alterations or increase of hazards not permitted by this insurance as soon as the same shall come to its knowledge and shall on demand pay to the Company necessary additional premium from the time when such increase of risks first took place and
6. It is further agreed that whenever the Company shall pay the Bank any sum in respect of loss or damage under this Policy and shall claim that as to the Mortgage or owner's liability therefore existed, the Company shall become legally subrogated to all the rights of the Bank to the extent of such payments but not so as to impair the right of the Bank to recover the full amount of any claim it may have on such Mortgage or Owner or any other party or parties insured hereunder or from any securities or funds available.

**5. PEEI-CAPITALADDITIONS**

The insurer shall indemnify the insured up to the 15% of Policy Sum Insured per event and in aggregate in respect of loss of or damage to any equipment acquired or operated by or held in the care, custody or control of the insured after the inception of this policy of insurance and not included in the schedule. Any additions or extensions to property insured which have been carried out after the inception of this policy of insurance collectively referred to as capital additions. Any increase in the new replacement value as a result of such capital additions shall not exceed limit specified as above. This additional insurance cover is also subject to the insuring party advising the insurer within one month of the particulars of any such capital additions and the payment of any additional premium the insurer may require.

**Details of Property Insured**

Sr.No	Risk Location	Description of property insured	Sum Insured (Rs.)	Premium (Rs.)
1				

**Details of SUPPLEMENTARY CLAUSES & CONDITIONS**

Sr.No.	Description	Sum Insured (Rs.)	Premium (Rs.)	Excess/Deductible applicable if any
1				

**CLAUSES, EXTENSIONS AND DEDUCTIBLE 1.**

2.

**SPECIAL CONDITIONS, WARRANTIES AND EXCLUSIONS 1.**

2.

**SECTION VI - BOILER & PRESSURE PLANT**

Subject to the terms, exceptions, exclusions, provisions, definitions, warranties and conditions contained herein or endorsed hereon, the Company will at its own option by payment or reinstatement or repair indemnify the Insured against-

1. Accident or Damage (other than by fire) to the Boilers and/or other Pressure Plant described in the Schedule;
2. Damage (other than by fire) to surrounding property of the insured described in the Schedule or to property held by the insured in trust or on commission for which he is responsible;
3. Liability of the Insured at law on account of-
  - a) death or bodily injury to any person (other than a person under a contract of service or apprenticeship with the Insured sustaining death or bodily injury which arises out of and in the course of employment with the Insured);
  - b) damage to property not belonging to the Insured nor held in trust or on commission nor for which he is responsible;
 caused by and solely due to Explosion or Collapse as hereinafter defined of any Boiler or other Pressure Plant described in the Schedule occurring in the course of ordinary working

Provided that the liability of the Company for any one item of the insured property and Third Party Liability

shall not exceed in the aggregate in any one period of Insurance the Sum Insured set against such item in the attached Schedule(s) unless the Sum Insured under such item is reinstated after occurrence of a claim for balance period

## EXCEPTIONS-BOILER&PRESSUREPLANT

THE COMPANY SHALL NOT BE LIABLE UNDER THIS POLICY IN RESPECT OF-

1. Loss damage and/or liability caused by or arising from or in consequences, directly or indirectly of Fire (arising from explosion or collapse or any other cause whatsoever) including extinguishment of a fire or clearance of debris and dismantling necessitated thereby, smoke, soot, aggressive substance, lightning, theft, collapse of buildings, subsidence, landslide, rockslide, water which escapes from water containing apparatus, flood, inundation, storm, tempest, earthquake, volcanic eruption or other Acts of God, impact of land borne, water borne, or airborne craft or other aerial devices and/or articles dropped therefrom.
2.
  - a) War Invasion, Act of Foreign Enemy, Hostilities or War like operations (whether war be declared or not), Civil War, Rebellion, Revolution, Insurrection, Mutiny, Riot, Strike, Lock out and Malicious Damage, Civil Commotion, Military or Usurped power, Martial law, Conspiracy, Confiscation, Commandeering a group of Malicious Person or persons acting on behalf of or in connection with any Political Organisation. Requisition or Destruction or damage by order of any Government de jure or de facto or by any Public, Municipal or Local Authority.
  - b) Nuclear reaction, nuclear radiation or radioactive contamination.
3. Accident loss damage and/or liability resulting from overload experiments or tests requiring the imposition of abnormal conditions.
4. Gradually developing flows, defects, cracks or partial fractures in any part not necessitating immediate stoppage although at some future time repair or renewal of the parts affected may be necessary.
5. Defects due to the wearing away or the wasting of the materials of a Boiler or a Pressure Plant whether by leakage, corrosion or by the action of the fuel or otherwise the grooving or the fracturing of any of the parts of a Boiler or pressure plant or for deterioration generally or for the development of cracks blisters, lamination and other flaws or fractures, failures of joint within the range of steam or feed pipes, or for bulging and deformation due to overheating of tubes (unless such defects, fracture, failure or bulging result in explosion or collapse) or for the cracking of section of cast-iron heating boilers or other vessels constructed of cast iron.
6. The failure of individual tubes in Boilers of the water tube locomotive or other multitubular types, in Superheaters or in Economizers (unless such defects result in explosion or collapse).
7. Loss or damage to the insured plant or property and/or liability arising during and occasioned by the application of steam hydraulic or any other test to this plant as specified by Inspecting Authority or otherwise.
8. Loss or damage and/or liability caused by or arising out of the wilful act or wilful neglect or gross negligence of the insured or his responsible representatives.

Liability assumed by the Insured by agreement unless such Liability would have attached to the Insured notwithstanding such agreement.

9. Loss or damage and/or liability due to faults or defects existing at the time of commencement of this Insurance and known to the Insured or his responsible representatives but not disclosed to the Company.

10. Loss of use of the Insured's plant or property or any other consequential loss incurred by the Insured. 12. Loss or damage for which the manufacturer or supplier or repairer of the property is responsible either by law or under contracts.

In any action, suit or other proceeding where the company alleges that by reason of the exceptions or exclusions above any loss, destruction, damage or liability is not covered by this insurance, the burden of proving that such loss, destruction, damage or liability is covered shall be upon the Insured.

## WARRANTIES-

It is hereby warranted that during the currency of the Policy;

- i) The Boiler and Pressure Plants described in the Schedule are annually inspected by Inspectors appointed by the appropriate Government except where there is no statutory requirement for Government Inspection; the inspections are to be carried out by an independent competent person;
- ii) The Boilers and Pressure Plant described in the Schedule shall only be operated by Attendants holding a valid certificate of competency issued under the appropriate Boiler Act;
- iii) The Insured shall be in possession of the unqualified permission in writing of the competent Inspecting Authority to operate the said Boilers and Pressure Plant. If the maximum pressure or load upon safety valve immediately prior to any explosion or collapse was in excess of that stipulated by the said Authority, the Insured shall not be entitled to any compensation or indemnity under this policy in respect of such explosion or collapse.

## DEFINITIONS

The following terms wherever used in this policy shall have attached to them the undermentioned meanings

1. 'Boiler' shall mean any fired closed vessel or a combined container piping system in which steam is generated under pressure.
2. 'Pressure Plant' shall mean any unfired closed container under steam gas or fluid pressure.
3. 'Explosion' shall mean the sudden and violent rending or tearing apart of the permanent structure of a Boiler or Pressure Plant or any part or parts thereof by force of internal steam gas or fluid pressure causing bodily displacement of the said structure and accompanied by the forcible ejection of its contents.
4. 'Collapse' shall mean the sudden and dangerous distortion of any part of Boiler or Pressure Plant by bending or crushing caused by Steam Gas or Fluid Pressure whether attended by rupture or not. It shall not mean any slowly developing deformation due to any cause.
5. 'Flue Gas Explosion' shall mean an explosion of ignited gases in the furnaces or flues of the boilers, economizers and super heaters.
6. 'Chemical Explosion' shall mean an explosion arising out of chemical reaction in any plant.

## CONDITIONS-BOILER&PRESSUREPLANT

1. This extension and the attached Schedule(s) shall be read together as one contract and any words

orexpressions to which specific meanings have been attached in any part of this policy or of the attached Schedule shall bear the same meanings wherever they may appear.

2. The pressure or load upon the safety valves of any items of plant shall at no time exceed the maximum pressure specified in the Schedule or the permissible working pressure therefore as set out in the report on the last examination whichever is the lowest.
3. If at any time after commencement of this Insurance there is an alteration of fuel used other than for which the Boiler was designed or which is used at the time of effecting the insurance, the Company shall be informed immediately of such alteration and this insurance will continue only on payment of additional premium if necessary to be fixed on the merits of each individual item.
4. If a claim is in any respect fraudulent or if any false declarations made or used in support thereof or if any fraudulent means or devices are used by the Insured or any one acting on his behalf to obtain any benefit under this policy, or if a claim is made and rejected and no action or suit is commenced within three months after such rejection or in case of Arbitration taking place as provided herein within three months after the Arbitrator or Umpire have made their award, all benefit under this Policy shall be forfeited.
5. No admission, offer promise, payment or indemnity shall be made or given by or on behalf of the insured without the written consent of the Company who shall be entitled if they so desire to take over and conduct in the name of the Insured the defense or settlement of any claim for indemnity or damage or otherwise and shall have full discretion in the conduct of any proceeding or in the settlement of any claim and the Insured shall give all such information and assistance as the Company may require.
6. The due observance and fulfillment of the terms, provision and condition of and endorsement on this Policy in so far as they relate to anything to be done or complied with by the Insured and the truth of the statements and answers in the said proposal shall be conditions precedent to any liability of the Company to make any payment under this Policy.
7. **SUM INSURED**  
If the Boiler Pressure Plant covered under Policy Schedule shall at the time of any loss be of greater value than the Sum, Insured shall be considered as being the own Insurer for the difference and shall bear a rateable share of the loss accordingly. The term value shall mean the new replacement value of the Plant which is inclusive of freight dues and custom duties, if any and erection costs. Every item if more than one of this Policy shall be separately subject to this condition.
8. **BASIS OF INDEMNITY**
  - a) In case where damage to an item can be repaired, the Company shall pay expenses necessarily incurred to restore the damaged machine to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs, as well as ordinary freight to and from a repair shop, customs duties, if any but for the Boiler and Pressure Vessel listed in the Schedule, only to the extent such expenses have been included in the sum insured. If the repairs are executed at a workshop owned by the insured, the company shall pay the cost of materials and wages incurred for the purpose of the repairs plus the reasonable percentage to cover overhead charges. No deduction shall be made for depreciation in respect of parts replaced, but the value of any salvage shall be taken into the account if the cost of repairs as detailed herein above equals or exceeds the actual value of the item immediately before the occurrence of the damage, the settlement shall be made on the basis provided for in (b) below.
  - b) In case where an insured item is destroyed the Company shall pay the actual value of the item immediately before the occurrence of the loss, including changes for ordinary freight cost of erection and customs duties if any but for the Boiler and Pressure Vessels listed in the Schedule, only provided such expenses have been included in the sum insured, such actual value to be calculated by deducting proper depreciation from the replacement value of the item. The Company shall also pay any normal charges for the dismantling of the item destroyed, but the salvage shall be taken into account.

Any extra charges incurred for overtime night work, work on public holiday and excess freight shall be covered by this policy only if specially agreed in writing.



The Company will make payments only after being satisfied, with the necessary bills and documents that the repairs have been effected or replacements have taken place, as the case may be. The Company may, however, not insist for bills and documents in case of total loss where the Insured is unable to replace the damaged equipments for reasons beyond their control. In such cases claims can be settled on 'Indemnity Basis'.

## 9. OBLIGATIONS OF THE INSURED

- a) The insured shall take all reasonable steps to maintain the insured property in efficient working order and to ensure that no item is habitually or intentionally overloaded. The Insured shall fully observe the manufacturers Instructions for operating inspection and overhaul, as well as Government statutory municipal and all other binding regulations including the rules under the Indian Boilers Act in force concerning the operation and maintenance of the insured Boilers and Pressure Plants.
- b) The Company's officials shall at all reasonable times have the right to inspect and examine any Boiler and Pressure Plant or any property insured hereunder and the Insured shall provide the officials of the Company with all details and information necessary for the assessment of the risk. The Company shall provide the Insured with a copy of the Inspecting official's report, which shall however be treated as strictly confidential both by the Insured and the Company.

Whenever arrangements have been made for a 'Thorough Inspection' of Boiler or Pressure Plant the Insured shall cause the Boiler or Pressure Plant to be stopped, emptied and properly cleaned inside and outside rendered accessible in every part, so far as its construction will allow.

c) In the event of any-

- i) Material change in the original risk.
- ii) Alteration, modification or addition to an insured item.
- iii) Departure from prescribed operating conditions whereby the risk of loss or damage increases.
- iv) Changes in the insured's interest (such as discontinuation or liquidation of the businesses or business or being placed in receivership) taking place, the Policy shall be void unless its continuance be agreed by endorsement signed by the Company.

## 10. DUTIES FOLLOWING AN ACCIDENT

In the event of any occurrence which might give rise to a claim under this Policy the Insured shall -

- a) Immediately notify the Company by telephone or telegram as well as writing giving an indication as to the nature and extent of loss or damage.
- b) Take all reasonable steps within his power to minimize the extent of the loss or damage or liability
- c) preserve the damage or defective parts and make them available for inspection by an official or surveyor of the Company;
- d) furnish all such information and documentary evidence as the Company may require.

The company shall not be liable for any loss or damage of which notice and completed form have been received by the Company within 15 days of its occurrence.

Upon notification of a claim being given to the company the Insured may proceed with the repair of any minor damage not exceeding Rs. 2,500/- provided that the carrying out of such repair is without prejudice to any question of liability of the Company and any damaged part requiring replacement is kept for inspection by the Company but in all other cases a representative of the Company shall have the opportunity of inspecting the damage before any alterations, repair or replacements are effected. Nothing contained herein shall prevent

the insured from taking such steps as are absolutely necessary to maintain the operation of the Plant.

The liability of the Company under the Policy in respect of any item of property sustaining damages, for which indemnity is provided, shall cease if the said item is kept in operation without being repaired to the satisfaction of the Company.

## **BOILER & PRESSURE PLANT – SUPPLEMENTARY CLAUSES & CONDITIONS**

### **1. OWNER'S SURROUNDING PROPERTY**

In consideration of insured having paid extra premium, it is hereby agreed and declared, subject to otherwise terms and conditions of the Policy, that this insurance by within policy is extended to cover loss or damage to property located at or adjacent to the site and belongings to or held in care custody, control of the principal(s) or the contractor(s) if occurring directly due to damage of items mentioned in the schedule while at rest or in view for construction or erection during period of policy.

The Company shall pay to the insured the value of the damaged property at the time of the accident or at its reinstatement or replacement of such damaged property or any part thereof provided that-

The liability of the Company shall in no case exceed limit as specified in schedule for any one accident or series of accidents arising out of any one event and in the whole the total indemnity as specified in schedule during the currency of the Policy.

The insured shall bear the same excess as mentioned in the schedule of the policy.

In respect of loss or damage resulting to underground piping, tunneling or underground cables and other underground facilities, the indemnity will be restricted to actual repair cost, provided prior to commencement of work, insured with the relevant authorities about the exact locations or positions of such cables, pipes or other underground facilities. Cracks that neither impair the stability of the structure nor safety of its users are not covered.

### **2. THIRD PARTY LIABILITY**

In consideration of the payment of the additional premium as specified in schedule it is hereby agreed and declared that notwithstanding anything to the contrary stated in this policy, the Company will indemnify the insured:

- a) against legal liability for the accidental loss or damage caused to the property of other persons.
- b) against legal liability (liability under contract excepted) for fatal or non-fatal injury to any person other than the insured or his own employees or employee of the owner of the works/site/premises/location or employees of the other firms/connected with any other worksite/premises/location or members of the family of the insured or any of the aforesaid.

### **EXCLUSIONS UNDER THE TPE EXTENSION-**

The Company will not indemnify the insured, under this extension in respect of -

- a) The first amount of policy excess of each claim for any one occurrence related to property damage.

- b) Expenditure incurred in doing or repairing or replacing anything covered or coverable under the policy.
- c) Liability consequent upon-
  - i) bodily injury to or illness of employees/workmen/members of the families of the insured or of the owners of the works/site/premises/ location or of any other firm/contractors connected with any other work at the works/site/premises/location.
  - ii) loss of or damage to property belonging to or held in trust by or under custody of the owner of the works/site/premises/location of any other firms/contractors or an employee/workmen/family members of any of the aforesaid.
  - iii) any accident cost by vehicles licensed for general road or by waterborne vessels or used aircraft.
  - iv) any agreement by the insured to pay any sum by way of indemnity or otherwise unless such liability would have attached also in the absence of such agreement.

**CONDITIONS APPLYING TO THE EXTENSION-**

- a) No admission, offer, promise, payment of indemnity shall be made or given by or on behalf of the insured without written consent of the company who shall be entitled, if any so desire, to take over and conduct in the name of the insured the defence or settlement of any claim or to prosecute for their own benefit in the name of the insured any claim for indemnity or damage or otherwise and shall have full discretion in the conduct of any proceeding or in the settlement of any claim and the insured shall give all such information and assistance as the Company may require.
- b) The Company may, so far as any accident is concerned, pay to the insured the limit of indemnity for any one accident/for any one period, after deducting therefrom in such case of any sum/s already paid as compensation in respect thereof or any lesser sum for which the claim or claims arising such accident can be settled and the Company shall thereafter be under no further liability in respect of such accident under this section.

**3. EXPRESS FREIGHT**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the insured having paid the agreed extra premium, this insurance shall be extended to cover extra charges for express freight (excluding air freight).

Provided always that such extra charges are incurred in connection with any loss of or damage to the insured items recoverable under the policy.

If the sum(s) insured of the demand item(s) is/are less than the amount(s) required to be insured the amount payable under this endorsement for such extra charges shall be reduced in the same proportion.

**4. AIR FREIGHT**

It is hereby declared and agreed that the Policy shall also indemnify towards Air Freight incurred by the insured in connection with the indemnifiable loss under the Policy.

In consideration thereof an additional premium as specified in schedule is charged hereby. Limit of indemnity shall be as specified in schedule during currency of the Policy.

Each and every claim shall be subject to a minimum Excess of 5 % of the admissible Air Freight incurred over and above the excess as applicable under the policy.

Subject to the terms, conditions and exceptions of the Policy.

#### 5. ADDITIONAL CUSTOMS DUTY

In consideration of the Insured having paid an additional premium as specified in schedule it is hereby declared and agreed that the Insured shall also be indemnified during the currency of the policy, towards the additional Customs Duty, amount as specified in schedule which may be incurred by the Insured over and above the Customs Duty amount taken into account in arriving at the Sum Insured the affected item.

Each and every claim payable under the extension shall be subject to an Excess of 5 % of the admissible Additional Customs Duty incurred and will be in addition to the Excess amount applicable for the affected item under the Policy.

The Indemnity for such Additional Customs Duty will stand reduced after occurrence of the claim unless reinstated by payment of an additional premium prescribed by the Company.

Subject to the terms, conditions and exceptions of the Policy.

Note-

- i) For computation of indemnity under the Additional Customs Duty extension, exchange rate applicable on date of occurrence shall be considered.
- ii) Under this only Sea Freight charge would be taken into account even though there replacement supplies had been air freighted and the policy has been endorsed for air freight cover.

#### Details of Property Insured

Sr.No	Risk Location	Description of property insured	Sum Insured (Rs.)	Premium (Rs.)
1				

#### Details of SUPPLEMENTARY CLAUSES & CONDITIONS

Sr.No.	Description	Sum Insured (Rs.)	Premium (Rs.)	Excess / Deductible applicable if any
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## CLAUSES, EXTENSIONS AND DEDUCTIBLE1.

2.

## SPECIAL CONDITIONS, WARRANTIES AND EXCLUSIONS

1.

2.

## SECTION VIII - BAGGAGE

In the event of loss of or damage to Baggage due to accident or personal mishap suffered by the Insured whilst on journey, anywhere in the Territorial Limits specified in the Schedule, the Company will indemnify the

Insured in respect of such damage up to the actual value of the Baggage at the time of happening of damage or loss but not exceeding the Sums(s) stated in the Schedule in any one period of insurance.

### Interpretation

Insured person:

Insured person shall mean the Insured or any director or any permanent employee of the Insured working at the premises stated in the Schedule.

Journey: Journey shall mean any business trip undertaken in connection with official purpose outside the city, town or municipal limit of normal place of work of the Insured.

;Baggage: Baggage shall mean personal goods belonging to the Insured or goods for which he or she is responsible officially and such goods are necessary for the purposes of his journey and are being taken by him or her on journey or acquired by him/her during the journey.

### 5.1.1. Exclusion

#### ***The Company shall not be liable in respect of***

1. The Excess stated in the Schedule to be borne by the Insured in any one occurrence.
2. Loss of or damage due to cracking, scratching or breakage of lens or glass whether part of any equipment or otherwise or of china, marble, screen and other article of brittle or fragile nature unless such loss or damage arises from accident to vessel, vehicle, train or aircraft by which such Property insured is conveyed.
3. Loss of or damage caused by moth, mildew, vermin or any process of cleaning, repairing, dyeing or restoring to which the Property insured is subjected.
4. Loss of or damage to any electrical and electronic machines, apparatus fixtures or fitting (including wireless sets, computer, radio, television set and tape recorders) arising from over running, excessive pressure, short circuiting, arcing, self heating or leakage of electricity from whatever cause (lightning included).
5. Loss of or damage caused by mechanical derangement or overwinding of watches and clocks.
6. Theft from car except from car of fully enclosed saloon type having all doors, windows and other openings securely locked and properly fastened.
7. Loss of or damage whilst being conveyed by any carrier under contract of affreightment.
8. Damage to money, securities, manuscripts, deeds, bonds, bills of exchange, promissory notes, stock

or share certificates, stamps, business books or documents, jewellery, watches, furs, precious metals, precious stones, gold or silver ornaments or any other valuables including cash, cheque, travel tickets, bank drafts, share certificates and stamps.

9. Loss or damage to the perishable and consumable goods
10. Loss of articles like fans, umbrellas, sunglasses, sticks in use on the voyage and articles or clothes whilst being worn on the person of the Insured or carried about.
11. Damaged due to confiscation or detainment by the order of any Govt. or any other public authority.
12. Loss or Damage not reported to local Police where the loss occurred, within 24 hours of discovery and a written report is obtained from such authority. Loss or Damage not reported to local Police where the loss occurred, within 24 hours of discovery and a written report is obtained from such authority.
13. Damage or destruction caused by or arising from the leakage, spilling or exploding of liquids, oils or material of like nature or articles of a dangerous or damaging nature
- 14.

#### BAGGAGE-SUPPLEMENTARY CLAUSES & CONDITIONS

##### 1. BAGGAGE- WORLDWIDE GEOGRAPHICAL EXTENSION

Sr.No	Description of property insured	Sum Insured (Rs.)
1		

##### Details of SUPPLEMENTARY CLAUSES & CONDITIONS

Sr.No	Description	Sum Insured (Rs.)	Premium (Rs.)	Excess/Deductible applicable if any
1				

#### CLAUSES, EXTENSIONS AND DEDUCTIBLE

- 1.
- 2.

#### SPECIAL CONDITIONS, WARRANTIES AND EXCLUSIONS

- 2.

#### SECTION IX: INFIDELITY/DISHONESTY OF EMPLOYEES

The Company will indemnify the Insured against any direct pecuniary loss sustained by any reason of any act of fraud/ dishonesty committed by any Employee of the Insured on or after the date of commencement of this policy and during uninterrupted service with the Insured and discovered during the continuance of this Policy or within twelve calendar months of the expiration thereof and in the case of death, dismissal or retirement of the Employee within the period the aforesaid events shall first happen

Provided Always That:

1. The liability of the Company shall not exceed
  - a) in respect of any Employee of the Insured the amount of guarantee stated against this name or against the relevant category of Employee in the Schedule.

- b) in respect of all claims under this Policy the total amount of guarantee
2. If this Policy shall be continued in force for more than one period of indemnity or if any liability shall exist on the part of the Company under this Policy and also under any other policy in respect of fraud or dishonesty of the Employee, the liability of the Company hereunder shall not be accumulated or increased thereby but the aggregate liability of the Company during any number of periods of indemnity and for any number of acts of fraud or dishonesty committed by the Employee shall not exceed the amount of guarantee hereunder or the amount of guarantee under any other such policy as aforesaid whichever is greater.
3. The Company shall not be liable to pay more than one claim in respect of the acts of any one of the Employees.
4. The loss shall have occurred in connection with occupation and duties of the Employee

## Exceptions

1. The Company shall not be liable in respect of losses arising elsewhere than in the Territorial Limits stated in the Schedule.
2. The Company shall not be liable for losses not sustained within a retroactive period not exceeding two years from the date of discovery of any such loss(es). It is understood that in such retroactive period the insurance was continuously in force and the Company will not be liable to pay any claim in respect of loss sustained prior to the inception of the original policy. It is further understood that losses which become payable under this clause shall be subject to the terms, conditions, exceptions of the policy in force as on the date of discovery.

## Definitions

1. The term "Insured" wherever appearing in this section means any person, partnership firm or any body of persons whether incorporated or not with whom the employee who is included in the schedule attached hereto has a contract of service.
2. The term "Employee" wherever appearing in this policy means any person (other than a person whose employment is of a casual nature and who is employed otherwise than for the purpose of the Insured's trade or business) who has entered into a contract of employment with the Insured, whether such contract of employment is expressed or implied, oral or in writing.

## Special Conditions

1. On the discovery of any act of default or circumstances which may give rise to a claim, the Insured shall:
  - a) forthwith give written notice to the Issuing Office of the Company.
  - b) immediately take all steps to prevent further loss;
  - c) supply at the request of and free of expense to the Company all such proof, information and other evidence (verified by statutory declaration if so required) relating to the claim as the Company may require.
2. If the Insured is or shall hereafter be guaranteed by any other person, society or company or hold other security or insurance against such loss as is hereby guaranteed, the Company shall only be liable to bear the loss rateable with such person, society or company or securities or insurance.
3. Any money of the Employee in the hands of Insured and any money which but for the Employee's dishonesty would have been due to the Employee from the Insured shall be deducted from the amount otherwise payable under this Policy. Any money recovered after the settlement of any claim shall be the property of the Company, not exceeding however the amount paid by the Company.
4. The Insured shall if and when required by the Company but at the expenses of the Company use all diligence in prosecuting any of the Employee(s) to conviction for any act which such Employee shall have committed and in consequence of which a claim has been made under such Policy and shall at the Company's expense give all information and assistance to enable the Company to sue



for and obtain reimbursement from any such Employee by reason of whose acts or defaults a claim has been made or money which the Company shall have become liable to pay in respect thereof.

5. Unless the Company be advised by the Insured and the Company's written approval be obtained the Company shall not be liable hereunder in the event of any change in the nature of the business of the Insured or in the duties and condition of service of the Employee or if remuneration of the Employee be reduced or its basis altered or if the precautions stated by the Insured with regard to accounting be not duly followed or if the Insured shall continue to entrust the Employee with money or goods after having knowledge of any material fact bearing on the honesty of the Employee.

If any part of the premium or renewal is based on estimates furnished by the Insured, the Insured shall keep an accurate record containing all relevant particulars and shall allow the Company to inspect such record. The Insured shall within one month after the expiry of each period of insurance furnish such information as the Company may require. The premium or renewal premium shall thereupon be adjusted and the difference paid or allowed to the Insured.

6. If required by the Company, the agent or representative of the Company shall in case of any loss to the Insured be permitted at all reasonable times to examine into the circumstances of such loss and the Insured shall on being required to do so by the Company produce all books of accounts, receipts, documents relating to or containing entries relating to the loss in his possession and furnish \_\_\_\_\_ copies \_\_\_\_\_ of or extracts from such of them as may be required by the Company so far as they relate to such claims and will in any way assist the Company to ascertain the correctness thereof or the liability of the Company under this Policy.
7. The Company shall be entitled at its own expense and for its own benefit in the name of the Insured to prosecute all claims and exercise all right of action available to the Insured against the Employee in respect of any act insured against in connection with which it may have made payment under this policy and the Insured shall give to the Company all such information and assistance as may be reasonably required for maintaining such claims or rights.
8. For the purpose of identifying Employee in all cases of change of residence or occupation or change of name whether by marriage or otherwise due notice thereof in writing shall be given by the Insured to the Company.

## INFIDELITY/DISHONESTY OF EMPLOYEES—SUPPLEMENTARY CLAUSES & CONDITIONS

### 1. FG-EXTENDED COVER FOR PAST EMPLOYEES

The indemnity provided by this insurance extends to include any claim as Insured which may arise after any employee has terminated their services to the Insured or whose services have been terminated by the Insured and for which loss (as insured) may be directly associated with such employee and provided that the period of time for the determination of such loss shall be within 12 (twelve) months after the termination of service to the Insured by such employee.

### 2. FG-ACCOUNTANTS & AUDITORS

Any particulars or details contained in the Insured's books of account or other business books or documents which may be required by the Company for the purpose of investigating or verifying any claim may be produced and certified by the Insured's Auditors or professional Accountants and their certificate shall be prima facie evidence of the particulars and details to which it relates.

### 3. FG-ALTERATION OF SYSTEMS

It is a condition precedent to the Company's liability that the precautions and checks for securing the accuracy of accounts and stock records may be changed by the Insured provided such alternative method or system for securing accuracy of accounts and stock control has been approved by the

Insured's financial director or a senior person acting in similar capacity or by the Insured's appointed Auditors and Accountants.

#### 4. FG-AUTOMATIC REINSTATEMENT

Notwithstanding the occurrence of a loss this insurance will remain in force for the full amount insured against each item of the Schedule to the Policy (where applicable) or as may be adjusted by endorsement thereto; the Insured agreeing to pay additional premium on the amount of such loss pro rata from the date of damage to the expiry or renewal of the period of insurance.

#### 5. FG- CLAIMS PREPARATION COSTS & AUDIT FEES (INCLUDING COMPUTER SYSTEM CERTIFICATION)

The insurance by this Policy extends to include the costs incurred by the Insured in producing and certifying any particulars or details in support of any claim as may be required by the Company in terms of the conditions of the Policy.

Should it be required to conduct an independent audit together with the certification of computer systems and records following the intervention of such by the person or persons responsible for the loss then the insurance by the provision of this clause shall provide an indemnity to the Insured for such cost provided that such cost shall not exceed ten percent (10%) of the claim paid or payable by the Company.

#### 6. FG-COSTS OF RECOVERY FOLLOWING SUBROGATION TO THE COMPANY (BY THE COMPANY)

In the event of the Insured subrogating their rights to the Company following the payment of a claim as determined by the provisions of the Policy and upon the Company proceeding against the person or persons responsible for the loss as paid by the Company; then the Company agrees to proceed in the full amount of the Insured's loss even if such loss shall be in excess of the amount of the indemnity paid by the Company and upon the recovery of such amount the Company will make payment to the Insured of the difference between the amount recovered and the amount which the Company paid to the Insured as indemnity for the loss; less the pro rata amount of the cost of such recovery by the Company as the amount paid by the Company to the Insured in settlement of the claim bears to the total amount recovered by the Company after due consideration for the recovery of legal costs and expenses.

#### 7. FG-COSTS OF RECOVERY (BY THE INSURED FOR LOSS IN EXCESS OF THE SUM INSURED)

In the event of the Insured proceeding against the person or persons responsible for a loss in excess of the indemnity made by the Company or the sum insured; then the Insured by written agreement of the Company may proceed for the recovery of the difference in the amount of loss or sum insured and the indemnity made by the Company; at the expense of the Company provided such expenditure is limited to ten percent (10%) of the amount of the claim paid to the Insured by the Company as indemnity for such loss.

Provided that in the event of the Insured being successful in the recovery or partial recovery of such amount then the Company shall indemnify the Insured for such additional cost as the additional costs of recovery shall bear to the indemnity made by the Company for the loss as such bears to the total amount of recovery within the 10% limitation as determined herein. (explanation: the additional costs for recovery divided by the total amount of indemnity made by the Company multiplied by the additional amount of recovery made by the Insured).

#### 8. FG-COST OF RECTIFYING ACCOUNTING & COMPUTER RECORDS & PROGRAMMES

Following upon any event for which the Company have agreed to make payment of a claim in terms of the provisions of the Policy the insurance by the provisions of this clause extends to indemnify the Insured for the cost of rectifying accounting and computer records following upon the falsification or manipulation of data or accounting entries; provided the Company's indemnity is limited to fifteen percent

(15%) of the claim paid by the Company in the first instance.

#### 9. FG-CREDIT/DEBIT CARD (FRAUDULENT USE OF)

The insurance by this Policy extends to indemnify the Insured in the event of any permanent employee of the Insured fraudulently making use of any creditor petrol card

Provided that:-

- i. upon the loss or mislocation of such card by the person or persons authorised to make use of such card the credit facility granted by the use of such card shall be cancelled immediately
- ii. the Company's liability shall be limited to the amount by which the Insured has been defrauded which corresponds to a thirty (30) day time period commencing with the date on which the card was first fraudulently utilised

the Insured shall bear twenty percent (20%) of each and every loss as insured by the provisions of this clause

The limit of indemnity by the provision of this clause is ten percent (10%) of the sum insured as shown in the Schedule to the Policy or as endorsed thereon within any period of insurance.

#### 10. FG- DISCRETION IN REPORTING TO POLICE (PERIOD OF GRACE AND SUCCESSFUL RECOVERY)

In the event of the discovery by the Insured of any insured loss in terms of the Policy for which the Insured intends claiming indemnity from the Company, the Insured; notwithstanding anything contained to the contrary in the Policy conditions or any other clause to this Policy and with the consent of the Company; may refrain from reporting such matter to the police or any other authority as may be required by the law to which the territorial requirements of this insurance are applicable; however upon the insistence of the Company to have such matter reported to the police or any other authority then in order to qualify a potential claim the Insured shall comply with such requirement immediately.

In the event of the Company making allowance for the discretion of the Insured in reporting a potential claim to the police (or similar authority) the Company may make payment of a claim subject to the successful establishment of their subrogation rights and attachment and sale of the property of the guilty person or persons in the recovery (or part recovery) of the loss

#### 11. FG-SUBROGATION WAIVER (CONTRACTING PARTIES)

The insurance by this Policy shall not be prejudiced in the event of the Insured signing any agreement with any contracting party which conducts a permanent service in the interests of the Insured whereby the subrogation rights of the Company is limited or invalidated as a result of the Insured signing such an agreement; however the Company subrogation rights shall remain in effect insofar as the Company may proceed against the person or persons in the employment of such contracting parties being responsible for any loss as insured and for which the Company have indemnified the Insured in the total amount of the loss or otherwise.

#### 12 FG-UNIDENTIFIABLE EMPLOYEES (LOSS AS A RESULT OF)

In the event of a loss as insured by this Policy and consequent upon the requirements giving rise to the definition of 'loss' it being found that the identification of an employee or employees for such loss are not identifiable then subject to the following provisions the Company shall indemnify the Insured for the resulting loss:-

- i. the Insured shall give adequate proof which shall be confirmed by their auditors or any other auditor appointed by the Company that the loss as insured could not have been caused by anyone other than a person or persons in the Insured's permanent employment or such person or persons whom may have left their employment within three (3) months prior to the identification of the loss
- ii. the Insured shall immediately upon the detection of such loss change any accounting or administrative procedure relative to such loss in order to prevent further loss or possibility of loss following the events of similar occurrence
- iii. irrespective of any clause or provision of cover to the insurance by this Policy the

- Insured shall notify the Police authorities of the respective area of jurisdiction to which this insurance is applicable; of the loss being the subject matter of the claim.
- iv. In the possible event of the detection of such employee or employees and whether at the time of detection they shall be employed by the Insured or not; the Insured shall immediately prosecute such employee or employees irrespective of their position of employment or past employment and shall notify the Company of their identity and locality (if possible)

Should the Company have made payment of a claim as Insured in terms of the provisions of this clause and should the Insured not have complied with the aforesaid conditions which are a condition precedent and subsequent to the payment of a claim then the Company shall upon demand on the Insured be entitled to repayment of the amount paid to the Insured inclusive of interest on such amount for the time period for which the Insured had use of the money paid by the Company at an interest rate equivalent to the overdraft rate afforded to the Company by their bank at such time

### 13 FG-CONTRACTUAL/OFF ROLL EMPLOYEE COVER

In consideration of the payment of additional premium, this policy extends to cover any person engaged in the service of insured in the ordinary course of the insured's business and whom the insured compensates by wages and/or commission and has the right to govern and direct in the performance of such services.

It also includes i) part time or temporary employee ii) any individual / individuals assigned to perform employee duties for the insured by any agency furnishing temporary personnel on a contingent part time basis provided however, that this policy does not cover any loss caused by such individual if such loss is covered by an insurance or suretyship held by the agency furnishing such temporary personnel to the insured.

#### Details of Cover:

Sr.No	Detail of Employees covered	Sum Insured (Rs.)
1		

#### Details of SUPPLEMENTARY CLAUSES & CONDITIONS

Sr.No	Description	Sum Insured (Rs.)	Premium (Rs.)	Excess/Deductible applicable if any
1				

#### CLAUSES, EXTENSIONS AND DEDUCTIBLE 1.

2.

#### SPECIAL CONDITIONS, WARRANTIES AND EXCLUSIONS 1.

2.

#### SECTION X- PUBLIC LIABILITY

The Company will indemnify the Insured against their legal liability (other than liability under the Public Liability Insurance Act, 1991 or any other Statute based on the doctrine of "No Fault liability") to pay compensation including claimant's costs, fees and expenses anywhere in India, in accordance with Indian Law.

#### INDEMNITY:

The indemnity only applies to claims arising out of accidents occurring in the insured premises during the period of insurance first made in writing against the Insured during the policy period and the Insured is indemnified against all sums subject to limit of indemnity chosen by Insured which the Insured shall become legally liable to pay for and/or arising out of Injury and/or Damage but only against claims arising out of or in connection with the business specified in the Schedule and not against claims arising out of or in connection with:-

1. Pollution howsoever caused
2. Any product.

For the purpose of determining the indemnity granted:

1. 'Injury' means death, bodily injury, illness or disease of or to any person;
2. 'Damage' means actual and/or physical damage to tangible property;

'Pollution' means pollution or contamination of the atmosphere or of any water, land or other tangible property;

3. 'Product' means any tangible property after it has left the custody or control of the Insured, which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the Insured but shall not mean food and beverages supplied by or on behalf of the Insured primarily to the Insured's employees as a staff benefit.
4. 'Accident' means a fortuitous event or circumstance which is sudden, unexpected and unintentional including resultant continuous, intermittent or repeated exposure arising out of the same fortuitous event or circumstance.

## **Exclusion:**

The Company shall not be liable for

1. 0.25% of the limit of Indemnity for any one Accident subject to a minimum of Rs. 25,000/-.
2. Any compensation for death of or bodily injury to any member of Insured person's family, partners, managerial staff, employees, contractor's employees or damage to property belonging to or in the custody or for control of Insured or Insured person's family, partner, director, managerial staff, employees and contractor's employees.
3. Injury or Damage caused by or resulting from anything sold, supplied, installed, erected, repaired, altered or treated and/or due to professional advice rendered by the Insured or by any person on behalf of the Insured other than food or beverages sold or supplied by the Insured as a service to the employees or visitors for consumption in the office through Canteen/outside suppliers.
4. Liability arising from use of any motor vehicle or pedal cycle.
5. Liability assumed by the Insured by agreement and which would not have attached in the absence of such agreement.
6. Liability arising out of all personal injuries such as libel, slander, false arrest, wrongful eviction, wrongful detention, defamation etc. and mental injury, anguish, or shock resulting therefrom; liability more specifically insured elsewhere.
7. Liability for infringement of plans, copy-right, patent, trade name, trademark, registered design;
8. Liability arising out of fines, penalties, punitive or exemplary damages or any other damages resulting from the multiplication of compensatory damages.
9. damage to property owned leased or hired or under hire-purchase or on loan to the Insured or otherwise in the Insured's care custody or control other than the
  - (a) employees' and visitors' clothing and personal effects.
  - (b) premises tenanted by the Insured to the extent that the Insured would be held legally liable in the absence of any specific agreement.
10. liability more specifically insured elsewhere.

**DetailsofPropertyInsured**

Sr.No	RiskLocation	Descriptionofproperty insured	SumInsured(Rs.)	Premium(Rs.)
1				

**CLAUSES, EXTENSIONS AND****DEDUCTIBLE1.**

2.

**SPECIAL CONDITIONS, WARRANTIES AND****EXCLUSIONS1.**

2.

**SECTIONXI-BusinessInterruption(followingMachineryBreakdown&BoilerExplosion)**

ThebusinesscarriedonbytheInsuredatthepremisesspecifiedintheSchedulebeinterruptedor

interfered with in consequence of an Accident which shall mean sudden and unforeseen physical damage, asdefinedintheMachineryInsurance/BoilerandPressurePlantSection

ofanymachineryspe  
cifiedinthescheduleofmachinerythentheCompanyshallinrespectofeachitemintheScheduleindemnifytheIns  
uredagainsttheamountoflossashereinafterdefinedresulting fromsuchinterruptionorinterference.

PROVIDED THAT the liability of the Company during any one-year of Insurance shall in no case exceed in the whole the total Sum Insured hereby or such other sum or sums as may hereafter be substituted therefore byendorsementsignedbyoronbehalf oftheCompany.

PROVIDEDALSOthatatthetimeofhappeningofanAccidentthereshallbeinforceaninsurancecoveringthema  
chinerydescribed in the Schedulefromanyaccidentalcauseindemnifiable under

Machinery Breakdown Insurance Section and or Boiler & Pressure Plant Section and in respect of which liabilityshallhave beenadmittedorwouldhavebeen admittedbutfortheoperationof anyExcessthereunder.

PROVIDED ALWAYS that the due observance and fulfillment of the terms of this Policy in so far as they relateto anything to be done or complied with by the Insured and the truth of the statements and answer(s) in theproposalshallbeconditions precedentto anyliabilityof theCompany.

**EXCLUSIONS-**

The Company shall not be liable for any loss resulting from interruption of or interference with the businessdirectlyorindirectlyattributabletoanyof thefollowing causes –

- i) Willfulactorwillfulneglectorgrossnegligenceoftheinsuredorhisresponsiblerepresentatives.
- ii) Loss or damage to machinery or other items which are not listed in the list of machinery insured even if theconsequenceof material damagetoan itemindicatedinthe listofmachineryinsuredisinvolved.

- iii) Loss or damage caused by any faults or defects existing at the time of commencement of this insurance within the knowledge of the insured or his responsible representatives whether such faults or defects were known to the Company or not.
- iv) Shortage, destruction, deterioration and spoilage of or damage to raw materials, semi finished or finished products or catalyst or operating media (such as fuel, lubricating oil, refrigerant, heating media and the like) even if the consequence of material damage to an item indicated in the list of machinery insured is involved.
- v) Any restriction on reconstruction or operation imposed by any public authority.
- vi) An extension of the normal repair period for more than 4 weeks on account of-
  - a) the inability to secure or delays in securing replacement parts, machines or technical services.
  - b) the inability to carry or delays in carrying out repairs.
  - c) the prohibition to operate the machinery due to import and/or export customs & other restrictions or by statutory regulations.
  - d) transport of parts to and from the Insured's premises.
- vii) Alterations improvements or overhauls being made while repairs or replacements of damaged or destroyed property are being carried out.

Loss damage and/or liability caused by or arising from or in consequence directly or indirectly of-

- a) War, Invasion, Act of foreign enemy, hostilities or War like operations (whether war be declared or not), Civil War, Rebellion, Revolution, Insurrection, Mutiny, Riot, Strike, Lockout and Malicious Damage, Civil Commotion, Military or usurped power, martial law, conspiracy, confiscation, commandeering a group of malicious person or persons acting on behalf of or in connection with any political organisation, requisition or destruction or damage by order of any government de jure or de facto or by any public. Municipal or Local Authority, an act of terrorism or the action of any lawfully constituted authority in suppressing or attempting to suppress or minimise the consequences thereof.
- b) Nuclear reaction, nuclear radiation or radioactive contamination.

## **CONDITIONS-**

- a) This Policy and the Schedule(s) shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule(s) shall bear such meaning wherever it may appear.
- b) This Policy shall be avoidable in the event of misrepresentation, mis-description or non-disclosure in material particular.
- c) This Policy shall be avoided if,
  - i) the business be wound up or carried on by a liquidator or receiver or permanently discontinued OR
  - ii) the insured's interest ceases other than by death OR



- OR
- iii) any alteration be made whereby the risk of an accident is increased
  - iv) the retention of standby or spare machinery or any other loss minimising factors in existence when this insurance was effected be reduced or discontinued unless its continuance is admitted by an endorsement signed by or on behalf of the Company
  - d) The insured shall at his own expense take all reasonable precautions and comply with all reasonable recommendations of the Company to prevent loss or damage and comply with statutory requirements and manufacturers' recommendations.
  - e) i) Representatives of the Company shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the representatives of the Company with all details and information necessary for the assessment of the risk.
  - ii) The Insured shall immediately notify the Company in writing of any material change in the risk and cause at his own expense, such additional precautions to be taken as circumstances may require and the scope of cover and/or premium shall if necessary be adjusted accordingly.
  - iii) Dismantling and reassembling in connection with any examinations shall be carried out by the Insured on such date or dates as the Company and the insured mutually agree upon for the making of such examinations.

No material alterations shall be made or admitted by the insured whereby the risk is increased, unless the continuance of the cover provided under this Policy is confirmed in writing by the Company.

The Insured shall be obliged to keep complete records. All records e.g. inventories, production and balance sheets for the three preceding years shall be held in safe keeping or as a precaution against their being simultaneously destroyed the insured shall keep separate sets of such records.

- a) In the event of any occurrence, which gives rise to or is likely to give rise to a claim under this Policy the Insured shall-
  - i) Forthwith give notice thereof to the Company
  - ii) do and concur in doing and permit to be done all such things as may be reasonably practicable to minimize or establish the extent of any interruption or interference with the business or to avoid or diminish the loss resulting therefrom.
  - iii) as far as may be reasonably practicable without causing any increase in the period of interruption or interference take precautions to preserve any things which might prove necessary or useful by way of evidence in connection with any claim
  - iv) discontinue the use of any damaged machinery unless the Company authorize otherwise and the Company shall not be liable in respect of any further interruption or interference arising out of the continued use of any damaged machinery without their having given their consent to such use until said machinery has been repaired to the satisfaction of the insurers
  - v) in the event of a claim being made under this Policy not later than thirty days after the expiry of the indemnity period or within such further time as the Company may allow in writing at his own expense deliver to the Company a written statement setting forth particulars of his claim together with details of all other policies covering the accident or any part of it or consequential loss of any kind resulting therefrom and the insured shall at his

own expense also produce and furnish to the Company such books of accounts and other business books e.g. invoices, balance sheets and other documents, proofs, information, explanation and other evidence as may reasonably be required by the Company for the purpose of investigating or verifying the claim together with if required - a statutory declaration of the truth of the claim and of any matters connected therewith.

No claim under this Policy shall be payable unless the terms of this condition have been complied with and in the event of non-compliance therewith in any respect any payment already made on account of the claims shall be repaid to the Company forthwith.

- b) In the event of an accident to any insured machinery likely to give rise to a claim under this Policy, the Company shall have the right to take over and control all necessary repairs or replacements.
- c) The Insured shall at the expense of the Company do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights or remedies or obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated upon its paying for or making good any loss or damage under this Policy whether such acts and things are or become necessary or required before or after his indemnification by the Company
- d) If the claim be in any respect fraudulent or if any false declaration be made or used in support thereof or if any fraudulent means or devices are used by the insured or any one acting on his behalf to obtain any benefit under this policy or if the Accident be occasioned by the willful act or with the connivance of the insured or if the claim be made and rejected and an action or suit be not commenced within three months after such rejection or in case of an arbitration taking place as provided hereunder within three months of this policy after the Arbitrator or Arbitrators or Umpire shall have made their award, all benefit under this Policy shall be forfeited.
- e) If at the time of any accident resulting in a loss under this Policy there be any other insurance covering the same loss or damage, the Company shall not be liable to pay more than its rateable proportion of the loss.
- f) **Midterm increase in Sum Insured-**  
If the sum insured is increased during the currency of the policy-
  - i) Short period scale of rates shall apply to the increased amount.
  - ii) If the policy is renewed thereafter for twelve months, for an amount not less than the increased total sum insured, the difference of premium between the short period scale of rates and pro-rata rate, may be refunded, or a new policy for the full increased sum insured, may be issued, at the tariff rate (annual or short period, as required) canceling the old insurance and allowing a pro-rata refund for the unexpired period of the cancelled policy.
- n) **Departmental Clause** - Applicable when business has separate section or departments, each earning at different rate of gross profit.)

If the business be conducted in departments, the independent trading results of which are ascertainable, the provision of clauses (a) & (b) of item 1 of the specification shall apply separately to each department affected by the damage; provided that if the sum insured by the said item be less than the aggregate of the

business (whether affected by the accident or not) to the relative annual output thereof, the amount payable shall be proportionately reduced.

- o) If any dispute or difference shall arise as to the quantum to be paid under this policy, (liability being otherwise admitted) such differences shall independently of all other questions be referred to the decision of a sole Arbitrator, to be appointed in writing by the parties to or, if they cannot agree upon a single arbitrator within 30 days of any party invoking Arbitration, the same shall be referred to a panel of three Arbitrators comprising of two Arbitrators - one to be appointed by each of the parties to the dispute / difference, and the third Arbitrator to be appointed by such two Arbitrators and arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act 1996.

It is clearly agreed and understood that no difference or dispute shall be referable to arbitration as herein before provided, if the Company has disputed or not accepted liability under or in respect of this policy.

It is hereby expressly stipulated and declared that it shall be condition precedent to any right of action or suit upon this policy that the award by such Arbitrator/ Arbitrators of the amount of the loss or damage shall be first obtained.

p) In no case whatever shall the Company be liable in respect of any claim under this Policy after the expiry of-

- i) One year from the end of the indemnity period or if later
- ii) Three months from the date on which payment shall have been made or liability admitted by the Company covering the Accident giving rise to the said claim unless the claim is the subject of pending action or Arbitration

q) Every notice and other communication required by these conditions must be written or printed.

## **CLAUSES-**

### **1. AGREED BANK CLAUSE**

It is hereby declared and agreed:-

That upon any monies becoming payable under this Policy the same shall be paid by the Company to the Bank and such part of any monies so paid as may relate to the interests of other parties insured hereunder shall be received by the Bank as Agents for such other parties

1. That the receipts of the Bank shall be complete discharge of the Company therefore and shall be binding on all the parties insured hereunder.

N.B: The Bank shall mean the first named Financial Institution/Bank named in the Policy.

2. That if and whenever any notice shall be required to be given or other communication shall be required to be made by the Company to the Insured or any of them in any manner arising under or in connection with this Policy such notice or other communication shall be deemed to have been sufficiently given or made if given or made to the Bank.

3. That any adjustment, settlement, compromise or reference to arbitration in connection with any dispute between the Company and the Insured or any of them arising under or in connection with this Policy if made by the Bank shall be valid and binding on all parties insured hereunder but not so as to impair rights of the Bank to recover the full amount of any claim it may have on other parties insured hereunder.

4. That this insurance is for only as it relates to the interest of the Bank therein shall not cease to attach to any

the insured property by reason of operation of Condition 3 of the Policy except where a breach of the Condition has been committed by the Bank or its duly authorised agents or servants and this insurance shall not be invalidated by any act or omission on the part of any other party insured hereunder whereby the risk is increased or by anything being done to or upon or any building hereby insured or any building in which the goods insured under the Policy are stored without the knowledge of the Bank provided always that the Bank shall notify the Company of any change of ownership or alterations or increase of hazards not permitted by this insurance as soon as the same shall come to its knowledge and shall on demand pay to the Company necessary additional premium from the time when such increase of risks first took place and

5. It is further agreed that whenever the Company shall pay the Bank any sum in respect of loss or damage under this Policy and shall claim that as to the Mortgage or owner no liability therefore existed, the Company shall become legally subrogated to all the rights of the Bank to the extent of such payments but not so as to impair the right of the Bank to recover the full amount of any claim it may have on such Mortgage or Owner or any other party or parties insured hereunder or from any securities or funds available.

## 2. ENDORSEMENT 857 PROLONGATION OF INTERRUPTION PERIOD DUE TO DETERIORATION

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, cover shall be extended to include a prolongation of the interruption period due to the deterioration of raw materials, intermediate or finished products or operating media, provided that such deterioration is actually caused by an indemnifiable interruption or interference with the business in consequence of an indemnifiable accident.

## 3. ENDORSEMENT 861 INCREASED COST OF ELECTRICITY, WATER, GAS OR STEAM SUPPLY

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, this insurance shall be extended to cover increased cost of electricity, water, gas or steam - hereinafter referred to as energy - due to purchase thereof becoming necessary following an indemnifiable loss of or damage to item(s) No(s) specified in the List of Machinery and Plant Insured.

The sum insured is the product of the increase in unit cost for the purchase of energy (purchase cost minus the cost that would be incurred by the Insured generating his own energy) and the annual amount of the unit generated by the machinery insured. Expenses for maximum demand charges shall be excluded under this Endorsement. Refund of premium may be granted only in respect of the amount of units generated.

## 4. ENDORSEMENT 862 MAXIMUM DEMAND CHARGES

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, this insurance shall be extended to cover the maximum demand

charges as itemized in the power supply contract attached to and deemed to be incorporated in this Endorsement, such charges falling due as a consequence of indemnifiable loss of or damage to item(s) No(s) specified in the List of Machinery and Plant Insured.

The sum insured shall correspond to the maximum possible amount of maximum demand charges which may become due for one year. If, in the case of indemnifiable loss of or damage to the insured items, the maximum demand charges falling due, i.e. the unit price per kW or kVA and/or the quantity of kW or kVA, exceed the figures stipulated in the power supply contract, average shall be applied separately to each of the above mentioned amounts. Under insurance shall not be applied in the event that the indemnity period affects two electric power accounting years and the sum insured is less than the actual loss.

Deductible: 20% of the loss, minimum

## 5. ENDORSEMENT 863 ADDITIONAL EXPENDITURE OTHER THAN

**INCREASE IN COST OF WORKING** It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, this insurance shall be extended to cover additional expenditure as specified in the schedule, other than increased cost of working, which may be incurred during the indemnity period as a consequence of an indemnifiable interruption of or interference with the business. The amount of indemnity payable shall be limited to either a) a lump sum payment of or b) a daily limit of and subject to a deductible of 20% of each claim, minimum. This cover is not subject to average.

## **6. ENDORSEMENT 866 FAILURE OF PUBLIC POWER, WATER, GAS OR STEAM SUPPLY**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, cover shall be extended to include loss of gross profits resulting from interruption of or interference with the business due to failure of the public power, water, gas or steam supply in accordance with the following conditions:

### **1. Definition**

Public supply shall mean the supply by public authority of power, water, gas or steam when required on demand, with sufficient production reserves and alternate switch-over possibilities.

### **2. Object of insurance**

Failure of the public supply shall mean stoppage or reduction in supply caused by sudden and unforeseen material damage occurring beyond the point of transfer to the plant as specified in the Policy. This Endorsement also covers failure of the public power, water, gas or steam supply due to any cause specified in Exclusions Nos 1 to 3 and 8 of the Policy.

In the case of interruption of the Insured's operation due to failure of the public supply, the Company shall be liable up to the indemnity period limit for any loss of gross profits resulting from this interruption for the period of failure that exceeds the agreed time excess.

### **3. Exclusions**

Irrespective of any contributory cause, the Company shall not be liable for any loss resulting from interruption of public supply directly or indirectly attributable to:

- a) rationing, which was not caused by unforeseen material damage to the public supply;
- b) water shortage due to climatic or meteorological conditions;
- c) disturbance or damage in the Insured's plant, even if this is caused by failure of the public supply, unless the damaged item(s) also is(are) covered under this Policy;
- d) the production in the Insured's plant still being interrupted or disturbed after the resumption of the public supply, unless otherwise agreed.

## **7. ENDORSEMENT 891 DELAY IN REPAIR**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Company shall, within the agreed indemnity period limit, be liable for a period not exceeding four weeks for any loss of gross profits due to delay in repair or replacement of damaged machines of foreign make, where such delay results from import or export restrictions, customs regulations, currency restrictions or any other regulations imposed by any government or public authority.

#### 8. ENDORSEMENT892INDEMNITYPERIODLIMITSEXCEEDING12MONTHS

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon for indemnity period limits exceeding 12 months, the following shall apply:

1. The figures for annual sum(s) insured, annual turnover and standard turnover as defined or stated in the Policy shall be increased in the proportion by which the indemnity period limit exceeds 12 months.
2. The accounting period as referred to in Memo 2-Return of Premium shall be the agreed indemnity period limit.

#### 9. ENDORSEMENT893PROPORTIONAL TIME EXCESS

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the deductible in respect of the time excess shall be determined as follows:

The Company are not liable for the amount of loss corresponding to the agreed time excess, which shall be calculated by multiplying the average daily amount of the indemnifiable loss by the number of working days agreed upon as the time excess.

#### 10. ENDORSEMENT894SUM INSURED ON UNIT PRICE BASIS

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the sum insured and indemnity shall be defined as follows:

- 1) The annual sum insured shall be calculated on the basis of the agreed unit price multiplied by the number of units the Insured produces during one year. A premium refund according to Memo 2 of this Policy shall be given only on the basis of the number of units actually produced during the period of insurance.
- 2) The indemnity payable shall be the amount calculated by multiplying the number of units which would be produced but for the accident with the agreed unit price. If, however, the number of units on which the sum insured is based is less than the number of units which would be produced but for the accident during the 12 months immediately preceding the date when the production is no longer affected or when the indemnity period limit ends, the amount payable shall be reduced proportionally. The indemnity shall not put the Insured into a better financial position than he would have been in if the accident had not occurred. The Company shall only be liable for the period within the indemnity period limit that exceeds the agreed time excess.

The deductible shall be 20% of the loss, minimum.

#### 11. ENDORSEMENT904FAILURE OF NON PUBLIC POWER SUPPLY

It is agreed and understood that, otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the extra premium agreed on, the Company will indemnify the Insured for any deterioration or putrefaction occurring as a result of

any failure of the nonpublic power supply, provided that - a standby generator ready for operation at any time (stated in the List of Machinery) is available which is able to supply the required continuous cooling capacity when the cold store is 100 % filled; - the failure of the non-public power supply lasts for an uninterrupted period of at least six hours.

In respect of any contributing causes, the Company shall, however, not be liable for deterioration or

putrefaction occurring as a result of - scheduled interruptions of the non-public power supply; - interruption of electricity due to shortage of primary energy at the power stations.

## 9. ENDORSEMENT 905 DEPARTMENTAL CLAUSE

If the business be conducted in departments, the independent trading results of which are ascertainable, the provision of clauses (a) & (b) of item 1 of the specification shall apply separately to each department affected by the damage; provided that if the sum insured by the said item be less than the aggregate of the sum produced by applying the rate of gross profit provided for each department of the business (whether affected by the accident or not) to the relative annual output thereof, the amount payable shall be proportionately reduced

### Details of Property Insured

Item	Number	Description of Machinery	Relative Importance in %
As per Breakdown of Electrical and Mechanical Appliance and Boiler & Pressure Plant Section			
Note: Relative importance means the percentage effect which a breakdown of the particular machine will have on the total gross profit disregarding any loss minimisation measures.			
Total Sum Insured			R s .
Indemnity Period			
Net Premium			R s .
Add Service Tax (Inclusive of education cess)			R s .
Total Premium			R s .

**Excess/Deductible:**

## CLAUSES & EXTENSIONS 1. 2.

## SPECIAL CONDITIONS, WARRANTIES AND EXCLUSIONS

- 1.
- 2.

## SECTION XII: EMPLOYEE COMPENSATION

Notwithstanding anything contained in the Policy or any of its Endorsements or SECTIONS hereto, it is agreed and declared that in consideration of the agreed premium being paid by the Insured to the Company the following Coverage Section is included under the Policy effective the date stated herein. Subject to the terms and provisions including the General Conditions and General Exclusions of the Policy and all endorsements thereon.

Now this policy witnesseth, subject to the terms exceptions and conditions contained herein or endorsed hereon, that if at any time during the **Period of Insurance** any **Employee or Employees** of the



**Insured** shall sustain **Injury** by accident arising out of and in the course of his employment in the **Business**, for which the **Insured** is liable to pay compensation under any Law(s) specified in the **Schedule**, then the Company shall indemnify the **Insured** up to the **Limit of Indemnity** against all sums for which the **Insured** shall be so liable, including costs and expenses for defending any such claim incurred with the Company's consent.

PROVIDED ALWAYS that in the event of any change in the Law(s) or the substitution of other legislation therefore, this **Policy** shall remain in force but the liability of the Company shall be limited to such sum as the Company would have been liable to pay if the Law(s) had remained unaltered

## **DEFINITIONS**

This SECTION, the **Schedule** and any Clauses thereon shall be considered one document and any word or expression to which a specific meaning has been attached in Definitions bears that specific meaning wherever it appears in this Policy in bold typeface.

**Business** means the Business of the **Insured** as specified in the **Schedule** in respect of which this Policy is issued.

**Injury** means physical bodily injury including death resulting from such injury arising out of an accident but does not include any mental sickness, disease, **Occupational Disease**, unless caused by such physical bodily injury.

**Insured** means the person or organizations specified in the Policy **Schedule** but does not include their Contractor or Sub-Contractors.

**Occupational Disease** means any occupational disease or illness including but not limited to the diseases listed under Schedule III of the Employees' Compensation Act, 1923 contracted by an **Employee** due to employment in the **Business**.

**Wages** means the remuneration payable to an **Employee** by the **Insured** for the employment in the **Business** and includes any privilege or benefit which is capable of being estimated in money other than a travelling allowance or the value of any travelling concession or a contribution paid by the employer of an employee towards any pension or provident fund or a sum paid to an employee to cover any special expenses entailed on him by the nature of his employment;

**Employee or Employees** means such person or persons in direct employment under the **Insured** in the **Business**, but shall not include any person employed under a Contractor or Sub-Contractor of the **Insured** unless specifically shown as covered in the **Schedule** and by an endorsement.

**Schedule** means the Schedule attached to and forming part of this **Policy**.

**Period of Insurance** means the period for which this insurance is availed by the **Insured** as specified in the **Schedule**, unless cancelled earlier.

**Limit of Indemnity** means the maximum amount of indemnity as specified in the **Schedule** that will be provided under this Policy by the Company in respect of

a) any particular claim by an **Employee** and

b) all claims arising out of all accidents for any number of **Employees** during the **Period**

#### **of Insurance EXCLUSIONS**

This Policy shall not cover liability of the **Insured**:

- a) For **Injury** caused to **Employee** by accident directly or indirectly caused by or arising from or in consequence of or attributable to war, invasion, act of foreign enemy, hostilities (whether war be declared or not) civil war, mutiny, insurrection, rebellion, revolution or military or usurped power, nuclear weapons material, ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
- b) Accident occurring at any other place than the Place or Places of Employment specified in the **Schedule**, unless the **Employee** was at such other place whilst on duty for the purpose of the **Business** and on the directions of the **Insured** or any of its official authorized to exercise control and supervision over the **Employee**.
- c) For **Occupational Diseases** contracted by an **Employee**
- d) For interest and/or penalty imposed on the **Insured** under any law or otherwise.
- e) Under any Law for medical expenses in connection with treatment of any **Injury** sustained by an **Employee**
- f) For person employed in the **Business** under a Contractor or Sub-Contractor of the **Insured** unless specifically covered in the **Schedule**
- g) For **Injury** sustained by person whilst in the employ of the **Insured** other than in the **Business** and/or who has not declared for insurance under this Policy.
- h) Assumed by agreement which would not have attached in the absence of such agreement
- i) For any sum which the **Insured** would have been entitled to recover from any party but for an agreement between the **Insured** and such party.
- j) For any accident occurring whilst the **Employee** is under the influence of intoxicating liquor or drugs.
- k) For any incapacity or death of an **Employee** resulting from his/her deliberate self-injury or the deliberate aggravation of an accidental **Injury**.

#### **CONDITIONS**

1. **The Contract:** This **SECTION** and the **Schedule** shall be read together as one contract and any word defined herein and shown in bold shall bear such specific meaning wherever it may appear in the **Policy** or the **Schedule**.
2. **Due Observance:** The due observance and fulfilment of the terms, conditions and endorsements of this **SECTION** so far as they relate to anything to be done or not to be done by the **Insured** shall be condition precedent to any liability of the Company to make any payment under this **SECTION**.
3. **Mis-representation/Non-Disclosure:** This Policy shall be void in the event of any mis-representation or non-disclosure in the Proposal and the **Insured** is deemed to warrant the truth and

accuracy of the statements and answers in the Proposal which form the basis of this Policy.

4. **Written Communication:** Every notice or communication to be given or made under this **Policy** shall be delivered in writing to the Company.
5. **Safeguards:** The **Insured** shall take reasonable precautions to prevent accidents and disease and shall comply with all statutory obligations, manufacturer's recommendations and other safety regulations in conduct of the **Business**.
6. **Claim Intimation:** In the event of any occurrence which may give rise to a claim under this **SECTION** the **Insured** shall as soon as possible, and in any case within a period of thirty days of such occurrence, give notice thereof to the Company in writing with full particulars. Every letter claim writ summons and process shall be notified to the Company immediately on receipt. Notice shall also be given to the Company immediately the **Insured** shall have knowledge of any impending prosecution inquest or fatal enquiry in connection with any such occurrence as aforesaid.
7. **Company's Rights After Loss:** No admission offer promise or payment shall be made by or on behalf of the **Insured** without the consent of the Company which shall be entitled, without being obliged to do so, if it so desires to take over and conduct in his name the defence or settlement of any claim or to prosecute in his name for its own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the **Insured** shall give all such information and assistance as the Company may require.
8. **Declaration of Employees and Wages:** It is clearly agreed and Understood that the **Insured** shall be bound at all times to declare all **Employees** and **Wages** payable in respect of such **Employees** on the basis of which the Premium for this Policy is calculated.

In case of increase in **Employees** or **Wages** subsequent to insurance, **Insured** shall keep the Company intimated and obtain Endorsement by payment of necessary additional premium.

The **Insured** shall as and when required by the Company permit inspection of its records to verify the **Wages** and **Employees** and shall also provide duly authenticated copies thereof if so required by the Company.

9. **Average:** Notwithstanding anything contained herein above,
  - (i)
    - a) If the number of **Employees** (whether on duty or otherwise) employed by the **Insured** on the date of accident is higher than the number covered under this Policy, the Company shall indemnify **Insured's** liability arising out of such accident, only in such proportion that the number of **Employees** covered bears to the **Employees** found employed on the date of accident.
    - b) If the amount of **Wages** declared for this insurance for all **Employees** is less than the actual **Wages** paid until date of accident, the Company shall be liable to indemnify on any claim only in proportion that the **Wages** declared bears to the **Wages** paid. For the purpose of this clause, the **Wages** declared shall be calculated proportionately for the period from commencement of Policy until date of accident for comparison with the actual **wages** paid during such period to determine applicability of this clause.
    - c) If the liability of the **Insured** for any claim by an **Employee** is determined on the basis of **Wages** higher than covered under this Policy, the Company shall be liable to indemnify only in proportion that the **Wages** covered under the Policy for the **Employee/Employees** bears to the **Wages** on the basis of which **Insured** is held liable. For the purpose of this clause, the **Wages** covered in respect of any **Employee** shall be deemed to be the average wage per **Employee** in the category under which the **Employee** falls as specified in the **Schedule**, unless actual **Wages** paid at the time of accident is substantiated by submission of documentary evidence to the Company.

(ii) If more than one of the above clauses is found applicable in respect of a claim, only such clause under which the liability of the Company is least shall be applied.

**10. Maintenance of record of Employees/Wages:** The Insured undertake to maintain an accurate record of the **Employees** and **Wages** in respect of the **Business** throughout the **Period of Insurance**, in compliance with all statutory requirements or otherwise, and allow the **Company** to inspect such records during or upon expiry of this **Policy**.

**11. Contribution:** If at the time of the happening of an accident covered by this **Policy** there shall be any other insurance covering the same risk in respect of the **Employee** whether or not effected by the **Insured**, then the **Company** shall not be liable to contribute more than its rateable proportion of the amount that would otherwise be payable under this **Policy**.

**12. Cancellation:** The **Insured** may cancel this **Policy** by sending at least 15 days written notice to the **Company** and in such event the premium shall be adjusted in accordance with Condition 8 above.

**Company** also reserves the right to cancel this **Policy** immediately upon becoming aware of any misrepresentation, fraud, non-disclosure of material facts or non-cooperation by or on behalf of the **Insured**; the **Company** is not obliged to refund the premium already paid under the **Policy**.

Notice of cancellation will be mailed to the **Insured** last known address. If notice of cancellation is mailed, proof of mailing will be sufficient proof of notice.

**13. Forfeiture:** If the **Insured** shall make any claim or connive in the making of any claim, knowing the claim to be false or fraudulent, the **Policy** shall become void and all claims will stand forfeited.

**14. Subrogation:** In the event of any payment under this **Policy**, the **Company** shall be subrogated to the extent of such payment to all the **Insured's** rights of recovery and the **Insured** shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable the **Company** effectively to bring suit in the name of each **Insured**.

**15. Alteration and Assignment:** No change in, modification of, or assignment of interest under this **Section** shall be effective except when made by a written endorsement to this **Policy** which is signed by an authorised employee of the **Company**.

**16. Arbitration:**

a) If any dispute or difference shall arise as to the quantum to be paid under this **SECTION** (liability being otherwise admitted) in respect of any claim, such difference shall independently of all other question be referred to the decision of a sole arbitrator to be appointed in writing by the parties to or if they cannot agree upon a single arbitrator to a panel of three arbitrators to be appointed in accordance with the provisions of the Arbitration and Conciliation Act, 1996. The arbitration shall be governed by Indian law. The venue of arbitrations shall be within India.

b) It is clearly agreed and understood that no reference to arbitration can be made if the **Company** has either not admitted or has disputed liability in respect of any claim under or in respect of this **Policy**.

c) In the event that these arbitration provisions shall be held to be invalid then all such disputes or differences shall be referred to the exclusive jurisdiction of the Indian Courts.

d) It is further expressly agreed and declared that if the **Company** shall disclaim liability in respect of any claim and is not within 12 calendar months from the date of such disclaimer be made the subject matter of a suit or proceeding before a Court of law or any other forum, it shall for all purposes be deemed to have

been abandoned and shall not thereafter be recoverable hereunder.

17. **Law and Jurisdiction:** It is hereby declared and agreed that this contract of insurance and all claims thereunder shall be governed by Indian Law and any legal proceeding in respect thereof shall be a suit in a competent court of India. All claims shall be paid in Indian Rupees only.

#### Details of Property Insured

Sr.No	Risk Location	Details of Employees Covered	Sum Insured (Rs.)	Premium (Rs.)
1				

#### CLAUSES, EXTENSIONS AND

##### DEDUCTIBLE 1.

2.

#### SPECIAL CONDITIONS, WARRANTIES AND

##### EXCLUSIONS 1.

2.

#### GENERAL EXCLUSIONS APPLICABLE TO ALL SECTIONS

The Company shall not be liable to indemnify under any section of this policy any direct or indirect loss/damage or liability or expenses howsoever caused on account of the following unless specifically provided in any of these sections:

1. Liability arising out of violation of any Rules and Regulation of the Govt. or Statutory authorities.
2. Loss or damage directly or indirectly, proximately or remotely occasioned by or which arises out of or in connection with war, invasion, act of foreign enemy, hostilities or civil war, rebellion, revolution, insurrection, warlike operation (whether war be declared or not), usurped power or civil commotion or loss or pillage in connection therein or confiscation or detention by the order of any Government or public authority.
3. loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this exclusion an act of terrorism means an act, including but not limited to the use

of force or violence and/or the threat thereof, of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political, religious, ideological or similar purpose including the intention to influence any government and/or to put the public, or any section of the public in fear. (A uniform definition of terrorism is used throughout this document)

In any action, suit or other proceedings where the Company alleges that by reason of provisions hereof, any loss or damage is not covered by this insurance, the burden of proving that such loss or damage is covered shall be upon the Insured.

4. Loss or damage arising due to delay/improper packaging.
5. Any loss or damage to any property whatsoever or any loss or expense whatsoever resulting or arising there from or any consequential loss and any legal liability of whatsoever nature directly or indirectly, caused by or contributed to by, or arising from ionizing radiation or contamination by radioactivity from any source whatsoever.
6. Any accident, loss, destruction, damage or legal liability directly or indirectly caused by or contributed to by or arising from nuclear weapons material.
7. Liability arising due to martial law or state of siege or any of the event or cause which determines the proclamation or maintenance of martial law or state of siege
8. Loss or damage wear and tear, depreciation, gradual deterioration/development of flaws, atmospheric or climatic condition.
9. Loss or damage caused by or arising out of willful act/gross negligence of the insured.
10. Loss or damage to any Property insured under this Policy in the event of non-cooperation, misrepresentation, mis description or non-disclosure in any material particular or if a claim be fraudulent or any fraudulent means or devices be used by the Insured or any one acting on his behalf to obtain any benefit under this Policy

#### **GENERAL CONDITIONS—APPLICABLE TO ALL SECTIONS**

The Policy and Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or the Schedule shall bear such specific meaning wherever it may appear.

1. The Proposer understands that if a proposal has been completed for this insurance, then the statements and all particulars provided in such proposal, and any attachments thereto, are material to the insurance company's decision to provide this insurance. The applicant further understands that the insurance company will, in its sole discretion, issue this Policy in reliance upon the truth of such statements and particulars.

The Company shall not be liable to indemnify under any section of this policy any direct or indirect loss/damage or liability or expenses howsoever caused on account of the following unless specifically provided in any of these sections:

11. Liability arising out of violation of any Rules and Regulation of the Govt. or Statutory authorities.
12. Loss or damage directly or indirectly, proximately or remotely occasioned by or which arises out of or in connection with war, invasion, act of foreign enemy, hostilities or civil war, rebellion, revolution, insurrection, warlike operation (whether war be declared or not), usurped power or civil commotion or loss or pillage in connection therein or confiscation or detention by the order of any Government or public authority.
13. loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this exclusion an act of terrorism means an act, including but not limited to the use

of force or violence and/or the threat thereof, of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political, religious, ideological or similar purpose including the intention to influence any government and/or to put the public, or any section of the public in fear. (A uniform definition of terrorism is used throughout this document)

In any action, suit or other proceedings where the Company alleges that by reason of provisions hereof, any loss or damage is not covered by this insurance, the burden of proving that such loss or damage is covered shall be upon the Insured.

14. Loss or damage arising due to delay/improper packaging.
15. Any loss or damage to any property whatsoever or any loss or expense whatsoever resulting or arising there from or any consequential loss and any legal liability of whatsoever nature directly or



- indirectly, caused by or contributed to by, or arising from ionizing radiation or contamination by radioactivity from any source whatsoever.
16. Any accident, loss, destruction, damage or legal liability directly or indirectly caused by or contributed to by or arising from nuclear weapons material.
  17. Liability arising due to martial law or state of siege or any of the event or cause which determines the proclamation or maintenance of martial law or state of siege
  18. Loss or damage wear and tear, depreciation, gradual deterioration/development of flaws, atmospheric or climatic condition.
  19. Loss or damage caused by or arising out of willful act/gross negligence of the insured.
  20. Loss or damage to any Property insured under this Policy in the event of non-cooperation, misrepresentation, mis description or non-disclosure in any material particular or if a claim be fraudulent or any fraudulent means or devices be used by the Insured or any one acting on his behalf to obtain any benefit under this Policy

## **GENERAL CONDITIONS—APPLICABLE TO ALL SECTIONS**

The Policy and Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or the Schedule shall bear such specific meaning wherever it may appear.

2. The Proposer understands that if a proposal has been completed for this insurance, then the statements and all particulars provided in such proposal, and any attachments thereto, are material to the insurance company's decision to provide this insurance. The applicant further understands that the insurance company will, in its sole discretion, issue this Policy in reliance upon the truth of such statements and particulars.

THIS POLICY SHALL BE VOIDABLE AT THE OPTION OF THE COMPANY IN THE EVENT OF MIS-REPRESENTATION, MIS-DESCRIPTION OR NON-DISCLOSURE OF ANY MATERIAL PARTICULAR BY THE INSURED. ANY PERSON WHO, KNOWINGLY AND WITH INTENT TO DEFRAUD THE INSURANCE COMPANY OR OTHER PERSONS, FILES A PROPOSAL FOR INSURANCE CONTAINING ANY FALSE

INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT WHICH WILL RENDER THE POLICY VOIDABLE AT THE INSURANCE COMPANY'S SOLE DISCRETION AND RESULT IN DENIAL OF INSURANCE BENEFITS. IF A CLAIM IS IN ANY RESPECT FRAUDULENT, OR IF ANY FRAUDULENT OR FALSE PLAN, SPECIFICATION, ESTIMATE, DEED, BOOK, ACCOUNT ENTRY, VOUCHER, INVOICE OR OTHER DOCUMENT, PROOF OR EXPLANATION IS PRODUCED, OR ANY FRAUDULENT MEANS OR DEVICES ARE USED BY THE INSURED, POLICYHOLDER, BENEFICIARY, CLAIMANT OR BY ANYONE ACTING ON THEIR BEHALF TO OBTAIN ANY BENEFIT UNDER THIS POLICY, OR IF ANY FALSE STATUTORY DECLARATION IS MADE OR USED IN SUPPORT THEREOF, OR IF LOSS IS OCCASIONED BY OR THROUGH THE PROCUREMENT OR WITH THE KNOWLEDGE OR CONNIVANCE OF THE INSURED, POLICYHOLDER, BENEFICIARY, CLAIMANT OR OTHER PERSON, THEN ALL BENEFITS UNDER THIS POLICY ARE FORFEITED

3. All insurances under this policy shall cease on expiry of 7 days from the date of fall or displacement of any building or part thereof or of the whole or any part of any range of buildings or of any structure of which such building forms part.  
PROVIDED such a fall or displacement is not caused by a peril not excluded by this policy or such loss or damage would be covered if such building, range of buildings or structure were insured under this policy.

Notwithstanding the above, the Company, subject to an express notice being given as soon as possible but not later than seven days of any such fall or displacement may agree to continue the insurance subject to revised rates, terms and conditions as may be decided by it and confirmed in writing to this effect



4. Under any of the following circumstances the insurance ceases to attach as regards the property affected unless the Insured, before the occurrence of any loss or damage, obtains the sanction of the Company signified by endorsement upon the policy by or on behalf of the Company:-
- If the trade or manufacture carried on be altered, or if the nature of the occupation or other circumstances affecting the building insured or containing the insured property be changed in such a way as to increase the risk of loss or damage by Insured Perils.
  - If the building insured or containing the insured property becomes unoccupied and so remains for a period of more than 30 days.
  - If the interest in the property passes from the insured to any other person by will or operation of law.
5. The Company may cancel this policy on grounds of misrepresentation, fraud, non disclosure of material facts, non cooperation by the insured or anyone acting on his behalf. Such cancellation of the policy will be from inception date or the renewal date ( as the case may be) upon 15 days notice and by sending an ENDORSEMENT in this regard at insured's address shown in the SCHEDULE without refund of any premium.

The policy may also be cancelled by the insured at any time by giving at least 15 days written notice to the company. The company will refund premium on a short period basis by reference to the time cover is provided, subject to a minimum retention of premium of Rs.250/-.

#### SHORT PERIOD SCALE:

Policies issued or renewed for periods shorter than 12 months must be charged for on the following scale, which must also be applied in calculating the premium where policies are cancelled during currency at the request of the Insured.

Period	% of rate to be charged
For a period not exceeding 15 days	10% of the Annual rate
For a period not exceeding 1 month	15% of the Annual rate
For a period not exceeding 2 months	30% of the Annual rate
For a period not exceeding 3 months	40% of the Annual rate
For a period not exceeding 4 months	50% of the Annual rate
For a period not exceeding 5 months	60% of the Annual rate
For a period not exceeding 6 months	70% of the Annual rate
For a period not exceeding 7 months	75% of the Annual rate
For a period not exceeding 8 months	80% of the Annual rate
For a period not exceeding 9 months	85% of the Annual rate
For a period exceeding 9 months	The full Annual rate

6. (i) On the happening of any loss or damage the Insured shall forthwith give notice thereof to the Company and shall within 15 days after the loss or damage, or such further time as the Company may in writing allow in that behalf, deliver to the Company

- a) A claim in writing for the loss or damage containing as particular an account as may be reasonably practicable of all the several articles or items or property damaged or destroyed, and of the amount of the loss or damage thereto respectively, having regard to their value at the time of the loss or damage not including profit of any kind.
  - b) Particulars of all other insurances, if any. The Insured shall also at all times at his own expense produce, procure and give to the Company all such further particulars, plans, specification books, vouchers, invoices, duplicates or copies thereof, documents, investigation reports (internal/ external) proofs and information with respect to the claim and the origin and cause of the loss and the circumstances under which the loss or damage occurred, and any matter touching the liability or the amount of the liability of the Company as may be reasonably required by or on behalf of the Company together with declaration on oath or in other legal form of the truth of the claims and of any connected therewith. No claim under this policy shall be payable unless the terms of this condition have been complied with and in the event of non-compliance therewith in any respect, any payment on account of the claim already made shall be repaid to the Insurer forthwith.
- (ii) In no case whatsoever shall the Company be liable for any loss or damage after the expiration of 12 months from the happening of the loss or damage unless the claim is the subject of pending action or arbitration; it being expressly agreed and declared that if the Company shall disclaim liability for any claim hereunder and such claim shall not within 12 months from the date of the disclaimer have been made the subject matter of a suit in a court of law then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.
7. On the happening of loss or damage to any of the property insured by this policy, the Company may
- a. enter and take and keep possession of the building or premises where the loss or damage has happened,
  - b. take possession of or require to be delivered to any property of the Insured in the building or on the premises at the time of the loss or damage,
  - c. keep possession of any such property and examine, arrange, remove or otherwise deal with the same,
  - d. sell any such property or dispose of the same for account of whom it may concern.

The powers conferred by this condition shall be exercisable by the Company at any time until notice in writing is given by the insured that he makes no claim under the policy, or if any claim is made, until such claim is

finally determined or withdrawn, and the Company shall not by any act done in the exercise or purported exercise of its powers hereunder, incur any liability to the Insured or diminish its rights to rely upon any of the conditions of this policy in answer to any claim.

If the insured or any person on his behalf shall not comply with the requirements of the Company or shall hinder or obstruct the Company, in the exercise of its powers hereunder, all benefits under this policy shall be forfeited.

The Insured shall not in any case be entitled to abandon any property to the Company whether taken possession of by the Company or not.

8. If the Company at its option, reinstates or replaces the property damaged or destroyed, or any part thereof, instead of paying the amount of the loss or damage, or join with any other Company or Insurer in so doing, the Company shall not be bound to reinstate exactly or completely but only as circumstances permit and in a reasonably sufficient manner, and in no case shall the Company be bound to expend more in reinstatement than it would have cost to reinstate such property as it was at the time of the occurrence of such loss or damage nor more than the

sum insured by the Company thereon.

If the Company so elect to reinstate or replace any property the insured shall at his own expense furnish the Company with such plans specifications, measurements, quantities and such other particulars as the Company may require, and no act done, or caused to be done, by the Company with a view to reinstatement or replacement shall be deemed an election by the Company to reinstate or replace.

If in any case the Company shall be unable to reinstate or repair the property hereby insured, because of any municipal or other regulations in force affecting the alignment of streets or the construction of buildings or otherwise, the Company shall, in every such case, only be liable to pay such sum as would be required to reinstate or repair such property if the same could lawfully be reinstated to its former condition.

9. If the property hereby insured shall at the time of reinstatement/replacement repair following a loss or damage indemnifiable under the policy be of greater value than the Sum Insured under the policy, then the insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of loss.
10. Each item of the policy to which this condition applies shall be separately subject to the foregoing provision.  
If at the time of any loss or damage happening to any property hereby insured there be any other subsisting insurance or insurances, whether effected by the insured or by any other person or persons covering the same property, this Company shall not be liable to pay or contribute more than its rateable proportion of such loss or damage.
11. The Insured shall at the expense of the Company do and concur in doing, and permit to be done, all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated, upon its paying for or making good any loss or damage under this policy, whether such acts and things shall be or become necessary or required before or after his indemnification by the Company

If any dispute or difference shall arise as to the quantum to be paid under this policy (liability being otherwise admitted) such differences shall independently of all other questions be referred to the decision of an arbitrator to be appointed in writing by the parties in difference, or if they cannot agree upon a single arbitrator, to the decision of two disinterested persons as arbitrators of whom one shall be appointed in writing by each of the parties within 30 days after having been required so to do in writing by the other party in accordance with the provision of the Arbitration and Conciliation

Act, 1996, as amended from time to time and for the time being in force. In case either party shall refuse or fail to appoint an arbitrator within 30 days after receipt of notice in writing requiring an appointment, the other party shall be at liberty to appoint sole arbitrator and in case of disagreement between the arbitrators, the difference shall be referred to the decision of an umpire who shall have been appointed by them in writing before entering on the reference and who shall sit with the arbitrators and preside at their meetings. It is clearly agreed and understood that no difference or dispute shall be referable to arbitration as herein before provided, if the Company has disputed or not accepted liability under or in respect of this policy. It is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this policy that the award by such arbitrator, arbitrators or umpire of the amount of the loss or damages shall be first obtained

12. Every notice and other communication to the Company required by these conditions must be written or printed.

13. At all times during the period of insurance of this policy the insurance cover will be maintained to the full extent of the respective sum insured in consideration of which upon the settlement of any loss under this policy, pro-rata premium for the unexpired period from the date of such loss to the expiry of period of insurance for the amount of such loss shall be payable by the insured to the Company.

The additional premium referred above shall be deducted from the net claim amount payable under the policy. Thus continuous cover to the full extent will be available notwithstanding any previous loss for which the company may have paid hereunder and irrespective of the fact whether the additional premium as mentioned above has been actually paid or not following such loss. The intention of this condition is to ensure continuity of the cover to the insured subject only to the right of the company for deduction from the claim amount when settled of pro-rata premium to be calculated from the date of loss till expiry of the policy.

Notwithstanding what is stated above, the Sum Insured shall stand reduced by the amount of loss in case the insured immediately on occurrence of the loss exercises his option not to reinstate the sum insured as above.

14. The Insured shall take all reasonable steps to safeguard the Property insured against any loss or damage. The Insured shall exercise reasonable care that only competent employees are employed and shall take all reasonable steps to prevent all accidents and shall comply with all statutory or other regulations.
15. The Company shall have free access to inspect any Property insured and the books of accounts of the Insured. If at any time any event shall occur materially affecting the risks insured hereunder the Insured shall give notice in writing to the Company immediately.

The Insured shall not admit any liability or make payment of or negotiate any sum without the consent

in writing of the Company. The Company shall be entitled if it so desires to take over and conduct in the name of the Insured the defense or settlement of any claim or to prosecute in the name of the Insured at its own expense and for its own benefit any claim in the name of Insured for its own benefit in pursuance of any remedy to which the Company shall be or would become entitled or subrogated upon its indemnifying the Insured and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the Insured shall give all such information and assistance as the Company may require.

16. The Company may after admission of liability pay to the Insured/third party the maximum indemnity amount on receiving the documentary evidence and thereafter the Company shall not be under further liability in respect of such occurrence except for the payment of costs and expenses of litigation incurred prior to the date of payment.
17. No claim shall be payable under this Policy unless the cause of action arises in India and the liability to pay claim established against the Insured in any Indian court. It is further agreed and understood that only Indian Law shall be applicable to any such action however, in case the liability is otherwise clear on the basis of evidence produced by the Insured, the Company may entertain the claim without reference to a court of law.
18. The Company shall be entitled to take over and conduct in the name of Insured the defense or settlement of any claim in the name of Insured for its own benefit in pursuance of any remedy to which the Company shall be or would become entitled or subrogated upon its indemnifying the Insured. The Company shall have full discretion in conduct of any proceedings and in settlement of any claim and the Insured shall give all such assistance and information as the Company may require.

19. The Company shall be under no obligation to renew the policy on expiry of the period for which premium has been

enpaid. The Company reserves the right to offer revised rates, terms and conditions at renewal based on claim experience and a fresh assessment of the risk. This policy may be renewed only by mutual consent and subject to payment in advance of the total premium at the rate in force at the time of renewal. The Company, however, shall not be bound to give notice that the policy is due for renewal or to accept any renewal premium. Unless renewed as herein provided, this policy shall automatically terminate at the expiry of the period for which premium has already been paid..

20. Any person who has a grievance against the Company, may himself or through his legal heirs make a complaint in writing to the Insurance Ombudsman in accordance with the procedure contained in The Redressal of Public Grievance Rules, 1998 (Ombudsman Rules). Proviso to Rule 16(2) of the Ombudsman Rules however, limits compensation that may be awarded by the Ombudsman, to the lower of compensation necessary to cover the loss suffered by the insured as a direct consequence of the insured peril or Rs. 20 lakhs Rupees Twenty Lakhs Only) inclusive of ex-gratia and other expenses. A copy of the said Rules shall be made available by the Company upon prior written request by the Insured.
21. MID-TERM INCREASE IN SUM INSURED shall be allowed as follows:
- INCREASE IN SUM INSURED – on Pro Rata Basis
  - DECREASE IN SUM INSURED – on Short Period Scale

#### ***Condonation of Delay:***

The Company may condone delay on merit where it is proved that delay in reporting of claim or submission of claim documents is due to reasons beyond the control of the insured.

Notwithstanding the above, delay in reporting of claim or submission of claim documents due to reasons beyond the control of the insured shall not be condoned where such claim even if reported in time would in any which ways be rejected.

#### ***Claims Process:***

In the event of loss of an insured event the insurance company must be informed immediately. Our contact details are as follows:

#### ***HDFC ERGO General***

##### ***Insurance Co.***

***Ltd. 6<sup>th</sup> Floor, Leela Business***

***sPark,***

***Andheri Kurla Road, Andheri (E),***

***Mumbai –***

***400059 Toll Free Helpline 18002 700700***

While intimation of claim, Insured has to provide relevant information which includes Policy details and Loss details (viz. Loss Location, Contact Details, Details of Loss / Accident)

Based on the details provided Claim will be registered and Claim No. will be provided to the Insured.

After registration, Claims officer will appoint the Surveyor within 24 hrs.

- An acknowledgement with respect to the claim intimation is given to the insured, once we are in receipt of any claim intimation from the insured.

Based on the information submitted in the claim intimation letter, if required, we may procure more information from the insured depending on the facts mentioned therein. Upto the satisfaction of the Company.

- Surveyor/Investigator may be appointed if required.
- Apart from surveyor/investigator, opinion of legal experts is sought, if required.
- Based on the investigation and documentations provided, the decision with respect to the claim would be taken and accordingly conveyed to the insured (vide written communication)

***Processing of Claim: The documents generally required for processing of claims are:***

1. Policy/Underwriting documents.
2. Survey Report with Photographs
3. Claim Form, duly completed.
4. Logbook / Asset register / Capitalized item list
5. Repair/Replacement invoices with receipt
6. All Applicable valid Certificates
7. Any other relevant documents required based on type of loss
8. KYC documents where settlement amount is over 1 lac

Apart from above Standard documents some other documents may be called for based on the nature of claim. Any other document as may be necessary and appropriately applicable for the claims preferred under the different sections of the policy.

Apart from above Standard documents some other documents may be called for based on the nature of claim. Any other document as may be necessary and appropriately applicable for the claims preferred under the different sections of the policy.

## Grievance Redressal Procedure

If you have a grievance that you wish us to redress, you may contact us with the details of your grievance through:

- Call Centre : 022-62346234/ 0120-62346234
- Emails – [grievance@hdfcergo.com](mailto:grievance@hdfcergo.com)
- Designated Grievance Officer in each branch.
- Company Website – [www.hdfcergo.com](http://www.hdfcergo.com)
- Courier : Any of our Branch office or corporate office

You may also approach the Complaint & Grievance (C&G) Cell at any of our branches with the details of your grievance during our working hours from Monday to Friday.

If you are not satisfied with our redressal of your grievance through one of the above methods, you may contact our Head of Customer Service at

The Complaint & Grievance Cell ,  
HDFC ERGO General Insurance Company Ltd.  
Customer Happiness Center,  
D-301, 3rd Floor, Eastern Business District (Magnet Mall),  
LBS Marg, Bhandup (West). MUMBAI - 400078  
State : Maharashtra, City : Mumbai  
Pincode : 400078  
Email: [grievance@hdfcergo.com](mailto:grievance@hdfcergo.com)

In case you are not satisfied with the response / resolution given / offered by the C&G cell, then you can write to the Chief Grievance Officer of the Company at the following address

The Chief Grievance Officer  
HDFC ERGO General Insurance Company Limited  
Customer Happiness Center,  
D-301, 3rd Floor, Eastern Business District (Magnet Mall),  
LBS Marg, Bhandup (West). MUMBAI - 400078  
State : Maharashtra, City : Mumbai  
Pincode : 400078  
E Mail: [cgo@hdfcergo.com](mailto:cgo@hdfcergo.com)

You may also approach the nearest Insurance Ombudsman for resolution of your grievance. The contact details of Ombudsman offices are mentioned below if your grievance pertains to:

- Insurance claim that has been rejected or dispute of a claim on legal construction of the policy
- Delay in settlement of claim
- Dispute with regard to premium
- Non-receipt of your insurance document



Names of Ombudsman and Addresses of Ombudsmen Centers	
Jurisdiction	Office Address
Gujarat, Dadra & Nagar Haveli, Daman and Diu	<b>AHMEDABAD - ShriKuldip Singh</b> Office of the Insurance Ombudsman, JeevanPrakash Building, 6th floor, TilakMarg, Relief Road, Ahmedabad – 380 001. Tel.: 079 - 25501201/02/05/06 Email: bimalokpal.ahmedabad@ecoi.co.in
Karnataka	<b>BENGALURU - Smt. Neerja Shah</b> Office of the Insurance Ombudsman, JeevanSoudhaBuilding, PID No. 57-27-N-19Ground Floor, 19/19, 24th Main Road, JP Nagar, 1st Phase, Bengaluru – 560 078. Tel.: 080 - 26652048 / 26652049 Email: bimalokpal.bengaluru@ecoi.co.in
Madhya Pradesh, Chattisgarh	<b>BHOPAL - Shri Guru Saran Shrivastava</b> Office of the Insurance Ombudsman, JanakVihar Complex, 2nd Floor, 6, Malviya Nagar, Opp. Airtel Office, Near New Market, Bhopal – 462 003. Tel.: 0755 - 2769201 / 2769202 Fax: 0755 - 2769203 Email: bimalokpal.bhopal@ecoi.co.in
Orissa.	<b>BHUBANESHWAR - Shri Suresh Chandra Panda</b> Office of the Insurance Ombudsman, 62, Forest park, Bhubneshwar – 751 009. Tel.: 0674 - 2596461 / 2596455 Fax: 0674 - 2596429 Email: bimalokpal.bhubaneswar@ecoi.co.in
Punjab, Haryana, Himachal Pradesh, Jammu & Kashmir, Chandigarh	<b>CHANDIGARH - Dr. Dinesh Kumar Verma</b> Office of the Insurance Ombudsman, S.C.O. No. 101, 102 & 103, 2nd Floor, Batra Building, Sector 17 – D, Chandigarh – 160 017. Tel.: 0172 - 2706196 / 2706468 Fax: 0172 - 2708274 Email: bimalokpal.chandigarh@ecoi.co.in
Tamil Nadu, Pondicherry Town and Karaikal (which are part of Pondicherry).	<b>CHENNAI - Shri M. Vasantha Krishna</b> Office of the Insurance Ombudsman, Fatima Akhtar Court, 4th Floor, 453, Anna Salai, Teynampet, CHENNAI – 600 018. Tel.: 044 - 24333668 / 24335284 Fax: 044 - 24333664 Email: bimalokpal.chennai@ecoi.co.in
Delhi,	<b>DELHI - ShriSudhir Krishna</b> Office of the Insurance Ombudsman, 2/2 A, Universal Insurance Building, Asaf Ali Road, New Delhi – 110 002. Tel.: 011 - 23232481/23213504 Email: bimalokpal.delhi@ecoi.co.in
Assam, Meghalaya, Manipur, Mizoram Arunachal Pradesh, Nagaland and Tripura.	<b>GUWAHATI - ShriKiriti .B. Saha</b> Office of the Insurance Ombudsman, JeevanNivesh, 5th Floor, Nr. Panbazar over bridge, S.S. Road, Guwahati – 781001(ASSAM). Tel.: 0361 - 2632204 / 2602205 Email: bimalokpal.guwahati@ecoi.co.in
Andhra Pradesh, Telangana, Yanam and part of Territory of Pondicherry.	<b>HYDERABAD - Shri I. Suresh Babu</b> Office of the Insurance Ombudsman, 6-2-46, 1st floor, "Moin Court", Lane Opp. Saleem Function Palace, A. C. Guards, Lakdi-Ka-Pool, Hyderabad - 500 004. Tel.: 040 - 67504123 / 23312122 Fax: 040 - 23376599 Email: bimalokpal.hyderabad@ecoi.co.in
Rajasthan,	<b>JAIPUR - Smt. SandhyaBaliga</b> Office of the Insurance Ombudsman, JeevanNidhi – II Bldg., Gr. Floor, Bhawani Singh Marg, Jaipur - 302 005. Tel.: 0141 - 2740363 Email: Bimalokpal.jaipur@ecoi.co.in

Names of Ombudsman and Addresses of Ombudsmen Centers	
Jurisdiction	Office Address
Kerala, Lakshadweep, Mahe-a part of Pondicherry.	<b>ERNAKULAM - Ms. Poonam Bodra</b> Office of the Insurance Ombudsman, 2nd Floor, Pulinat Bldg., Opp. Cochin Shipyard, M. G. Road, Ernakulam - 682 015. Tel.: 0484 - 2358759 / 2359338 Fax: 0484 - 2359336 Email: <a href="mailto:bimalokpal.ernakulam@ecoi.co.in">bimalokpal.ernakulam@ecoi.co.in</a>
West Bengal, Sikkim, Andaman & Nicobar Islands.	<b>KOLKATA - Shri P. K. Rath</b> Office of the Insurance Ombudsman, Hindustan Bldg. Annexe, 4th Floor, 4, C.R. Avenue, KOLKATA - 700 072. Tel.: 033 - 22124339 / 22124340 Fax : 033 - 22124341 Email: <a href="mailto:bimalokpal.kolkata@ecoi.co.in">bimalokpal.kolkata@ecoi.co.in</a>
Districts of Uttar Pradesh : Laitpur, Jhansi, Mahoba, Hamirpur, Banda, Chitrakoot, Allahabad, Mirzapur, Sonbhadra, Fatehpur, Pratapgarh, Jaunpur, Varanasi, Gazipur, Jalaun, Kanpur, Lucknow, Unnao, Sitapur, Lakhimpur, Bahraich, Barabanki, Raebareli, Sravasti, Gonda, Faizabad, Amethi, Kaushambi, Balrampur, Basti, Ambedkarnagar, Sultanpur, Maharajgang, Santkabirnagar, Azamgarh, Kushinagar, Gorkhpur, Deoria, Mau, Ghazipur, Chandauli, Ballia, Sidharathnagar	<b>LUCKNOW - Shri Justice Anil Kumar Srivastava</b> Office of the Insurance Ombudsman, 6th Floor, Jeevan Bhawan, Phase-II, Nawal Kishore Road, Hazratganj, Lucknow - 226 001. Tel.: 0522 - 2231330 / 2231331 Fax: 0522 - 2231310 Email: <a href="mailto:bimalokpal.lucknow@ecoi.co.in">bimalokpal.lucknow@ecoi.co.in</a>
Goa, Mumbai Metropolitan Region excluding Navi Mumbai & Thane.	<b>MUMBAI - Shri Milind A. Kharat</b> Office of the Insurance Ombudsman, 3rd Floor, Jeevan Seva Annexe, S. V. Road, Santacruz (W), Mumbai - 400 054. Tel.: 022 - 26106552 / 26106960 Fax: 022 - 26106052 Email: <a href="mailto:bimalokpal.mumbai@ecoi.co.in">bimalokpal.mumbai@ecoi.co.in</a>
State of Uttaranchal and the following Districts of Uttar Pradesh: Agra, Aligarh, Bagpat, Bareilly, Bijnor, Budaun, Bulandshahar, Etah, Kanooj, Mainpuri, Mathura, Meerut, Moradabad, Muzaffarnagar, Oraiyya, Pilibhit, Etawah, Farrukhabad, Firozbad, Gautambodhanagar, Ghaziabad, Hardoi, Shahjahanpur, Hapur, Shamli, Rampur, Kashganj, Sambhal, Amroha, Hathras, Kanshiramnagar, Saharanpur.	<b>NOIDA - Shri Chandra Shekhar Prasad</b> Office of the Insurance Ombudsman, Bhagwan Sahai Palace 4th Floor, Main Road, Naya Bans, Sector 15, Distt: Gautam Buddh Nagar, U.P-201301. Tel.: 0120-2514250 / 2514252 / 2514253 Email: <a href="mailto:bimalokpal.noida@ecoi.co.in">bimalokpal.noida@ecoi.co.in</a>
Bihar, Jharkhand.	<b>PATNA - Shri N. K. Singh</b> Office of the Insurance Ombudsman, 1st Floor, Kalpana Arcade Building, Bazar Samiti Road, Bahadurpur, Patna 800 006. Tel.: 0612-2680952 Email: <a href="mailto:bimalokpal.patna@ecoi.co.in">bimalokpal.patna@ecoi.co.in</a>
Maharashtra, Area of Navi Mumbai and Thane excluding Mumbai Metropolitan Region.	<b>PUNE - Shri Vinay Sah</b> Office of the Insurance Ombudsman, Jeevan Darshan Bldg., 3rd Floor, C.T.S. No.s. 195 to 198, N.C. Kelkar Road, Narayan Peth, Pune - 411 030. Tel.: 020-41312555 Email: <a href="mailto:bimalokpal.pune@ecoi.co.in">bimalokpal.pune@ecoi.co.in</a>

**STATUTORY NOTICE: "INSURANCE IS THE SUBJECT MATTER OF SOLICITATION"**

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

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

**Introduction**

1. We have reviewed the accompanying unaudited Condensed Standalone Interim Financial Statements of **MINDSPACE BUSINESS PARKS REIT** (the "REIT"), which comprise the unaudited Condensed Standalone Balance Sheet as at September 30, 2022, the unaudited Condensed Standalone Statement of Profit and Loss, including other comprehensive income, the unaudited Condensed Standalone Statement of Cash Flow for quarter and half year ended September 30, 2022, the unaudited Condensed Standalone Statement of changes in Unitholders' Equity for the half year ended September 30, 2022, the unaudited Statement of Net Assets at Fair Value as at September 30, 2022, the unaudited statement of Total Return for the half year ended September 30, 2022 and the unaudited Statement of Net Distributable Cash Flow for the quarter and half year ended September 30, 2022, as an additional disclosure in accordance with paragraph 6 of Annexure A to the Security Exchange Board of India (SEBI) Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 ("SEBI Circular") along with summary of the significant accounting policies and select explanatory notes (together hereinafter referred as the "Condensed Standalone Interim Financial Statements").
2. The Condensed Standalone Interim Financial Statements, which is the responsibility of the Investment Manager and approved by the Governing Board of the Investment Manager, have been prepared in accordance with the requirements of SEBI (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 ("SEBI REIT Regulations"); Regulation 52 and Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"); Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with the SEBI REIT Regulations. Our responsibility is to express a conclusion on the Condensed Standalone Interim Financial Statements based on our review.

**Scope of review**

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

**Conclusion**

4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Condensed Standalone Interim Financial Statements have not been prepared in accordance with SEBI REIT Regulations, Ind AS 34 "Interim Financial Reporting", as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with the SEBI REIT Regulations and has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed or that it contains any material misstatement.

**Emphasis of matter**

5. We draw attention to Note 13(a) of the Condensed Standalone Interim Financial Statements, which describes the presentation of "Unit Capital" as "Equity" to comply with the SEBI REIT Regulations. Our conclusion is not modified in respect of this matter.

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



Mumbai, November 14, 2022

A handwritten signature in blue ink, appearing to read "N. Shah", written in a cursive style.

**Nilesh Shah**  
Partner  
Membership No. 49660  
UDIN: 22049660BDAHKJ1908

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

	Note	As at 30 September 2022 (Unaudited)	As at 31 March 2022 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Financial assets			
- Investments	4	1,53,103	1,53,103
- Loans	5	26,248	21,268
- Other financial assets	6	407	262
Other non-current assets	7	4	4
<b>Total non-current assets</b>		<b>1,79,762</b>	<b>1,74,637</b>
<b>Current assets</b>			
Financial assets			
- Loans	8	-	5,000
- Cash and cash equivalents	9	2,927	2,814
- Other financial assets	10	0	560
Other current assets	11	16	9
<b>Total current assets</b>		<b>2,943</b>	<b>8,383</b>
<b>Total assets</b>		<b>1,82,705</b>	<b>1,83,020</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Corpus	12	0	0
Unit capital	13	1,62,839	1,62,839
Other equity	14	3,005	2,919
<b>Total equity</b>		<b>1,65,844</b>	<b>1,65,758</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Borrowings	15	16,404	11,422
- Other financial liabilities	16	413	271
<b>Total non-current liabilities</b>		<b>16,817</b>	<b>11,692</b>
<b>Current liabilities</b>			
Financial liabilities			
- Borrowings	17	-	4,997
- Trade payables	18		
- total outstanding dues of micro and small enterprises; and		1	1
- total outstanding dues of Creditors other than micro and small enterprises.		8	9
- Other financial liabilities	19	26	560
Other current liabilities	20	3	1
Current tax liabilities (net)	21	6	1
<b>Total current liabilities</b>		<b>44</b>	<b>5,569</b>
<b>Total liabilities</b>		<b>16,861</b>	<b>17,262</b>
<b>Total equity and liabilities</b>		<b>1,82,705</b>	<b>1,83,020</b>

Significant accounting policies

See the accompanying notes to the condensed standalone financial statements

3  
4 - 38

As per our report of even date attached.

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



**Nitesh Shah**  
Partner  
Membership number: 49660

Place: Mumbai  
Date : 14-November-2022

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



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

Place: Mumbai  
Date : 14-November-2022



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

Place: Mumbai  
Date : 14-November-2022



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

Place: Mumbai  
Date : 14-November-2022





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

Note	For the quarter ended 30 September 2022 (Unaudited)*	For the quarter ended 30 June 2022 (Unaudited)	For the quarter ended 30 September 2021 (Unaudited)*	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Unaudited)*	For the half year ended 30 September 2021 (Unaudited)	For the year ended 31 March 2022 (Audited)
<b>Income and gains</b>							
Interest	22	500	432	400	932	852	1677
Dividend		2,647	2,635	2,571	5,282	5,158	10,337
Other Income	23	10	8	3	18	1	11
<b>Total Income</b>		<b>3,157</b>	<b>3,075</b>	<b>2,974</b>	<b>6,232</b>	<b>5,984</b>	<b>12,025</b>
<b>Expenses</b>							
Valuation expenses		3	3	2	6	3	9
Audit fees		1	1	1	2	2	5
Insurance expenses		0	0	0	0	0	1
Management fees		17	17	16	34	32	64
Trustee fees		1	1	0	2	1	2
Legal and professional fees		21	15	5	36	16	24
Other expenses	24	6	7	5	13	7	17
<b>Total Expenses</b>		<b>49</b>	<b>44</b>	<b>29</b>	<b>93</b>	<b>57</b>	<b>122</b>
<b>Earnings before finance costs and tax</b>		<b>3,108</b>	<b>3,031</b>	<b>2,945</b>	<b>6,139</b>	<b>5,927</b>	<b>11,903</b>
Finance costs	25	272	226	203	498	403	867
<b>Profit before tax</b>		<b>2,836</b>	<b>2,805</b>	<b>2,742</b>	<b>5,641</b>	<b>5,524</b>	<b>11,036</b>
<b>Tax expense:</b>	26						
Current tax		7	3	1	10	5	6
Deferred tax		-	-	-	-	-	-
<b>Profit for the period / year</b>		<b>2,829</b>	<b>2,802</b>	<b>2,741</b>	<b>5,631</b>	<b>5,523</b>	<b>11,030</b>
<b>Items of other comprehensive income</b>							
Items that will not be reclassified subsequently to profit or loss		-	-	-	-	-	-
- Remeasurements of defined benefit liability, net of tax		-	-	-	-	-	-
<b>Total comprehensive income for the period / year</b>		<b>2,829</b>	<b>2,802</b>	<b>2,741</b>	<b>5,631</b>	<b>5,523</b>	<b>11,030</b>
<b>Earning per unit</b>	27						
Basic		4.77	4.72	4.62	9.49	9.31	18.60
Diluted		4.77	4.72	4.62	9.49	9.31	18.60

Significant accounting policies  
See the accompanying notes to the  
Condensed Standalone Financial  
Statements.

\*refer note 35

As per our report of even date attached.

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

  
**Nilesh Shah**  
Partner  
Membership number: 49660

Place: Mumbai  
Date: 14-November-2022

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

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

Place: Mumbai  
Date: 14-November-2022

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

Place: Mumbai  
Date: 14-November-2022

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

Place: Mumbai  
Date: 14-November-2022





**MINDSPACE BUSINESS PARKS REIT**
**RN:IN/REIT/19-20/003**
**Condensed Standalone Statement of Cash Flows**  
 (all amounts in Rs. million unless otherwise stated)

	For the quarter ended 30 September 2022 (Unaudited)*	For the quarter ended 30 June 2022 (Unaudited)	For the quarter ended 30 September 2021 (Unaudited)*	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Unaudited)*	For the half year ended 30 September 2021 (Unaudited)	For the year ended 31 March 2022 (Audited)
<b>Cash flows from operating activities</b>							
Profit before tax	2,836	2,805	2,742	5,641	5,512	5,524	11,036
Adjustments:							
Interest income	(500)	(432)	(400)	(932)	(852)	(825)	(1,677)
Dividend income	(2,647)	(2,635)	(2,571)	(5,282)	(5,179)	(5,158)	(10,337)
Guarantee commission fees	(2)	(7)	(3)	(9)	(9)	0	(9)
Gain on redemption of mutual fund units	(8)	(1)	(0)	(9)	(1)	(1)	(2)
Finance costs	272	226	203	498	464	403	867
Operating cash flows before working capital changes	(49)	(44)	(28)	(93)	(65)	(57)	(122)
Changes in:							
(Increase) / Decrease in financial and other assets	20	(38)	4	(18)	9	(9)	0
Increase / (Decrease) in financial and other liabilities	(9)	10	6	1	3	3	8
Increase / (Decrease) in Trade payables	(6)	5	(2)	(1)	2	(7)	(4)
Cash (used in)/ generated from operations	(44)	(67)	(20)	(111)	(51)	(69)	(118)
Income taxes paid, net	(3)	(2)	0	(5)	(7)	0	(7)
Net cash generated / (used in) from operating activities	(47)	(69)	(20)	(116)	(58)	(69)	(125)
<b>Cash flow from investing activities</b>							
Loans given to SPVs	(12,820)	(13,020)	(7,410)	(25,840)	(15,901)	(10,710)	(26,611)
Loans repaid by SPV	7,845	18,015	7,360	25,860	10,860	10,660	21,520
Investment in mutual fund	(3,466)	(670)	(125)	(4,136)	(1,160)	(785)	(1,945)
Proceeds from Redemption of mutual fund	3,474	671	125	4,145	1,161	786	1,947
Investment in fixed deposits	(800)	-	-	(800)	(1,300)	(125)	(1,425)
Maturity proceeds of fixed deposits	806	-	-	806	1,302	125	1,427
Dividend received	2,647	2,635	2,571	5,282	5,180	5,158	10,337
Interest received	424	928	263	1,352	553	527	1,080
Net cash generated / (used in) investing activities	(1,890)	8,559	2,784	6,669	695	5,636	6,330
<b>Cash flow from financing activities</b>							
Proceeds from issue of debentures	5,000	-	-	5,000	5,000	-	5,000
Redemption of debentures	-	(5,000)	-	(5,000)	-	-	-
Distribution to unit holders	(2,811)	(2,734)	(2,728)	(5,545)	(5,479)	(5,580)	(11,060)
Recovery Expense Fund Deposits	(1)	-	-	(1)	(1)	-	(1)
Interest paid	(197)	(672)	(45)	(869)	(141)	(91)	(232)
Debentures issue expenses	(26)	-	(1)	(26)	(35)	(1)	(36)
Net cash generated / (used in) from financing activities	1,966	(8,406)	(2,774)	(6,441)	(656)	(5,672)	(6,329)
Net (decrease) / increase in cash and cash equivalents	28	84	(10)	112	(19)	(105)	(124)
Cash and cash equivalents at the beginning of the period / year	2,898	2,814	2,843	2,814	2,833	2,938	2,938
Cash and cash equivalents at the end of the period / year	2,927	2,898	2,833	2,927	2,814	2,833	2,814
<b>Cash and cash equivalents comprise:</b>							
Cash on hand	-	-	-	-	-	-	-
Balances with banks							
- in current accounts	2,927	2,898	2,783	2,927	2,814	2,783	2,814
Fixed deposits with original maturity less than 3 months	-	-	50	-	-	50	-
Cash and cash equivalents at the end of the period / year (refer note 9)	2,927	2,898	2,833	2,927	2,814	2,833	2,814

Significant accounting policies

See the accompanying notes to the Condensed Standalone Financial Statements.

 3  
 4 - 38

\*refer note 35

As per our report of even date attached.

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

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

**Nilesh Shah**

Partner

Membership number: 49660

Place: Mumbai

Date: 14-November-2022

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

**Neel K. Raheja**

Member

DIN: 00029010

Place: Mumbai

Date: 14-November-2022

**Vinod N. Rohira**

Chief Executive Officer

DIN: 00460667

Place: Mumbai

Date: 14-November-2022

**Preeti N. Chheda**

Chief Financial Officer

DIN: 08066703

Place: Mumbai

Date: 14-November-2022



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Standalone Statement of changes in Unit holder's Equity**  
(all amounts in Rs. million unless otherwise stated)

A. Corpus	Amount
Balance as on 1 April 2021	0
Changes during the year	-
Balance as on 31 March 2022	0
Balance as on 1 April 2022	0
Changes during the period	-
Closing balance as at 30 September 2022	0
Balance as on 1 April 2021	0
Changes during the period	-
Balance as on 30 September 2021	0
Closing balance as at 30 September 2021	0

B. Unit Capital	Amount
Balance as on 1 April 2021	1,62,839
Add : Changes during the year	-
Balance as on 31 March 2022	1,62,839
Balance as on 1 April 2022	1,62,839
Changes during the period	-
Closing balance as at 30 September 2022	1,62,839
Balance as on 1 April 2021	1,62,839
Changes during the period	-
Balance as on 30 September 2021	1,62,839
Closing balance as at 30 September 2021	1,62,839

C. Other equity	Retained Earnings
Particulars	
Balance as on 1 April 2021	2,950
Profit for the year ended 31 March 2022	11,030
Other comprehensive income for the year	-
Less: Distribution to Unitholders for the quarter ended 31 March 2021*	(2,853)
Less: Distribution to Unitholders for the quarter ended 30 June 2021*	(2,728)
Less: Distribution to Unitholders for the quarter ended 30 September 2021*	(2,728)
Less: Distribution to Unitholders for the quarter ended 31 December 2021*	(2,752)
Balance at 31 March 2022	2,919
Balance as at 1 April 2022	2,919
Profit for the period ended 30 September 2022	5,631
Other comprehensive income for the period	-
*Less: Distribution to Unitholders for the quarter ended 31 March 2022	(2,734)
*Less: Distribution to Unitholders for the quarter ended 30 June 2022	(2,811)
Balance at 30 September 2022	3,005
Balance as at 1 April 2021	2,950
Profit for the period ended 30 September 2021	5,523
Other comprehensive income for the period	-
*Less: Distribution to Unitholders for the quarter ended 31 March 2021	(2,852)
*Less: Distribution to Unitholders for the quarter ended 30 June 2021	(2,728)
Balance at 30 September 2021	2,893

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

As per our report of even date attached.

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

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



Nilesh Shah

Partner

Membership number: 49660

Place: Mumbai

Date : 14-November-2022

For and on behalf of the Governing Board of

**K Raheja Corp Investment Managers LLP**

(acting as the Manager to Mindspace Business Parks REIT)



Neel C. Raheja

Member

DIN: 00029010

Place: Mumbai

Date : 14-November-2022

Vinod N. Rohira

Chief Executive Officer

DIN: 00460667

Place: Mumbai

Date : 14-November-2022



Preeti N. Chheda

Chief Financial Officer

DIN: 08066703

Place: Mumbai

Date : 14-November-2022




**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Statement of Net Assets at fair value**

(all amounts in Rs. million unless otherwise stated)

Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

**A) Statement of Net Assets at fair value**

S.No	Particulars	Unit of measurement	As at 30 September 2022 (Unaudited)		As at 31 March 2022 (Audited)	
			Book Value	Fair Value	Book Value	Fair Value
A	Assets	Rs in million	1,82,705	2,32,108	1,83,020	2,28,928
B	Liabilities	Rs in million	16,861	16,861	17,261	17,261
C	Net Assets (A-B)	Rs in million	<b>1,65,844</b>	<b>2,15,247</b>	<b>1,65,759</b>	<b>2,11,667</b>
D	No. of units	Numbers	59,30,18,182	59,30,18,182	59,30,18,182	59,30,18,182
E	NAV (C/D)	Rs	<b>280</b>	<b>363</b>	<b>280</b>	<b>357</b>

**Notes****1) Measurement of fair values:**

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

Other assets include cash and cash equivalents and other working capital balances which are not factored in the discounted cashflow method used in determining the fair value of investment property, investment property under development, property, plant and equipment, capital work-in-progress and intangibles.

**Valuation Technique**

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

**2) Break up of Net asset value as at 30 September 2022**

Particulars	As at 30 September 2022 (Unaudited)	As at 31 March 2022 (Audited)
Fair Value of Investments in SPVs	<b>2,29,159</b>	2,25,278
Add: Other assets*	<b>2,950</b>	3,650
Less: Liabilities	<b>(16,861)</b>	(17,261)
Net Assets	<b>2,15,247</b>	<b>2,11,667</b>

\*Other assets includes cash and cash equivalents and other working capital balances which are not factored in the discounted cashflow method used in determining the fair value of investment property, investment property under development, property, plant and equipment, capital work-in-progress and intangibles.

**3) The Trust holds investment in SPVs which in turn hold the properties. Hence, the breakup of property wise fair values has been disclosed in the Condensed Consolidated financial statements.****B) Statement of Total Returns at fair value**

S.No	Particulars	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Unaudited)*	For the half year ended 30 September 2021 (Unaudited)	For the year ended 31 March 2022 (Audited)
A	Total comprehensive income	<b>5,631</b>	5,508	5,523	11,030
B	Add: Changes in fair value not recognised in the other comprehensive income and other adjustments	<b>3,439</b>	2,851	7,168	10,020
C=(A+B)	<b>Total Return</b>	<b>9,069</b>	<b>8,358</b>	<b>12,691</b>	<b>21,050</b>

Note: Total Return for the purpose of Standalone financials has been considered based on the total return of Mindspace REIT on a consolidated basis adjusted for consolidation adjustments.

\*refer note 35

As per our report of even date attached.

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

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

**Nilesh Shah**

Partner

Membership number: 49660

Place: Mumbai

Date: 14-November-2022

For and on behalf of the Governing Board of

**K Raheja Corp Investment Managers LLP**

(acting as the Manager to Mindspace Business Parks REIT)

**Neel C. Raheja**

Member

DIN: 00029010

Place: Mumbai

Date: 14-November-2022

**Vinod N. Rohira**

Chief Executive Officer

DIN: 00460667

Place: Mumbai

Date: 14-November-2022

**Preeti N. Chheda**

Chief Financial Officer

DIN: 08066703

Place: Mumbai

Date: 14-November-2022

**MINDSPACE BUSINESS PARKS REIT**

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

(all amounts in Rs.million unless otherwise stated)

Net Distributable Cash Flows (NDCF) pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

SI No	Particulars	For the quarter ended 30 September 2022 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)	For the quarter ended 30 September 2021 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Unaudited)	For the half year ended 30 September 2021 (Unaudited)	For the year ended 31 March 2022 (Audited)
1	Cash flows received from Asset SPVs including but not limited to:							
	interest	424	928	263	1,352	553	527	1,080
	dividends (net of applicable taxes)	2,647	2,635	2,571	5,282	5,180	5,158	10,338
	repayment of REIT Funding	-	-	-	-	-	-	-
	proceeds from buy-backs/ capital reduction (net of applicable taxes)	-	-	-	-	-	-	-
	redemption proceeds from preference shares or any other similar instrument	-	-	-	-	-	-	-
2	Add: Proceeds from sale of investments, assets, sale of shares of Asset SPVs, liquidation of any other asset or investment (incl. cash equivalents) or any form of fund raise at Mindspace REIT level adjusted for the following: <sup>(2)</sup>	9,796	14,300	3,170	24,096	5,500	3,590	9,090
	applicable capital gains and other taxes, if any	-	-	-	-	-	-	-
	debts settled or due to be settled from sale proceeds	-	-	-	-	-	-	-
	transaction costs	(26)	-	-	(26)	(35)	-	(35)
	proceeds re-invested or planned to be reinvested in accordance with the REIT regulations	-	-	-	-	-	-	-
	any acquisition	-	-	-	-	-	-	-
	investments as permitted under the REIT regulations	-	-	-	-	-	-	-
	lending to Asset SPVs	(9,770)	(9,300)	(3,170)	(19,070)	(5,465)	(3,590)	(9,055)
	as may be deemed necessary by the Manager	-	-	-	-	-	-	-
3	Add: Proceeds from sale of investments, assets or sale of shares of Asset SPVs not distributed pursuant to an earlier plan to re-invest in accordance with the REIT Regulations, if such proceeds are not intended to be invested subsequently	-	-	-	-	-	-	-
4	Add: Any other income received by Mindspace REIT not captured herein	15	4	0	19	7	1	8
5	Less: Any other expenses paid by Mindspace REIT not captured herein	(10)	(5)	(3)	(15)	(15)	(22)	(37)
6	Less: Any expense in the nature of capital expenditure at Mindspace REIT level	-	-	-	-	-	-	-
7	Less: Net debt repayment / (drawdown), redemption of preference shares / debentures / any other such instrument / premiums / any other obligations / liabilities, etc., as may be deemed necessary by the Manager	-	(5,000)	-	(5,000)	-	-	-
8	Add/Less: Other adjustments, including but not limited to net changes in security deposits, working capital, etc., as may be deemed necessary by the Manager <sup>(3)</sup>	(58)	(72)	(45)	(130)	(74)	(100)	(173)
9	Less: Interest paid on external debt borrowing at Mindspace REIT level	(197)	(672)	(45)	(869)	(141)	(91)	(232)
10	Less: Income tax and other taxes (if applicable) at the Standalone Mindspace REIT level	-	-	-	-	-	-	-
	<b>Net Distributable Cash Flows (NDCF)</b>	<b>2,821</b>	<b>2,818</b>	<b>2,741</b>	<b>5,640</b>	<b>5,510</b>	<b>5,473</b>	<b>10,984</b>

**Notes:**

- The Governing Board of the Manager to the Trust, in their meeting held on 14 November 2022, has declared distribution to unitholders of Rs 4.75 per unit which aggregates to Rs. 2817 million for the quarter ended 30 September 2022. The distributions of Rs 4.75 per unit comprises Rs. 4.37 per unit in the form of dividend, Rs. 0.36 per unit in the form of interest payment and Rs. 0.02 per unit in the form of other income. Along with distribution of Rs. 4.74 per unit for the quarter ended 30 June 2022, the cumulative distribution for the half year ended 30 September 2022 aggregates to Rs. 9.49 per unit.
- Repayment of REIT funding which is further lent to SPVs has been captured under "Liquidation of assets"
- Lending to and repayment from SPVs within the same period has been adjusted under "Other Adjustments"

As per our report of even date attached:

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

  
Nilesh Shah  
Partner  
Membership number: 49660  
Place: Mumbai  
Date: 14-November-2022

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

  
Neel C. Raheja  
Member  
DIN: 00029010  
Place: Mumbai  
Date: 14-November-2022

  
Vinod N. Rohira  
Chief Executive Officer  
DIN: 00460667  
Place: Mumbai  
Date: 14-November-2022

  
Preeti N. Chheda  
Chief Financial Officer  
DIN: 08066703  
Place: Mumbai  
Date: 14-November-2022



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

Mindspace Business Parks REIT ('Mindspace REIT') was settled on 18 November 2019 at Mumbai, Maharashtra, India as a contributory, determinate and irrevocable trust under the provisions of the Indian Trusts Act, 1882, pursuant to a trust deed dated 18 November 2019. Mindspace REIT was registered with SEBI on 10 December 2019, at Mumbai as a REIT pursuant to the REIT Regulations having registration number IN/REIT/19-20/0003. The Trust's principal place of business address is at Raheja Tower, Level 8, Block 'G', C-30, Bandra Kurla Complex, Mumbai - 400 051.

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

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

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

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

Name of the SPV	Activities	Equity Shareholding (in percentage) as at 31 March 2022	Equity Shareholding (in percentage) as at 30 September 2022
MBPPL	The SPV is engaged in real estate development projects such as Special Economic Zone (SEZ), Information Technology Parks and other commercial assets. The SPV has its projects in Airoli (Navi Mumbai), Pune and Pocharam (Hyderabad). The SPV is a deemed distribution licensee pursuant to which it can distribute power to the SEZ tenants within the Park. It commenced distribution of electricity in its project at Airoli, Navi Mumbai from 9 April 2015.	Mindspace REIT : 100%	Mindspace REIT : 100%
Gigaplex	The SPV is engaged in real estate development projects such as Special Economic Zone (SEZ), Information Technology Parks and other commercial assets. The SPV has its projects in Airoli (Navi Mumbai). The SPV is a deemed distribution licensee pursuant to which it can distribute power to the SEZ tenants within the Park. It commenced distribution of electricity in its project at Airoli, Navi Mumbai from 19 April 2016.	Mindspace REIT : 100%	Mindspace REIT : 100%



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

Name of the SPV	Activities	Equity Shareholding (in percentage) as at 31 March 2022	Equity Shareholding (in percentage) as at 30 September 2022
Sundew	The SPV is engaged in development and leasing/licensing of IT park, SEZ to different customers in Hyderabad.	Mindspace REIT : 89% Telangana State Industrial Infrastructure Corporation Limited (11%)	Mindspace REIT : 89% Telangana State Industrial Infrastructure Corporation Limited (11%)
Intime	The SPV is engaged in development and leasing/licensing of IT park to different customers in Hyderabad.	Mindspace REIT : 89% Telangana State Industrial Infrastructure Corporation Limited (11%)	Mindspace REIT : 89% Telangana State Industrial Infrastructure Corporation Limited (11%)
KRIT	The SPV is engaged in development and leasing/licensing of IT park to different customers in Hyderabad.	Mindspace REIT : 89% Telangana State Industrial Infrastructure Corporation Limited (11%)	Mindspace REIT : 89% Telangana State Industrial Infrastructure Corporation Limited (11%)
KRC Infra	The SPV is engaged in real estate development projects such as Special Economic Zone (SEZ) and Information Technology Parks. The SPV has its project in Kharadi Pune. The SPV is a deemed distribution licensee pursuant to which it can distribute power to the SEZ tenants within the Park. It commenced distribution of electricity in its project at Kharadi, Pune from 1 June 2019. The SPV is also engaged in Facility Management services.	Mindspace REIT : 100%	Mindspace REIT : 100%
Horizonview	The SPV is engaged in development and leasing/licensing of IT park to different customers in Chennai.	Mindspace REIT : 100%	Mindspace REIT : 100%
Avacado	The SPV has developed an Industrial park for the purpose of letting out to different customers in Paradigm building at Malad-Mumbai and is being maintained and operated by the SPV. The SPV also has a commercial project in Bandra Kurla Complex, Mumbai.	Mindspace REIT : 100%	Mindspace REIT : 100%



## **MINDSPACE BUSINESS PARKS REIT**

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

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

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

#### **2 Basis of Preparation**

The Interim Condensed Standalone Financial Statements of Mindspace Business Parks REIT comprises the Condensed Standalone Balance Sheet as at September 30, 2022, the Condensed Standalone Statement of Profit and Loss, including other comprehensive income, the Condensed Standalone Statement of Cash Flow for the quarter and half year ended September 30, 2022, the Condensed Standalone Statement of Changes in Unitholders Equity for the half year ended September 30, 2022, the Statement of Net Assets at Fair Value as at September 30 2022, the Statement of Total Returns at Fair Value for the half year ended September 30 2022, and the Statement of Net Distributable Cashflows of Mindspace Business Parks REIT for the quarter and half year ended September 30 2022, and a summary of the significant accounting policies and select explanatory information and other additional financial disclosures.

The Condensed Standalone Financial Statements have been prepared in accordance with the requirements of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 ("the REIT regulations"); Regulation 52 and Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations"); Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with REIT regulations. (refer note 13 on presentation of "Unit Capital" as "Equity" instead of compound instruments under Ind AS 32 – Financial Instruments: Presentation).

The Condensed Standalone Financial Statements were authorised for issue in accordance with the resolution passed by the Governing Board of the Manager on 14 November 2022.

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

These Condensed Standalone financial statements for the quarter and half year ended September 30, 2022 have been prepared in accordance with Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) to the extent not inconsistent with the REIT regulations as more fully described above and Note 13 to the condensed standalone financial statements.

#### **3 Significant accounting policies**

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

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

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

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

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

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

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

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

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

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

(iii) recognition and measurement of provisions for contingencies and disclosure of contingent liabilities (Note 32 (a))

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

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

Mindspace REIT classifies all other liabilities as non-current.

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

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





## **MINDSPACE BUSINESS PARKS REIT**

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

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

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

#### **e) Measurement of fair values**

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

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

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

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

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

#### **3.1 Impairment of assets**

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

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

#### **3.2 Asset Acquisition**

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

Allocation of the cost of the group is done as follows:

For any identifiable asset or liability initially measured at an amount other than cost, Mindspace REIT initially measures that asset or liability at the amount specified in the applicable Ind AS Standard. Mindspace REIT deducts from the transaction price of the group the amounts allocated to the assets and liabilities initially measured at an amount other than cost, and then allocates the residual transaction price to the remaining identifiable assets and liabilities based on their relative fair values at the date of the acquisition.

#### **3.3 Foreign currency transactions**

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

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

#### **3.4 Compound financial instruments**

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

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

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

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

#### **3.5 Embedded derivatives**

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.





## **MINDSPACE BUSINESS PARKS REIT**

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

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

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

#### **3.6 Tax expense**

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

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

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by end of reporting period.

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

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

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

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

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

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

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

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

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

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

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

#### **3.8 Investment in SPVs**

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

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

#### **3.9 Financial instruments**

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

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



## **MINDSPACE BUSINESS PARKS REIT**

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

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

(all amounts in Rs. million unless otherwise stated)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

A financial asset is primarily derecognised when:

- (i) the right to receive cash flows from the asset has expired, or
  - (ii) Mindspace REIT has transferred its rights to receive cash flows from the asset; and Mindspace REIT has transferred substantially all the risks and rewards of the asset, or Mindspace REIT has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- On derecognition of a financial asset in its entirety (other than investments in equity instruments at FVOCI), the differences between the carrying amounts measured at the date of derecognition and the consideration received is recognised in Statement of Profit and Loss. Any interest in transferred financial assets that is created or retained by Mindspace REIT is recognised as a separate asset or liability.

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

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

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

###### **Financial Liabilities**

###### **Recognition, measurement and classification**

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

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

###### **Derecognition**

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

###### **Offsetting of financial instruments**

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





## **MINDSPACE BUSINESS PARKS REIT**

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

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

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

#### **3.11 Financial guarantee contracts**

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

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

#### **3.12 Revenue Recognition**

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

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

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

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

Interest income is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

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

#### **3.13 Borrowing costs**

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

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

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

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

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

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

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

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

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

#### **3.17 Subsequent events**

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

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

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

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

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

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



## **MINDSPACE BUSINESS PARKS REIT**

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

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

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

#### **3.20 Errors and estimates**

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

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

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

#### **3.21 Distributions**

The Net Distributable Cash Flows of Mindspace REIT are based on the cash flows generated from Mindspace REIT's assets and investments.

In terms of the Distribution Policy and the REIT Regulations, not less than 90% of the NDCF of each of the Asset SPVs is required to be distributed to Mindspace REIT, in proportion of their shareholding in the Asset SPV, subject to applicable provisions of the Companies Act. Presently, NDCF to be received by Mindspace REIT from the Asset SPVs may be in the form of dividends, interest income, principal loan repayment, proceeds of any capital reduction or buyback from the Asset SPVs, sale proceeds out of disposal of investments if any or assets directly held by Mindspace REIT or as specifically permitted under the Trust Deed or in such other form as may be permissible under the applicable law.

The Manager is required to and shall declare and distribute at least 90% of the NDCF of Mindspace REIT as distributions ("REIT Distributions") to the Unitholders. Such REIT Distributions shall be declared and made for every quarter of a Financial Year.

#### **3.22 New and amended standards**

The accounting policies adopted and methods of computation followed are consistent with those of the previous financial year, except for items disclosed below:

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022 to amend the following Ind AS which are effective from April 01, 2022.

Reference to the Conceptual Framework – Amendments to Ind AS 103

- The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately.

It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards.

- Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify 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

'- Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs for example direct labour and materials and an allocation of other costs directly related to contract activities for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

There were certain amendments to standards and interpretations which are applicable for the first time for the period ended 30 September 2022, but either the same are not relevant or do not have an impact on the standalone financial statements of the REIT. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.





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

4	Non-current investments		
		As at 30 September 2022	As at 31 March 2022
	Particulars		
	Unquoted Investments in SPVs (at cost) (refer note below)		
	- 39,75,000 (31 March 2022: 39,75,000) equity shares of Avacado Properties and Trading Private Limited of Rs.10 each, fully paid up	9,482	9,482
	- 11,765 (31 March 2022: 11,765) equity shares of Horizonview Properties Private Limited of Rs.10 each, fully paid up	0	0
	- 5,88,235 (31 March 2022: 5,88,235) equity shares of KRC Infrastructure And Projects Private Limited of Rs.10 each, fully paid up	6,868	6,868
	- 1,96,01,403 (31 March 2022: 1,96,01,403) equity shares of Gigaplex Estate Private Limited of Rs.1 each, fully paid up	13,121	13,121
	- 2,50,71,875 (31 March 2022: 2,50,71,875) equity shares of Sundew Properties Limited of Rs.10 each, fully paid up	33,722	33,722
	- 12,03,033 (31 March 2022: 12,03,033) equity shares of Intime Properties Limited of Rs.10 each, fully paid up	15,478	15,478
	- 1,78,00,000 (31 March 2022: 1,78,00,000) equity shares of K. Raheja IT Park (Hyderabad) Limited of Rs.10 each, fully paid up	25,618	25,618
	- 81,513 (31 March 2022: 81,513) equity shares of Mindspace Business Parks Private Limited of Rs.10 each, fully paid up	48,814	48,814
	<b>Total</b>	<b>1,53,103</b>	<b>1,53,103</b>

Note: The Trust had issued units as consideration to acquire these investments wherein the tradable REIT Unit has been issued at Rs 275 each.

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



**MINDSPACE BUSINESS PARKS REIT****RN:IN/REIT/19-20/003****Notes to the Condensed Standalone Financial Statements****(all amounts in Rs. million unless otherwise stated)****5 Loans (Non current)**

Particulars	As at 30 September 2022	As at 31 March 2022
<i>Unsecured, considered good</i>		
Loan to SPVs- refer Note 30	26,248	21,268
	<b>26,248</b>	<b>21,268</b>

Note : Mindspace REIT has given loan amounting Rs. 25,840 million and repayment done by SPVs amounting Rs. 25,860 Million during the period ended 30 September 2022 to Gigaplex, Avacado , Horizonview, Sundew, KRC Infra, MBPPL and KRIT and the outstanding balance as at end of 30 September 2022 is Rs. 26,248 million (31 March 2022 Rs. 26,268 million, including Loans to SPVs of current nature amounting to Rs. 5,000 million).

Security: Unsecured

Interest : 7.22% - 7.83 % per annum for the period ending 30 September 2022 (31 March 2022 - 7.10% - 7.50% per annum) in accordance with interest rate policy as adopted by Mindspace REIT.

Terms of repayment:

a) Bullet repayment of Rs. 9,858 million on date falling 15 years from the first disbursement date or such other date as may be mutually agreed between the Lender and the Borrower in writing. (31 March 2022 - 9,853 million)

b) Bullet repayment of Rs.5,000 million was made on 29 April 2022 during the half year ended 30 September, 2022. The same was classified as current loans as on 31 March 2022 (refer note 8) (31 March 2022 - 5,000 million)

c) Bullet repayment of Rs.4,470 million is due on 17 May 2024. (31 March 2022 - 4,470 million)

d) Bullet repayment Rs.1,980 million is due on 16 December 2023. (31 March 2022 - 1,980 million)

e) Bullet repayment of Rs.4,965 million is due on 31 December 2024. (31 March 2022 - 4965 million)

g) Bullet repayment of Rs.4,975 million is due on 27 July 2027. (31 March 2022 - NIL)

f) At any time prior to the repayment date, the Borrower may on any date, prepay the whole or any part of the loan outstanding.

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

Particulars	As at 30 September 2022	As at 31 March 2022
Interest receivable on loan to SPVs	376	243
Other Receivables from related parties	29	18
Deposits	2	1
	<b>407</b>	<b>262</b>

**7 Other Non-current assets**

Particulars	As at 30 September 2022	As at 31 March 2022
Prepaid Expenses	4	4
	<b>4</b>	<b>4</b>

**8 Loans (Current)**

Particulars	As at 30 September 2022	As at 31 March 2022
<i>Unsecured, considered good</i>		
Loan to SPVs- refer Note 5 and 29	-	5,000
	<b>-</b>	<b>5,000</b>



9 **Cash and cash equivalents**

Particulars	As at 30 September 2022	As at 31 March 2022
Cash on hand	-	-
Balances with banks		
- in current accounts*	2,927	2,814
- fixed deposits with original maturity less than 3 months	-	-
	2,927	2,814

\*Includes balance with banks of Rs. 0 million (31 March 2022 Rs. 1 million ) for unpaid distributions.

10 **Other current financial assets**

Particulars	As at 30 September 2022	As at 31 March 2022
Interest receivable on loan to SPVs	0	559
Deposits	-	1
	0	560

11 **Other current assets**

Particulars	As at 30 September 2022	As at 31 March 2022
<i>Unsecured, considered good</i>		
Advance for supply of goods and rendering of services	1	5
Prepaid Expenses	15	3
Balances with government authorities	0	1
	16	9





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

12	<b>Corpus</b>	
	<b>Corpus</b>	<b>Amount</b>
	As at 1 April 2021	0
	Additions during the year	-
	<b>As at 31 March 2022</b>	<b>0</b>
	As at 1 April 2022	0
	Additions during the period	-
	<b>Closing Balance as at 30 September 2022</b>	<b>0</b>

13	<b>Unit Capital</b>		
	<b>Unit Capital</b>	<b>No.</b>	<b>Amount</b>
	As at 1 April 2021	59,30,18,182	1,62,839
	Movement during the year	-	-
	<b>As at 31 March 2022</b>	<b>59,30,18,182</b>	<b>1,62,839</b>
	As at 1 April 2022	59,30,18,182	1,62,839
	Movement during the period	-	-
	<b>Closing Balance as at 30 September 2022</b>	<b>59,30,18,182</b>	<b>1,62,839</b>

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

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

Under the provisions of the REIT Regulations, MindSpace REIT is required to distribute to Unitholders not less than 90% of the net distributable cash flows of MindSpace REIT for each financial year. Accordingly, a portion of the Unit Capital contains a contractual obligation of the MindSpace REIT to pay to its Unitholders cash distributions. Hence, the Unit Capital is a compound financial instrument which contains equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No. CIR/IMD/DF/146/2016 dated 29 December 2016 and No. CIR/IMD/DF/141/2016 dated 26 December 2016) issued under the REIT Regulations, the Unitholders' funds have been presented as "Equity" in order to comply with the requirements of Section H of Annexure A to the SEBI Circular dated 26 December 2016 dealing with the minimum presentation and disclosure requirements for key financial statements. Consistent with Unit Capital being classified as equity, the distributions to Unitholders is also presented in Statement of Changes in Unitholders' Equity when the distributions are approved by the Governing Board of the Investment Manager.

**(b) Unitholders holding more than 5 percent Units in MindSpace REIT**

<b>Name of the unitholder</b>	<b>As at 30 September 2022</b>		<b>As at 31 March 2022</b>	
	<b>No of Units</b>	<b>% holding</b>	<b>No of Units</b>	<b>% holding</b>
Platinum Illumination A 2018 Trust	5,43,75,000	9.17%	5,43,75,000	9.17%
Anbee Constructions LLP	3,54,04,890	5.97%	3,54,04,890	5.97%
Cape Trading LLP	3,54,04,890	5.97%	3,54,04,890	5.97%
Chandru Lachmandas Raheja	3,26,34,433	5.50%	3,26,34,433	5.50%
Capstan Trading LLP	4,10,95,719	6.93%	4,10,95,719	6.93%
Casa Maria Properties LLP	4,68,20,719	7.90%	4,10,95,719	6.93%
Palm Shelter Estate Development LLP	4,10,95,719	6.93%	4,10,95,719	6.93%
Raghukool Estate Development LLP	4,19,37,069	7.07%	3,62,12,069	6.11%
K Raheja Corp Private Limited	3,65,96,296	6.17%	3,65,96,296	6.17%

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

**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Notes to the Condensed Standalone Financial Statements**

(all amounts in Rs. million unless otherwise stated)

**14 Other Equity**

Particulars	As at 30 September 2022	As at 31 March 2022
<i>Reserves and Surplus</i>		
Retained earnings*	3,005	2,919
	<b>3,005</b>	<b>2,919</b>

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

**Retained earnings**

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

**15 Borrowings**

Particulars	As at 30 September 2022	As at 31 March 2022
10 year G-Sec linked secured, listed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures ("Market Linked Debentures / MLD Series 2") (net of issue expenses, at amortised cost) (31 March 2022 : 3,730 million) (refer Note 2)	3,734	3,730
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 1) (net of issue expenses, at amortised cost) (31 March 2022 : 1,988 million) (refer Note 3)	1,992	1,988
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 2) (net of issue expenses, at amortised cost) (31 March 2022 : 750 million) (refer Note 4)	750	750
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 3) (net of issue expenses, at amortised cost) (31 March 2022 : 4,954 million) (refer Note 5)	4,961	4,954
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 4) (net of issue expenses, at amortised cost) (31 March 2022 : Nil) (refer Note 6)	4,967	-
	<b>16,404</b>	<b>11,422</b>

**Note 1 :** In September 2020, Mindspace REIT issued 5,000 10 year G-Sec linked secured, listed, guaranteed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures ("Market Linked Debentures / MLD Series 1") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 500,00,00,000 (Rupees five hundred crores only). The tenure of the said MLD Series 1 is 577 days from 29 September 2020, being date of allotment of the MLD Series 1 and coupon, if any shall be payable on the Scheduled Redemption Date i.e. on maturity on 29 April 2022. The coupon payoff structure is linked to condition where the payoff will be fixed on the final fixing date i.e. 30 March 2022. If identified 10 year G-Sec's last traded price as on final fixing date is greater than 25% of its last traded price as on initial fixing date i.e. 29 September 2020, the coupon rate will be 6.80% p.a. If identified 10 year G-Sec's last traded price as on final fixing date is less than or equal to 25% of its last traded price as on initial fixing date, the coupon rate will be zero percent. As per the valuers report in respect of valuation of MLD Series 1, the probability of occurrence of such an event (last traded price of identified 10 year G-Sec on final fixing date being less than or equal to 25% of its last traded price on initial fixing date) is remote and hence the value of the option considered as zero.

This MLD Series 1 was listed on BSE Limited on 13 October 2020. During the period, principal and interest is paid on 29 April 2022.



**MINDSPACE BUSINESS PARKS REIT**

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

**Notes to the Condensed Standalone Financial Statements**

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

***Security terms***

MLD Series 1 were secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the Debenture Holders):

a) First and exclusive charge was registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 974,500 Sq. Ft. or thereabouts in buildings no. 6, 7 and 8 of Commerzone Yerawada (approx. 178,569 sq. ft. in building no. 6, approx. 371,799 sq. ft. in building no. 7 and approx. 424,132 in building no. 8) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 25,313 sq. mtrs on which the said three building no. 6, 7 and 8, out of all those pieces and parcels of larger land are situate, lying and being in Village Yerawada, Taluka Haveli, District Pune ("Mortgaged Properties") of MLD Series 1.

b) A charge on the escrow account in which receivables of the Mortgaged Properties of MBPPL would have been received.

c) Corporate guarantee was executed by MBPPL.

***Redemption terms:***

a) MLD Series 1 were redeemable by way of bullet payment at the end of 577 days from the date of allotment, i.e. 29 April 2022 and accordingly the same has been redeemed (refer note 17)

b) The Coupon would have been increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating was upgraded after any rating downgrade, the Coupon would have been decreased by 25 bps for each upgrade. The Investors were having the right to accelerate the MLD Series 1 if the rating was downgraded to A+.

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

**Note 2 :** In March 2021, Mindspace REIT issued 3,750 10 year G-Sec linked secured, listed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures ("Market Linked Debentures / MLD Series 2") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 375,00,00,000 (Rupees three hundred seventy five crores only). The tenure of the said MLD Series 2 is 38 months from 18 March 2021, being date of allotment of the MLD Series 2 and coupon, if any shall be payable on the Scheduled Redemption Date i.e. on maturity on 17 May 2024. The coupon payoff structure is linked to condition where the payoff will be fixed on the final fixing date i.e. 16 April 2024. If identified 10 year G-Sec's last traded price as on final fixing date is greater than 25% of its last traded price as on initial fixing date i.e. 18 March 2021, the coupon rate will be 6.65% p.a. If identified 10 year G-Sec's last traded price as on final fixing date is less than or equal to 25% of its last traded price as on initial fixing date, the coupon rate will be zero percent. As per the valuers report in respect of valuation of these MLD Series 2, the probability of occurrence of such an event (last traded price of identified 10 year G-Sec on final fixing date being less than or equal to 25% of its last traded price on initial fixing date) is remote and hence the value of the option considered as zero.

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

***Security terms***

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

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

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

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

d) Corporate guarantee executed by Sundew.





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

a) MLD Series 2 are redeemable by way of bullet payment at the end of 38 months from the date of allotment, i.e. 17 May 2024.

b) The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade. The Investors shall have the right to accelerate the MLD Series 2 if the rating is downgraded to A+.

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

d) Disclosures related to due dates for principal and interest for the debentures:

Particulars	Secured / Unsecured	Previous due date		Next due date	
		Principal	Interest	Principal	Interest
10 year G-Sec linked secured, listed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures (“Market Linked Debentures / MLD Series 2”)	Secured	Not Applicable	Not Applicable	On Maturity	On Maturity

e) Rating agency CRISIL has assigned a rating of “CRISIL PP-MLD AA+/Stable” to MLD Series 2 of the issuer / Mindspace REIT. Subsequently there is no change in the credit rating.

**Note 3 :** In December 2020, Mindspace Business Parks REIT issued 2,000 secured, listed, senior, taxable, non-cumulative, rated, redeemable, non-convertible debentures (“NCD Series 1”) having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 200,00,00,000 (Rupees two hundred crores only) with a coupon rate of 6.45% p.a. payable quarterly beginning from the end of first full quarter from the date of allotment i.e. 31 March 2021, with last coupon payment on the scheduled redemption date i.e. 16 December 2023. The tenure of the said NCD Series 1 is 36 months from 17 December 2020, being date of allotment.

This NCD Series 1 was listed on BSE Limited on 21 December 2020.

**Security terms**

NCD Series 1 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders):

a) First and exclusive charge registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 414,599 Sq. Ft. or thereabouts in buildings no. 1 and 5 of Commerzone Yerawada (approx. 43,200 sq. ft. in building no. 1 and approx. 371,399 in building no. 5) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 18,264 sq. mtrs. on which the said two building no. 1 and 5, out of all those pieces and parcels of larger land that are situated, lying and being in Village Yerawada, Taluka Haveli, District Pune (“Mortgaged Properties”) of NCD Series 1.

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

c) Corporate guarantee executed by MBPPL.

**Redemption terms:**

a) NCD Series 1 are redeemable by way of bullet repayment at the end of 36 months from the date of allotment, i.e. 16 December 2023.

b) Interest is payable on the last day of each financial quarter in a year (starting from 31 March, 2021) until the scheduled redemption date.

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

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



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

e) Disclosures related to due dates for principal and interest for the debentures:

Particulars	Secured / Unsecured	Previous due date		Next due date	
		Principal	Interest	Principal	Interest
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 1)	Secured	On Maturity	30 September 2022	On Maturity	31 December 2022

f) Rating agency CRISIL has assigned a rating of "CRISIL AAA/Stable" to the NCD series 1 of the issuer/MindSpace Business Parks REIT. Subsequently there is no change in the credit rating.

**Note 4 :** In March 2021, Mindspace Business Parks REIT issued 750 secured, listed, senior, taxable, non-cumulative, rated, redeemable, non-convertible debentures ("NCD Series 2") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 75,00,00,000 (Rupees seventy five crores only) with a coupon rate of 6.6861% p.a. payable quarterly beginning from the end of first full quarter from the date of allotment i.e. 30 June 2021, with last coupon payment on the scheduled redemption date i.e. 17 May 2024. The tenure of the said NCD Series 2 is 38 months from 18 March 2021, being date of allotment.

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

**Security terms**

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

a) First and exclusive charge being registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 151,460 Sq. Ft. or thereabouts in building no. 4 of Commerzone Yerawada together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 9,561 sq. mtrs. on which the said building, out of all those pieces and parcels of larger land that are situated, lying and being in Village Yerawada, Taluka Haveli, District Pune ("Mortgaged Properties") of NCD Series 2.

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

c) Corporate guarantee executed by MBPPL.

**Redemption terms:**

a) NCD Series 2 are redeemable by way of bullet repayment at the end of 38 months from the date of allotment, i.e. 17 May 2024.

b) Interest is payable on the last day of each financial quarter in a year (starting from 30 June, 2021) until the scheduled redemption date.

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

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

e) Disclosures related to due dates for principal and interest for the debentures:

Particulars	Secured / Unsecured	Previous due date		Next due date	
		Principal	Interest	Principal	Interest
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 2)	Secured	On Maturity	30 September 2022	On Maturity	31 December 2022

f) Rating agency CRISIL has assigned a rating of "CRISIL AAA/Stable" to the NCD series 2 of the issuer/MindSpace Business Parks REIT. Subsequently there is no change in the credit rating



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

**Note 5 :** In February 2022, Mindspace Business Parks REIT issued 5,000 senior, listed, rated, secured, non-cumulative, taxable, transferable, redeemable, non-convertible debentures ("NCD Series 3") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 500,00,00,000 (Rupees five hundred crores only) with a coupon rate of 6.35% p.a. Coupon on the outstanding Nominal value of each debenture shall be applicable and computed from day to day, be prorated on an actual/ actual basis for the actual number of days in the Coupon Period and be payable in arrears on the relevant Coupon Payment date to the Debenture Holder whose name is appearing on the Register of Beneficial Owners as on the Record Date. The Issuer hereby acknowledges and agrees that there shall be no moratorium period for the payment of Coupon. The first Coupon payment Date is 31 March 2022, with last coupon payment on the scheduled redemption date i.e. 31 December 2024. The tenure of the said NCD Series 3 is 34 months from 1 February 2022, being date of allotment.

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

**Security terms**

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

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

A first ranking pari passu charge by way of a simple mortgage over the Mortgaged Land as further detailed in transaction documents.

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

c) Corporate guarantee executed by GIGAPLEX.

**Redemption terms:**

a) NCD Series 3 are redeemable by way of bullet repayment at the end of 35 months from the date of allotment, i.e. 31 December, 2024.

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

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

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

e) Disclosures related to due dates for principal and interest for the debentures:

Particulars	Secured / Unsecured	Previous due date		Next due date	
		Principal	Interest	Principal	Interest
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 3)	Secured	On Maturity	30 September 2022	On Maturity	31 December 2022

f) Rating agency CRISIL has assigned a rating of "CRISIL AAA/Stable" to the NCD series 3 of the issuer/Mindspace Business Parks REIT. Subsequently there is no change in the credit rating.





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

**Note 6 :** In July 2022, Mindspace Business Park REIT issued 5,000 senior, listed, rated, secured, non-cumulative, taxable, transferrable, redeemable, non-convertible debentures of face value of INR 1,000,000 (Indian Rupees One Million) per Debenture for aggregate principal amount of upto INR 5,000,000,000/- (Indian Rupees Five Thousand Million Only) with a coupon rate of 7.95% p.a. Coupon on the outstanding Nominal value of each debenture shall be applicable and computed from day to day, be prorated on an actual/ actual basis for the actual number of days in the Coupon Period and be payable in arrears on the relevant Coupon Payment date to the Debenture Holder whose name is appearing on the Register of Beneficial Owners as on the Record Date. The first Coupon payment Date is 30 Sept 2022, with last coupon payment on the scheduled redemption date i.e. 27 July 2027. The tenure of the said NCD Series 4 is 60 months.

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

**Security terms**

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

- First ranking sole and exclusive security interest by way of an equitable mortgage on carpet area of approximately 779,466 sq ft in building 12 D (identified units in building) along with the common areas, usage and access rights appurtenant to the units mortgaged in Building 12D as mentioned in the trust deed, situated on a notionally demarcated land admeasuring approximately 17414.77 square metres (equivalent to 4.30 acres), forming part of a portion of land admeasuring 14.02 hectares equivalent to 34.64 acres or thereabout declared as 'Special Economic Zone' land from and out of the larger piece of land bearing Survey no. 64(part), lying, being and situated at Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad.
- A charge on the escrow account to be created, in which receivables of the Mortgaged Properties shall be received, save and except any common area maintenance charges payable to Sundew with respect to the maintenance of the mortgaged properties.
- Corporate guarantee executed by Sundew.

**Redemption terms:**

- NCD Series 4 are redeemable by way of bullet repayment at the end of 60 months from the date of allotment, i.e. 27 July, 2027.
- Interest is payable on the last day of each financial quarter in a year (starting from 30 September, 2022) until the scheduled redemption date.
- The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.
- Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the Issuer to redeem in full, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.
- Disclosures related to due dates for principal and interest for the debentures:

Particulars	Secured / Unsecured	Previous due date		Next due date	
		Principal	Interest	Principal	Interest
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 4)	Secured	On Maturity	30 September 2022	On Maturity	31 December 2022

f) Rating agency CRISIL has assigned a rating of "CRISIL AAA/Stable" to the NCD Series 4 of the issuer / Mindspace REIT. Subsequently there is no change in the credit rating.

Refer Note 38 for Ratio disclosure.

**16 Other financial liabilities**

Particulars	As at 30 September 2022	As at 31 March 2022
Interest accrued but not due on debentures	389	258
Other payables to related party	24	13
	<b>413</b>	<b>271</b>





**MINDSPACE BUSINESS PARKS REIT****RN:IN/REIT/19-20/003****Notes to the Condensed Standalone Financial Statements**

(all amounts in Rs. million unless otherwise stated)

17	<b>Borrowings (current)</b>		
	<b>Particulars</b>	<b>As at 30 September 2022</b>	<b>As at 31 March 2022</b>
	<i>Secured</i>		
	<b>Current maturities of long-term debt</b>		
	10 year G-Sec linked secured, listed, guaranteed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures (“Market Linked Debentures / MLD Series 1”) (net of issue expenses, at amortised cost) (refer Note 15(1))	-	4,997
		-	4,997
18	<b>Trade payables</b>		
	<b>Particulars</b>	<b>As at 30 September 2022</b>	<b>As at 31 March 2022</b>
	Trade payable		
	- Total outstanding dues to micro and small enterprises	1	1
	- Total outstanding dues other than micro and small enterprises	8	9
		9	10
19	<b>Other financial liabilities (current)</b>		
	<b>Particulars</b>	<b>As at 30 September 2022</b>	<b>As at 31 March 2022</b>
	Interest accrued but not due on debentures	2	523
	Interest Accrued and due on others	0	0
	Unpaid Distributions	0	1
	Other liabilities		
	- to related party*	24	36
	- to others	-	-
		26	560
	* Expense of Rs.17 million (31 March 2022 Rs. 16 million) is payable to the Manager for Mindspace REIT Management Fees.		
20	<b>Other current liabilities</b>		
	<b>Particulars</b>	<b>As at 30 September 2022</b>	<b>As at 31 March 2022</b>
	Statutory dues	3	1
		3	1
21	<b>Current tax liabilities</b>		
	<b>Particulars</b>	<b>As at 30 September 2022</b>	<b>As at 31 March 2022</b>
	Provision for Income Tax (Net of Advance Tax)	6	1
		6	1



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

<b>22 Interest Income</b>							
Particulars	For the quarter ended 30 September 2022	For the quarter ended 30 June 2022	For the quarter ended 30 September 2021	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the half year ended 30 September 2021	For the year ended 31 March 2022
Interest income							
- on fixed deposits	6	0	0	6	2	0	2
- on loans given to SPVs (refer note 29)	494	432	400	926	850	825	1,675
	<b>500</b>	<b>432</b>	<b>400</b>	<b>932</b>	<b>852</b>	<b>825</b>	<b>1,677</b>
<b>23 Other Income</b>							
Particulars	For the quarter ended 30 September 2022	For the quarter ended 30 June 2022	For the quarter ended 30 September 2021	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the half year ended 30 September 2021	For the year ended 31 March 2022
Guarantee Commission Fees	2	7	3	9	9	(0)	9
Gain on redemption of mutual fund units	8	1	0	9	1	1	2
	<b>10</b>	<b>8</b>	<b>3</b>	<b>18</b>	<b>10</b>	<b>1</b>	<b>11</b>
<b>24 Other expenses</b>							
Particulars	For the quarter ended 30 September 2022	For the quarter ended 30 June 2022	For the quarter ended 30 September 2021	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the half year ended 30 September 2021	For the year ended 31 March 2022
Bank charges	0	0	0	0	(0)	0	0
Filing and stamping fees	4	6	3	10	6	8	14
Royalty Charges	-	-	-	-	-	-	-
Marketing and advertisement expenses	0	0	0	0	(0)	0	0
Brokerage Expenses	-	-	-	-	-	-	-
Membership & subscription charges	-	0	1	0	0	1	1
Miscellaneous expenses	2	1	1	3	2	1	2
	<b>6</b>	<b>7</b>	<b>5</b>	<b>13</b>	<b>7</b>	<b>10</b>	<b>17</b>
<b>25 Finance costs</b>							
Particulars	For the quarter ended 30 September 2022	For the quarter ended 30 June 2022	For the quarter ended 30 September 2021	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the half year ended 30 September 2021	For the year ended 31 March 2022
Interest expense on debentures (refer Note 15)	271	225	203	496	463	403	866
Guarantee commission charges	1	1	0	2	1	0	1
	<b>272</b>	<b>226</b>	<b>203</b>	<b>498</b>	<b>464</b>	<b>403</b>	<b>867</b>
<b>26 Tax expense</b>							
Particulars	For the quarter ended 30 September 2022	For the quarter ended 30 June 2022	For the quarter ended 30 September 2021	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the half year ended 30 September 2021	For the year ended 31 March 2022
Current tax	7	3	1	10	5	1	6
Deferred tax charge	-	-	-	-	-	-	-
	<b>7</b>	<b>3</b>	<b>1</b>	<b>10</b>	<b>5</b>	<b>1</b>	<b>6</b>

**27 Earnings Per Unit (EPU)**  
Basic EPU amounts are calculated by dividing the profit for the period attributable to unit holders by the weighted average number of units outstanding during the period. Diluted EPU amounts are calculated by dividing the profit attributable to unit holders by the weighted average number of units outstanding during the period plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital. The units of the Trust were allotted to Sponsor Group and Blackstone entities on 30 July 2020 and to the applicants of initial public offer on 4 August 2020.

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

Particulars	For the quarter ended 30 September 2022	For the quarter ended 30 June 2022	For the quarter ended 30 September 2021	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the half year ended 30 September 2021	For the year ended 31 March 2022
Profit after tax for calculating basic and diluted EPU	2,829	2,802	2,741	5,631	5,508	5,523	11,030
Weighted average number of Units (Nos)	59,30,18,182	59,30,18,182	59,30,18,182	59,30,18,182	59,30,18,182	59,30,18,182	59,30,18,182
Earnings Per Unit							
- Basic (Rupees/unit)	4.77	4.72	4.62	9.49	9.29	9.31	18.60
- Diluted (Rupees/unit) *	4.77	4.72	4.62	9.49	9.29	9.31	18.60

\*Mindspace REIT does not have any outstanding dilutive units

**28 Management Fees**

**REIT Management Fees**

Pursuant to the Investment Management Agreement dated 21 November 2019, the Manager is entitled to fees @ 0.5% of REIT Net Distributable Cash Flows which shall be payable either in cash or in units or a combination of both, at the discretion of the Manager. The fees has been determined for undertaking management of the REIT and its investments. The REIT Management fees accrued for the quarter and half year ended 30 September 2022 is Rs. 17 million and 34 million respectively and for the quarter and half year ended 30 September 2021 is Rs 16 million and 32 million respectively. There are no changes during the period in the methodology for computation of fees paid to the Manager.



**MINDSPACE BUSINESS PARKS REIT**
**RN:IN/REIT/19-20/003**
**Notes to the Condensed Standalone Financial Statements**
**(all amounts in Rs. million unless otherwise stated)**
**29 Related party disclosures**
**A Parties to Mindspace REIT as at 30 September 2022**

Sl. No.	Particulars	Name of Entities	Promoters/Partners*	Directors
1	Trustee	Axis Trustee Services Limited	-	-
2	Manager	K Raheja Corp Investment Managers LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja	-
3	Sponsors	Anbee Constructions LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja Ms. Sumati Raheja (w.e.f. 1 October 2021)	-
4		Cape Trading LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
5	Sponsors Group	Mr. Chandru L. Raheja	-	-
6		Mr. Ravi C. Raheja	-	-
7		Mr. Neel C. Raheja	-	-
8		Mrs. Jyoti C. Raheja	-	-
9		Ms. Sumati Raheja (w.e.f. 30 September 2021)	-	-
10		Capstan Trading LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
11		Casa Maria Properties LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
12		Raghukool Estate Developement LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
13		Palm Shelter Estate Development LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
14	Sponsors Group	K. Raheja Corp Pvt. Ltd.	Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja  Mrs. Jyoti C. Raheja Jointly with Mr. Chandru L. Raheja  Mr. Ravi C. Raheja Jointly with Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja  Mr. Neel C. Raheja Jointly with Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja  Anbee Constructions LLP Cape Trading LLP Capstan Trading LLP Casa Maria Properties LLP Raghukool Estate Developement LLP Palm Shelter Estate Development LLP Mr. Neel C. Raheja Jointly with Mr. Ramesh M. Valecha	Ravi C. Raheja Neel C. Raheja Ramesh Valecha Ramesh Ranganthan(Appoi nted w.e.f. 7th July, 2021) Sunil Hingorani(Appoint ed w.e.f. 7th July, 2021) Vinod N. Rohira (Cessation w.e.f 7th July, 2021)



**MINDSPACE BUSINESS PARKS REIT**

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

**Notes to the Condensed Standalone Financial Statements**

(all amounts in Rs. million unless otherwise stated)

**29 Related party disclosures**

**A Parties to Mindspace REIT as at 30 September 2022**

15	Sponsors Group	Ivory Property Trust	Chandru L. Raheja Jyoti C. Raheja Ivory Properties & Hotels Pvt Ltd Ravi C. Raheja Neel C. Raheja (all are trustees)	-
16		Genext Hardware & Parks Pvt. Ltd.	Mr. Ravi C. Raheja Jointly with Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja  Mr. Neel C. Raheja Jointly with Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja Chandru L. Raheja jointly with Jyoti C. Raheja, on behalf of the beneficiaries of Ivory Property Trust.	Ravi C. Raheja Neel C. Raheja Ramesh Valecha Ramesh Ranganthan(w.e.f. 20th April, 2021)
17	Names of SPVs / subsidiaries	1. Avacado Properties and Trading (India) Private Limited 2. Gigaplex Estate Private Limited 3. Horizonview Properties Private Limited 4. KRC Infrastructure and Projects Private Limited 5. Intime Properties Limited 6. Sundew Properties Limited 7. K. Raheja IT Park (Hyderabad) Limited 8. Mindspace Business Parks Private Limited.		
18	Governing Board and Key Managerial Personnel of the Manager (K Raheja Corp Investment Managers LLP)	<u><b>Governing Board</b></u> Mr. Deepak Ghaisas Ms. Manisha Girotra Mr. Bobby Parikh Mr. Alan Miyasaki (resigned w.e.f. 27 December 2021) Mr. Manish Kejriwal (appointed w.e.f. 2 February 2022) Mr. Ravi C. Raheja Mr. Neel C. Raheja  <u><b>Key Managerial Personnel</b></u> Mr. Vinod Rohira (Chief Executive Officer of K Raheja Corp Investment Managers LLP) Ms. Preeti Chheda (Chief Financial Officer of K Raheja Corp Investment Managers LLP)		
19	Entities controlled/jointly controlled by members of Governing Board/Key Managerial Personnel of the Manager	Brookfields Agro & Development Private Limited Cavalcade Properties Private Limited (till 24 December 2021) Grange Hotels And Properties Private Limited Immense Properties Private Limited Novel Properties Private Limited Pact Real Estate Private Limited Paradigm Logistics & Distribution Private Sustain Properties Private Limited  Aqualine Real Estate Private Limited Feat Properties Private Limited Carin Properties Private Limited Asterope Properties Private Limited Content Properties Private Limited Grandwell Properties And Leasing Private Sundew Real Estate Private Limited Gencoval Strategic Services Private Limited  Stemade Biotech Private Limited Hariom Infrafacilities Services Private Limited M/s Bobby Parikh & Associates		

\* only when acting collectively





**MINDSPACE BUSINESS PARKS REIT**
**RN:IN/REIT/19-20/003**
**Notes to the Condensed Standalone Financial Statements**
**(all amounts in Rs. million unless otherwise stated)**
**29 Related party disclosures**
**B Transactions during the period**

	For the quarter ended 30 September 2022	For the quarter ended 30 June 2022	For the quarter ended 30 September 2021	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the half year ended 30 September 2021	For the year ended 31 March 2022
<b>Unsecured loans given to</b>							
Avacado Properties and Trading Pvt. Ltd.	320	1890	-	2,210	45	150	195
Gigaplex Estate Private Limited	6,000	6260	2,480	12,260	2,208	3,160	5,368
Horizonview Properties Pvt. Ltd.	290	710	500	1,000	5,242	750	5,992
Sundew Properties Limited	2,825	420	-	3,245	750	-	750
KRC Infrastructure and Projects Private Limited	1,220	2870	1,080	4,090	2,540	2,260	4,800
Mindspace Business Parks Private Limited	1,715	100	3,150	1,815	4,750	4,190	8,940
K. Raheja IT Park (Hyderabad) Limited	450	770	200	1,220	366	200	566
<b>Unsecured loans repaid by</b>							
Avacado Properties and Trading Pvt. Ltd.	250	4580	-	4,830	250	150	400
Gigaplex Estate Private Limited	4,580	5035	2,080	9,615	1,150	2,760	3,910
Horizonview Properties Pvt. Ltd.	150	540	500	690	4,760	680	5,440
Mindspace Business Parks Private Limited	1,425	5510	1,250	6,935	2,680	2,290	4,970
Sundew Properties Limited	790	750	2,970	1,540	750	3,390	4,140
KRC Infrastructure and Projects Private Limited	400	1410	560	1,810	1,050	1,390	2,440
K. Raheja IT Park (Hyderabad) Limited	250	190	-	440	220	-	220
<b>Trustee fee expenses</b>							
Axis Trustee Services Limited	1	-	0	1	1	1	2
<b>Dividend Income</b>							
Intime Properties Limited	285	392	445	676	845	953	1,798
Sundew Properties Limited	436	436	623	872	935	1,317	2,252
K. Raheja IT Park (Hyderabad) Limited	721	614	623	1,335	1,380	1,308	2,688
Avacado Properties and Trading (India) Private Limited	475	468	180	943	680	180	860
Mindspace Business Parks Private Limited	730	725	700	1,455	1,340	1,400	2,740
<b>Interest Income**</b>							
Avacado Properties and Trading (India) Private Limited	27	44	76	71	142	154	297
Gigaplex Estate Private Limited	155	128	106	284	204	203	407
Horizonview Properties Private Limited	104	88	83	193	171	169	340
KRC Infrastructure and Projects Private Limited	99	68	26	167	90	52	141
Sundew Properties Limited	44	12	42	56	34	118	153
Mindspace Business Parks Private Limited	43	85	67	127	201	128	329
K. Raheja IT Park (Hyderabad) Limited	22	7	0	29	10	0	10
<b>Reimbursement of Expenses</b>							
K Raheja Corp Investment Managers LLP**	13	5	1	18	6	4	10
*Includes fees paid to M/s Bobby Parikh & Associates amounting to Rs. 0 million for the half year ended 30 September 2022 and Rs. 3 million for the year ended 31 March 2022.							
<b>Investment Management Fees</b>							
K Raheja Corp Investment Managers LLP	17	17	16	34	32	32	64
<b>Guarantee commission fees from SPV</b>							
KRC Infrastructure and Projects Private Limited	1	2	2	4	2	(0)	2
Horizonview Properties Private Limited	(1)	0	0	(0)	1	(1)	0
Sundew Properties Limited	1	3	0	4	6	0	6
Mindspace Business Parks Pvt Ltd	1	4	0	5	1	0	2
<b>Guarantee commission fees to SPV</b>							
Sundew Properties Limited	4	1	4	5	-	4	4
Mindspace Business Parks Pvt Ltd	3	-	-	3	-	-	-
Gigaplex Estate Private Limited	-	-	-	-	7	-	7
<b>Non cash transactions</b>							
Corporate Guarantee extended to Sundew Properties Limited towards Debentures issued	-	-	4,000	-	-	4,000	4,000
Corporate Guarantee extended by Gigaplex Estate Private Limited towards Debentures issued	-	-	-	-	5,000	-	5,000
Corporate Guarantee extended to Mindspace Business Parks Pvt Ltd towards Bonds issued	-	4,900	-	4,900	-	-	-
Corporate Guarantee extended by Sundew Properties Limited towards Debentures issued	5,000	-	-	5,000	-	-	-

**\*\*after Ind AS Adjustments**


**MINDSPACE BUSINESS PARKS REIT**

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

**Notes to the Condensed Standalone Financial Statements**

(all amounts in Rs. million unless otherwise stated)

**29 Related party disclosures**

**C Closing Balances**

	As at	As at
Particulars	30 September 2022	31 March 2022
<b>Unsecured loan receivable (non-current)*</b>		
Mindspace Business Parks Private Limited	1,620	6,340
Avacado Properties and Trading (India) Private Limited	1,273	1,723
Gigaplex Estate Private Limited	8,923	3,848
KRC Infrastructure and Projects Private Limited	5,500	3,220
Sundew Properties Limited	2,455	750
Horizonview Properties Private Limited	5,352	5,041
K. Raheja IT Park (Hyderabad) Limited	1,126	346
<b>Unsecured loan receivable (current)</b>		
Mindspace Business Parks Private Limited	-	400
Avacado Properties and Trading (India) Private Limited	-	2,170
Gigaplex Estate Private Limited	-	2,430
<b>Investment in equity shares of SPVs</b>		
Avacado Properties and Trading (India) Private Limited	9,482	9,482
Gigaplex Estate Private Limited	13,121	13,121
Horizonview Properties Private Limited	0	0
KRC Infrastructure and Projects Private Limited	6,868	6,868
Intime Properties Limited	15,478	15,478
Sundew Properties Limited	33,722	33,722
K. Raheja IT Park (Hyderabad) Limited	25,618	25,618
Mindspace Business Parks Private Limited	48,814	48,814
<b>Interest receivable (non-current)*</b>		
Mindspace Business Parks Private Limited	83	52
Gigaplex Estate Private Limited	51	10
Sundew Properties Limited	169	150
KRC Infrastructure and Projects Private Limited	52	16
K. Raheja IT Park (Hyderabad) Limited	13	6
Avacado Properties and Trading (India) Private Limited	-	-
Horizonview Properties Private Limited	8	-
<b>Interest receivable (current)</b>		
Mindspace Business Parks Private Limited	0	45
Gigaplex Estate Private Limited	-	272
Avacado Properties and Trading (India) Private Limited	-	242
<b>Guarantee commission fees receivable (non-current)</b>		
KRC Infrastructure and Projects Private Limited	13	8
Horizonview Properties Private Limited	(0)	1
Sundew Properties Limited	9	7
Mindspace Business Parks Pvt Ltd	8	2
<b>Other Financial Liabilities (non-current)</b>		
Sundew Properties Limited	10	5
Mindspace Business Parks Private Limited	4	0
Gigaplex Estate Private Limited	8	8
<b>Other Financial Liabilities (current)</b>		
K Raheja Corp Investment Managers LLP	24	28
Mindspace Business Parks Private Limited	-	8
M/s Bobby Parikh & Associates	0	0
<b>Co-Sponsor Initial Corpus</b>		
Anbee Constructions LLP	0	0
Cape Trading LLP	0	0
<b>Corporate guarantees outstanding</b>		
Horizonview Properties Private Limited	1,111	1,140
Mindspace Business Parks Private Limited	6,711	1,903
Sundew Properties Limited	5,073	7,315
KRC Infrastructure and Projects Private Limited	5,670	6,170
<b>Corporate guarantee extended by Sundew towards debentures</b>		
Sundew Properties Limited	8,750	3,750
<b>Corporate guarantee extended by MBPPL towards debentures</b>		
Mindspace Business Parks Private Limited	2,750	7,750
<b>Corporate guarantee extended by GIGAPLEX towards debentures</b>		
Gigaplex Estate Private Limited	5,000	5,000

\*after Ind AS Adjustments





**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Notes to the Condensed Standalone Financial Statements**

(all amounts in Rs. million unless otherwise stated)

**30 Details of utilisation of proceeds of Non Convertible Debentures Series 4 are as follows:**

Objects of the issue as per the Issue memorandum	Proposed utilisation	Actual utilisation upto 30 September 2022	Unutilised amount as at 30 September 2022
Providing loans to the SPVs for meeting their construction related expenses, working capital or general corporate requirements, repayment of financial indebtedness, general corporate purposes including payment of fees and expenses in connection with the Issue, acquisition of commercial properties or such other purposes as stipulated in the transaction documents.	5,000	5,000	-
<b>Total</b>	<b>5,000</b>	<b>5,000</b>	<b>-</b>

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

MindSpace REIT has provided corporate guarantees for loans availed by Horizonview, KRC Infra, MBPPL and Sundew and the outstanding guarantee is Rs. 18,565 million (31 March 2022 Rs. 16,528 million)

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

	Carrying value	Carrying value
	30 September 2022	31 March 2022
<b>Financial assets</b>		
Fair value through profit and loss	-	-
Fair value through other comprehensive income	-	-
<b>Amortised cost</b>		
Loans (Non current)	26,248	21,268
Loans (Current)	-	5,000
Cash and cash equivalents	2,927	2,814
Other financial assets	407	822
<b>Total assets</b>	<b>29,582</b>	<b>29,904</b>
<b>Financial liabilities</b>		
Fair value through profit and loss	-	-
Fair value through other comprehensive income	-	-
<b>Amortised cost</b>		
Borrowings (Non Current)	16,404	11,422
Borrowings (Current)	-	4,997
Other financial liabilities	439	831
Trade payables	9	10
<b>Total liabilities</b>	<b>16,852</b>	<b>17,260</b>

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

**(b) Measurement of fair values**

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

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

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

**Fair value hierarchy**

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

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

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



**MINDSPACE BUSINESS PARKS REIT****RN:IN/REIT/19-20/003****Notes to the Condensed Standalone Financial Statements**

(all amounts in Rs. million unless otherwise stated)

**(c) Financial instruments**

Quantitative disclosures fair value measurement hierarchy for assets as at 30 September 2022:

Particulars	Total	Level 1	Level 2	Level 3
Financial assets & liabilities measured at fair value	-	-	-	-

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2022:

Particulars	Total	Level 1	Level 2	Level 3
Financial assets & liabilities measured at fair value	-	-	-	-

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

There were no transfers between Level 1, Level 2 or Level 3 during the period/year ended 30 September 2022 and 31 March 2022.

**(e) Determination of fair values**

Fair values of financial assets and liabilities have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

i) The fair value of mutual funds are based on price quotations at reporting date.

ii) The fair values of other current financial assets and financial liabilities are considered to be equivalent to their carrying values.

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

**33 Segment Reporting**

Mindspace REIT does not have any Operating segments for the period / year ended 30 September 2022 and 31 March 2022 and hence, disclosure under Ind AS 108, Operating segments has not been provided in the Condensed Standalone financial statements.

**34 Distributions**

The Governing Board of the Manager to the Trust, in their meeting held on 14 November 2022, has declared distribution to unitholders of Rs 4.75 per unit which aggregates to Rs. 2817 million for the quarter ended 30 September 2022. The distributions of Rs 4.75 per unit comprises Rs. 4.37 per unit in the form of dividend, Rs. 0.36 per unit in the form of interest payment and Rs. 0.02 per unit in the form of other income.

Along with distribution of Rs. 4.74 per unit for the quarter ended 30 June 2022, the cumulative distribution for the half year ended 30 September 2022 aggregates to Rs. 9.49 per unit.

35 a) The figures for the quarter ended 30 September 2022 are the derived figures between the figures in respect of the half year ended 30 September 2022 and the figures for the quarter ended 30 June 2022, which are subjected to limited review.

b) The figures for the quarter ended 30 September 2021 are the derived figures between the figures in respect of the half year ended 30 September 2021 and the figures for the quarter ended 30 June 2021, which were subjected to limited review.

c) The figures for the half year ended 31 March 2022 are the derived figures between the audited figures in respect of the year ended 31 March 2022 and the published year-to-date figures upto period ended 30 September 2021, which were subjected to limited review.

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

37 "0" represents value less than Rs. 0.5 million.



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

Notes to the Condensed Standalone Financial Statements

(all amounts in Rs. million unless otherwise stated)

- 38 In accordance with SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2021 and Other requirements as per SEBI circular (No. SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated 13 April 2018) for issuance of debt securities by Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs), Mindspace REIT has disclosed the following ratios:

	Ratios	Quarter ended			Half year ended			Year ended
		For the quarter ended 30 September 2022	For the quarter ended 30 June 2022	For the quarter ended 30 September 2021	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the half year ended 30 September 2021	For the year ended 31 March 2022
a	Security / Asset cover (MLD Series 1) (refer note a(i))	NA	NA	2.17	NA	2.13	2.17	2.13
b	Security / Asset cover (NCD Series 1) (refer note a(ii))	2.51	2.50	2.38	2.51	2.49	2.38	2.49
c	Security / Asset cover (MLD Series 2) (refer note a(iii))	2.34	2.36	2.37	2.34	2.36	2.37	2.36
d	Security / Asset cover (NCD Series 2) (refer note a(iv))	2.41	2.48	2.48	2.41	2.45	2.48	2.45
e	Security / Asset cover (NCD Series 3) (refer note a(v))	2.18	2.16	NA	2.18	2.16	NA	2.16
f	Security / Asset cover (NCD Series 4) (refer note a(vi))	2.37	NA	NA	2.37	NA	NA	NA
g	Debt-equity ratio (in times) (refer note b)	0.10	0.07	0.07	0.10	0.10	0.07	0.10
h	Debt service coverage ratio (in times) (refer note c)	11.41	13.44	14.47	12.33	12.87	14.70	13.72
i	Interest service coverage ratio (in times) (refer note d)	11.41	13.44	14.47	12.33	12.87	14.70	13.72
j(i)	Outstanding redeemable preference shares (quantity and value)	NA	NA	NA	NA	NA	NA	NA
j(ii)	Capital redemption reserve	NA	NA	NA	NA	NA	NA	NA
k	Debt redemption reserve (Amount in Rs. millions)	NA	NA	NA	NA	NA	NA	NA
l	Net worth (Amount in Rs. millions)	1,65,844	1,65,826	1,65,732	1,65,844	1,65,758	1,65,732	1,65,758
m(i)	Net profit after tax (Amount in Rs. millions)	2,829	2,802	2,741	5,631	5,508	5,523	11,030
m(ii)	Earnings per unit - Basic	4.77	4.72	4.62	9.49	9.29	9.31	18.60
n	Earnings per unit - Diluted	4.77	4.72	4.62	9.49	9.29	9.31	18.60
o	Current Ratio (in times) (refer note f)	66.16	53.31	1.53	66.16	1.51	1.53	1.51
p	Long term debt (non current) to working capital (in times) (refer note h)	5.79	4.08	2.31	5.79	4.15	2.31	4.15
q	Bad debts to account receivable ratio (in times) (refer note l)	NA	NA	NA	NA	NA	NA	NA
r	Current liability ratio (in times) (refer note i)	0.00	0.00	0.45	0.00	0.32	0.45	0.32
s	Total debt to total assets (in times) (refer note j)	0.09	0.07	0.07	0.09	0.09	0.07	0.09
t	Debtors Turnover (in times) (refer note k)	NA	NA	NA	NA	NA	NA	NA
u	Inventory Turnover*	NA	NA	NA	NA	NA	NA	NA
v	Operating Margin (in %) (refer note m)	98%	99%	99%	98%	99%	99%	99%
w	Net Profit Margin (in %) (refer note n)	90%	91%	92%	90%	91%	92%	92%
x	Sector Specific equivalent ratio*	NA	NA	NA	NA	NA	NA	NA

\*Not Applicable (NA)

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

- a(i) Security / Asset cover ratio (MLD Series 1) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of MLD Series 1 + Interest accrued thereon)
- a(ii) Security / Asset cover ratio (NCD Series 1) = Lower of Fair value of the secured assets as computed by two independent valuers / (Outstanding principal amount of NCD Series 1 + Interest accrued thereon)
- a(iii) Security / Asset cover ratio (MLD Series 2) = Fair value of the secured assets as computed by independent valuer / (Outstanding principal amount of MLD Series 2 + Interest accrued thereon)
- a(iv) Security / Asset cover ratio (NCD Series 2) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Series 2 + Interest accrued thereon)
- a(v) Security / Asset cover ratio (NCD Series 3) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Series 3 + Interest accrued thereon)
- a(vi) Security / Asset cover ratio (NCD Series 4) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Series 4 + Interest accrued thereon)
- b(i) Total Debt = Long term borrowings + Short term borrowings + Interest accrued on debts (current and non-current)
- b(ii) Debt Equity Ratio = Total Debt/Total Equity
- Debt Service Coverage Ratio = Earnings before interest {net of capitalization}, exceptional items and tax / (Interest expenses {net of capitalization} + Principal repayments made during the period which
- c) excludes bullet and full repayment of external borrowings)
- d) Interest Service Coverage Ratio = Earnings before interest {net of capitalization}, exceptional items and tax / (Interest expense {net of capitalisation})
- e) Net worth = Corpus + Unit capital + Other equity
- f) Current ratio = Current assets/ Current liabilities
- g) Long term Debt = Long term borrowings (excluding current maturities of long term debt) + Interest accrued on debts (Non-current)
- h) Long term debt to working capital ratio = Long term debt/ working capital (i.e. Current assets less current liabilities)
- i) Current liability ratio = Current liabilities/ Total assets
- j) Total debt to total assets = Total debt/ Total assets
- k) Debtors Turnover = Revenue from operations/ Average trade receivable
- l) Bad debts to account receivable ratio = Bad debts (including provision for doubtful debts) / Average trade receivable
- m) Operating margin = (Earnings before interest {net of capitalization}, exceptional items and tax – Other income) / (Interest Income + Dividend Income)
- n) Net profit margin = Profit after exceptional items and tax/ Total Income





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

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

### Introduction

1. We have reviewed the accompanying unaudited Condensed Consolidated Interim Financial Statements of **MINDSPACE BUSINESS PARKS REIT** ("the REIT"/ "the Parent") and its subsidiaries (the "Special Purpose Vehicles") (together referred as the "Mindspace Group"), which comprise the unaudited Condensed Consolidated Balance Sheet as at September 30, 2022, the unaudited Condensed Consolidated Statement of Profit and Loss, including other comprehensive income, the unaudited Condensed Consolidated Statement of Cash Flow for the quarter and half year ended September 30, 2022, the unaudited Condensed Consolidated Statement of changes in Unitholders' Equity for the half year ended September 30, 2022, the unaudited Statement Net Assets at Fair Value as at September 30, 2022, the unaudited Statement of Total Return for the half year ended September 30, 2022 and the unaudited Statement of Net Distributable Cash Flow of the REIT and each of its special purpose vehicles for quarter and half year ended September 30, 2022, as an additional disclosure in accordance with paragraph 6 of Annexure A to the Security Exchange Board of India (SEBI) Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 ("SEBI Circular") along with summary of the significant accounting policies and select explanatory notes (together hereinafter referred as the "Condensed Consolidated Interim Financial Statements").
2. The Condensed Consolidated Interim Financial Statements of Mindspace group, which is the responsibility of the Investment Manager and approved by the Governing Board of the Investment Manager, have been prepared in accordance with the requirements of SEBI (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 ("SEBI REIT Regulations"); Regulation 52 and Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"); Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with the SEBI REIT Regulations. Our responsibility is to express a conclusion on the Condensed Consolidated Interim Financial Statements based on our review.

### Scope of Review

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

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

**Conclusion**

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Condensed Consolidated Interim Financial Statements have not been prepared in accordance with SEBI REIT Regulations, Ind AS 34 "Interim Financial Reporting", as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with the SEBI REIT Regulations and has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed or that it contains any material misstatement.

**Emphasis of matter**

6. We draw attention to Note 42(5)(a) to the Condensed Consolidated Interim Financial Statements regarding freehold land and building thereon (Paradigm, Malad) held by Avacado Properties and Trading (India) Private Limited( Special Purpose Vehicle) which is presently under litigation. Pending the outcome of proceedings and a final closure of the matter, no adjustments have been made in the Condensed Consolidated Interim Financial Statements for the quarter and half year ended September 30, 2022. Our conclusion is not modified in respect of this matter.
7. We draw attention to Note 19(a) of the Condensed Consolidated Interim Financial Statements, which describes the presentation of "Unit Capital" as "Equity" to comply with the SEBI REIT Regulations. Our conclusion is not modified in respect of this matter.

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



A handwritten signature in blue ink, appearing to read 'Nilesh Shah'.

**Nilesh Shah**  
Partner

Mumbai, November 14, 2022

Membership No. 49660  
UDIN: 22049660BDAHX5340

# **Deloitte Haskins & Sells LLP**

## **Annexure "A"**

### **List of entities included in the Condensed Consolidated Interim Financial Statements**

#### **A. Parent entity**

- i. Mindspace Business Parks REIT

#### **B. Special Purpose Vehicles**

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



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

	Note	As at 30 September 2022 (Unaudited)	As at 31 March 2022 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	1,347	1,539
Investment property	5	201,293	197,194
Investment property under construction	6	9,534	13,496
Other Intangible assets	7	1	1
Financial assets			
- Investments	8A	29	23
- Other financial assets	9	2,830	2,474
Deferred tax assets (net)	10	739	1,051
Non-current Tax assets (net)	11A	1,034	1,041
Other non-current assets	12	782	867
<b>Total non-current assets</b>		<b>217,589</b>	<b>217,686</b>
<b>Current assets</b>			
Inventories	13	56	26
Financial assets			
- Investments	8B	15	-
- Trade receivables	14	1,780	210
- Cash and cash equivalents	15A	3,089	3,478
- Other bank balances	15B	211	121
- Other financial assets	16	2,045	1,477
Current Tax assets (net)	11B	-	23
Other current assets	17	714	273
<b>Total current assets</b>		<b>7,910</b>	<b>5,608</b>
<b>Total assets before regulatory deferral account</b>		<b>225,499</b>	<b>223,294</b>
Regulatory deferral account - assets		<b>335</b>	<b>241</b>
<b>Total assets</b>		<b>225,834</b>	<b>223,535</b>



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

	Note	As at 30 September 2022 (Unaudited)	As at 31 March 2022 (Audited)
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Corpus	18	0	0
Unit Capital	19	162,839	162,839
Other equity	20	(10,212)	(6,634)
<b>Equity attributable to unit holders of the Mindspace REIT</b>		<b>152,627</b>	<b>156,205</b>
<b>Non-controlling interest</b>	49	<b>8,340</b>	<b>8,507</b>
<b>Total equity</b>		<b>160,967</b>	<b>164,712</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
- Borrowings	21	44,884	35,357
- Lease liabilities		121	114
- Other financial liabilities	22	4,581	4,280
Provisions	23	60	30
Deferred tax liabilities (net)	24	1,564	669
Other non-current liabilities	25	514	580
<b>Total non-current liabilities</b>		<b>51,724</b>	<b>41,030</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
- Borrowings	26	4,239	9,123
- Lease liabilities		13	13
- Trade payables	27		
- total outstanding dues of micro enterprises and small enterprises		78	60
- total outstanding dues of creditors other than micro enterprises and small enterprises		844	645
- Other financial liabilities	28	6,525	6,835
Provisions	29	35	35
Other current liabilities	30	1,372	1,052
Current Tax liabilities (net)	31	37	2
<b>Total current liabilities</b>		<b>13,143</b>	<b>17,765</b>
<b>Total liabilities before regulatory deferral account</b>		<b>64,867</b>	<b>58,795</b>
<b>Total equity and liabilities before regulatory deferral account</b>		<b>225,834</b>	<b>223,507</b>
<b>Regulatory deferral account - liabilities</b>		<b>-</b>	<b>28</b>
<b>Total Equity and Liabilities</b>		<b>225,834</b>	<b>223,535</b>
<b>Significant accounting policies</b>			
See the accompanying notes to the Condensed Consolidated Financial Statements	3		
	4-55		

As per our report of even date attached:

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

  
**Nitesh Shah**

Partner  
Membership number: 49660

Place: Mumbai  
Date : 14 November 2022

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

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

Place: Mumbai  
Date : 14 November 2022

  
**Vinod N. Rohira**

Chief Executive Officer  
DIN: 00460667

Place: Mumbai  
Date : 14 November 2022

  
**Preeti N. Chheda**

Chief Financial Officer  
DIN: 08066703

Place: Mumbai  
Date : 14 November 2022

Note	For the quarter ended 30 September 2022 (Unaudited)*	For the quarter ended 30 June 2022 (Unaudited)	For the quarter ended 30 September 2021 (Unaudited)*	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Unaudited)*	For the half year ended 30 September 2021 (Unaudited)	For the year ended 31 March 2022 (Audited)
32	6,789	4,307	4,234	11,596	9,070	8,431	17,501
33	56	40	10	96	84	23	107
34	17	5	40	22	36	52	88
	<b>6,862</b>	<b>4,352</b>	<b>4,284</b>	<b>11,714</b>	<b>9,190</b>	<b>8,506</b>	<b>17,696</b>
<b>Income and gains</b>							
Revenue from Operations							
Interest Income							
Other Income							
<b>Total Income</b>							
<b>Expenses</b>							
Cost of work contract services	1,759	-	-	1,759	-	-	-
Cost of materials sold	4	6	-	10	6	-	6
Cost of power purchased	194	253	84	447	243	201	444
Employee benefits expense	74	66	61	140	108	118	226
Cost of property management services	133	113	90	246	232	166	398
Trustee fees	1	1	0	2	1	1	2
Valuation fees	3	3	2	6	6	3	9
Insurance expense	21	20	24	41	42	44	86
Audit fees	7	4	4	11	11	8	19
Management fees	136	135	125	271	255	245	500
Repairs and maintenance	150	152	114	302	308	230	539
Legal & professional fees	60	27	27	87	59	54	113
Other expenses	557	420	374	978	826	685	1,510
<b>Total Expenses</b>	<b>3,099</b>	<b>1,200</b>	<b>906</b>	<b>4,300</b>	<b>2,098</b>	<b>1,755</b>	<b>3,853</b>
<b>Earnings before finance costs, depreciation and amortisation, regulatory income / expense, exceptional items and tax</b>	<b>3,763</b>	<b>3,652</b>	<b>3,378</b>	<b>7,414</b>	<b>7,092</b>	<b>6,751</b>	<b>13,843</b>
Finance costs	830	719	633	1,549	1,412	1,232	2,644
Depreciation and amortisation expense	862	847	798	1,709	1,695	1,594	3,289
<b>Profit before rate regulated activities, exceptional items and tax</b>	<b>2,071</b>	<b>2,086</b>	<b>1,948</b>	<b>4,156</b>	<b>3,985</b>	<b>3,925</b>	<b>7,910</b>
Add : Regulatory income/ (expense) (net)	21	103	3	124	52	24	76
<b>Profit before exceptional items and tax</b>	<b>2,092</b>	<b>2,189</b>	<b>1,951</b>	<b>4,280</b>	<b>4,037</b>	<b>3,949</b>	<b>7,986</b>
Exceptional Items (refer note 53A and 53B)	-	-	-	-	489	(1,332)	(843)
<b>Profit before tax</b>	<b>2,092</b>	<b>2,189</b>	<b>1,951</b>	<b>4,280</b>	<b>4,526</b>	<b>2,617</b>	<b>7,143</b>
Current tax	457	459	460	916	939	828	1,767
Deferred tax charge / (income)	761	446	192	1,307	794	109	903
<b>Tax expense</b>	<b>1,218</b>	<b>905</b>	<b>652</b>	<b>2,123</b>	<b>1,733</b>	<b>937</b>	<b>2,670</b>
<b>Profit for the period/year</b>	<b>874</b>	<b>1,284</b>	<b>1,299</b>	<b>2,157</b>	<b>2,793</b>	<b>1,680</b>	<b>4,473</b>



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

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

Other comprehensive income

A. (i) Items that will not be reclassified to profit or loss  
- Remeasurements of defined benefit liability/(asset)

(ii) Income tax relating to above

B. (i) Items that will be reclassified to profit or loss

(ii) Income tax relating to above

Other comprehensive income attributable to unit holders of Mindspace REIT

Other comprehensive income attributable to non-controlling interests

Total comprehensive income for the period/ year

Total comprehensive income for the period / year attributable to unit holders of Mindspace REIT

Total comprehensive income for the period/year attributable to non-controlling interests

Earnings per unit

Basic

Diluted

Significant accounting policies

See the accompanying notes to the Condensed Consolidated Financial Statements

\*Refer Note 52

As per our report of even date attached:

for Deloitte Haskins & Sells LLP

Chartered Accountants

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

Nitesh Shah

Partner

Membership number: 49660

Place: Mumbai

Date : 14 November 2022

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

Neesha C. Raheja

Member

DIN: 000250410

Place: Mumbai

Date : 14 November 2022

Vinod N. Rohira

Chief Executive Officer

DIN: 00460667

Place: Mumbai

Date : 14 November 2022

Preeti N. Chhedra

Chief Financial Officer

DIN: 08066703

Place: Mumbai

Date : 14 November 2022

786	1,182	1,201	1,967	2,624	1,614	4,238
88	102	98	190	169	66	235
-	-	0	-	(3)	0	(3)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	0	-	(3)	0	(3)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
874	1,284	1,299	2,157	2,790	1,680	4,470
786	1,182	1,201	1,967	2,621	1,614	4,235
88	102	98	190	169	66	235
46	1.33	2.02	3.32	4.43	2.72	7.15
	1.33	2.02	3.32	4.43	2.72	7.15

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**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

**Consolidated Statement of Cash Flow**

(All amounts in Rs. million unless otherwise stated)

	For the quarter ended 30 September 2022 (Unaudited)*	For the quarter ended 30 June 2022 (Unaudited)	For the quarter ended 30 September 2021 (Unaudited)*	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Unaudited)*	For the half year ended 30 September 2021 (Unaudited)	For the year ended 31 March 2022 (Audited)
<b>A Cash flows from operating activities</b>							
Profit before tax	2,091	2,189	1,951	4,280	4,526	2,617	7,143
<b>Adjustments for:</b>							
Depreciation and amortisation expense	862	847	798	1,709	1,695	1,594	3,289
Finance costs	830	719	633	1,549	1,412	1,232	2,644
Interest income	(12)	(7)	(6)	(19)	(16)	(19)	(35)
Provision for doubtful debts (net)	19	11	1	30	1	1	3
Investment Property write off	110	-	-	110	73	-	73
Gain on redemption of mutual fund units	(14)	(3)	(1)	(17)	(12)	-	(12)
Foreign exchange fluctuation loss (net)	-	1	-	1	0	-	0
Liabilities no longer required written back	(1)	-	(18)	(1)	(23)	(27)	(50)
Exceptional Items (refer note 53A and 53B)	-	-	-	-	(489)	1,332	843
<b>Operating cash flow before working capital changes</b>	<b>3,885</b>	<b>3,757</b>	<b>3,358</b>	<b>7,642</b>	<b>7,168</b>	<b>6,731</b>	<b>13,897</b>
<b>Movement in working capital</b>							
(Increase) / decrease in inventories	58	(88)	12	(30)	4	9	13
(Increase) / decrease in trade receivables	(328)	(152)	89	(480)	(24)	25	2
(Increase) / decrease in other financial assets and other assets	(645)	(257)	(187)	(902)	(411)	(238)	(649)
Increase / (decrease) in other financial liabilities, other liabilities and provisions	212	237	221	449	286	(275)	12
(Decrease) / increase in regulatory deferral account (assets / liabilities)	(19)	(103)	(2)	(122)	(52)	(24)	(76)
(Decrease) / increase in trade payables	63	154	105	217	72	108	179
<b>Cash generated/(used in) from operations</b>	<b>3,226</b>	<b>3,548</b>	<b>3,596</b>	<b>6,774</b>	<b>7,042</b>	<b>6,336</b>	<b>13,378</b>
Direct taxes paid net of refund received	(416)	(435)	(468)	(851)	(879)	(902)	(1,780)
<b>Net cash generated/(used in) from operating activities (A)</b>	<b>2,810</b>	<b>3,113</b>	<b>3,128</b>	<b>5,923</b>	<b>6,163</b>	<b>5,434</b>	<b>11,598</b>



*Handwritten signature*

**B Cash flows from investing activities**

Expenditure incurred on investment property and investment property under construction including capital advances, net of capital creditors	(1,189)	(1,734)	(1,023)	(2,923)	(3,486)	(2,146)	(5,632)
Expenditure incurred on Property, Plants and Equipment and Capital work-in progress	(8)	(4)	(64)	(12)	(27)	(83)	(110)
Proceeds from sale of investment property under construction	-	-	-	-	1,200	-	1,200
Proceeds from sale of investment property, & property plant and equipments	27	1	-	28	5	-	5
Investment in Government Bond	-	(6)	-	(6)	(1)	(4)	(5)
Investment in mutual fund	(5,550)	(4,415)	(705)	(9,965)	(5,234)	(2,365)	(7,599)
Proceeds from redemption of mutual fund	5,564	4,403	706	9,967	5,246	2,364	7,611
Movement in fixed deposits/other bank balances	(18)	(105)	(10)	(123)	4	(68)	(65)
Interest received	10	15	4	25	10	28	37
<b>Net cash (used in) / generated from investing activities ( B )</b>	<b>(1,164)</b>	<b>(1,845)</b>	<b>(1,092)</b>	<b>(3,009)</b>	<b>(2,285)</b>	<b>(2,274)</b>	<b>(4,558)</b>

**C Cash flows from financing activities**

Proceeds from external borrowings	739	2,150	1,634	2,889	1,366	4,412	5,778
Repayment of external borrowings	(3,445)	(4,794)	(2,519)	(8,239)	(3,692)	(4,515)	(8,208)
Proceeds from issue of non-convertible debentures	5,000	-	4,000	9,900	5,000	4,000	9,000
Non-convertible debentures issue expenses	(26)	(25)	(11)	(51)	(51)	(11)	(61)
Payment towards lease liabilities	-	-	0	-	(12)	(2)	(14)
Distribution to unitholders and dividend to Non-Controlling Interest holder (including tax)	(2,989)	(2,912)	(2,937)	(5,901)	(5,870)	(6,023)	(11,892)
Recovery Expense Fund Deposits	-	-	(0)	-	(1)	(0)	(1)
Finance costs paid	(822)	(1,221)	(545)	(2,043)	(1,116)	(1,008)	(2,125)
<b>Net cash generated (used in) financing activities ( C )</b>	<b>(1,543)</b>	<b>(1,902)</b>	<b>(378)</b>	<b>(3,445)</b>	<b>(4,375)</b>	<b>(3,147)</b>	<b>(7,523)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>103</b>	<b>(634)</b>	<b>1,658</b>	<b>(531)</b>	<b>(496)</b>	<b>13</b>	<b>(483)</b>



*A*



Cash and cash equivalents at the beginning of the period/year	348	982	(180)	1,478	1,465
Cash and cash equivalents at the end of the period / year	451	348	1,478	982	1,478
Cash and cash equivalents comprises (refer note no. 15A & 26)					
Cash on hand	2	2	2	2	2
Balance with banks					
- on current accounts	3,057	3,190	3,017	3,046	3,017
- in escrow accounts	5	1	26	0	26
- in deposit accounts with original maturity of less than three	25	44	1,773	430	1,773
Less : Bank overdraft	(2,638)	(2,889)	(3,340)	(2,496)	(3,340)
Cash and cash equivalents at the end of the period / year	451	348	1,478	982	1,478
					982

### Significant accounting policies - refer note 3

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

Note: 2. Refer note 6(a) for non cash transactions.

See the accompanying notes to the Condensed Consolidated Financial Statements

\*Refer Note 52

As per our report of even date attached:

for Deloitte Haskins & Sells LLP

Chartered Accountants

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



Nitesh Shah

Partner

Membership number: 49660

Place: Mumbai

Date : 14 November 2022

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



Vinod N. Rohira

Chief Executive Officer

DIN: 00460667

Place: Mumbai

Date : 14 November 2022



K. Raheja

Member

DIN: 00020910

Place: Mumbai

Date : 14 November 2022



Preeti N. Chheda

Chief Financial Officer

DIN: 08066703

Place: Mumbai

Date : 14 November 2022

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

<b>A. Corpus</b>	<b>Amount</b>
Balance as on 1 April 2021	0
Changes during the year	-
Balance as on 31 March 2022	0
Balance as on 1 April 2022	0
Changes during the period	-
Closing balance as on 30 September 2022	0

<b>Corpus</b>	<b>Amount</b>
Balance as on 1 April 2021	0
Changes during the period	-
Balance as on 30 September 2021	0

<b>B. Unit Capital</b>	<b>Amount</b>
Balance as at 1 April 2021	162,839
Changes during the year	-
Balance as at 31 March 2022	162,839
Balance as at 1 April 2022	162,839
Changes during the period	-
Balance as at 30 September 2022	162,839

<b>Unit Capital</b>	<b>Amount</b>
Balance as at 1 April 2021	162,839
Changes during the period	-
Balance as at 30 September 2021	162,839

<b>C. Other equity</b>	<b>Amount</b>
<b>Retained Earnings</b>	
Balance as at 1 April 2021	190
Add: Profit for the period attributable to the unitholders of Mindspace REIT	4,238
Add: Other comprehensive income attributable to the unitholders of Mindspace REIT	(3)
Less: Distribution to Unitholders for the quarter ended 31 March 2021*	(2,853)
Less: Distribution to Unitholders for the quarter ended 30 June 2021*	(2,728)
Less: Distribution to Unitholders for the quarter ended 30 September 2021*	(2,728)
Less: Distribution to Unitholders for the quarter ended 31 December 2021*	(2,752)
Less: Transfer to Debenture Redemption Reserve**	(109)
Balance as at 31 March 2022	(6,743)
Balance as at 1 April 2022	(6,743)
Add: Profit for the period attributable to the unitholders of Mindspace REIT	1,967
Add: Other comprehensive income attributable to the unitholders of Mindspace REIT	-
Less: Distribution to Unitholders for the quarter ended 31 March 2022*	(2,734)
Less: Distribution to Unitholders for the quarter ended 30 June 2022*	(2,811)
Less: Transfer to Debenture Redemption Reserve**	(249)
Balance as at 30 September 2022	(10,570)

<b>Other equity</b>	<b>Amount</b>
<b>Retained Earnings</b>	
Balance as at 1 April 2021	191
Add: Profit for the period attributable to the unitholders of Mindspace REIT	1,615
Add: Other comprehensive income attributable to the unitholders of Mindspace REIT	0
Less: Distribution to Unitholders for the quarter ended 31 March 2021*	(2,852)
Less: Distribution to Unitholders for the quarter ended 30 June 2021*	(2,728)
Less: Transfer to Debenture Redemption Reserve**	(36)
Balance as at 30 September 2021	(3,810)



Debt Redemption Reserve**	Amount
Balance as at 1 April 2021	-
Transfer from retained earnings	109
Balance as at 31 March 2022	109
Balance as at 1 April 2022	109
Transfer from retained earnings	249
Balance as at 30 September 2022	358

Debt Redemption Reserve**	Amount
Balance as at 1 April 2021	-
Transfer from retained earnings	36
Balance as at 30 September 2021	36

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

\*\* Refer Note 20

### Significant accounting policies - refer note 3

See the accompanying notes to the Condensed Consolidated Financial Statements

4-55

As per our report of even date attached:

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

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

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



**Niles Shah**

Partner

Membership number: 49660

Place: Mumbai

Date : 14 November 2022



**Neel C. Raheja**

Member

DIN: 00029010

Place: Mumbai

Date : 14 November 2022



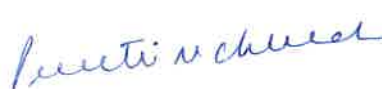
**Vinod N. Rohira**

Chief Executive Officer

DIN: 00460667

Place: Mumbai

Date : 14 November 2022



**Preeti N. Chheda**

Chief Financial Officer

DIN: 08066703

Place: Mumbai

Date : 14 November 2022

**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Consolidated Financial Statements**  
**(All amounts are in Rs. million unless otherwise stated)**  
**Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016**

**A) Statement of Net Assets At Fair Value ( Total)**

S.No	Particulars	As at 30 September 2022 (Unaudited)		As at 31 March 2022 (Audited)	
		Book Value*	Fair value	Book Value*	Fair value
A	Assets	225,834	293,251	223,535	284,145
B	Liabilities**	64,867	62,094	58,823	56,456
C	Net Assets (A-B)	160,967	231,157	164,712	227,690
D	Less: Non controlling interests	8,340	11,591	8,507	11,274
E	Net Assets attributable to unit holders of Mindspace REIT (C-D)	152,627	219,566	156,205	216,416
F	No. of units	593,018,182	593,018,182	593,018,182	593,018,182
G	Net Assets Value per unit (E/F)	257	370	263	365

\* as reflected in the Balance Sheet

\*\*Refer Note-6 below

**Measurement of fair values:**

The fair values of Investment property, Property, plant and equipment, Investment property under construction and Capital work-in-progress are solely based on an independent valuation performed by an external property valuer ("independent valuer"), having appropriately recognised professional qualification and recent experience in the location and category of the properties being valued. Other assets include cash and cash equivalents and other working capital balances which are not factored in the discounted cashflow method used in determining the fair value of investment property, investment property under development, property, plant and equipment, capital work-in-progress and intangibles.

**Valuation technique**

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

**Notes**

1 Project wise break up of fair value of assets as at 30 September 2022 (Unaudited) is as follows

Particulars	Fair value of Investment property, Property, plant and equipment, Investment property under construction and Capital work-in-progress	Other assets at book value	Total assets*
Intime	18,848	1,919	20,767
KRIT	32,253	3,459	35,712
Sundew	61,825	1,312	63,137
MBPPL			
MBPPL - Mindspace Airoli East	45,531		
MBPPL - Mindspace Pocharam	2,137		
MBPPL - Commerzone Yerwada	19,642	6,388	82,776
MBPPL - The Square, Nagar Road	9,078		
Gigaplex	42,921	741	43,662
Avacado			
Avacado - Mindspace Malad	10,218		
Avacado - The Square, BKC	4,636	1,627	16,481
KRC Infra			
KRC Infra - Gera Commerzone Kharadi	23,896	779	31,069
KRC Infra - Camplus	6,394		
Horizonview	7,873	267	8,140
Mindspace REIT	-	29,602	29,602
Less: Eliminations and Other Adjustments*		(38,095)	(38,095)
Total	285,251	7,999	293,251
Less: Non-controlling interest	(12,422)	(736)	(13,158)
Total attributable to unitholders	272,829	7,263	280,093

\* It includes eliminations primarily pertaining to inter company lending / borrowing and consolidation adjustments



2 Project wise break up of fair value of assets as at 31 March 2022 (audited) is as follows

Particulars	Fair value of Investment property, Property, plant and equipment, Investment property under construction and Capital work-in-progress	Other assets at book value	Total assets*
Intime	18,467	2,181	20,648
KRIT	30,531	3,887	34,418
Sundew	60,379	1,284	61,663
MBPPL			
MBPPL - Mindspace Airoli East	44,720		
MBPPL - Mindspace Pocharam	2,138		
MBPPL - Commerzone Yerwada	19,814	6,504	82,219
MBPPL - The Square, Nagar Road	9,043		
Gigaplex	41,134	406	41,540
Avacado			
Avacado - Mindspace Malad	10,136		
Avacado - The Square, BKC	4,569	2,162	16,867
KRC Infra			
KRC Infra - Gera Commerzone Kharadi	21,243	885	28,419
KRC Infra - Campluss	6,291		
Horizonview	7,562	259	7,821
Mindspace REIT		29,916	29,916
Less: Eliminations and Other Adjustments*		(39,365)	(39,365)
Total	276,027	8,118	284,145
Less: Non-controlling interest	(12,031)	(809)	(12,840)
Total attributable to unitholders	263,996	7,310	271,305

\* It includes eliminations primarily pertaining to inter company lending / borrowing and consolidation adjustments

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

Significant accounting policies - refer note 3

See the accompanying notes to the Condensed Consolidated Financial Statements

4-55


As per our report of even date attached

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

  
**Nilesh Shah**  
Partner  
Membership number 49660  
Place: Mumbai  
Date : 14 November 2022

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

  
**Neel C. Raheja**  
Member  
DIN: 00629010  
Place: Mumbai  
Date : 14 November 2022

  
**Vinod N. Rohira**  
Chief Executive Officer  
DIN: 00460667  
Place: Mumbai  
Date : 14 November 2022

  
**Preeti N. Chheda**  
Chief Financial Officer  
DIN: 08066703  
Place: Mumbai  
Date : 14 November 2022

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

**B) Statement of Total Return at Fair Value (Attributable to unit holders of Mindspace REIT)**

Total Return - Attributable to unit holders of Mindspace REIT					
S.No	Particulars	For the half year ended 30 September 2022 (unaudited)	For the half year ended 31 March 2022 (unaudited)*	For the half year ended 30 September 2021 (unaudited)	For the year ended 31 March 2022 (audited)
A	Total comprehensive Income	1,967	2,621	1,614	4,235
B	Add : Changes in fair value not recognised in total comprehensive income (refer Note below)	6,764	5,652	11,201	16,853
C (A+B)	Total Return	8,731	8,273	12,815	21,088

**Note:**

**1 Measurement of fair values:**

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

- 2 In the above statement, changes in fair value not recognised for the half year ended 30 September 2022 have been computed based on the change in fair values from 1 April 2022 to 30 September 2022 adjusted for change in book value of Investment Property, Investment property under construction and Property, Plant and Equipment and Capital work in progress, Capital advances, Unbilled revenue, Finance lease receivable and Lease Liabilities from 1 April 2022 to 30 September 2022. Changes in fair value not recognised for the half year ended 31 March 2022 have been computed based on the change in fair values from 1 October 2021 to 31 March 2022 adjusted for change in book value of Investment Property, Investment property under construction and Property, Plant and Equipment and Capital work in progress, Capital advances, Unbilled revenue, Finance lease receivable and Lease Liabilities from 1 October 2021 to 31 March 2022. Changes in fair value not recognised for the half year ended 30 September 2021 is computed based on the change in fair value from 1 April 2021 to 30 September 2021 adjusted for change in book value of Investment Property, Investment property under construction and Property, Plant and Equipment and Capital work in progress, Capital advances, Unbilled revenue, Finance lease receivable and Lease Liabilities from 1 April 2021 to 30 September 2021.

\*Refer Note 52

**Significant accounting policies - refer note 3**

See the accompanying notes to the Condensed Consolidated Financial Statements 4-55  
As per our report of even date attached:

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



**Nitesh Shah**  
Partner  
Membership number: 49660

Place: Mumbai  
Date : 14 November 2022



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

Place: Mumbai  
Date : 14 November 2022

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



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

Place: Mumbai  
Date : 14 November 2022



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

Place: Mumbai  
Date : 14 November 2022



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

Disclosure pursuant to SEBI circular No. CIR/IND/DF/146/2016

(All amounts in Rs. million unless otherwise stated)

Net Distributable Cash Flows (NDCF) pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IND/DF/146/2016

(i) Mindspace REIT Standalone

Sr. no.	Description	For the quarter ended 30 September 2022 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)	For the quarter ended 30 September 2021 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Unaudited)	For the half year ended 30 September 2021 (Unaudited)	For the year ended 31 March 2022 (Audited)
1.	Cash flows received from Asset SPVs including but not limited to:							
1.	interest	424	928	263	1,352	553	527	1,080
2.	dividends (net of applicable taxes)	2,647	2,635	2,571	5,282	5,180	5,158	10,338
3.	repayment of REIT Funding	-	-	-	-	-	-	-
4.	proceeds from buy-backs/ capital reduction (net of applicable taxes)	-	-	-	-	-	-	-
5.	redemption proceeds from preference shares or any other similar instrument	-	-	-	-	-	-	-
2.	Add: Proceeds from sale of investments, assets, sale of shares of Asset SPVs, liquidation of any other asset or investment (incl. cash equivalents) or any form of fund raise at Mindspace REIT level adjusted for the following: <sup>(2)</sup>	9,796	14,300	3,170	24,095	5,500	3,590	9,090
6.	applicable capital gains and other taxes, if any	(26)	-	-	(26)	(35)	-	(35)
7.	debts settled or due to be settled from sale proceeds	-	-	-	-	-	-	-
8.	transaction costs	-	-	-	-	-	-	-
9.	proceeds re-invested or planned to be reinvested in accordance with the REIT regulations	-	-	-	-	-	-	-
10.	any acquisition	-	-	-	-	-	-	-
11.	investments as permitted under the REIT regulations	-	-	-	-	-	-	-
12.	lending to Asset SPVs	(9,770)	(9,300)	(3,170)	(19,070)	(5,465)	(3,590)	(9,055)
	as maybe deemed necessary by the Manager							
3.	Add: Proceeds from sale of investments, assets or sale of shares of Asset SPVs not distributed pursuant to an earlier plan to re-invest in accordance with the REIT Regulations, if such proceeds are not intended to be invested subsequently	-	-	-	-	-	-	-
4.	Add: Any other income received by Mindspace REIT not captured herein	15	4	0	19	7	1	8
5.	Less: Any other expenses paid by Mindspace REIT not captured herein	(10)	(5)	(3)	(15)	(15)	(22)	(37)
6.	Less: Any expense in the nature of capital expenditure at Mindspace REIT level	-	-	-	-	-	-	-
7.	Less: Net debt repayment / (drawdown), redemption of preference shares / debentures / any other such instrument / premiums / any other obligations / liabilities, etc., as maybe deemed necessary by the Manager	-	(5,000)	-	(5,000)	-	-	-
8.	Add/Less: Other adjustments, including but not limited to net changes in security deposits, working capital, etc., as may be deemed necessary by the Manager <sup>(3)</sup>	(58)	(72)	(45)	(130)	(74)	(100)	(174)
9.	Less: Interest paid on external debt borrowing at Mindspace REIT level	(197)	(672)	(45)	(869)	(140)	(92)	(232)
10.	Less: Income tax and other taxes (if applicable) at the standalone Mindspace REIT level	-	-	-	-	-	-	-
		2,821	2,818	2,741	5,638	5,511	5,472	10,983
	<b>Net Distributable Cash Flows (NDCF)</b>							



**Notes:**

1. The Governing Board of the Manager to the Trust, in their meeting held on 14 November 2022, has declared distribution to unitholders of Rs 4.75 per unit which aggregates to Rs. 2817 million for the quarter ended 30 September 2022. The distributions of Rs 4.75 per unit comprises Rs. 4.37 per unit in the form of dividend, Rs 0.36 per unit in the form of interest payment and Rs 0.02 per unit in the form of other income. Along with distribution of Rs 4.74 per unit for the quarter ended 30 June 2022, the cumulative distribution for the half year ended 30 September 2022 aggregates to Rs. 9.49 per unit.
2. Repayment of REIT funding which is further lent to SPVs has been captured under "Liquidation of assets"
3. Lending to and repayment from SPVs within the same period has been adjusted under "Other Adjustments"

As per our report of even date attached.

for Deloitte Haslkins & Sells LLP

Chartered Accountants

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



Nilesh Shah

Partner

Membership number: 49660

Place: Mumbai

Date : 14 November 2022

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



Neel C. Ratheja

Member

DIN: 000298410

Place: Mumbai

Date : 14 November 2022



Vinod N. Rohira

Chief Executive Officer

DIN: 00460667

Place: Mumbai

Date : 14 November 2022



Preeti N. Chheda

Chief Financial Officer

DIN: 08066703

Place: Mumbai

Date : 14 November 2022



**MINDSPACE BUSINESS PARKS REIT**

RN-IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

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

Additional disclosures as required by Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Net Distributable Cash Flows (NDCF) pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

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

For the quarter ended 30 September 2022 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016 <sup>(A)</sup>

Sr. no.	Description	Avacado	MBPPL	Horizonview	Gigaplex	KRC Infra	Intime	KRIT	Sundew	Elimination <sup>(B)</sup>	Total
1.	Profit after tax as per Statement of profit and loss/income and expenditure (standalone) (A)	135	479	(183)	(131)	48	266	236	526	-	1,376
2.	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	25	137	35	130	63	12	19	106	-	527
3.	Add/Less: Loss/gain on sale of real estate assets	-	-	-	-	-	-	-	-	-	-
4.	Add: Proceeds from sale of real estate assets, liquidation of any other asset or investment (incl. cash equivalents) on any form of fund raise at the Asset SPV level adjusted for the following:	370	290	140	1,420	820	10	650	2,035	(760)	4,975
5.	debits settled or due to be settled from sale proceeds	-	-	-	-	-	-	-	-	-	-
6.	transaction costs	-	-	-	-	-	-	-	-	-	-
7.	proceeds re-invested or planned to be reinvested in accordance with the REIT Regulations <sup>(B)</sup>	-	-	-	-	-	-	-	-	-	-
8.	any acquisition	-	-	-	-	-	-	-	-	-	-
9.	investment in any form as permitted under the REIT Regulations as may be deemed necessary by the Manager	-	-	-	-	-	-	-	-	-	-
10.	Add: Proceeds from sale of real estate assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently	-	-	-	-	-	-	-	-	-	-
11.	Add/Less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), as may be deemed necessary by the Manager.	32	155	21	106	27	(22)	(7)	82	-	394
12.	For example, any decrease/increase in carrying amount of an asset or of a liability recognised in statement of profit and loss/income and expenditure on measurement of the asset or the liability at fair value, interest cost as per effective interest rate method, deferred tax, lease rents recognised on a straight line basis, etc.	-	-	-	-	-	-	-	-	-	-
13.	7. Add: Cash flow received from Asset SPV and investment entity, if any including (applicable for Holdco only, to the extent not covered above):	-	-	-	-	-	-	-	-	-	-
14.	repayment of the debt in case of investments by way of debt proceeds from buy-backs/ capital reduction	-	-	-	-	-	-	-	-	-	-
15.	8. Add: Interest on borrowings from Mindspace REIT	-	-	-	-	-	-	-	-	-	-
16.	9. Add/Less: Other adjustments, including but not limited to net changes in security deposits, working capital, etc., as may be deemed necessary by the Manager <sup>(2) &amp; (4)</sup>	27	37	97	136	73	-	18	36	-	424
17.	10. Less: Any expense in the nature of capital expenditure including capitalized interest thereon (to the parties other than Mindspace REIT), overheads, etc. <sup>(4)</sup>	(3)	82	(6)	(452)	(140)	98	20	82	-	(319)
18.	11. Less: Net debt repayment / (drawdown) / redemption of preference shares / debentures / any other such instrument / premiums / accrued interest / any other obligations / liabilities etc., to parties other than Mindspace REIT, as may be deemed necessary by the Manager	(46)	(179)	(9)	(98)	(705)	(34)	(92)	(80)	-	(1,243)
19.	12. Less: Proceeds to shareholders other than Mindspace REIT through buyback of shares/ capital reduction/ dividend paid on preference or equity capital, buyback distribution tax if any paid on the same, and further including buyback distribution tax, if applicable on distribution to Mindspace REIT	(39)	(390)	(3)	(971)	(118)	-	(7)	(2,274)	760	(3,042)
20.	<b>Total Adjustments (B)</b>	366	132	275	271	-	(35)	(89)	(54)	-	(178)
21.	<b>Net Distributable Cash Flows (C)=(A+B)</b>	501	611	92	140	68	295	748	459	-	2,914



Note 1: For the purpose of eliminations, repayment of Inter SPV loans and repayment of loans to REIT (further lent to Asset SPVs) is considered

Note 2: Borrowing from and repayment to REIT, if any within the same quarter has been adjusted under "Other Adjustments"

Note 3: As per Chapter V, clause 16(a) of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time, the entity is required to distribute not less than 90% of net distributable cash flows of the entity to Mindspace REIT in proportion of its holding in the SPV subject to applicable provisions in the Companies Act, 2013. As per distribution policy adopted by the governing board of Mindspace REIT's Manager (K Raheja Corp Investment Managers LLP), any proceeds to shareholders other than Mindspace REIT is reduced to arrive at net distributable cash flows (NDCF).

The above note has been prepared as per the distribution policy adopted by the governing board of Mindspace REIT's Manager, which is forming part of the Final offer document of Mindspace REIT and does not represent amount available for declaring dividend as per section 123 of the Companies Act, 2013 read with Declaration and Payment of Dividend Rules 2014.

Note 4: In case of Gigaplex, during the quarter ended 30 September 2022, a total amount of Rs 298 million has been transferred from capital expenditure to other adjustments pursuant to lease commencement of fit outs.

Note 5: In March 2022, Mindspace Business Parks Private Limited ("MBPPL"), one of the Asset SPVs of Mindspace Business Parks REIT concluded the sale of land admeasuring approximately 39.996 acres located at Pocharam, Hyderabad, to K. Raheja Corp Private Limited ("KRCPL") for a consideration of Rs. 1,200 Million as per the approval of the Board of Directors of MBPPL and the Governing Board of the Manager and other terms and conditions as set out in the Memorandum of Understanding dated December 16, 2019 read with the extension letter dated September 1, 2021 ("MoU") and sale deed dated 30th March 2022.


The above consideration is not envisaged for an immediate re-investment opportunity. In view of the same, it is proposed to pay out the sale consideration as per the terms of the REIT Regulations. Accordingly, NDCF for the quarter ended September 30, 2022, includes Rs. 450 millions on account of distribution of part of such sale proceeds by way of dividend to unitholders.

As per our report of even date attached:

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

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

  
**Nilesh Shah**

Partner

Membership number: 49660

Place: Mumbai

Date : 14 November 2022

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

  
**Neel C. Raheja**  
Member

DIN: 00029010

Place: Mumbai


Date : 14 November 2022

  
**Vinod N. Rohira**  
Chief Executive Officer

DIN: 00460667

Place: Mumbai

Date : 14 November 2022

  
**Preeti N. Chheda**  
Chief Financial Officer

DIN: 08066703

Place: Mumbai

Date : 14 November 2022

**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

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

Additional disclosures as required by Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Net Distributable Cash Flows (NDCF) pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

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

For the quarter ended 30 June 2022 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016 <sup>(b)</sup>

Sr. no.	Description	Avacado	MBPPL	Horizonview	Gigaplex	KRC	Infra	Intime	KRIT	Sundew	Elimination <sup>(1)</sup>	Total
1.	Profit after tax as per Statement of profit and loss/income and expenditure (standalone) (A)	134	485	(158)	(51)	102	260	277	529	-	-	1,578
2.	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	25	137	34	113	50	19	19	105	-	-	502
3.	Add/less: Loss/gain on sale of real estate assets	-	-	-	-	-	-	-	-	-	-	-
4.	Add: Proceeds from sale of real estate assets, liquidation of any other asset or investment (incl. cash equivalents) or any form of fund raise at the Asset SPV level adjusted for the following:	-	-	170	1,225	1,460	300	584	-	-	(3,739)	-
	debits settled or due to be settled from sale proceeds	-	-	-	-	-	-	-	-	-	-	-
	transaction costs	-	-	-	-	-	-	-	-	-	-	-
	proceeds re-invested or planned to be reinvested in accordance with the REIT	-	-	-	-	-	-	-	-	-	-	-
	Regulations <sup>(4)</sup>	-	-	-	-	-	-	-	-	-	-	-
	any acquisition	-	-	-	-	-	-	-	-	-	-	-
	investment in any form as permitted under the REIT Regulations	-	-	-	-	-	-	-	-	-	-	-
	as may be deemed necessary by the Manager	-	-	-	-	-	-	-	-	-	-	-
5.	Add: Proceeds from sale of real estate assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently	-	-	-	-	-	-	-	-	-	-	-
6.	Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), as may be deemed necessary by the Manager.	33	154	1	44	24	29	(32)	86	-	-	339
	For example, any decrease/increase in carrying amount of an asset or of a liability recognised in statement of profit and loss/income and expenditure on measurement of the asset or the liability at fair value, interest cost as per effective interest rate method, deferred tax, lease rents recognised on a straight line basis, etc.	-	-	-	-	-	-	-	-	-	-	-
7.	Add: Cash flow received from Asset SPV and investment entity, if any including (applicable for Holdco only, to the extent not covered above)	-	-	-	-	-	-	-	-	-	-	-
	repayment of the debt in case of investments by way of debt	-	-	-	-	-	-	-	-	-	-	-
	proceeds from buy-backs/ capital reduction	-	-	-	-	-	-	-	-	-	-	-
8.	Add: Interest on borrowings from Mindspace REIT	-	-	-	-	-	-	-	-	-	-	-
9.	Add/less: Other adjustments, including but not limited to net changes in security deposits, working capital, etc., as may be deemed necessary by the Manager <sup>(2)</sup>	287	105	87	387	58	-	4	1	-	-	929
10.	Less: Any expense in the nature of capital expenditure including capitalized interest thereon (to the parties other than Mindspace REIT), overheads, etc.	11	(126)	2	(28)	68	(140)	(37)	(19)	-	-	(269)
11.	Less: Net debt repayment / (drawdown) / redemption of preference shares / debentures / any other such instrument / premiums / accrued interest / any other obligations / liabilities etc., to parties other than Mindspace REIT; as may be deemed necessary by the Manager	(10)	(251)	(31)	(485)	(623)	(20)	(354)	(78)	-	-	(1,852)
12.	Less: Proceeds to shareholders other than Mindspace REIT through buyback of shares/ capital reduction/ dividend paid on preference or equity capital, buyback distribution tax if any paid on the same, and further including buyback distribution tax, if applicable on distribution to Mindspace REIT	2,957	5,787	(15)	(811)	(1,082)	-	225	204	304	-	7,569
	<b>Total Adjustments (B)</b>	3,303	5,806	248	445	(45)	(48)	(76)	(54)	-	-	(178)
	<b>Net Distributable Cash Flows (C)=(A+B)</b>	3,437	6,291	90	394	57	400	610	774	(3,435)	(3,435)	8,618



Note 1: For the purpose of eliminations, repayment of inter SPV loans and repayment of loans to REIT (further lent to Asset SPVs) is considered.

Note 2: Borrowing from and repayment to REIT, if any within the same quarter has been adjusted under "Other Adjustments".

Note 3: As per Chapter V, clause 16(a) of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time, the entity is required to distribute not less than 90% of net distributable cash flows of the entity to Mindspace REIT in proportion of its holding in the SPV subject to applicable provisions in the Companies Act, 2013. As per distribution policy adopted by the governing board of Mindspace REIT's Manager (K Raheja Corp Investment Managers LLP), any proceeds to shareholders other than Mindspace REIT is reduced to arrive at net distributable cash flows (NDCF).

The above note has been prepared as per the distribution policy adopted by the governing board of Mindspace REIT's Manager, which is forming part of the Final offer document of Mindspace REIT and does not represent amount available for declaring dividend as per section 123 of the Companies Act, 2013 read with Declaration and Payment of Dividend Rules 2014.

Note 4: In March 2022, Mindspace Business Parks Private Limited ("MBPPL"), one of the Asset SPVs of Mindspace Business Parks REIT concluded the sale of land admeasuring approximately 39.996 acres located at Pocharam, Hyderabad, to K. Raheja Corp Private Limited ("KRCPL") for a consideration of Rs. 1,200 Million as per the approval of the Board of Directors of MBPPL and the Governing Board of the Manager and other terms and conditions as set out in the Memorandum of Understanding dated December 16, 2019 read with the extension letter dated September 1, 2021 ("MoU") and sale deed dated 30th March 2022.

The above consideration is not envisaged for an immediate re-investment opportunity. In view of the same, it is proposed to pay out the sale consideration as per the terms of the REIT Regulations. Accordingly, NDCF for the quarter ended June 30, 2022, includes Rs. 300 millions on account of distribution of part of such sale proceeds by way of dividend to unitholders.

As per our report of even date attached:

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



**Nitesh Shah**  
Partner  
Membership number: 49660  
Place: Mumbai  
Date: 14 November 2022

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



**Vinod N. Rohira**  
Chief Executive Officer  
DIN: 00460667  
Place: Mumbai  
Date: 14 November 2022



**Neel C. Raheja**  
Chairman  
DIN: 00029010  
Place: Mumbai  
Date: 14 November 2022



**Preeti N. Chheda**  
Chief Financial Officer  
DIN: 08066703  
Place: Mumbai  
Date: 14 November 2022



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

Condensed Consolidated Financial Statements

Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

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

Additional disclosures as required by Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Net Distributable Cash Flows (NDCF) pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

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

For the quarter ended 30 September 2021 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Sr. no.	Description	Avacado	MBPPL	Horizonview	Gigaplex	KRC	Infra	Intime	KRIT	Sundev	Elimination <sup>(1)</sup>	Total
1.	Profit after tax as per Statement of profit and loss/income and expenditure (standalone) (A)	75	656	(201)	202	82	249	247	523			1,833
2.	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	20	113	30	105	39	8	7	81			403
3.	Add/less: Loss/gain on sale of real estate assets											-
4.	Add: Proceeds from sale of real estate assets, liquidation of any other asset or investment (incl. cash equivalents) or any form of fund raise at the Asset SPV level adjusted for the following:	170	1,900		600	520	220	780	100		(4,240)	50
	debits settled or due to be settled from sale proceeds											-
	transaction costs											-
	proceeds re-invested or planned to be reinvested in accordance with the REIT Regulations											-
	any acquisition											-
	investment in any form as permitted under the REIT Regulations											-
	as may be deemed necessary by the Manager											-
5.	Add: Proceeds from sale of real estate assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently											-
6.	Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), as may be deemed necessary by the Manager.	44	67	22	(275)	20	(10)	34	186			88
	For example, any decrease/increase in carrying amount of an asset or of a liability recognised in statement of profit and loss/income and expenditure on measurement of the asset or the liability at fair value, interest cost as per effective interest rate method, deferred tax, lease rents recognised on a straight line basis, etc.											-
7.	Add: Cash flow received from Asset SPV and investment entity, if any including (applicable for Holdco only, to the extent not covered above):											-
	repayment of the debt in case of investments by way of debt											-
	proceeds from buy-backs/ capital reduction											-
8.	Add: Interest on borrowings from Mindspace REIT											-
9.	Add/less: Other adjustments, including but not limited to net changes in security deposits, working capital, etc., as may be deemed necessary by the Manager <sup>(2), (3), &amp; (6)</sup>	36	59	83	60	25						263
	Mindspace REIT, overheads, etc.	(54)	(1,443)	8	13	5	23	(121)	(36)			(1,605)
10.	Less: Any expense in the nature of capital expenditure including capitalized interest thereon (to the parties other than Mindspace REIT), overheads, etc.	(30)	(60)	(31)	(114)	(529)	(12)	(121)	(102)			(999)
11.	Less: Net debt repayment / (drawdown) / redemption of preference shares / debentures / any other such instrument / premiums / accrued interest / any other obligations / liabilities etc., to parties other than Mindspace REIT, as may be deemed necessary by the Manager <sup>(4)</sup>	(43)	(575)	176	(323)	(135)	(0)	(124)	2,803		1,070	2,849
12.	Less: Proceeds to shareholders other than Mindspace REIT through buyback of shares/ capital reduction/ dividend paid on preference or equity capital, buyback distribution tax if any paid on the same, and further including buyback distribution tax, if applicable on distribution to Mindspace REIT <sup>(5)</sup>											(209)
		143	61	288	65	(55)	175	378	2,955		(3,170)	840
		218	717	87	267	27	423	625	3,478		(3,170)	2,673
<b>Total Adjustments (B)</b>												
<b>Net Distributable Cash Flows (C)=(A+B)</b>												



**MINDSPACE BUSINESS PARKS REIT**

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

**Condensed Consolidated Financial Statements**

**Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016**

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

- Note 1: For the purpose of eliminations, repayment of Inter SPV loans and repayment of loans to REIT (further lent to Asset SPVs) is considered.
- Note 2: During the quarter ended 30 September 2021, a total amount of 118 million (incurred during the quarter) has been transferred from capital expenditure to other adjustments pursuant to lease commencement of fit-outs in Gigaplex.
- Note 3: Borrowing from and repayment to REIT, if any within the same quarter has been adjusted under "Other Adjustments"
- Note 4: Includes Rs. 4,000 Non-Convertible Debentures raised in Sundew during the quarter ended 30 September 2021.
- Note 5: As per Chapter V, clause 16(a) of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time, the entity is required to distribute not less than 90% of net distributable cash flows of the entity to Mindspace REIT in proportion of its holding in the SPV subject to applicable provisions in the Companies Act, 2013. As per distribution policy adopted by the governing board of Mindspace REIT's Manager (K Raheja Corp Investment Managers LLP), any proceeds to shareholders other than Mindspace REIT is reduced to arrive at net distributable cash flows (NDCF).
- The above note has been prepared as per the distribution policy adopted by the governing board of Mindspace REIT's Manager, which is forming part of the Final offer document of Mindspace REIT and does not represent amount available for declaring dividend as per section 123 of the Companies Act, 2013 read with Declaration and Payment of Dividend Rules 2014.
- Note 6: The balance in Book Overdraft for previous quarter disclosed under other current financial liabilities are added to determine Net distributable cash flow for the quarter ended 30 September 2021.
- Note 7: In case of Sundew, during the quarter ended 30 September 2021, a total amount of Rs. 77 million (Including 25 million incurred during the quarter) has been transferred from capital expenditure to other adjustments pursuant to lease commencement of fit-outs.

As per our report of even date attached:

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

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



**Nilesh Shah**

Partner

Membership number: 49660

Place: Mumbai

Date : 14 November 2022

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



**Vinod N. Rohira**

Chief Executive Officer

DIN: 00460667

Place: Mumbai

Date : 14 November 2022



**Neel C. Raheja**

Member

DIN: 00029010

Place: Mumbai

Date : 14 November 2022



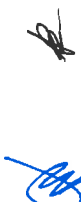
**Preeti N. Chheda**

Chief Financial Officer

DIN: 08066703

Place: Mumbai

Date : 14 November 2022



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

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

Additional disclosures as required by Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Net Distributable Cash Flows (NDCF) pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

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

For the half year ended 30 September 2022 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016 <sup>(3)</sup>

Sr. no.	Description	Avacado	MBPPL	Horizonview	Gigaplex	KRC Infra	Intime	KRIT	Sundew	Elimination <sup>(1)</sup>	Total
1.	<b>Profit after tax as per Statement of profit and loss/income and expenditure (standalone) (A)</b>	269	964	(341)	(182)	150	526	513	1,055	-	2,954
2.	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	50	274	69	243	113	31	38	211	-	1,029
3.	Add/Less: Loss/gain on sale of real estate assets	-	-	-	-	-	-	-	-	-	-
4.	Add: Proceeds from sale of real estate assets, liquidation of any other asset or investment (incl. cash equivalents) or any form of fund raise at the Asset SPV level adjusted for the following:	370	290	310	2,645	2,280	310	1,234	2,035	(4,499)	4,975
	· debts settled or due to be settled from sale proceeds	-	-	-	-	-	-	-	-	-	-
	· transaction costs	-	-	-	-	-	-	-	-	-	-
	· proceeds re-invested or planned to be reinvested in accordance with the REIT Regulations <sup>(2)</sup>	-	-	-	-	-	-	-	-	-	-
	· any acquisition	-	-	-	-	-	-	-	-	-	-
	· investment in any form as permitted under the REIT Regulations	-	-	-	-	-	-	-	-	-	-
	as may be deemed necessary by the Manager	-	-	-	-	-	-	-	-	-	-
5.	Add: Proceeds from sale of real estate assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently	-	-	-	-	-	-	-	-	-	-
6.	Add/Less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), as may be deemed necessary by the Manager	65	309	22	150	51	7	(39)	168	-	733
	For example, any decrease/increase in carrying amount of an asset or of a liability recognised in statement of profit and loss/income and expenditure on measurement of the asset or the liability at fair value, interest cost as per effective interest rate method, deferred tax, lease rents recognised on a straight line basis, etc.	-	-	-	-	-	-	-	-	-	-
7.	Add: Cash flow received from Asset SPV and investment entity, if any including (applicable for Holdco only, to the extent not covered above):	-	-	-	-	-	-	-	-	-	-
	· repayment of the debt in case of investments by way of debt	-	-	-	-	-	-	-	-	-	-
	· proceeds from buy-backs/capital reduction	-	-	-	-	-	-	-	-	-	-
8.	Add: Interest on borrowings from Mindspace REIT	-	-	-	-	-	-	-	-	-	-
9.	Add/Less: Other adjustments, including but not limited to net changes in security deposits, working capital, etc., as may be deemed necessary by the Manager <sup>(2) &amp; (4)</sup>	314	142	184	523	131	-	22	37	-	1,353
10.	Less: Any expense in the nature of capital expenditure including capitalized interest thereon (to the parties other than Mindspace REIT), overheads, etc. <sup>(4)</sup>	8	(44)	(4)	(480)	(72)	(42)	(17)	63	-	(588)
11.	Less: Net debt repayment / (drawdown) / redemption of preference shares / debentures / any other such instrument / premiums / accrued interest / any other obligations / liabilities etc., to parties other than Mindspace REIT, as may be deemed necessary by the Manager	(56)	(430)	(40)	(583)	(1,328)	(54)	(446)	(158)	-	(3,095)
12.	Less: Proceeds to shareholders other than Mindspace REIT through buyback of shares/ capital reduction/dividend paid on preference or equity capital, buyback distribution tax if any paid on the same, and further including buyback distribution tax, if applicable on distribution to Mindspace REIT	2,918	5,397	(18)	(1,782)	(1,200)	-	218	(2,070)	1,064	4,527
	<b>Total Adjustments (B)</b>	3,669	5,938	523	716	(25)	(83)	169	(108)	(3,435)	8,578
	<b>Net Distributable Cash Flows (C)=(A+B)</b>	3,938	6,902	182	534	125	695	1,358	1,233	(3,435)	11,532



Note 1: For the purpose of eliminations, repayment of Inter SPV loans and repayment of loans to REIT (further lent to Asset SPVs) is considered.

Note 2: Borrowing from and repayment to REIT, if any within the same quarter has been adjusted under "Other Adjustments"

Note 3: As per Chapter V, clause 16(a) of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time, the entity is required to distribute not less than 90% of net distributable cash flows of the entity to Mindspace REIT in proportion of its holding in the SPV subject to applicable provisions in the Companies Act, 2013. As per distribution policy adopted by the governing board of Mindspace REIT's Manager (K Raheja Corp Investment Managers LLP), any proceeds to shareholders other than Mindspace REIT is reduced to arrive at Net Distributable Cash Flows (NDCF).

The above note has been prepared as per the distribution policy adopted by the governing board of Mindspace REIT's Manager, which is forming part of the Final offer document of Mindspace REIT and does not represent amount available for declaring dividend as per section 123 of the Companies Act, 2013 read with Declaration and Payment of Dividend Rules 2014.

Note 4: In case of Gigaplex, during the half year ended 30 September 2022, a total amount of Rs 298 million has been transferred from capital expenditure to other adjustments pursuant to lease commencement of fit outs.

Note 5: In March 2022, Mindspace Business Parks Private Limited ("MBPPL"), one of the Asset SPVs of Mindspace Business Parks REIT concluded the sale of land admeasuring approximately 39,996 acres located at Pocharam, Hyderabad, to K. Raheja Corp Private Limited ("KRCPPL") for a consideration of Rs. 1,200 Million as per the approval of the Board of Directors of MBPPL and the Governing Board of the Manager and other terms and conditions as set out in the Memorandum of Understanding dated December 16, 2019 read with the extension letter dated September 1, 2021 ("MoU") and sale deed dated 30th March 2022.

The above consideration is not envisaged for an immediate re-investment opportunity. In view of the same, it is proposed to pay out the sale consideration as per the terms of the REIT Regulations. Accordingly, NDCF for the half year ended September 30, 2022, includes Rs. 750 millions on account of distribution of part of such sale proceeds by way of dividend to unitholders.

\*Refer Note 53


As per our report of even date attached:

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

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

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

  
**Nilesh Shah**

Partner

Membership number: 49660

Place: Mumbai

Date : 14 November 2022


  
**Neel C. Raheja**

Member

DIN: 00029018

Place: Mumbai

Date : 14 November 2022


  
**Vinod N. Rohira**

Chief Executive Officer

DIN: 00460667

Place: Mumbai

Date : 14 November 2022

  
**Preeti N. Chheda**

Chief Financial Officer

DIN: 08066703

Place: Mumbai

Date : 14 November 2022



**MINDSPACE BUSINESS PARKS REIT**
**RN:IN/REIT/19-20/003**
**Condensed Consolidated Financial Statements**
**Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016**
**(All amounts are in Rs. million unless otherwise stated)**
**Additional disclosures as required by Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016**
**Net Distributable Cash Flows (NDCF) pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016**
**(iv) Calculation of net distributable cash flows at each Asset SPV**
**For the half year ended 31 March 2022 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016 <sup>(A)</sup>**

Sr. no.	Description	Avacado	MBPPL	Horizonview	Gigaplex	KRC Infra	Intime	KRIT	Sundew	Elimination <sup>(U)</sup>	Total
1.	Profit after tax as per Statement of profit and loss/income and expenditure (standalone) (A)	191	949	(377)	(288)	247	477	456	1,046	-	2,701
2.	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	44	143	63	220	89	24	31	181	-	795
3.	Add/less: Loss/gain on sale of real estate assets	-	(428)	-	-	-	-	-	-	-	(428)
4.	Add: Proceeds from sale of real estate assets, liquidation of any other asset or investment (incl. cash equivalents) or any form of fund raise at the Asset SPV level adjusted for the following:	600	3,520	482	1,058	1,490	490	1,703	50	(3,140)	6,252
	- debits settled or due to be settled from sale proceeds	-	-	-	-	-	-	-	-	-	-
	- transaction costs	-	-	-	-	-	-	-	-	-	-
	- proceeds re-invested or planned to be reinvested in accordance with the REIT Regulations <sup>(6)</sup>	-	(1,200)	-	-	-	-	-	-	-	(1,200)
	- any acquisition	-	-	-	-	-	-	-	-	-	-
	- investment in any form as permitted under the REIT Regulations as may be deemed necessary by the Manager	-	-	-	-	-	-	-	-	-	-
5.	Add: Proceeds from sale of real estate assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently	-	-	-	-	-	-	-	-	-	-
6.	Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), as may be deemed necessary by the Manager.	(21)	68	29	322	(7)	(5)	(107)	109	-	388
	For example, any decrease/increase in carrying amount of an asset or of a liability recognised in statement of profit and loss/income and expenditure on measurement of the asset or the liability at fair value, interest cost as per effective interest rate method, deferred tax, lease rents recognised on a straight line basis, etc.	-	-	-	-	-	-	-	-	-	-
7.	Add: Cash flow received from Asset SPV and investment entity, if any including (applicable for Holdco only, to the extent not covered above):	-	-	-	-	-	-	-	-	-	-
	- repayment of the debt in case of investments by way of debt	-	-	-	-	-	-	-	-	-	-
	- proceeds from buy-backs/ capital reduction	-	-	-	-	-	-	-	-	-	-
8.	Add: Interest on borrowings from Mindspace REIT	-	-	-	-	-	-	-	-	-	-
9.	Add/less: Other adjustments, including but not limited to net changes in security deposits, working capital, etc., as may be deemed necessary by the Manager <sup>(2) &amp; (5)</sup>	65	79	171	99	74	-	4	6	-	496
10.	Less: Any expense in the nature of capital expenditure including capitalized interest thereon (to the parties other than Mindspace REIT), overheads, etc. <sup>(3)</sup>	(54)	1,603	95	251	258	(23)	(20)	119	-	2,229
11.	Less: Net debt repayment / (drawdown) / redemption of preference shares / debentures / any other such instrument / premiums / accrued interest / any other obligations / liabilities etc., to parties other than Mindspace REIT, as may be deemed necessary by the Manager	(64)	(142)	(183)	(980)	(1,514)	(32)	(366)	(220)	-	(3,501)
12.	Less: Proceeds to shareholders other than Mindspace REIT through buyback of shares/ capital reduction/ dividend paid on preference or equity capital, buyback distribution tax if any paid on the same, and further including buyback distribution tax, if applicable on distribution to Mindspace REIT <sup>(4)</sup>	220	(3,659)	(112)	(602)	(578)	(0)	(146)	(229)	2,640	(2,466)
	<b>Total Adjustments (B)</b>	-	-	-	-	-	(103)	(171)	(116)	-	(389)
	<b>Net Distributable Cash Flows (C)=(A+B)</b>	788	(15)	546	368	(189)	349	928	(99)	(500)	2,176
		979	934	169	79	58	827	1,383	947	(500)	4,877



Note 1: For the purpose of eliminations, repayment of Inter SPV loans and repayment of loans to REIT (further lent to Asset SPVs) is considered.

Note 2: Borrowing from and repayment to REIT, if any within the same half year has been adjusted under "Other Adjustments."

Note 3: As per Chapter V, clause 16(a) of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time, the entity is required to distribute not less than 90% of net distributable cash flows of the entity to Mindspace REIT in proportion of its holding in the SPV subject to applicable provisions in the Companies Act, 2013. As per distribution policy adopted by the governing board of Mindspace REIT's Manager (K Raheja Corp Investment Managers LLP), any proceeds to shareholders other than Mindspace REIT is reduced to arrive at net distributable cash flows (NDCF).

The above note has been prepared as per the distribution policy adopted by the governing board of Mindspace REIT's Manager, which is forming part of the Final offer document of Mindspace REIT and does not represent amount available for declaring dividend as per section 123 of the Companies Act, 2013 read with Declaration and Payment of Dividend Rules 2014.

Note 4: The dividend is declared by Sundew, KRIT and Intime on 23 December 2021 amounting to Rs. 1,691 million to Mindspace REIT and Rs. 209 million to shareholders other than Mindspace REIT. The amount is paid to Mindspace REIT on 30 December 2021 and the balance payable to other shareholders is appearing in the earmarked bank account as on 31 December 2021 and the same is paid in January 2022.

Note 5: In case of Sundew, during the half year ended 31 March 2022, a total amount of Rs. 77 million (including 13 million incurred during the quarter) has been transferred from capital expenditure to other adjustments pursuant to lease commencement of fit-outs.

Note 6: In March 2022, Mindspace Business Parks Private Limited ("MBPPL"), one of the Asset SPVs of Mindspace Business Parks REIT concluded the sale of land admeasuring approximately 39.996 acres located at Pocharam, Hyderabad, to K. Raheja Corp Private Limited ("KRCPL") for a consideration of Rs. 1,200 Million as per the approval of the Board of Directors of MBPPL and the Governing Board of the Manager and other terms and conditions as set out in the Memorandum of Understanding dated December 16, 2019 read with the extension letter dated September 1, 2021 ("MoU") and sale deed dated 30th March 2022. Pending the decision on re-investment or distribution of the sale proceeds, the sale proceeds has been temporarily utilised to repay debt and invested in fixed deposit.

As per our report of even date attached:

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

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



**Nitesh Shah**

Partner

Membership number: 49660

Place: Mumbai

Date : 14 November 2022

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


  
**Vinod N. Rohira**

Chief Executive Officer

DIN: 00460667

Place: Mumbai

Date : 14 November 2022

  
**Neel C. Raheja**

Member

DIN: 00035010

Place: Mumbai

Date : 14 November 2022

  
**Preeti N. Chheda**

Chief Financial Officer

DIN: 08066703

Place: Mumbai

Date : 14 November 2022



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

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

Additional disclosures as required by Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Net Distributable Cash Flows (NDCF) pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

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

For the half year ended 30 September 2021 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Sr. no.	Description	Avacado	MBPPL	Horizonview	Gigaplex	KRC Infra	Intime	KRIT	Sundew	Elimination <sup>(1)</sup>	Total
1.	Profit after tax as per Statement of profit and loss/income and expenditure (standalone) (A)	134	1,303	(387)	2	161	502	335	1,009	-	3,059
2.	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	40	224	60	193	76	16	16	164	-	789
3.	Add/Less: Loss/gain on sale of real estate assets	-	-	-	-	-	-	-	-	-	-
4.	Add: Proceeds from sale of real estate assets, liquidation of any other asset or investment (incl. cash equivalents) or any form of fund raise at the Asset SPV level adjusted for the following:	170	1,900	70	600	870	640	1,180	200	(5,580)	50
	• debts settled or due to be settled from sale proceeds	-	-	-	-	-	-	-	-	-	-
	• transaction costs	-	-	-	-	-	-	-	-	-	-
	• proceeds re-invested or planned to be reinvested in accordance with the REIT Regulations	-	-	-	-	-	-	-	-	-	-
	• any acquisition	-	-	-	-	-	-	-	-	-	-
	• investment in any form as permitted under the REIT Regulations	-	-	-	-	-	-	-	-	-	-
	as may be deemed necessary by the Manager	-	-	-	-	-	-	-	-	-	-
5.	Add: Proceeds from sale of real estate assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently	-	-	-	-	-	-	-	-	-	-
6.	Add/Less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), as may be deemed necessary by the Manager <sup>(2)</sup>	72	193	41	22	37	(5)	258	267	-	883
	For example, any decrease/increase in carrying amount of an asset or of a liability recognised in statement of profit and loss/income and expenditure on measurement of the asset or the liability at fair value, interest cost as per effective interest rate method, deferred tax, lease rents recognised on a straight line basis, etc.	-	-	-	-	-	-	-	-	-	-
7.	Add: Cash flow received from Asset SPV and investment entity, if any including (applicable for Holdco only, to the extent not covered above):	-	-	-	-	-	-	-	-	-	-
	• repayment of the debt in case of investments by way of debt	-	-	-	-	-	-	-	-	-	-
	• proceeds from buy-backs/ capital reduction	-	-	-	-	-	-	-	-	-	-
8.	Add: Interest on borrowings from Mindspace REIT	-	-	-	-	-	-	-	-	-	-
9.	Add/Less: Other adjustments, including but not limited to net changes in security deposits, working capital, etc., as may be deemed necessary by the Manager <sup>(3) &amp; (6)</sup>	74	115	169	112	51	-	-	6	-	527
10.	Less: Any expense in the nature of capital expenditure including capitalized interest thereon (to the parties other than Mindspace REIT), overheads etc. <sup>(6) &amp; (7)</sup>	9	(1,647)	5	(44)	41	(53)	(218)	(231)	-	(2,138)
11.	Less: Net debt repayment / (drawdown) / redemption of preference shares / debentures / any other such instrument / premiums / accrued interest / any other obligations / liabilities etc., to parties other than Mindspace REIT, as may be deemed necessary by the Manager <sup>(4)</sup>	(65)	(180)	(92)	(436)	(932)	(15)	(215)	(198)	-	(2,133)
12.	Less: Proceeds to shareholders other than Mindspace REIT through buyback of shares/ capital reduction/ dividend paid on preference or equity capital, buyback distribution tax if any paid on the same, and further including buyback distribution tax, if applicable on distribution to Mindspace REIT <sup>(5)</sup>	(178)	(382)	309	(142)	(254)	0	120	3,654	1,990	5,117
	<b>Total Adjustments (B)</b>	122	222	561	304	(111)	(118)	(162)	(163)	-	(443)
	<b>Net Distributable Cash Flows (C)=(A+B)</b>	255	1,525	174	306	50	968	1,314	4,708	(3,590)	5,711



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

**Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016**

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

Note 1: For the purpose of eliminations, repayment of Inter SPV loans and repayment of loans to REIT (further lent to Asset SPVs) is considered.

Note 2: In case of KRIT, amount includes written down value (in SPV) of the buildings bearing nos. 1A & 1B and plant and machinery and other items attached to the buildings amounting Rs 260 million on account of demolition of the said buildings. The Company has received concurrence from TSIC on 23 June 2021 for redevelopment.

Note 3: Borrowing from and repayment to REIT, if any within the same half year has been adjusted under "Other Adjustments".

Note 4: Includes Rs. 4,000 Non-Convertible Debentures raised in Sundew during the period ended 30 September 2021.

Note 5: As per Chapter V, clause 16(a) of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time, the entity is required to distribute not less than 90% of net distributable cash flows of the entity to Mindspace REIT in proportion of its holding in the SPV subject to applicable provisions in the Companies Act, 2013. As per distribution policy adopted by the governing board of Mindspace REIT's Manager (K. Raheja Corp Investment Managers LLP), any proceeds to shareholders other than Mindspace REIT is reduced to arrive at net distributable cash flows (NDCF).

The above note has been prepared as per the distribution policy adopted by the governing board of Mindspace REIT's Manager, which is forming part of the Final offer document of Mindspace REIT and does not represent amount available for declaring dividend as per section 123 of the Companies Act, 2013 read with Declaration and Payment of Dividend Rules 2014.

Note 6: During the period ended 30 September 2021, a total amount of 118 has been transferred from capital expenditure to other adjustments pursuant to lease commencement of fit-outs in Gigaplex.

Note 7: In case of Sundew, during the half year ended 30 September 2021, a total amount of Rs. 281 million (Including 67 million incurred during the quarter) has been transferred from capital expenditure to other adjustments pursuant to lease commencement of fit-outs.

As per our report of even date attached:

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

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

**Nilesh Shah**

Partner

Membership number: 49660

Place: Mumbai

Date : 14 November 2022

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

**Ned C. Raheja**  
Member

DIN: 00029010

Place: Mumbai

Date : 14 November 2022

**Vinod N. Rohira**  
Chief Executive Officer

DIN: 00460667

Place: Mumbai

Date : 14 November 2022

**Preeti N. Chheda**  
Chief Financial Officer

DIN: 08066703

Place: Mumbai

Date : 14 November 2022

**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

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

Additional disclosures as required by Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Net Distributable Cash Flows (NDCF) pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

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

 For the year ended 31 March 2022 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016 <sup>(5)</sup>

Sl. no.	Description	Avacado	MBPPL	Horizonview	Gigaplex	KRC	Infra	Intime	KRIT	Sundew	Elimination <sup>(1)</sup>	Total
1.	Profit after tax as per Statement of profit and loss/income and expenditure (standalone) (A)	325	2,252	(764)	(286)	407	979	791	2,055	5,759	-	5,759
2.	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	83	367	122	413	165	40	48	345	1,584	-	1,584
3.	Add/less: Loss/gain on sale of real estate assets	-	(428)	-	-	-	-	-	-	(428)	-	(428)
4.	Add: Proceeds from sale of real estate assets, liquidation of any other asset or investment (incl. cash equivalents) or any form of fund raise at the Asset SPV level adjusted for the following:	770	5,420	552	1,658	2,360	1,130	2,883	250	6,302	(8,720)	6,302
	debits settled or due to be settled from sale proceeds	-	-	-	-	-	-	-	-	-	-	-
	transaction costs	-	-	-	-	-	-	-	-	-	-	-
	proceeds re-invested or planned to be reinvested in accordance with the REIT Regulations <sup>(6)</sup>	-	(1,200)	-	-	-	-	-	-	-	-	(1,200)
	any acquisition	-	-	-	-	-	-	-	-	-	-	-
	investment in any form as permitted under the REIT Regulations	-	-	-	-	-	-	-	-	-	-	-
	as may be deemed necessary by the Manager	-	-	-	-	-	-	-	-	-	-	-
5.	Add: Proceeds from sale of real estate assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently	-	-	-	-	-	-	-	-	-	-	-
6.	Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), as may be deemed necessary by the Manager <sup>(2)</sup>	51	260	70	344	30	(10)	151	376	1,271	-	1,271
	For example, any decrease/increase in carrying amount of an asset or of a liability recognised in statement of profit and loss/income and expenditure on measurement of the asset or the liability at fair value, interest cost as per effective interest rate method, deferred tax, lease rents recognised on a straight line basis, etc.	-	-	-	-	-	-	-	-	-	-	-
7.	Add: Cash flow received from Asset SPV and investment entity, if any including (applicable for Holdco only, to the extent not covered above):	-	-	-	-	-	-	-	-	-	-	-
	repayment of the debt in case of investments by way of debt	-	-	-	-	-	-	-	-	-	-	-
	proceeds from buy-backs/ capital reduction	-	-	-	-	-	-	-	-	-	-	-
8.	Add: Interest on borrowings from Mindspace REIT	-	-	-	-	-	-	-	-	-	-	-
9.	Add/less: Other adjustments, including but not limited to net changes in security deposits, working capital, etc., as may be deemed necessary by the Manager <sup>(3), (6) &amp; (7)</sup>	138	193	340	211	125	-	4	13	1,024	-	1,024
	Mindspace REIT), overheads, etc. <sup>(6) &amp; (7)</sup>	(45)	(44)	100	207	299	(76)	(238)	(113)	90	-	90
10.	Less: Any expense in the nature of capital expenditure including capitalized interest thereon (to the parties other than Mindspace REIT), overheads, etc.	(129)	(322)	(274)	(1,416)	(2,446)	(47)	(582)	(418)	(5,634)	-	(5,634)
11.	Less: Net debt repayment / (drawdown) / redemption of preference shares / debentures / any other such instrument / premiums / accrued interest / any other obligations / liabilities etc., to parties other than Mindspace REIT, as may be deemed necessary by the Manager <sup>(4)</sup>	42	(4,041)	197	(744)	(832)	-	(26)	3,424	2,649	4,630	2,649
12.	Less: Proceeds to shareholders other than Mindspace REIT through buyback of shares/ capital reduction/ dividend paid on preference or equity capital, buyback distribution tax if any paid on the same, and further including buyback distribution tax, if applicable on distribution to Mindspace REIT <sup>(8)</sup>	-	-	-	-	-	(221)	(332)	(278)	(831)	-	(831)
	Total Adjustments (B)	909	206	1,106	671	(300)	816	1,907	3,600	4,826	(4,090)	4,826
	Net Distributable Cash Flows (C)=(A+B)	1,235	2,458	342	384	108	1,796	2,698	5,655	10,585	(4,090)	10,585



Note 1: For the purpose of eliminations, repayment of Inter SPV loans and repayment of loans to REIT (further lent to Asset SPVs) is considered.

Note 2: In case of KRIT, amount includes written down value (in SPV) of the buildings bearing nos. 1A & 1B and plant and machinery and other items attached to the buildings amounting Rs 260 million on account of demolition of the said buildings. It has received concurrence from TSIC on 23 June 2021 for redevelopment.

Note 3: Borrowing from and repayment to REIT, if any within the same quarter has been adjusted under "Other Adjustments".

Note 4: Includes Rs. 4,000 million Non-Convertible Debentures raised in Sundew during the year ended 31 March 2022.

Note 5: As per Chapter V, clause 16(a) of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time, the entity is required to distribute not less than 90% of net distributable cash flows of the entity to Mindspace REIT in proportion of its holding in the SPV subject to applicable provisions in the Companies Act, 2013. As per distribution policy adopted by the governing board of Mindspace REIT's Manager (K Raheja Corp Investment Managers LLP), any proceeds to shareholders other than Mindspace REIT is reduced to arrive at net distributable cash flows (NDCF).

The above note has been prepared as per the distribution policy adopted by the governing board of Mindspace REIT's Manager, which is forming part of the Final offer document of Mindspace REIT and does not represent amount available for declaring dividend as per section 123 of the Companies Act, 2013 read with Declaration and Payment of Dividend Rules 2014.

Note 6: During the year ended 31 March 2022, a total amount of 118 million has been transferred from capital expenditure to other adjustments pursuant to lease commencement of fit-outs in Gigaplex.

Note 7: In case of Sundew, during the year ended 31 March 2022, a total amount of Rs. 358 million (including 80 million incurred during the period) has been transferred from capital expenditure to other adjustments pursuant to lease commencement of fit-outs in Gigaplex.

Note 8: The dividend is declared by Sundew, KRIT and Intime on 23 December 2021 amounting to Rs. 1,691 million to Mindspace REIT and Rs. 209 million to shareholders other than Mindspace REIT. The amount is paid to Mindspace REIT on 30 December 2021 and the balance payable to other shareholders is appearing in the earmarked bank account as on 31 December 2021 and the same is paid in January 2022.


Note 9: In March 2022, Mindspace Business Parks Private Limited ("MBPPL"), one of the Asset SPVs of Mindspace Business Parks REIT concluded the sale of land admeasuring approximately 39.996 acres located at Pocharam, Hyderabad, to K Raheja Corp Private Limited ("KRCPL") for a consideration of Rs. 1,200 Million as per the approval of the Board of Directors of MBPPL and the Governing Board of the Manager and other terms and conditions as set out in the Memorandum of Understanding dated December 16, 2019 read with the extension letter dated September 1, 2021 ("MoU") and sale deed dated 30th March 2022. Pending the decision on re-investment or distribution of the sale proceeds, the sale proceeds has been temporarily utilised to repay debt and invested in fixed deposit.

As per our report of even date attached:

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

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

  
**Nitesh Shah**

Partner

Membership number: 49660

Place: Mumbai

Date: 14 November 2022

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

  
**Neel C. Raheja**  
Member

DIN: 00020010

Place: Mumbai


Date: 14 November 2022

  
**Vinod N. Rohira**  
Chief Executive Officer

DIN: 00460667

Place: Mumbai

Date: 14 November 2022

  
**Preeti N. Chheda**  
Chief Financial Officer

DIN: 08066703

Place: Mumbai

Date: 14 November 2022

**MINDSPACE BUSINESS PARKS REIT**
**RN:IN/REIT/19-20/003**
**Condensed Consolidated Financial Statements**
**Notes to Accounts**
**(All amounts in Rs. million unless otherwise stated)**
**1 Organisation Structure**

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

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

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

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

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

Name of the SPV	Activities	Shareholding (in percentage) as at 31 March 22	Shareholding (in percentage) as at 30 September 2022
MBPPL	The SPV is engaged in real estate development projects such as Special Economic Zone (SEZ), Information Technology Parks and other commercial assets. The SPV has its projects in Airoli (Navi Mumbai), Pune and Pocharam (Hyderabad). The SPV is a deemed distribution licensee pursuant to which it can distribute power to the SEZ tenants within the Park. It commenced distribution of electricity in its project at Airoli, Navi Mumbai from 9 April 2015.	Mindspace Business Parks REIT : 100%	Mindspace Business Parks REIT : 100%
Gigaplex	The SPV is engaged in real estate development projects such as Special Economic Zone (SEZ), Information Technology Parks and other commercial assets. The SPV has its projects in Airoli (Navi Mumbai). The SPV is a deemed distribution licensee pursuant to which it can distribute power to the SEZ tenants within the Park. It commenced distribution of electricity in its project at Airoli, Navi Mumbai from 19 April 2016.	Mindspace Business Parks REIT : 100%	Mindspace Business Parks REIT : 100%
Sundew	The SPV is engaged in development and leasing/licensing of IT park, SEZ to different customers in Hyderabad.	Mindspace REIT : 89% Telangana State Industrial Infrastructure Corporation Limited (11%)	Mindspace REIT : 89% Telangana State Industrial Infrastructure Corporation Limited (11%)
Intime	The SPV is engaged in development and leasing/licensing of IT park to different customers in Hyderabad.	Mindspace REIT : 89% Telangana State Industrial Infrastructure Corporation Limited (11%)	Mindspace REIT : 89% Telangana State Industrial Infrastructure Corporation Limited (11%)
KRIT	The SPV is engaged in development and leasing/licensing of IT park to different customers in Hyderabad.	Mindspace REIT : 89% Telangana State Industrial Infrastructure Corporation Limited (11%)	Mindspace REIT : 89% Telangana State Industrial Infrastructure Corporation Limited (11%)





KRC Infra	The SPV is engaged in real estate development projects such as Special Economic Zone (SEZ) and Information Technology Parks. The SPV has its project in Kharadi Pune. The SPV is a deemed distribution licensee pursuant to which it can distribute power to the SEZ tenants within the Park. It commenced distribution of electricity in its project at Kharadi, Pune from 1 June 2019. The SPV is also engaged in Facility Management services.	Mindspace Business Parks REIT : 100%	Mindspace Business Parks REIT : 100%
Horizonview	The SPV is engaged in development and leasing/licensing of IT park to different customers in Chennai.	Mindspace Business Parks REIT : 100%	Mindspace Business Parks REIT : 100%
Avacado	The SPV has developed an Industrial park for the purpose of letting out to different customers in Paradigm building at Malad-Mumbai and is being maintained and operated by the SPV. The SPV also has a commercial project in Bandra Kurla Complex, Mumbai.	Mindspace Business Parks REIT : 100%	Mindspace Business Parks REIT : 100%

2

#### Basis of preparation

The Interim Condensed Consolidated Financial Statements of Mindspace Business Parks REIT comprises the Condensed Consolidated Balance Sheet as at September 30, 2022, the Condensed Consolidated Statement of Profit and Loss, including other comprehensive income, the Condensed Consolidated Statement of Cash Flow for the quarter and half year ended September 30, 2022, the Condensed Consolidated Statement of Changes in Unitholders Equity for the half year ended September 30, 2022, the Statement of Net Assets at Fair Value as at September 30 2022, the Statement of Total Returns at Fair Value for the half year ended September 30 2022, and the Statement of Net Distributable Cashflows of Mindspace Business Parks REIT and each of the SPVs for the quarter and half year ended September 30 2022, and a summary of the significant accounting policies and select explanatory information and other additional financial disclosures.

The Condensed Consolidated Financial Statements have been prepared in accordance with the requirements of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 ("the REIT regulations"); Regulation 52 and Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations"); Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with REIT regulations. (refer note 19 on presentation of "Unit Capital" as "Equity" instead of compound instruments under Ind AS 32 – Financial Instruments: Presentation).

The Condensed Consolidated Financial Statements were authorised for issue in accordance with the resolution passed by the Governing Board of the Manager on 14 November 2022

#### Statement of compliance to Ind AS:

These Condensed Consolidated financial statements for the quarter and half year ended September 30, 2022 have been prepared in accordance with Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) to the extent not inconsistent with the REIT regulations as more fully described above and Note 19 to the condensed consolidated financial statements.

#### Basis of Consolidation

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

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

- The financial statements of Mindspace Business Parks Group are consolidated for like items and intragroup balances and transactions for assets and liabilities, equity, income, expenses and cash flows between entities of Mindspace Business Parks Group are eliminated in full upon consolidation.
- Telangana State Industrial Infrastructure Corporation Limited, which is a shareholder in Intime, KRIT and Sundew has not agreed to exchange their equity interest in the SPVs (Intime, KRIT and Sundew), thus, Mindspace Business Parks REIT has recorded a non-controlling interests for these SPVs. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interest proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.
- The figures in the notes to accounts and disclosures have been Consolidated line by line and Inter-company transactions and balances including unrealised profits are eliminated in full on consolidation.
- Mindspace Business Parks Group holds 4% of the equity share capital of Stargaze Properties Private Limited, a company involved in the real estate development. Mindspace Business Parks Group is of the view that it is not able to exercise significant influence over Stargaze Properties Private Limited and hence it has not been accounted using equity method.





### 3 Significant accounting policies

#### (a) Functional and presentation currency

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

#### (b) Basis of measurement

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

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

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

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

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

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

- \* Presentation of "Unit Capital" as "Equity" in accordance with the REIT Regulations instead of compound instrument (Note 19)
- \* Estimation of lease term for revenue recognition
- \* Estimation of useful life of property, plant and equipment and investment property
- \* Estimation of recognition of deferred tax assets, availability of future taxable profit against which tax losses carried forward can be used and income taxes.
- \* Impairment and Fair valuation of Investment Property, Investment property under construction, Property, plant and equipment and Capital work-in-progress
- \* Recognition and measurement of provisions for contingencies and disclosure of contingent liabilities

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

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

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

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

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

#### (e) Measurement of fair values

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

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

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

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

### 3.1 Financial guarantee contracts

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

Financial guarantee contracts are measured initially at the fair value and in accordance with Ind AS 109 unless on a case to case basis elected to be accounted for financial guarantee as Insurance Contracts as specified under Ind AS 104.

### 3.2 Property, plant and equipment

#### (a) Recognition and measurement

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

#### (b) Subsequent expenditure

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



(c) **Depreciation**

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

The assets and estimated useful life are as under:

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

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

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

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

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

(d) **De-recognition**

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

(e) **Capital work in progress**

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

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

3.3 **Intangible assets**

(a) **Recognition and measurement**

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

(b) **Subsequent expenditure**

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

(c) **Amortisation**

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

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

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

(d) **De-recognition**

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



### 3.4 Investment property

#### (a) Recognition and measurement

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

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

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

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

#### (b) Subsequent expenditure

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

#### (c) Depreciation

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

Asset group	Estimated Useful Life (in years)
Right to use - Leasehold land	Balance Lease term
Buildings*	75/90
Infrastructure and development	15
Roadwork*	15
Broadwalk, vantage café etc.*	50
Plant and machinery	15
Office equipment*	4
Furniture and fixtures*	7
Electrical installation*	15

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

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

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

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

#### (d) Fair Value

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

#### (e) De-recognition

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

#### (f) Investment properties under construction

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

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

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

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

### 3.5 Impairment of assets

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

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





- 3.6 Borrowing costs**  
Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of cost of such assets. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. Capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the general borrowings. Capitalisation of borrowing costs is suspended during the extended period in which active development is interrupted. Capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. All other borrowing costs are recognised as an expense in the period in which they are incurred.  
Borrowing cost incurred by the SPVs on inter-company loans is continued to be capitalised only to the extent Mindspace Group has incurred external borrowing cost.
- 3.7 Inventories**
- (a) **Measurement of inventory**  
Inventories comprise of building material and components. Contractual work in progress, in respect of third party customers, is classified as work in progress. Mindspace Business Parks Group measures its inventories at the lower of cost and net realisable value.
- (b) **Cost of inventories**  
The cost of inventories of building material and components and work in progress comprise all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average basis.
- (c) **Net realisable value**  
Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.
- 3.8 Revenue recognition**
- (a) **Facility rentals**  
Revenue from property leased out under an operating lease is recognised over the lease term on a straight line basis, except where there is an uncertainty of ultimate collection.
- (b) **Revenue from works contractual services**  
Revenue from works contractual service is accounted for on the basis of completion of work as per the specification and agreement with the customer.
- (c) **Maintenance services**  
Maintenance income is recognised over a period of time for services rendered to the customers.
- (d) **Revenue from power supply**  
Revenue from power supply is accounted for on the basis of billings to consumers and includes unbilled revenues accrued up to the end of the accounting year. Mindspace Business Parks Group determines surplus/deficit i.e. excess/ shortfall of aggregate gain over return on equity entitlement for the period in respect of its operations based on the principles laid down under the respective Tariff Regulations as notified by Maharashtra Electricity Regulatory Commission (MERC), on the basis of the tariff order issued by it. In respect of such surplus/deficit, appropriate adjustments as stipulated under the regulations are made during the period. Further, any adjustments that may arise on annual performance review by the MERC under the tariff regulations is made after the completion of such review.
- (e) **Revenue from sale of goods**  
Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable for goods supplied, net of returns allowances, trade discounts and volume rebates. Revenue from the sale of goods is shown to exclude taxes such as Goods and Services Tax which is payable in respect of sale of goods. Revenue from the sale of goods is recognised when the Company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer.
- (f) **Finance Lease**  
For assets let out under finance lease, Mindspace Business Parks Group recognises a receivable at an amount equal to the net investment in the lease. Rentals received are accounted for as repayment of principal and finance income. Minimum lease payments receivable on finance leases are apportioned between the finance income and the reduction of the outstanding receivable. The finance income allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining net investment in the finance lease. Contingent rents are recorded as income in the periods in which they are earned.
- (g) **Sale of surplus construction material and scrap**  
Revenue from sale of surplus construction material and scrap is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods.
- 3.9 Recognition of dividend income, interest income :**
- (i) Dividend income is recognised in profit or loss on the date on which Mindspace REIT group has right to receive payment is established.  
(ii) Interest income is recognised on time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.  
(iii) Delayed payment charges and interest on delayed payments are recognised, on time proportion basis, except when there is uncertainty of ultimate collection.
- 3.10 Tax expense**  
Income tax expense comprises current tax and deferred tax charge or credit. It is recognised in the Statement of Profit and Loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income in which case, the current and deferred tax are also recognised in equity and other comprehensive income respectively.
- (a) **Current tax**  
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by end of reporting period.
- (b) **Deferred tax**  
Deferred tax asset/liability is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets and liabilities are measured that are expected to apply to the period when the asset is realised or the liability is settled, using the tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which Mindspace Business Parks Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.  
Deferred tax is not recognised for:  
- Temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; and  
- Temporary differences related to investments in subsidiaries, associates, and joint arrangements to the extent that Mindspace Business Park Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;



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

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

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

For operations carried out under tax holiday period (80IA benefits of Income Tax Act, 1961), deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

In the situations where one or more units of the Group are entitled to a tax holiday under the tax law, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned unit's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Group restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

### (c) Minimum Alternate Tax (MAT)

MAT credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Consolidated Statement of Profit and Loss and shown as MAT credit entitlement under deferred tax assets. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

### 3.11 Earnings per unit (EPU):

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

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

### 3.12 Provisions, contingent liabilities and contingent assets

Provisions are recognised when Mindspace Business Parks Group has a present legal or constructive obligation as a result of a past event, it is probable that Mindspace Business Parks Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

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

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

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

### 3.13 Foreign currency transactions and translations

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

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

### 3.14 Leases

As a Lessor

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

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

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

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease and presented as unbilled revenue in other financial assets. Initial direct costs such as brokerage expenses incurred specifically to earn revenues from an operating lease are capitalised to the carrying amount of leased asset and recognised over the lease term on the same basis as rental income.

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



As a Lessee

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

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

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

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

The lease liability is presented separately as part of Financial Liabilities in the Condensed Consolidated balance sheet. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

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

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

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

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

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

Mindspace Business Parks Group applies Ind AS 36 Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 3.5.

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

### 3.15 Financial instruments

#### 1 Initial recognition and measurement

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

#### 2 Financial assets:

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

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

##### (b) Subsequent Measurement

###### (i) Debt instruments:

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

###### Financial assets at amortised cost

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

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

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

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

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





(ii) **Equity instruments:**

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

**Investments in equity instruments at FVTPL:**

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

**Investments in equity instruments at FVTOCI:**

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

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

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

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

A financial asset is primarily derecognised when:

(i) the right to receive cash flows from the asset has expired, or

(ii) Mindspace Business Parks Group has transferred its rights to receive cash flows from the asset; and

Mindspace Business Parks Group has transferred substantially all the risks and rewards of the asset, or

Mindspace Business Parks Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

**3 Financial liabilities and equity instruments**

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

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

(b) **Equity instruments**

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

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

(c) **Compound financial instruments**

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

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

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

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

(d) **Financial Liabilities**

• **Recognition, measurement and classification**

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

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

• **Derecognition**

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

**4 Offsetting of financial instruments**

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



**3.16 Cash and cash equivalents**

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

**3.17 Statement of Cash flow**

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

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

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

**3.18 Employee benefits plan**

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

**(1) Short term employee benefits**

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

**(2) Long term employee benefits**

**Defined contribution plans**

Contributions to defined contribution schemes such as provident fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Mindspace Business Parks Group's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense. The above benefits are classified as defined contribution schemes as Mindspace Business Parks Group has no further defined obligations beyond the monthly contributions.

**Defined benefit plan**

Mindspace Business Parks Group's gratuity benefit scheme is a defined benefit plan. Mindspace Business Parks Group has determined the gratuity liability based on internal calculation based on the number of years completed and last drawn basic salary as mentioned in the Payment of Gratuity Act, 1972. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, if any. The defined benefit obligation is calculated annually by actuaries / SPVs using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Condensed Consolidated Statement of Profit and Loss.

**Other long term employee benefits - Compensated absences**

Benefits under compensated absences are accounted as other long-term employee benefits. Mindspace Business Parks Group has determined the liability for compensated absences based on internal calculation which is determined on the basis of leave credited to employee's account and the last drawn salary. Mindspace Business Parks Group's net obligation in respect of compensated absences is the amount of benefit to be settled in future, that employees have earned in return for their service in the current and previous years. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation / by SPVs using the projected unit credit method. Remeasurement is recognised in the Consolidated Statement of Profit and Loss in the period in which they arise. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability.

**3.19 Earnings before finance costs, depreciation and amortisation, regulatory income / expense, exceptional items and tax**

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

**3.20 Subsequent events**

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

**3.21 Errors and estimates**

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

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

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

**3.22 Non-current assets held for sale**

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in the Consolidated Statement of Profit and Loss.

Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.



### 3.23 Segment Information

#### Primary segment information

The primary reportable segment is business segments.

#### Business segment

The Mindspace Group is organised into the two operating divisions - 'real estate' and 'power distribution', which are determined based on the internal organisation and management structure of the Mindspace Group and its system of internal financial reporting and the nature of its risks and its returns. The Governing Board of the manager has been identified as the chief operating decision maker (CODM). CODM evaluates the Mindspace Group's performance, allocates resources based on analysis of various performance indicators of the Group as disclosed below.

#### Real estate segment

Real estate comprises development and management of projects under Special Economic Zone (SEZ), Information Technology Parks and other commercial assets. The Group has its project/properties in Mumbai Region, Hyderabad, Pune and Chennai for development and management of commercial SEZ, IT parks and commercial assets including incidental activities.

#### Power distribution

The state power regulator has taken on record the SEZ developer MBPPL, Gigaplex, Sundew and KRC Infra as Deemed Distribution Licensee for Power. The approved SPVs being Deemed Distributor, supplies power to customers within the notified SEZ.

#### Secondary segment information

Mindspace Business Parks Group's operations are based in India and therefore Mindspace Business Parks Group has only one geographical segment - India.

### 3.24 Non-controlling interests

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

SPV	Shareholder	% Holding in SPV (As on reporting date)
KRIT	Telangana State Industrial Infrastructure Corporation Limited	11.0%
Intime	Telangana State Industrial Infrastructure Corporation Limited	11.0%
Sundew	Telangana State Industrial Infrastructure Corporation Limited	11.0%

Ind AS 110 requires entities to attribute the profit or loss and each component of other comprehensive income to the owners of Mindspace REIT and to the non-controlling interests. This requirement needs to be followed even if this results in the non-controlling interests having a deficit balance.

### 3.25 Cash distribution to unit holders

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

### 3.26 Distribution Policy

The Net Distributable Cash Flows of Mindspace REIT are based on the cash flows generated from Mindspace REIT's assets and investments.

In terms of the Distribution Policy and the REIT Regulations, not less than 90% of the NDCF of each of the Asset SPVs is required to be distributed to Mindspace REIT, in proportion of their shareholding in the Asset SPV, subject to applicable provisions of the Companies Act or the LLP Act. Presently, NDCF to be received by Mindspace REIT from the Asset SPVs may be in the form of dividends, interest income, principal loan repayment, proceeds of any capital reduction or buyback from the Asset SPVs, sale proceeds out of disposal of investments if any or assets directly held by Mindspace REIT or as specifically permitted under the Trust Deed or in such other form as may be permissible under the applicable law.

The Manager is required to and shall declare and distribute at least 90% of the NDCF of Mindspace REIT as distributions ("REIT Distributions") to the Unitholders. Such REIT Distributions shall be declared and made for every quarter of a Financial Year.

### 3.27 Recent Pronouncements

#### New and amended standards

The accounting policies adopted and methods of computation followed are consistent with those of the previous financial year, except for items disclosed below:

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022 to amend the following Ind AS which are effective from April 01, 2022.

Reference to the Conceptual Framework – Amendments to Ind AS 103

- The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately.

It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards.

- Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify 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.

- Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs for example direct labour and materials and an allocation of other costs directly related to contract activities for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

There were certain amendments to standards and interpretations which are applicable for the first time for the half year ended 30 September 2022, but either the same are not relevant or do not have an impact on the consolidated financial statements of the Group. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.





**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

Notes to Accounts

(All amounts in Rs. million unless otherwise stated)

**4 Property, plant and equipment**

**Reconciliation of carrying amounts for the half year ended 30 September 2022**

Particulars	Power assets			Electrical Installation	Other assets				Total		
	Right of use - Leasehold Land	Buildings	Plant and machinery		Right of use - plant and machinery	Plant and machinery	Electrical Installation	Office equipment		Computers and fixtures	
Gross block (cost or deemed cost)											
At 1 April 2021	1	467	711	150	63	66	10	5	1	4	1,478
Additions during the year	-	8	188	45	-	83	-	0	20	-	344
Disposals/adjustments	-	41	0	-	63	2	-	-	-	0	106
At 31 March 2022	1	434	899	195	-	147	10	5	21	4	1,716
At 1 April 2022	1	434	899	195	-	147	10	5	21	4	1,716
Additions during the period	-	-	3	-	-	7	-	-	2	-	12
Disposals/adjustments	-	(109)	(59)	-	-	-	-	-	-	-	(168)
At 30 September 2022	1	325	843	195	-	154	10	5	23	4	1,560
Accumulated depreciation											
At 1 April 2021	0	4	47	3	5	4	-	3	1	1	68
Charge for the year	0	6	85	8	2	11	1	1	5	1	121
Disposals/adjustments	-	2	-	-	7	2	-	-	-	-	12
At 31 March 2022	-	8	132	11	-	13	1	4	6	2	178
At 1 April 2022	-	8	132	11	-	13	1	4	6	2	178
Charge for the period	-	3	40	3	-	7	2	-	4	-	59
Disposals/adjustments	-	(8)	(16)	-	-	-	-	-	-	-	(24)
At 30 September 2022	-	3	156	14	-	20	3	4	10	2	213
Carrying amount (net)											
At 31 March 2022	1	426	767	184	-	134	9	1	15	2	1,539
At 30 September 2022	1	322	687	181	-	134	7	1	13	2	1,347



5 Investment property\*

Reconciliation of carrying amounts for the half year ended 30 September 2022

Particulars	Development rights of Land**	Freehold Land	Right of use- Leasehold Land	Buildings	Infrastructure and development	Roadwork	Plant and machinery	Furniture and fixtures	Electrical installation	Total
Gross block (cost or deemed cost)										
As at 1 April 2021	2,758	67,666	26,206	90,235	3,533	29	5,269	92	1,603	197,393
Additions during the year	-	-	922	4,112	927	43	577	24	124	6,731
Disposals/adjustments (Refer Note 53A)	-	-	-	1,453	3	-	199	10	30	1,695
At 31 March 2022	2,758	67,666	27,128	92,894	4,457	72	5,648	106	1,698	202,428
As at 1 April 2022	2,758	67,666	27,128	92,894	4,457	72	5,648	106	1,698	202,428
Additions during the period	-	336	418	3,179	862	-	593	7	338	5,733
Disposals/adjustments***	-	-	-	(10)	-	-	(34)	(1)	39	(6)
At 30 September 2022	2,758	68,002	27,546	96,063	5,319	72	6,207	112	2,075	208,155
Accumulated depreciation										
As at 1 April 2021	-	-	328	1,066	195	1	433	11	105	2,140
Charge for the year	-	-	500	1,552	335	3	590	17	171	3,168
Disposals/adjustments (Refer Note 53A)	-	-	-	33	1	-	24	-	14	73
At 31 March 2022	-	-	828	2,584	528	4	999	28	262	5,235
As at 1 April 2022	-	-	828	2,584	528	4	999	28	262	5,235
Charge for the period	-	-	253	799	194	2	300	9	93	1,650
Disposals/adjustments***	-	-	-	(9)	-	-	(30)	-	16	(23)
At 30 September 2022	-	-	1,081	3,374	722	6	1,269	37	371	6,362
At 31 March 2022	2,758	67,666	26,301	90,309	3,929	68	4,649	78	1,437	197,194
At 30 September 2022	2,758	68,002	26,465	92,689	4,597	66	4,938	75	1,704	201,293

\*Note 5(a): In MBPPL-Pocharam, all the piece and parcel of demarcated land admeasuring about 1,07,097.06 Square Meters (equivalent to about 26.464 acres) in Survey No. 08(part), 09(part) & 10(part) situated at Pocharam Village, Chakkesar Mandal, Medchal-Malkajgiri District, Telangana together with all the buildings and structures thereon, fixtures, fittings and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth, both present and future have been mortgaged by the SPV for Non-fund based facilities

\*\*Note 5(b): Conveyance of the proportionate share in the land will happen upon handover of 22% of the proportionate share of the constructed area belonging to the landowner as per the Joint Development Agreement

\*\*\*Refer Note 4(a)



## 6 Investment property under construction

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

Particulars	As at 30 September 2022	As at 31 March 2022
Intime	45	0
MBPPL*	1,739	1,330
Gigaaplex	3,194	4,691
Sundew	89	15
KRIT	539	1,245
KRC Infra**	3,867	5,941
Avocado	57	273
Horizonview	4	1
<b>Total</b>	<b>9,534</b>	<b>13,496</b>

\* Refer Note 5(a)

\*\* Note 6(a): The cost of construction and other related expenses incurred on building no. G1, which is being constructed for Gera Developments Private Limited was classified under IPUC as on 30 June 2022 pending the finalization of the agreement with Gera Developments Private Limited. During the current quarter, the agreement has been executed. Under the circumstances, in pursuance of such agreement, an amount of Rs 1,682 million which represents the cost incurred upto the date of the agreement has been shifted from IPUC to Cost of Works Contract. Contract revenue of Rs 1,836 million and cost of Works Contract amounting to Rs 1,759 million have been recognised during the quarter.

## 7 Other Intangible assets

Reconciliation of carrying amounts for the half year ended 30 September 2022

Particulars	Trademarks
<b>Gross block</b>	
As at 1 April 2021	1
Additions	-
Disposals	-
At 31 March 2022	1
As at 1 April 2022	1
Additions	-
Disposals	-
At 30 September 2022	1
<b>Accumulated amortisation</b>	
As at 1 April 2021	0
Charge for the year	0
Disposals	-
At 31 March 2022	-
As at 1 April 2022	0
Charge for the period	0
Disposals	-
At 30 September 2022	-
<b>Carrying amount (net)</b>	
At 31 March 2022	1
At 30 September 2022	1

Note: Includes trademark and computer softwares (less than Rs 0.5 million)





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

**8A Non Current Investment**

Particulars	As at 30 September 2022	As at 31 March 2022
<b>Financial assets</b>		
<b>Investments in equity instruments</b>		
<b>Unquoted equity shares measured at FVTOCI</b>		
2,000 equity shares of Stargaze Properties Private Limited, face value of Rs. 10 each fully paid-up (31 March 2022 : 2,000)	0	0
<b>Unquoted investment in Government Securities at amortised cost</b>		
7.61% Central Government Loan (Face value Rs 100), 25,000 units (31 March 2022: 25,000)	3	3
8.24% GOI 2027 Bond (Face value Rs 100), 25,000 units (31 March 2022: 25,000)	3	3
7.17% Central Government Loan (Face value Rs 100), 25,000 units (31 March 2022: 25,000)	2	2
7.26% Central Government Loan (Face value Rs 100), 22,000 units (31 March 2022: 22,000)	2	2
7.06% Central Government Loan (Face value Rs 100), 22,000 units (31 March 2022: 22,000)	2	2
6.67% GOI 2050 Bond (Face value Rs 100), 8,000 units (31 March 2022: 8,000)	1	1
7.72% GOI 2055 Bond (Face value Rs 100), 10,000 units (31 March 2022: 10,000)	1	1
6.99% GOI 2051 Bond (Face value Rs 100), 11,300 units, (31 March 2022: NIL)	1	-
7.26% GOI 2029 Bond (Face value Rs 100), 18,000 units (31 March 2022: 18,000)	2	2
7.40% GOI 2055 Bond (Face value Rs 100), 28,700 units (31 March 2022: 28,700)	3	3
8.33% GOI 2036 Bond (Face value Rs 100), 21,210 units (31 March 2022: 21,210)	3	3
7.06% GOI 2046 Bond (Face value Rs 100), 12,000 units (31 March 2022: 12,000)	1	1
6.99% GOI 2051 Bond (Face Value Rs 100), 28,000 units (31 March 2022: NIL)	3	-
6.99% GOI 2051 Bond (Face Value Rs 100), 17,700 units (31 March 2022: NIL)	2	-
	29	23

**8B Current Investment**

Particulars	As at 30 September 2022	As at 31 March 2022
<b>Financial Assets</b>		
<b>Quoted investment in Mutual Fund at Fair Value through Profit or Loss</b>		
Investments in Mutual Funds	15	-
<b>Investments measured at cost (gross)</b>	-	-
<b>Investments measured at fair value through profit or loss</b>	15	-
<b>Investments measured at amortised cost</b>	29	23
<b>Aggregate amount of impairment recognised</b>	-	-
<b>Aggregate amount of quoted investments and market value thereof</b>	15	-
<b>Aggregate amount of unquoted investments</b>	29	23



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

9 Other financial assets (Non current)

Particulars	As at 30 September 2022	As at 31 March 2022
<i>Unsecured, considered good</i>		
Fixed deposits with banks*	34	57
Unbilled revenue	1,066	904
Interest receivable	23	23
Finance lease receivable	995	874
Security deposits for development rights	60	60
Security deposits	616	545
Other receivables	36	11
	<b>2,830</b>	<b>2,474</b>

\* These fixed deposits includes amounts held as lien in respect of loan availed by the SPVs and earmarked for DRR.

10 Deferred tax assets (net)

Particulars	As at 30 September 2022	As at 31 March 2022
Deferred tax assets (net)	739	1,051
	<b>739</b>	<b>1,051</b>

11A Non-current Tax assets (net)

Particulars	As at 30 September 2022	As at 31 March 2022
Advance Tax (net of provision for tax)	1,034	1,041
	<b>1,034</b>	<b>1,041</b>

11B Current Tax assets (net)

Particulars	As at 30 September 2022	As at 31 March 2022
Advance Tax (net of provision for tax)	-	23
	<b>-</b>	<b>23</b>

12 Other non-current assets

Particulars	As at 30 September 2022	As at 31 March 2022
<i>Unsecured, considered good</i>		
Capital advances	492	692
Advance to vendors	1	5
Balances with government authorities	237	130
Prepaid expenses	52	40
	<b>782</b>	<b>867</b>

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

Particulars	As at 30 September 2022	As at 31 March 2022
Building materials and components	56	26
	<b>56</b>	<b>26</b>

14 Trade receivables

Particulars	As at 30 September 2022	As at 31 March 2022
<i>Unsecured</i>		
Considered good	1,780	210
Credit impaired	69	40
Less: loss allowance	(69)	(40)
	<b>1,780</b>	<b>210</b>



**15A Cash and cash equivalents**

Particulars	As at 30 September 2022	As at 31 March 2022
Cash on hand	2	2
Balances with banks		
- in current accounts*	3,057	3,046
- in escrow accounts	5	0
- in deposit accounts with original maturity of less than three months	25	430
	<b>3,089</b>	<b>3,478</b>

\*Includes balance with bank of Rs 0 million as on 30 September 2022, (31 March 2022: Rs 1 million) for unpaid distributions.

**15B Other bank balances**

Particulars	As at 30 September 2022	As at 31 March 2022
Fixed deposits with original maturity for more than 3 months and less than twelve months*	86	73
Balance with banks**	125	48
	<b>211</b>	<b>121</b>

\* These fixed deposits includes amounts held as lien in respect of loan availed by the SPVs and earmarked for DRR.

\*\* These are amounts, deposited in separate escrow accounts, earmarked for on-going Corporate Social Responsibility (CSR) projects.

**16 Other financial assets (Current)**

Particulars	As at 30 September 2022	As at 31 March 2022
<i>Unsecured, considered good</i>		
Interest receivable		
- on fixed deposits	2	1
- from others	5	2
Interest accrued but not due		
- on fixed deposits	3	-
- from others	2	15
Security deposits	21	21
Fixed deposits with banks*	488	432
Unbilled revenue	1,203	446
Finance lease receivable	290	268
Other receivables**		
- Considered good	31	292
- Credit impaired	1	-
Less: loss allowance	(1)	-
	<b>2,045</b>	<b>1,477</b>

\* These fixed deposits includes amounts held as lien in respect of loan availed by the SPVs and earmarked for DRR.

\*\* Refer Note-50 for related party disclosure.

**17 Other current assets**

Particulars	As at 30 September 2022	As at 31 March 2022
<i>Unsecured, considered good</i>		
Capital Advances	-	5
Deposit / advance for supply of goods and rendering of services	353	115
Loan to staff	-	0
Balances with government authorities	191	108
Prepaid expenses	170	45
	<b>714</b>	<b>273</b>



18 Corpus

Corpus	
As at 1 April 2021	0
Changes during the year	-
Closing balance as at 31 March 2022	0
As at 1 April 2022	0
Changes during the period	-
Closing balance as at 30 September 2022	0

19 Unit Capital

A. Unit Capital	No.	Amount
As at 1 April 2021	593,018,182	162,839
Changes during the year	-	-
Closing balance as at 31 March 2022	593,018,182	162,839
As at 1 April 2022	593,018,182	162,839
Changes during the period	-	-
Closing balance as at 30 September 2022	593,018,182	162,839

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

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

Under the provisions of the REIT Regulations, Mindspace Business Parks REIT is required to distribute to Unitholders not less than 90% of the net distributable cash flows of Mindspace Business Parks REIT for each financial year. Accordingly, a portion of the Unit Capital contains a contractual obligation of the Mindspace Business Parks REIT to pay to its Unitholders cash distributions. Hence, the Unit Capital is a compound financial instrument which contains equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No. CIR/IMD/DF/146/2016 dated 29 December 2016 and No. CIR/IMD/DF/141/2016 dated 26 December 2016) issued under the REIT Regulations, the Unitholders' funds have been presented as "Equity" in order to comply with the requirements of Section H of Annexure A to the SEBI Circular dated 26 December 2016 dealing with the minimum presentation and disclosure requirements for key financial statements. Consistent with Unit Capital being classified as equity, the distributions to Unitholders is also presented in Statement of Changes in Unitholders' Equity when the distributions are approved by the Governing Board of Investment Manager.

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

Name of the unitholder	As at 30 September 2022		As at 31 March 2022	
	No of Units	% holding	No of Units	% holding
Platinum Illumination A 2018 Trust	54,375,000	9.17%	54,375,000	9.17%
Anbee Constructions LLP	35,404,890	5.97%	35,404,890	5.97%
Cape Trading LLP	35,404,890	5.97%	35,404,890	5.97%
Chandru Lachmandas Raheja	32,634,433	5.50%	32,634,433	5.50%
Capstan Trading LLP	41,095,719	6.93%	41,095,719	6.93%
Casa Maria Properties LLP	46,820,719	7.90%	41,095,719	6.93%
Palm Shelter Estate Development LLP	41,095,719	6.93%	41,095,719	6.93%
Raghukool Estate Development LLP	41,937,069	7.07%	36,212,069	6.11%
K. Raheja Corp Pvt. Ltd.	36,596,296	6.17%	36,596,296	6.17%

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

20 Other Equity\*

Particulars	As at 30 September 2022	As at 31 March 2022
<b>Reserves and Surplus</b>		
Retained earnings	(10,570)	(6,743)
Debt redemption reserve	358	109
	<b>(10,212)</b>	<b>(6,634)</b>

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

**Retained earnings :**

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

**Debt redemption reserve**

As per the Companies (Share Capital and Debentures) Rules, 2014 (amended), SPVs are required to create Debt Redemption Reserve (DRR) out of profits, which is available for payment of dividend, equal to 10% of the amount of debentures issued. Accordingly, the SPVs have created DRR out of their profits in terms of the Companies (Share Capital and Debenture) Rules, 2014 (as amended) which would be utilized for redemption of debentures at the time of its maturity.



## 21 Borrowings

Particulars	As at 30 September 2022	As at 31 March 2022
<b>Secured</b>		
<b>Terms loans</b>		
- from banks / financial institutions (refer Note 21A)	19,672	19,963
<b>Debentures</b>		
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 1) (net of issue expenses, at amortised cost) (refer Note 21 B(ii))	1,992	1,988
10 year G-Sec linked secured, listed, senior, taxable, non-cumulative, rated, principal protected - market linked, redeemable, non-convertible debentures ("Market Linked Debentures / MLD Series 2") (net of issue expenses, at amortised cost) (refer Note 21 B(iii))	3,734	3,730
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 2) (net of issue expenses, at amortised cost) (refer Note 21 B(iv))	750	750
Senior, Listed, Rated, Secured, Non-Cumulative, Taxable, Transferable, Redeemable Non-Convertible Debentures (Sundew NCD 1) (refer Note 21 B(v))	3,981	3,972
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 3) (net of issue expenses, at amortised cost) (refer Note 21 B(vi))	4,961	4,954
	4,827	-
<b>Bonds -</b>		
Senior, Listed, Rated, Secured, Non-Cumulative, Taxable, Transferable, Redeemable Non-Convertible Bonds (MBPPL NCB 1) (Refer note 21 B(vii))	4,967	-
Senior, listed, rated, secured, non-cumulative, taxable, transferable, redeemable, non-convertible debentures ("NCD Series 4") (Refer note 21 B(viii))	44,884	35,357

## 21 A Repayment terms, rate of interest and security details

### Gigaplex

Note 1: Lender: Term loans - INR 775 million (31 March 2022 - INR 827 million); Current maturities of long-term debt - INR 88 million (31 March 2022 - INR 86 million); Bank Overdraft of INR Nil million (31 March 2022 : INR 500 million)

#### (1) Nature of securities:

- Hypothecation of moveable fixed asset pertaining to property, present and future,
- Hypothecation of current asset and receivables pertaining to property, present and future
- Escrow account and Debt service reserve account (DSRA)
- Charge by way of Registered Mortgage of certain floor/unit of IT building named Building 4,
- Mortgage/First Pari-Passu charge by way of registered mortgage on all that piece or parcel of land known as Plot No. IT- 5 in the Trans Thane Creek (T.T.C.) Industrial Area, MIDC (Airoli Knowledge Park) ,Navi Mumbai admeasurements, 2,02,345 Square Meters

#### (2) Terms for repayment:

The said Rupee term loan shall be repaid in 156 structured monthly installment from the date of disbursement of rupee term loan ending on August 31, 2034. The loan carries interest rate of 8.30%

Note 2: Lender: Term loans - INR 1,238 million (31 March 2022 : INR 1,460 million); Current maturities of long-term debt - INR 83 million (31 March 2022 : INR 91 million); Bank Overdraft of INR Nil million (31 March 2022 : INR 484 million)

#### (1) Nature of securities:

Exclusive EM/ RM charge of Building No.1 along with Pari-Passu charge on all that piece or parcel of land known as Plot No. IT- 5 in the Trans Thane Creek (T.T.C.) Industrial Area, MIDC (Airoli Knowledge Park) ,Navi Mumbai admeasurements, 2,02,300 Square Meters.

Exclusive charge on entire current assets (including receivables, moveable fixed assets and cash flows) and moveable fixed assets, both present and future, of Building No. 1.

Exclusive charge by way of hypothecation over;

- All the rights, titles, interest, benefits, claims and demands whatsoever, of the Borrower, in the contracts, agreements, clearances, loss protection covers, etc, pertaining to Building No.1.
- (b) all the rights, titles, interest, benefits, claims and demands whatsoever, of the Borrower in any letter of credit, guarantee, performance bond provided by any counterparty to the Borrower, pertaining to Building No.1
- (c) all the rights, titles, interest, benefits, claims and demands whatsoever, of the Borrower in the insurance contracts, policies, insurance proceeds, procured by the Borrower or procured by any of its contractors favouring the Borrower, pertaining to Building No. 1.

Exclusive charge over the Escrow Account of Building No. 1.

#### (2) Terms for repayment:

The term loan from Lender carries interest rate of 8.30% p.a. payable monthly with a quarterly reset.

The said loan shall be repaid in structured 36 monthly installment, beginning from the end of the month of the date of first disbursement of rupee term loan and ending on January 31, 2024.

### Horizonview

Note 1: Lender : Term Loan of INR 1,000 million (31 March 2022 : INR 999 million); Bank Overdraft of INR 111 million (31 March 2022 : INR 140 million)

#### (1) Nature of securities:

- First and exclusive charge through registered mortgage over units comprising of leasable area of 4.68 lacs sq. ft. i.e. company's share in Tower 'B' located at Poonamallee Road, Porur, Chennai, alongwith proportionate car parks, open space, amenities and undivided share of land (present and future) with all rights appurtenants there to along with right of way to be herein referred to as "Security Property".
- together with first and exclusive charge by way of hypothecation on Current Assets, Movable Properties, Escrow Account, Receivables and Specific Assets related to Tower B, commerzone Porur, located at Mount Poonamallee High Road, Porur, Chennai
- Unconditional and irrevocable guarantee from Mindspace Business Parks REIT.





**(2) Terms of repayment:**

Bullet repayment at the end of the month after 36 months from the date of first disbursement. The loan carries interest rate 8.30% p.a. for Term Loan facility and OD facility (Sublimit of Term loan).

**KRC infra**

**Note 1:** Lender: Term Loan of INR 4,687 million (31 March 2022 : INR 4,900 million); Current maturities of long-term debt of INR 397 million (31 March 2022 : INR 360 million) and Bank Overdraft of INR 584 million (31 March 2022 : INR 911 million)

Terms Loans from Lender is secured by way of Mortgage on the project Land and Building of R1 and R4.

**(1) Nature of securities:**

- a. Exclusive registered mortgage over project Land & Building for R1 and Exclusive registered mortgage over project Land & Building for R4
- b. Exclusive charge over receivables of Building R1 and Exclusive charge over receivables of Building R4
- c. Fixed deposit pledged - DSRA equivalent to 3 months interest and principal
- d. Corporate Guarantee from Mindspace REIT

**(2) Terms of repayment:**

Repayment in 110 instalments upto February 10, 2030. The overdraft facility is payable on demand and carries interest rate of 8.10% p.a.

**MBPPL**

**Note 1:** Lender: Term Loan of INR 4,269 million (31 March 2022 : INR 4,458 million), Current maturities of long-term debt of INR 364 million (31 March 2022 : INR 340 million); Bank Overdraft of INR 923 million (31 March 2022 : INR 31 million)

**Nature of securities:**

Term loan and overdraft from Lender are secured by assignment of lease rent receivable and exclusive charge on property being all that piece and parcel of land together with the building No 1, 3 and 4 at Airoli constructed thereon.

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).

Exclusive hypothecation charge on all the movable fixed assets of the property, both present and future.

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) along with undivided interest in the appurtenant land thereon at Mindspace Airoli East. Exclusive charge on the piece and parcel of land at Airoli east has been modified to pari-passu charge on entire land parcel and amended modification deed is in the process of execution.

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).

**Terms of repayment:**

Term loan of Rs 3,000 Millions is repayable 168 monthly installments starting from 30 September 2018. The loan carries interest rate of 8.30%.

Overdraft of Rs 500 millions is repayable along with the term loans and carries interest rate of 8.30% p.a. currently.

Term loan of Rs 2,530 Millions is repayable 156 monthly installments starting from 27 March 2020. The loan carries interest rate of 8.30% p.a. currently payable monthly.

Overdraft of Rs 1,500 millions is repayable along with the term loans and carries interest rate of 8.30% p.a. currently.

**Note 2:** Lender: Term Loans of INR 1,599 million (31 March 2022 : INR 1,684 million), Current maturities of long-term debt of INR 161 million (31 March 2022 : INR 149 million) and Bank Overdraft of INR 50 million (31 March 2022 : INR 70 million)

**Nature of securities:**

Term loan from Lender is secured by exclusive charge on-

- 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 about 0.85 mn sq ft which is constructed at Mindspace, Airoli. The Bank has agreed to change the Exclusive charge on demarcated portion of Land admeasuring approx. 16,292 sq metres at Airoli east to first pari-passu charge over all that piece and parcel of leasehold land as Plot no. 3 in the Kalwa Industrial area within the village limits of Bilihan and Airavali Taluka and registration sub-district Thane district and registration district Thane contained by admeasurement 1,98,997 square meters or thereabouts. Document recording this amendment is in the process of execution.
- 2) First and exclusive charge on lease rentals from the tenants of building 5 and 6 at Mindspace, Airoli.
- 3) Debt Service Reserve Account (DSRA) of 2 equated monthly installments in the form of Deposit Under Lien.
- 4) Guarantee of Mindspace REIT.

**Terms of repayment:**

Term loan of Rs 3,653 Millions is repayable in 120 ballooning monthly installments beginning from October 2018. The loan carries interest of 7.77%. The loan has been partially repaid in February 2022.

Overdraft of Rs 100 Millions is repayable along with the term loans and carries interest rate of 8.12%.

**Note 3:** Lender: Term Loan of INR 1,619 million (31 March 2022 : INR 1,729 million); Current maturities of long-term debt of INR 249 million (31 March 2022 : INR 264 million)

**Nature of securities:**

(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 all the movable fixed assets in the building excluding those owned by the lessees;

(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.

(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.

**Terms of repayment:**

Term loan of Rs 2,800 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.





## KRIT

Note 1: Lender : Overdraft facility of INR 262 million (31 March 2022 : INR 44 million)

### Nature of securities:

Overdraft limit from Lender is secured with following:

Exclusive charge on the entire assets, both movables (excluding current assets) and immovable of the Borrower in the Property, present and future

a) Exclusive security charge on the entire current assets of the Borrower in the Property, present and future.

b) Property is defined as Bldg. no 5 (alongwith appurtenant land thereto) leased to BA Continuum Solutions - with leasable area of ~ 1.14 lakhs sq ft and Floor 1 & 2 (alongwith proportionate undivided interest in the land appurtenant thereto) of Bldg no 4A & B leased to EIT Services India Pvt Ltd - with leasable area of ~ 0.43 lakhs sq ft".

### Terms of repayment:

Bank overdraft is repayable on demand

## Sundew

Note 1: Lender : Non current borrowings of INR 869 million (31 March 2022 : INR 2,925 million); Current maturities of long-term debt of INR 83 million (31 March 2022 : INR 299 million) and Bank Overdraft of INR 120 million (31 March 2022 : INR 91 million)

### Nature of securities:

- Term loan and Bank Overdraft from Lender is secured by way of charge on all piece and parcel of land bearing sub plot no. 12C admeasuring 15,538.64 sq. mtrs (3.84 acres) together with the building no. 12C having built -up area of about 7.80 lacs sq. ft. constructed thereon at SEZ project comprising of 40.25 acres land, and further secured by way of hypothecation of all present and future book debts, outstanding monies, receivables, claims due arising from Company's premises viz. building no.12C bearing Survey no. 64 (part) situated at Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad and also by a lien(including the right of set off) on the Deposit placed with HSBC from time to time, including any interest accrued thereon and any renewals thereof from time to time and further, secured by way of charge on all piece and parcel of land bearing sub plot no 11 admeasuring about 12,008.46 sq. mtrs (2.96 acres) (de-notified SEZ Portion) together with the building no. 11 having built-up area of about 5.80 lacs sq. ft. constructed thereon at SEZ project comprising of 40.25 acres land, and further by way of hypothecation of all present and future book debts, outstanding monies, receivables, claims due arising from Company's premises viz. building no.11 bearing Survey no. 64 (part) situated at Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad.

### Terms of repayment:

Repayable in 120 monthly instalments of varying amounts commencing from October 2018. The loan currently carries an interest rate of 7.77% per annum. Overdraft of Rs. 200 Millions is repayable alongwith the term loans and carries interest rate of 8.12%

Note 2: Lender: Term Loan INR 731 million (31 March 2022 : INR 753 million); Current maturities of long-term debt INR 41 million (31 March 2022 : INR 37 million); Bank Overdraft INR 413 million (31 March 2022 : INR 225 million)

### Nature of securities:

Term loan and Bank Overdraft from Lender is secured by way of charge on All the piece & parcel of Building 14 together with sub-plot of land located at Survey no. 64, situated at Madhapur Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad admeasuring approximately 14,456.45 sq. mtrs., having total leasable area of around 529,030 sq. ft. including all the structures thereon both present & future, along with all the development potential arising thereon including additional development potential in the form of TDR, premium FSI, etc., both present and future ("Property") and Exclusive charge by way of hypothecation on the Scheduled Receivables and all insurance proceeds, both present and future pertaining to the Property and Exclusive charge by way of hypothecation on the Escrow Account along with all monies credited/deposited therein (in whatever form the same may be), and all investments in respect thereof (in whatever form the same may be) pertaining to the Property.

### Terms of repayment:

Repayable in 120 monthly instalments of varying amounts.

The Rupee Term loan facility currently carries an interest rate of 7.40% per annum and the Overdraft facility carries an interest rate of 7.40% per annum

## Avacado

Note 1: Lender : Term Loan INR 2,883 million (31 March 2022 : INR 227 million); Current maturities of long term borrowings INR 85 million (31 March 2022 : 5 million) and Bank Overdraft of INR 174 million (31 March 2022 : INR 0 million)

### Nature of securities:

Loan from Lender has been secured by way

- 1) Exclusive charge by way of registered mortgage on all the piece & parcel of land located at Plot no. C-61, admeasuring approx. 3,818.19 square meters, G-Block, Bandia Kurla Complex, Bandra East, Mumbai together with the structure constructed thereon consisting of two basements and ground plus eight upper floors all collectively admeasuring 12,246.43 square meters (equivalent to 131,948 819 square feet) along with any additional TDR.
- 2) Exclusive charge on movable fixed, current assets and receivables both present and future associated with the Property.

The loan carries interest rate of 7.40% per annum.

### Terms of repayment:

Loan is repayable in 148 monthly installments.



## Mindspace REIT

- 21 B(i) In September 2020, Mindspace REIT issued 5,000 10 year G-Sec linked secured, listed, guaranteed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures ("Market Linked Debentures / MLD Series 1") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 500,00,00,000 (Rupees five hundred crores only). The tenure of the said MLD Series 1 is 577 days from 29 September 2020, being date of allotment of the MLD Series 1 and coupon, if any shall be payable on the Scheduled Redemption Date i.e. on maturity on 29 April 2022. The coupon payoff structure is linked to condition where the payoff will be fixed on the final fixing date i.e. 30 March 2022. If identified 10 year G-Sec's last traded price as on final fixing date is greater than 25% of its last traded price as on initial fixing date i.e. 29 September 2020, the coupon rate will be 6.80% p.a. If identified 10 year G-Sec's last traded price as on final fixing date is less than or equal to 25% of its last traded price as on initial fixing date, the coupon rate will be zero percent. As per the valuers report in respect of valuation of MLD Series 1, the probability of occurrence of such an event (last traded price of identified 10 year G-Sec on final fixing date being less than or equal to 25% of its last traded price on initial fixing date) is remote and hence the value of the option considered as zero. This MLD Series 1 was listed on BSE Limited on 13 October 2020. Subsequently to the period end, principal and interest is paid on 29 April 2022.

### Security terms

MLD Series 1 were secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the Debenture Holders):

a) First and exclusive charge registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 974,500 Sq. Ft. or thereabouts in buildings no. 6, 7 and 8 of Commerzone Yerawada (approx. 178,569 sq. ft. in building no. 6, approx. 371,799 sq. ft. in building no. 7 and approx. 424,132 in building no. 8) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 25,313 sq. mtrs. on which the said three building no. 6, 7 and 8, out of all those pieces and parcels of larger land are situate, lying and being in Village Yerawada, Taluka Haveli, District Pune ("Mortgaged Properties") of MLD Series 1.

b) A charge on the escrow account in which receivables of the Mortgaged Properties of MBPPL shall be received.

c) Corporate guarantee executed by MBPPL.

### Redemption terms:

a) MLD Series 1 are redeemable by way of bullet payment at the end of 577 days from the date of allotment, i.e. 29 April 2022 and accordingly the same has been redeemed (refer note 27)

b) The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade. The Investors shall have the right to accelerate the MLD Series 1 if the rating is downgraded to A+.

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

- 21 B(ii) In December 2020, Mindspace Business Parks REIT issued 2,000 secured, listed, senior, taxable, non-cumulative, rated, redeemable, non-convertible debentures ("NCD Series 1") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 200,00,00,000 (Rupees two hundred crores only) with a coupon rate of 6.45% p.a. payable quarterly beginning from the end of first full quarter from the date of allotment i.e. 31 March 2021, with last coupon payment on the scheduled redemption date i.e. 16 December 2023. The tenure of the said NCD Series 1 is 36 months from 17 December 2020, being date of allotment. This NCD Series 1 was listed on BSE Limited on 21 December 2020.

### Security terms

NCD Series 1 are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders):

a) First and exclusive charge registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 414,599 Sq. Ft. or thereabouts in buildings no. 1 and 5 of Commerzone Yerawada (approx. 43,200 sq. ft. in building no. 1 and approx. 371,399 in building no. 5) together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 18,264 sq. mtrs. on which the said two building no. 1 and 5, out of all those pieces and parcels of larger land that are situated, lying and being in Village Yerawada, Taluka Haveli, District Pune ("Mortgaged Properties") of NCD Series 1.

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

c) Corporate guarantee executed by MBPPL.

### Redemption terms:

a) NCD Series 1 are redeemable by way of bullet repayment at the end of 36 months from the date of allotment, i.e. 16 December 2023.

b) Interest is payable on the last day of each financial quarter in a year (starting from 31 March, 2021) until the scheduled redemption date.

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

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

e) Rating agency CRISIL has assigned a rating of "CRISIL AAA/Stable" to the NCD series 1 of the issuer/Mindspace Business Parks REIT. Subsequently there is no change in the credit rating





- 21 B(iii) In March 2021, Mindspace REIT issued 3,750 10 year G-Sec linked secured, listed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures ("Market Linked Debentures / MLD Series 2") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 375,00,00,000 (Rupees three hundred seventy five crores only). The tenure of the said MLD Series 2 is 38 months from 18 March 2021, being date of allotment of the MLD Series 2 and coupon, if any shall be payable on the Scheduled Redemption Date i.e. on maturity on 17 May 2024. The coupon payoff structure is linked to condition where the payoff will be fixed on the final fixing date i.e. 16 April 2024. If identified 10 year G-Sec's last traded price as on final fixing date is greater than 25% of its last traded price as on initial fixing date i.e. 18 March 2021, the coupon rate will be 6.65% p.a. If identified 10 year G-Sec's last traded price as on final fixing date is less than or equal to 25% of its last traded price as on initial fixing date, the coupon rate will be zero percent. As per the valuers report in respect of valuation of these MLD Series 2, the probability of occurrence of such an event (last traded price of identified 10 year G-Sec on final fixing date being less than or equal to 25% of its last traded price on initial fixing date) is remote and hence the value of the option considered as zero.
- This MLD Series 2 was listed on BSE Limited on 22 March 2021.

#### Security terms

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

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

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

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

d) Corporate guarantee executed by Sundew.

#### Redemption terms:

a) MLD Series 2 are redeemable by way of bullet payment at the end of 38 months from the date of allotment, i.e. 17 May 2024.

b) The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade. The Investors shall have the right to accelerate the MLD Series 2 if the rating is downgraded to A+.

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

- 21 B(iv) In March 2021, Mindspace Business Parks REIT issued 750 secured, listed, senior, taxable, non-cumulative, rated, redeemable, non-convertible debentures ("NCD Series 2") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 75,00,00,000 (Rupees seventy five crores only) with a coupon rate of 6.6861% p.a. payable quarterly beginning from the end of first full quarter from the date of allotment i.e. 30 June 2021, with last coupon payment on the scheduled redemption date i.e. 17 May 2024. The tenure of the said NCD Series 2 is 38 months from 18 March 2021, being date of allotment.
- NCD Series 2 was listed on BSE Limited on 22 March 2021.

#### Security terms

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

a) First and exclusive charge being registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 151,460 Sq. Ft. or thereabouts in building no. 4 of Commerzone Yerawada together with the proportionate undivided right, title and interest in the notionally demarcated land admeasuring approximately 9,561 sq. mtrs on which the said building, out of all those pieces and parcels of larger land that are situated, lying and being in Village Yerawada, Taluka Haveli, District Pune ("Mortgaged Properties") of NCD Series 2.

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

c) Corporate guarantee executed by MBPPL.

#### Redemption terms:

a) NCD Series 2 are redeemable by way of bullet repayment at the end of 38 months from the date of allotment, i.e. 17 May 2024.

b) Interest is payable on the last day of each financial quarter in a year (starting from 30 June, 2021) until the scheduled redemption date.

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

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

- 21 B(v) In September 2021, Sundew Properties Limited issued 4,000 Senior, Listed, Rated, Secured, Non-Cumulative, Taxable, Transferable, Redeemable Non-Convertible Debentures of ("Sundew NCD 1") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 400,00,00,000 (Rupees four thousand million only) with a coupon rate of 6.1% p.a. payable quarterly beginning from the end of first full quarter from the date of allotment (date of allotment being 28 September 2021 and end of first full quarter being 31 December 2021), with last coupon payment on the scheduled redemption date i.e. 28 June 2024. The tenure of the said NCD is from deemed date of allotment i.e. 28 September 2021, till scheduled redemption date i.e. 28 June 2024.
- This NCD was listed on BSE Limited on 1 October 2021.

#### Security terms:

NCD are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the NCD Holders) (as further detailed in security documents):

1. First ranking exclusive security interest by way of an equitable mortgage over identified immovable properties (as identified below): First ranking sole and exclusive security interest by way of hypothecation over

(a) the current & future movable assets owned by the Sundew and receivables pertaining to identified immovable properties Building 20 with 709,165 square feet carpet area (save and except 11,974 square feet carpet area of cafeteria and 1,520 square feet carpet area of SEZ office), Building 12B (unit no 1301 (22,069 square feet carpet area), unit no 1302 (16,296 square feet carpet area), unit no 1401 (37,050 square feet carpet area))- Part Project Mindspace Madhapur, Hyderabad Buildings

(b) the escrow account and the subscription account and all amounts standing to the credit of, or accrued or accruing on escrow account and the subscription account.

2. NCD are backed by guarantee provided by Mindspace REIT.

#### Redemption terms:

a) NCD are redeemable by way of bullet payment on 28 June 2024.

b) Interest is payable on the last day of each financial quarter in a year (starting from 31 December, 2021) until the scheduled redemption date.

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

d) Upon occurrence of a mandatory redemption event, the Sundew shall issue mandatory redemption notice within 2 business days and no later than 30 (thirty) Business Days from issuance of mandatory redemption notice (unless instructed otherwise by debenture trustee), redeem in full (or as the case may be, in part) all the Debentures then outstanding by paying an amount equal to the mandatory redemption amount in respect of each Debenture.

- 21 B(vi) In February 2022, Mindspace Business Parks REIT issued 5,000 senior, listed, rated, secured, non-cumulative, taxable, transferable, redeemable, non-convertible debentures ("NCD Series 3") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 500,00,00,000 (Rupees five hundred crores only) with a coupon rate of 6.35% p.a. Coupon on the outstanding Nominal value of each debenture shall be applicable and computed from day to day, be prorated on an actual/ actual basis for the actual number of days in the Coupon Period and be payable in arrears on the relevant Coupon Payment date to the Debenture Holder whose name is appearing on the Register of Beneficial Owners as on the Record Date. The Issuer hereby acknowledges and agrees that there shall be no moratorium period for the payment of Coupon. The first Coupon payment Date is 31 March 2022, with last coupon payment on the scheduled redemption date i.e. 31 December 2024. The tenure of the said NCD Series 3 is 35 months from 1 February 2022, being date of allotment.

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



#### Security terms

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

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

A first ranking pari passu charge by way of a simple mortgage over the Mortgaged Land as further detailed in transaction documents

- b) A charge on the escrow account to be created, in which receivables of the Mortgaged Properties shall be received, save and except any common area maintenance charges payable to GIGAPLEX with respect to the maintenance of the mortgaged properties.
- c) Corporate guarantee executed by Gigaplex.

#### Redemption terms:

- a) NCD Series 3 are redeemable by way of bullet repayment at the end of 35 months from the date of allotment, i.e. 31 December, 2024.
- b) Interest is payable on the last day of each financial quarter in a year (starting from 31 March, 2022) until the scheduled redemption date.
- c) Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the Issuer to redeem in full, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.

- 21 B(vii) In June 2022, Mindspace Business Parks Private Limited issued 4,900 senior, redeemable, listed, rated, secured, transferable, rupee denominated, non-convertible bonds ("Non Convertible Bonds") having face value of Rs. 10,00,000 (Rupees ten lakhs only) each, amounting to Rs. 490,00,00,000 (Rupees four hundred ninety crores only) with a coupon rate linked to 3 month Government of India T-Bill plus spread of 203 bps payable quarterly, with last coupon payment on the scheduled redemption date i.e. 22 June 2027. The tenure of the said non convertible bond is 60 months from deemed date of allotment i.e. 23 June 2022, till scheduled redemption date i.e. 22, June 2027. This NCB Series 1 was listed on BSE Limited on June 24, 2022.

#### Security Terms:

The Non Convertible Bonds are secured by

- (i) a first ranking pari passu Security by way of a simple mortgage over the specified land (larger land admeasuring 2,02,740 square meters situated at Kalwa Industrial Area sub district Thane ) and
- (ii) a first ranking exclusive Security over the identified buildings having aggregate carpet area of approximately 10,40,548.98 sq.ft. (approx. 2,67,560.75 sq. ft. in Building No. 10, approx. 2,35,961.50 sq. ft. in Building no. 11 (part), approx. 2,74,449.71 sq. ft. in Building No. 12, approx. 2,62,577.02 sq. ft. in Building No. 14), receivables and Account Assets, as specifically defined in the bond trust deed dated June 02, 2022 and as further amended from time to time ("Bond Trust Deed").

#### Redemption terms:

Final Redemption Date is the date falling 60 months from the Deemed Date of Allotment (Principal repayment: 1% on 31 Mar 23, 2% on 31 Mar 24, 3% on 31 Mar 25, 4% on 31 Mar 26, 5% on 31 Mar 27 and Balance on Final Redemption Date). The said non convertible bonds are voluntarily redeemable by the company upon the expiry of the lock-in prescribed under the Applicable Laws as specifically defined in the Bond Trust Deed. Non convertible bond holders have a put option at the end of 54 months from Deemed Date of Allotment as specified in the Bond Trust Deed.

On and from the occurrence of a Rating Downgrade Event/ Rating upgrade Event, the Spread shall stand increased/ decreased by 0.25% per annum over and above the immediately preceding Coupon as on the date of the occurrence of such Rating Downgrade/ Upgrade Event

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

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

#### Security terms

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

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

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

c) Corporate guarantee executed by Sundew Properties Limited.

#### Redemption terms:

- a) NCD Series 4 are redeemable by way of bullet repayment at the end of 60 months from the date of allotment, i.e. 27 July, 2027.
- b) Interest is payable on the last day of each financial quarter in a year (starting from 30 September 2022) until the scheduled redemption date.
- c) The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.
- d) Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the Issuer to redeem in full, all the debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each debenture.
- e) Rating agency CRISIL has assigned a rating of "CRISIL AAA/Stable" to the NCD Series 4 of the issuer / Mindspace REIT. Subsequently there is no change in the credit rating.



## 21 B(ix) Disclosures related to due dates for principal and interest for the debentures :

Particulars	Secured/Unsecured	Previous due date	Next due date
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 1)	Secured	Principal - Not Applicable Interest - 30 September 2022	Principal - On Maturity Interest - 31 December 2022
10 year G-Sec linked secured, listed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures ("Market Linked Debentures / MLD Series 2")	Secured	Principal - Not Applicable Interest - Not Applicable	Principal - On Maturity Interest - On Maturity
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 2)	Secured	Principal - Not Applicable Interest - 30 September 2022	Principal - On Maturity Interest - 31 December 2022
Senior, Listed, Rated, Secured, Non-Cumulative, Taxable, Transferable, Redeemable, Non-Convertible Debentures (Sundew NCD 1)	Secured	Principal - Not Applicable Interest - 30 September 2022	Principal - On Maturity Interest - 31 December 2022
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 3)	Secured	Principal - Not Applicable Interest - 30 September 2022	Principal - On Maturity Interest - 31 December 2022
Senior, Listed, Rated, Secured, Non-Cumulative, Taxable, Transferable, Redeemable Non-Convertible Bonds (MBPPL NCB 1)	Secured	Principal - Not Applicable Interest - 30 September 2022	Principal - 1% on 31 March 2023 Interest - 31 December 2022
Senior, listed, rated, secured, non-cumulative, taxable, transferable, redeemable, non-convertible debentures ("NCD Series 4")	Secured	Principal - Not Applicable Interest - 30 September 2022	Principal - On Maturity Interest - 31 December 2022

Rating agency CRISIL has assigned a rating of "CRISIL PP-MLD AAA/Stable" to MLD Series 2. "CRISIL AAA/Stable" to the NCD Series 1 & 2 & 3 of the issuer / Mindspace REIT and "ICRA-AAA(Stable)" to Sundew NCD 1. Subsequently there is no change in the credit rating.  
Rating agency ICRA has assigned a rating of "ICRA-AAA(Stable)" to MBPPL NCB 1. Subsequently there is no change in the credit rating.

Refer Note 51 for Ratio disclosure.

## 22 Other non-current financial liabilities

Particulars	As at 30 September 2022	As at 31 March 2022
Security deposits	3,800	3,759
Retention money payable		
- due to micro and small enterprises	139	115
- others	183	74
Capital creditors		
- Due to micro and small enterprises	-	-
- Others	46	61
Interest accrued but not due on debentures	389	271
Other Payables	24	-
	4,581	4,280

## 23 Provisions (Non current)

Particulars	As at 30 September 2022	As at 31 March 2022
Provision for employee benefits		
- gratuity	21	18
- compensated absences	12	12
Other Provision	27	-
	60	30

## 24 Deferred tax liabilities (net)

Particulars	As at 30 September 2022	As at 31 March 2022
Deferred tax liabilities (net)	1,564	669
	1,564	669





25 Other non-current liabilities

Particulars	As at 30 September 2022	As at 31 March 2022
Unearned rent	514	580
	514	580

26 Short term borrowings

Particulars	As at 30 September 2022	As at 31 March 2022
Secured:		
Loans repayable on demand		
- overdraft from banks	2,638	2,496
Current maturities of long-term debt		
- 10 year G-Sec linked secured, listed, guaranteed, senior, taxable, non-cumulative, rated, principal protected – market linked, redeemable, non-convertible debentures ("Market Linked Debentures / MLD Series I") (net of issue expenses, at amortised cost) (Refer Note 21 B(i))	-	4,997
- from banks / financial institutions	1,601	1,630
	4,239	9,123

27 Trade payables

Particulars	As at 30 September 2022	As at 31 March 2022
Trade Payables		
- total outstanding dues of micro enterprises and small enterprises	78	60
- total outstanding dues of creditors other than micro enterprises and small enterprises *	844	645
	922	705

\* Refer note 50 for related party note for amount payable to the Manager.

28 Other current financial liabilities

Particulars	As at 30 September 2022	As at 31 March 2022
Employees dues payable	29	2
Interest accrued but not due on loans from		
- banks / financial institutions	54	72
- debenture/bonds	3	523
Interest accrued and due on others	24	29
Security deposits	4,431	4,116
Retention dues payable		
- due to micro and small enterprises	122	112
- others	124	127
Unpaid Distributions	0	1
Capital creditors		
- Due to micro and small enterprises	268	383
- Others	1,406	1,368
Other liabilities*	64	192
	6,525	6,835

\* Refer note 50 for related party note for amount payable to the Manager

29 Provisions (Current)

Particulars	As at 30 September 2022	As at 31 March 2022
Provision for employee benefits		
- gratuity	4	4
- compensated absences	4	4
Provision for compensation*	27	27
	35	35

\*This provision represents estimated contractual obligation existing as at the balance sheet date on account of pending handover of possession to the land owner as per Joint Development Agreement.

30 Other current liabilities

Particulars	As at 30 September 2022	As at 31 March 2022
Unearned rent	366	364
Advances received from customers	262	169
Statutory dues	320	170
Other advances	55	50
Other payable*	369	299
	1,372	1,052

\*This includes Unspent Corporate Social Responsibility amount.

31 Current tax liabilities (net)

Particulars	As at 30 September 2022	As at 31 March 2022
Provision for income-tax, net of advance tax	37	2
	37	2





32 Revenue from operations

Particulars	For the quarter ended 30 September 2022 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)	For the quarter ended 30 September 2021 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Unaudited)	For the half year ended 30 September 2021 (Unaudited)	For the year ended 31 March 2022 (Audited)
Sale of services	3,951	3,785	3,420	7,736	7,362	6,823	14,185
Facility rentals							
Maintenance services	805	799	627	1,604	1,376	1,259	2,635
Sale of Equipment	298	81	-	379	-	-	-
Less: Cost of Equipment sold	(298)	(81)	-	(379)	-	-	-
Revenue from power supply	142	171	103	313	221	219	440
Revenue from works contract services	1,836	-	-	1,836	-	-	-
Other operating income							
Interest income from finance lease	41	43	46	84	99	90	189
Sale of surplus construction material and scrap	14	9	38	23	12	40	52
	6,789	4,807	4,234	11,596	9,070	8,431	17,501

33 Interest Income

Particulars	For the quarter ended 30 September 2022 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)	For the quarter ended 30 September 2021 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Unaudited)	For the half year ended 30 September 2021 (Unaudited)	For the year ended 31 March 2022 (Audited)
Interest income	10	6	5	16	12	11	23
- on fixed deposits	3	4	2	7	7	4	11
- on electricity deposits	41	29	-	70	61	-	61
- on Income-tax refunds	2	1	3	3	4	8	12
- others	56	40	10	96	84	23	107

34 Other income

Particulars	For the quarter ended 30 September 2022 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)	For the quarter ended 30 September 2021 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Unaudited)	For the half year ended 30 September 2021 (Unaudited)	For the year ended 31 March 2022 (Audited)
Gain on redemption of investments	14	3	1	17	12	-	12
Foreign exchange gain (net)	-	-	-	-	0	-	0
Liabilities no longer required written back	1	1	18	1	23	27	50
Miscellaneous income	2	2	21	4	1	25	26
	17	5	40	22	36	52	88

35 Employee benefits expense\*

Particulars	For the quarter ended 30 September 2022 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)	For the quarter ended 30 September 2021 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Unaudited)	For the half year ended 30 September 2021 (Unaudited)	For the year ended 31 March 2022 (Audited)
Salaries and wages	67	58	55	125	102	105	207
Contribution to provident and other funds	4	4	2	8	6	5	11
Gratuity expenses	1	2	1	3	1	3	4
Compensated absences	1	1	2	2	(2)	4	2
Staff welfare expenses	1	1	1	2	1	1	2
	74	66	61	140	108	118	226

\* Employee benefits expenses majorly refers to employee benefits maintenance services



36 Cost of property management services

Particulars	For the quarter ended 30 September 2022 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)	For the quarter ended 30 September 2021 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Unaudited)	For the half year ended 30 September 2021 (Unaudited)	For the year ended 31 March 2022 (Audited)
Housekeeping services	17	15	11	32	27	21	48
Facade cleaning	1	-	0	1	1	0	1
Engineering services	26	26	18	52	46	35	81
Security expenses	27	21	18	48	37	32	69
AMC expenses	36	38	31	74	69	57	126
Garden maintenance	3	2	2	5	3	3	6
Repair and maintenance	5	5	5	12	23	9	32
Consumables	16	5	5	21	26	8	34
Electricity consumption charges	-	1	-	1	-	1	1
	133	113	90	246	232	166	398

37 Repairs and maintenance

Particulars	For the quarter ended 30 September 2022 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)	For the quarter ended 30 September 2021 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Unaudited)	For the half year ended 30 September 2021 (Unaudited)	For the year ended 31 March 2022 (Audited)
Repairs and maintenance:							
- building	47	70	48	117	145	115	261
- plant and machinery	83	58	48	141	119	93	212
- computers	1	-	1	1	1	1	2
- electrical installation	9	6	8	15	16	12	28
- others	10	18	9	28	27	9	36
	150	152	114	302	308	230	539

38 Other expenses

Particulars	For the quarter ended 30 September 2022 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)	For the quarter ended 30 September 2021 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Unaudited)	For the half year ended 30 September 2021 (Unaudited)	For the year ended 31 March 2022 (Audited)
Rent	2	1	1	3	2	4	6
Property tax	143	133	183	276	259	302	561
Electricity, water and diesel charges	162	166	93	328	192	197	389
Travelling and conveyance	1	2	2	3	5	2	7
Rates and taxes	5	4	14	9	14	20	33
Donation	1	2	-	3	-	-	-
Business support fees	20	23	14	43	29	28	57
Fixed Assets written off	110	-	-	110	73	-	73
Filing fees and stamping charges	17	10	11	27	30	18	48
Business promotion expenses/advertising expense	21	5	3	26	19	7	26
Bank Charges	3	1	3	4	3	4	6
Bad debts written off	1	-	0	1	3	0	3
Corporate Social Responsibility expenses	41	44	32	85	84	78	162
Compensation	-	-	-	-	83	7	90
Provision for Doubtful Debts (expected credit loss allowance)	19	11	1	30	1	1	3
Foreign exchange loss (net)	-	1	1	1	0	-	0
Directors' sitting fees	11	17	16	28	15	15	42
Miscellaneous expenses	557	420	374	978	826	685	1,510



39 Finance costs

Particulars	For the quarter ended 30 September 2022 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)	For the quarter ended 30 September 2021 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Unaudited)	For the year ended 31 March 2022 (Audited)
Interest expense						
- on borrowings from banks and financial institutions	444	454	470	898	821	1,735
- on debentures and bonds	424	297	205	721	589	995
- on lease liability	4	3	4	7	6	16
- on others	5	5	3	10	3	9
Unwinding of interest expenses on security deposits	94	96	70	190	202	338
Other finance charges	-	-	4	-	10	14
Less: Finance costs capitalised to investment property under construction	(141)	(136)	(123)	(277)	(219)	(463)
	830	719	633	1,549	1,412	2,644

40 Depreciation and amortisation

Particulars	For the quarter ended 30 September 2022 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)	For the quarter ended 30 September 2021 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Unaudited)	For the year ended 31 March 2022 (Audited)
Depreciation of property, plant and equipment	28	31	27	59	69	121
Depreciation of investment property	834	816	771	1,650	1,626	3,168
Amortisation of intangible assets	0	0	0	0	0	0
	862	847	798	1,709	1,695	3,289

41 Tax expense

Particulars	For the quarter ended 30 September 2022 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)	For the quarter ended 30 September 2021 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Unaudited)	For the year ended 31 March 2022 (Audited)
Current tax	457	459	460	916	939	1,767
Deferred tax charge / (income)	761	446	192	1,207	794	903
	1,218	905	652	2,123	1,733	2,670



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

**42 Contingent liabilities and Capital commitments**

Particulars	As at 30 September 2022	As at 31 March 2022
<b>Contingent liabilities</b>		
Claims not acknowledged as debt in respect of		
- Income-Tax matters (Refer note 1 below) excluding interest	936	936
- Service-Tax matters (Refer note 2 below)	368	367
- Customs duty matters (Refer note 3 below)	34	34
- Stamp duty	65	65
<b>Capital commitments</b>		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for (Refer Note 4 below)	3,950	7,338

**Notes:**

- 1 (a) Gigaplex- An appeal has been filed for A.Y. 2010-11 before CIT(A) against the penalty order raising demand of Rs.3 million and the appeal is pending. It has paid 20% (Rs. 1 million) with a request to keep the demand in abeyance. As per Income tax website, there is no demand outstanding.
- (b) KRIT - Contingent liability of Rs. 933 million relate to AY 2012-13 to AY 2018-19 for which it has filed appeals before CIT(A) against orders under section 143(3) / 143(3) read with section 153A of the Act contesting the disallowance of deduction under section 80IA of the Income Tax Act 1961. KRIT is hopeful of a favourable outcome for these Assessment Years. In case of unfavourable decisions in appeal for AY 2012-13 to AY 2018-19, the tax would be payable under normal tax and hence, MAT credit currently available with KRIT will no longer be available. As a result, in addition to above contingent liability, KRIT would require to pay additional tax of Rs. 326 million w.r.t. AY 2019-20 and AY 2020-21 (These years are not under litigation) because during these years KRIT has utilised the MAT credit availed during AY 2012-13 to AY 2018-19. The disallowance of deduction under section 80IA for AYs 2012-13 to 2018-19 by the Income Tax department was based on the order for earlier AY 2011-12 wherein similar disallowance was made. KRIT had challenged the said order of AY 2011-12 before the ITAT. The Hon'ble ITAT vide its order dated 06.05.2021 allowed the appeal in favour of KRIT by quashing the disallowance made by the income-tax authority.

SPVs	As at 30 September 2022	As at 31 March 2022
MBPPL	92	92
Sundew	2	1
Intime	57	57
KRIT	209	209
Avacado	8	8
	<b>368</b>	<b>367</b>

**MBPPL :** The SPV has received show cause and demand notices for inclusion in taxable value amounts received as reimbursement of electricity and allied charges and demand service tax there on of Rs. 92 million excluding applicable interest and penalty. SPV has filed appropriate replies to the show cause and demand notices.

**Sundew :** Demand for Non Payment of service tax on renting of fitouts and equipments Rs.1 Million and Demand for Interest and Penalty on account of wrong availment of credit of service tax paid on input services Rs.0 million. SPV has filed an appeals with CESTAT and matter is pending.

**Intime :** Demand for Non Payment of service tax on renting of fitouts and equipments Rs.36 million and Demand for Service tax on electricity and water and irregular availment of credit of service tax paid on input services Rs.21 million. It has filed an appeals with CESTAT for the past orders and is in the process of filing an appeal before the Commissioner appeals for the recent order. The matter is pending adjudication.

**KRIT :** Demand for Non Payment of service tax on renting of fitouts and equipments Rs.116 million and Demand for Service tax on electricity and water and irregular availment of credit of service tax paid on input services Rs.93 million. It has filed an appeals with CESTAT for the past orders and is in the process of filing an appeal before the Commissioner appeals for the recent order. The matter is pending adjudication.

**Avacado :** (a) The SPV has received an order dated 31 January 2018 pronounced by the Commissioner (Appeals), confirming the service tax demand of Rs. 7 million (excluding applicable interest and penalty thereon) on renting of immovable property services provided to tenants during the period April 2008 to March 2011. It has filed an Appeal before the Customs, Central Excise & Service Tax Appellate Tribunal. The matter is pending adjudication.

(b) For the period April 2011 to September 2011, Avacado had received a Show Cause cum Demand Notice dated 22 October 2012 alleging non-payment of service tax of Rs. 1 million (excluding applicable interest and penalty thereon) on renting of immovable property services provided to tenants. Avacado had filed its detailed reply on 24 December 2012. No further correspondence has been received in this case.

For both the above matters, Avacado had filed applications in Form SVLDRS-1 under the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019. Avacado had received SVLDRS-3 with service tax demand in respect of above matters. Avacado had not accepted the demand and therefore the matter remains under dispute.





- 3 Customs duty demand at the time of debonding of assets from the Software Technology Parks of India scheme ( STPI ) for Intime Rs. 16 million and KRIT Rs. 18 million.

Future Cash outflow in respect of above, if any, is determinable only on receipt of judgement / decision pending with relevant authorities.

- 4 The SPV wise details of capital commitments are as follows:

SPVs	As at	As at
	30 September 2022	31 March 2022
MBPPL	491	658
Gigaplex	1,140	2,379
Sundew	174	166
KRC Infra	1,514	3,378
Horizonview	62	77
KRIT	367	439
Avacado	64	77
Intime	138	164
	3,950	7,338

## 5 Avacado

- a) A Suit has been filed in the year 2008 by Nusli Neville Wadia (Plaintiff) against Ivory Properties and Hotels Private Limited (Ivory) & Others which includes Avacado as one of the Defendants inter alia in respect of the land and the 'Paradigm' Industrial Park building of Avacado. The Plaintiff has prayed against Avacado and the said Ivory restraining them from carrying out further construction or any other activity on the land (on which the building Paradigm is constructed), demolition and removal of the structures on the said land, appointment of a Court Receiver in respect of the said land and Paradigm building, declaring the MOUs / Agreements entered into by Avacado with Ivory and the Plaintiff as voidable and having been avoided and rescinded by the Plaintiff and to be delivered up and cancelled, restraining from alienating, encumbering or parting with possession of structures and restraining from dealing with, creating fresh leases / licenses or renewing lease / license in respect of the said Paradigm building and from receiving or recovering any rent / license fee / compensation in respect of the said leases / licenses, depositing all the rents in the Court, etc. The Court has not granted any ad-interim relief to the Plaintiff. Avacado has filed its reply to the said Suit denying the allegations and praying that no interim relief be granted to the Plaintiff. Avacado in its reply has also taken up a plea that issue of limitation should be decided as a preliminary issue before any interim relief could be granted to the Plaintiff. Pursuant to the Plaintiff's application for expedited hearing of the case, the Hon'ble High Court Bombay vide Order dated 19/09/2013 and 20/09/2013 framed the issue of limitation under section 9 (A) of Code of Civil Procedure to be tried as to jurisdiction for the maintainability of the suit and directed the Plaintiff to file an affidavit in lieu of examination in chief of the first witness on or before 17 October 2013. Pursuant to the Plaintiff's SLP in the Supreme Court challenging the Orders of the Hon'ble High Court dated 19/09/2013 and 20/09/2013, the Hon'ble Supreme Court vide its Order dated 08/10/2013 stayed the operation of the aforesaid Orders and further proceedings in the High Court Suit No. 414 of 2008. Thereafter the Hon'ble Supreme Court by its Order dated 25 August 2015 has referred the said SLP to a three Judge Bench to be posted along with SLP ( C ) No. 22438 of 2015. The SC by its Order dated 12.12.2018 disposed off the said SLP as infructuous in view of deletion of Section 9A of the Civil Procedure Code by the Maharashtra Act 61 of 2018 on 29.10.2018. In view of the subsequent amendment by the State of Maharashtra to the said provisions, pursuant to the Petitioners application to restore the SLP by cancelling the Order dated 12.12.2018, by Judgement dated 4.10.2019, three Judge Bench of the SC held that u/s 9A CPC (Maharashtra) question of limitation cannot be decided as a preliminary issue as to jurisdiction. The Supreme Court of India, by its order dated May 6, 2022 disposed off the SLP relying on the judgement of the three judge bench of the Supreme Court dated October 4, 2019. The notice of motion for interim relief and the Suit are pending for the final hearing before the High Court.

Based on an advice obtained from an independent legal counsel, the management is confident that Avacado will be able to suitably defend and the impact, if any, on the Ind AS financial statements can be determined on disposal of the above Petition and accordingly, Ind AS Financial statements of Avacado have been prepared on a going concern basis. Further, the Plaintiff, through his advocates & solicitors, had addressed letter dated 13 February 2020 including to Mindspace REIT, the Manager, the Trustee, the Sponsors, Avacado, Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Chandru L. Raheja, Ivory Properties and K. Raheja Corp Pvt.Ltd., expressing his objection to the proposed Offer and any actions concerning the building Paradigm located at Mindspace Malad project. The allegations and averments made by the Plaintiff have been responded and denied by the addressees, through their advocates & solicitors. No further correspondence has been received.

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

In view of the above and subject to the final orders being passed by the Hon'ble Supreme Court in the aforesaid appeals, there may be a contingent liability on Avacado in respect of interest payable on account of the delayed payment of service tax, which amount would be recoverable from the respective lessees by Avacado



6 **KRC Infra**

- a) In respect of the project at Village Kharadi, Pune, a special civil suit is filed. The suit filed by Ashok Phulchand Bhandari against Balasaheb Laxman Shivale and 29 others in respect of inter alia an undivided share admeasuring 44.15 Ares out of the land bearing S. No 65 Hissa No. 3 for declaration, specific performance, injunction and other reliefs. Neither Gera Developments Private Limited nor KRC Infrastructure and Projects Private Limited is a party to the aforementioned suit and neither of them have been joined as parties to the civil suit or Gera Developments Private Limited nor KRC Infrastructure and Projects Private Limited have filed any intervention application. There are no orders passed in the matter affecting the suit lands or the development thereof or restraining the transfer or development of the aforesaid land in any manner whatsoever. The matter is currently pending
- b) Saraswatibai Malhari Gaikwad (deceased) ("Plaintiff") through her heir has filed special civil suit no. 2040 of 2021 ("2021 Suit") against Yashwant Punaji Pathare & 65 others ("Defendants") before the Civil Judge, Senior Division, Pune ("Court") seeking inter alia preliminary decree of partition for 1/5th undivided share of the Plaintiff in the suit lands including inter alia portion of land bearing Survey No. 65/3 on which Gera Commerzone Kharadi is situated, cancellation of sale deeds, declaration, permanent injunction and several other reliefs. KRC Infrastructure & Projects Private Limited is not a party to the 2021 Suit and further, no summons from the Court have been received by KRC Infrastructure & Projects Private Limited till date. Gera Developments Private Limited and Gera Resorts Private Limited i.e. Defendant No. 15 & 16 in the said suit have filed their written statement and an Application for rejection of plaint on the grounds mentioned therein. The matter is currently pending. Gera Developments Private Limited ("Gera Developments") and Gera Resorts Private Limited ("Gera Resorts"), two of the defendants in the matter have filed an application for rejection of plaint under Order VII Rule 11 of Code of Civil Procedure, which application was rejected by the Court by way of an order passed on May, 05, 2022. Thereafter, on June 22, 2022 Gera Developments and Gera Resorts have filed a written statement in the matter. On June 22, 2022 the Plaintiff has filed an application under section 151 of Code of Civil Procedure seeking injunction against certain Defendants from creating third party rights by way of sale, not to carry out construction or development activities. On June 27, 2022, the defendants, Gera Developments and Gera Resorts filed their reply to the temporary injunction application. An application to recall the order dated May 5, 2022 was filed by defendants 1 to 15. The matter was heard on July 16, 2022, wherein the Court rejected the application filed by the defendants 1 and 15. On August 29, 2022 KRC Infra filed an application for intervention as third party for being impleaded in the suit. The hearing was concluded on September 27, 2022 on the intervention application and the matter has been posted to October 01, 2022 for passing of an order on the Application for intervention filed by KRC Infra. On October 1, 2022 the matter was further adjourned to October 6, 2022 and further to October 7, 2022. On October 7, 2022 additional arguments were advanced on the intervention application and the matter has been posted for order on the intervention application. Further, A notice of lis pendens dated February 1, 2022 has been registered at the office of Sub Registrar, Haveli no. 11, Pune. The matter is currently pending.

7 **MBPPL**

- a) Pursuant to the demerger and vesting of the Commerzone Undertaking of K Raheja Corp Pvt Ltd. (KRCPL), in MBPPL, MBPPL is the owner to the extent of 88.16 % undivided right title and interest in the land bearing S. No 144, 145 Yerawada, Pune which is comprised in the said Undertaking. "Shrimant Chhatrapati Udayan Rajee 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, 17.08.22 and thereafter to 12.10.22 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.





- b) MBPPL is subject to other legal proceedings and claims, which have arisen in the ordinary course of business. MBPPL's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on MBPPL's results of operations or financial condition.
- c) MBPPL received a communication (alleged reminder) from Pune Municipal Corporation (PMC) dated 4th February 2019 demanding an amount of Rs. 157 million allegedly due from MBPPL based on objections by internal audit report of Pune Municipal Corporation. MBPPL, submitted a letter dated 28th February 2019 denying all allegation of PMC, as MBPPL has not been served with any document referred to in the said PMC letter. Subsequently MBPPL addressed one more communication dated 2nd July 2019 stating that MBPPL would be in a position to submit its reply upon receipt of the details of amount demanded by PMC as per its (MBPPL) reply dated 28th February 2019, which also stated 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 illegible 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 for the amount of Rs. 183.60 million 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 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 and under section 159 of The Maharashtra Regional and Town Planning Act. 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 requested PMC to provide an opportunity of hearing and furnishing clarifications, if required by PMC. Thereafter, PMC issued a Demand Notice dated 5th January 2022 forwarding therewith revised/rectified challans amounting to a sum of Rs. 101.36 million (covering Principal amount of Rs. 26.64 million and Interest amount of Rs. 74.72 million) to MBPPL. This letter specifically mentioned that the revised challans were issued to MBPPL consequent to the verification undertaken by PMC of the written clarifications provided by the MBPPL. It was also mentioned in the PMC letter that if any objection is received in respect of the revised / rectified challans from the Department of the Chief Auditor, PMC will take action as per the instructions of the said department. Vide letter dated 25th January 2022, MBPPL repeated and reiterated the clarifications stated in its letter dated 11th October 2021 and enclosed a cheque of Rs. 26.64 million dated 21st January 2022 bearing no. 604614 in terms of the revised challans (without interest) without prejudice to any of its rights and contentions and without accepting any liability to pay the same with a view to finally settle the matter. Subsequently, by letter dated March 10, 2022, PMC informed MBPPL that it does not accept the cheque and requested MBPPL to issue demand draft for the amount as per the Challans and make the payment to PMC at the earliest. On April 7, 2022 MBPPL submitted a reply/ letter to PMC enclosing a demand draft bearing No.093909 dated 7th April 2022 as desired by the PMC, for an amount of ₹ 26.64 million towards the payment as set out in MBPPL's earlier communications. Vide letter dated July 11, 2022 PMC returned MBPPL's demand draft while demanding entire demanded payment. MBPPL vide its letter dated July 22, 2022 read with MBPPL letter dated July 21, 2022 remitted the entire demanded payment of Rs. 101.36 million under protest vide demand draft No.094396 dated 22nd July 2022. MBPPL on July 28, 2022 also paid an amount of Rs. 6.09 million under protest vide demand draft No.094410 dated 23rd July 2022 being Challan Late Fees and recorded this payment under MBPPL letter dated August 8, 2022. Currently MBPPL is in the process of filing a Writ Petition in Bombay High Court for recovery of entire amount of Rs. 107.45 million.

#### 8 Intime, Sundew and KRIT

- a) In accordance with the Scheme of arrangement which was approved by Hon'ble Andhra Pradesh High Court on 23 March 2007, the Industrial Park II and III undertakings of K Raheja IT Park (Hyderabad) Limited (formerly known as K Raheja IT Park (Hyderabad) Private Limited) ("KRIT", "JV Company") have been demerged and vested in the Company with effect from the appointed date i.e. 01 September 2006. Intime and Sundew had acquired the land at Madhapur, Hyderabad as part of the demerger scheme from KRIT. The said land is in lieu of the employment opportunities to be generated by KRIT and others. The liability, if any, arising due to the obligation to create the job opportunities for the entire larger land of which the above property is a part, continues to be retained by KRIT as at 30 September 2022. During the year ended 31 March 2016, Telangana State Industrial Infrastructure Corporation Limited ("TSIIC") has returned the original Bank Guarantees to KRIT and also confirmed to the bank that TSIIC will not claim any amount from the bank under the Bank Guarantees and the bank is relieved of its obligation. Hence, no liability is recognised towards the price of the plot of land.
- b) An unconditional obligation to pay amounts due to Andhra Pradesh Industrial Infrastructure Corporation Limited ("APIIC") in respect of APIIC's claims of losses due to any difference in values pertaining to sale transactions of the project undertaken by KRIT. Losses incurred by the Government/TSIIC in its JV Company, if any, will be paid in full by K Raheja Corp Pvt Ltd and it has furnished to the JV Company in writing agreeing and admitting liability to make such payment to Government/TSIIC. The shareholding pattern of the Government/TSIIC in the JV Company and the Company will not change as a result of conversion from Private to Public, the Government / TSIIC equity of 11% will remain the same in the Company and all the demerged companies and further in future, Government / TSIIC will not be asked to infuse further cash to maintain its 11% stake.

#### 9 Gigaplex

- a) Regular Civil Suit had been filed before the Hon. Civil Judge (J.D) Vashi at Central Business District by an Education Society ("the Plaintiff") who is claiming rights in existing school structure, claiming its area as 500 square meters and its existence since more than 30 years, seeking an injunction not to dispossess him. SPV has filed its reply opposing the Plaintiff's prayers. After hearing the parties, the Hon'ble Judge at the Vashi Court had rejected the Plaintiff's Injunction Application by Order dated 20.08.18 (Order). Thereafter the Plaintiff has filed an appeal in Thane District Court. The Plaintiff's Appeal filed in Thane District Court is still pending, it's next date is 19.12.22 for Arguments in Appellant's Applications for injunction and status quo. In management view, the estimate of liability arising out of the same is remote, no provision has been taken.
- b) The Collector of Stamps, Thane City imposed a penalty on Gigaplex vide its letter dated 12.08.22. Gigaplex had sought partial denotification in relation to plot no. IT-5, Airoli Knowledge Park, TTC Industrial Estate, Village Airoli and Digha, District Thane in 2016 owing to delay in stamp-duty payment. The amount of stamp duty surrendered for the exemption availed earlier on the transaction amounting to ₹ 39.8 million and registration fee of ₹ 0.02 million was submitted on December 9, 2016. However penalty was imposed under Section 39 of the Maharashtra Stamp Act, 1958 from the date of execution of the document at the rate of 2% per month amounting to ₹ 87.65 million for the delay in surrendering back the benefit. Matter is being represented to authorities and pursued for relief.



10 **KRIT**

A Writ petition has been filed against KRIT in the High Court of Judicature of Andhra Pradesh at Hyderabad with respect to specific use of the land admeasuring 4,500 square yards, earmarked as plot 18. Pursuant to it, the Court has passed an Order for no construction activity on the said plot of land until further orders of the Court. KRIT had filed its reply and also sought expeditious hearing. The matter is pending for disposal by the High Court. Based on the facts of the case, the management does not expect any liability and is of the opinion that no provision needs to be made.

11 **Horizonview**

W.S. Industries (India) Limited ("WSIL") has filed a writ petition before the Madras High Court against the District Revenue Officer, Thiruvallur ("DRO") and P. Jeyapal S/o R. Perumalsamy ("Jeyapal") seeking directions for quashing a notice dated May 25, 2017 issued by the DRO and Additional District Judge ("Notice"). The Notice was issued by the DRO cum Additional District Judge on a complaint presented by Jeyapal alleging that lands were handed over to WSIL on certain conditions, and instead of using such lands for common purpose, WSIL has been using the lands for commercial purpose. WSIL is the erstwhile owner of the land, a portion of which was subsequently sold and transferred by WSIL to certain entities. Horizonview has been granted development rights over such land. The Madras High Court, by its order dated June 5, 2017, has granted interim stay. The matter is pending before the Madras High Court. Neither RPIL Signalling Systems Limited (the present owner of the land at Porur being developed by Horizonview Properties Private Limited) nor Horizonview Properties Private Limited is a party to the aforementioned suit.

12 **Sundew**

The Office of the Land Reforms Tribunal Cum Deputy Collector & Special Grade Revenue Divisional Officer, Attapur ("Tribunal") had, by letter dated 27 August 2009, sought information from Sundew under Section 8(2) of the Andhra Pradesh Land Reforms (Ceiling on Agriculture Holdings) Act, 1973 ("APLRAC") in respect of the entire land parcel at Mindspace Madhapur. The Revenue Department of the Government of Andhra Pradesh forwarded a Memo dated 5 September 2009 for furnishing of certain information to the Government of Andhra Pradesh, including information requested by the letter dated 27 August 2009. Sundew had filed a detailed response on 30 September 2009 stating that (a) the land was originally granted by the Government of Andhra Pradesh to K Raheja IT Park Hyderabad Limited (KRIT) which was a joint venture company with Andhra Pradesh Industrial Infrastructure Corporation Limited, (b) the land was vested in Sundew by way of demerger order of the Andhra Pradesh High Court, (c) the land has been declared as an SEZ and is therefore exempt from the local laws; (d) the land was shown as a non-agricultural land in the master plan of Hyderabad and is therefore not "land" covered under the APLRAC. The Tribunal issued a final notice to Sundew in January 2012 requesting to submit a declaration for full and correct particulars of the lands held. The matter is currently pending before the Tribunal. Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.

**43 Management and Support fees**

**A Management Fees\***

**Property Management Fee**

Pursuant to the Investment Management Agreement dated 29 June 2020 as amended, the Manager is entitled to fees @ 3% of the total rent (lease and fitout) per annum of the relevant property in respect to operations, maintenance and management of the SPVs, as applicable. The fees has been determined to meet the ongoing costs of the Investment Manager to undertake the services provided to the SPVs.

Property Management fees for the quarter and half year ended 30 September 2022 amounts to Rs. 100 million and Rs. 199 million and for the quarter and half year ended 30 September 2021 amounts to Rs 91 million and Rs 180 million respectively. There are no changes during the period in the methodology for computation of fees paid to the Manager.

**Support Services Fee**

Pursuant to the Investment Management Agreement dated 29 June 2020 as amended, the Manager is entitled to fees @ 0.5% of the total rent (lease and fitout) per annum of the relevant property in respect to general administration and other support service of the SPVs, as applicable. The fees has been determined to meet the ongoing costs of the Investment Manager to undertake the services provided to the SPVs.

Support Management fees for the quarter and half year ended 30 September 2022 amounts to Rs. 19 million and Rs. 38 million and for the quarter and half year ended 30 September 2021 amounts to Rs 18 million and Rs 33 million respectively. There are no changes during the period in the methodology for computation of fees paid to the Manager.

**REIT Management Fees**

Pursuant to the Investment Management Agreement dated 21 November 2019, Investment Manager is entitled to fees @ 0.5% of REIT Net Distributable Cash Flows which shall be payable either in cash or in Units or a combination of both, at the discretion of the Investment Manager. The fees has been determined for undertaking management of the REIT and its investments. The REIT Management fees accrued for the quarter and half year ended 30 September 2022 amounts to Rs. 17 million and Rs. 34 million and for the quarter and half year ended 30 September 2021 amounts to Rs 16 million and Rs 32 million respectively. There are no changes during the period in the methodology for computation of fees paid to the Investment Manager.

\*Refer Note-50 for related party disclosure

**B Business Support Services :**

"REIT SPVs have entered into support services agreements with K. Raheja Corporate Services Private Limited (KRCSP) under which KRCSP has agreed to provide project related support activities to the REIT SPVs. The agreement has been further amended during the year for reduction in the quarterly fees payable with effect from 1 April, 2022"



44 Details of utilisation of proceeds of Non-convertible Bonds issued by MBPPL (MBPPL NCB 1) are as follows:

Particulars	Proposed utilisation	Actual utilisation upto 30 September 2022	Unutilised amount as at 30 September 2022
Refinancing of the existing bank borrowings and repayment of existing shareholders' loans and payments of all fees, costs and expenses in relation to the Issue, in compliance with the provisions of Applicable Law.	4,900	4,900	-

45 Details of utilisation of proceeds of Non-convertible Debentures issued by Mindspace REIT (NCD Series 4) are as follows:

Particulars	Proposed utilisation	Actual utilisation upto 30 September 2022	Unutilised amount as at 30 September 2022
Providing loans to the SPVs for meeting their construction related expenses, working capital or general corporate requirements, repayment of financial indebtedness, general corporate purposes including payment of fees and expenses in connection with the Issue, acquisition of commercial properties or such other purposes as stipulated in the transaction documents.	5,000	5,000	-

46 Earnings Per Unit (EPU)

Basic EPU amounts are calculated by dividing the profit/(loss) for the period attributable to Mindspace REIT by the weighted average number of units outstanding during the period. Diluted EPU amounts are calculated by dividing the profit attributable to Mindspace REIT by the weighted average number of units outstanding during the period.

Particulars	For the quarter ended 30 September 2022 (Unaudited)*	For the quarter ended 30 June 2022 (Unaudited)	For the quarter ended 30 September 2021 (Unaudited)*	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Audited)	For the half year ended 30 September 2021 (Unaudited)	For the year ended 31 March 2022 (Audited)
Profit after tax for calculating basic and diluted EPU attributable to Mindspace REIT	786	1,182	1,201	1,967	2,624	1,614	4,238
Weighted average number of units	593,018,182	593,018,182	593,018,182	593,018,182	593,018,182	593,018,182	593,018,182
<b>Earnings Per Unit</b>							
- Basic (Rupees/unit)	1.33	1.99	2.02	3.32	4.43	2.72	7.15
- Diluted (Rupees/unit) *	1.33	1.99	2.02	3.32	4.43	2.72	7.15

\* Mindspace REIT does not have any outstanding dilutive units.



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

**47 Financial instruments**

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

Financial assets	As at 30 September 2022	As at 31 March 2022
<b>Fair value through Other Comprehensive Income ('FVTOCI')</b>		
Investments in equity instruments	0	0
<b>Amortised cost</b>		
Investments - non-current	29	23
Trade receivables	1,780	210
Cash and cash equivalents	3,089	3,478
Other bank balances	211	121
Other financial assets	4,875	3,951
<b>Fair value through Profit or Loss ('FVTPL')</b>		
Investments - current	15	-
<b>Total assets</b>	<b>9,999</b>	<b>7,783</b>
<b>Financial liabilities</b>		
Borrowings	49,123	44,480
Lease Liabilities	134	127
Security deposits	8,231	7,874
Trade payables	922	705
Other financial liabilities	2,875	3,240
<b>Total liabilities</b>	<b>61,285</b>	<b>56,426</b>

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

**B. Measurement of fair values**

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

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

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

**Fair value hierarchy**

• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date,

• Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

• Level 3 inputs are unobservable inputs for the asset or liability.

The following table presents the fair value measurement hierarchy of assets and liabilities measured at fair value on recurring basis as at 30 September 2022.

**Financial instruments**

Quantitative disclosures fair value measurement hierarchy for assets as at 30 September 2022:

Particulars	Date of valuation	Total	Level 1	Level 2	Level 3
<b>Financial assets measured at fair value:</b>					
FVTOCI financial investments:	30/09/2022	-	-	-	0
FVTOCI financial investments:	31/03/2022	-	-	-	0

**C Transfers between Level 1, Level 2 and Level 3**

There were no transfers between Level 1, Level 2 or Level 3 during the period ended 30 September 2022 and year ended 31 March 2022.

**D Determination of fair values**

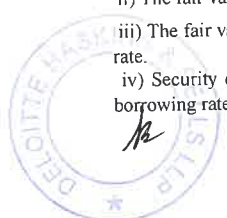
Fair values of financial assets and liabilities have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

i) The fair value of mutual funds are based on price quotations at reporting date.

ii) The fair values of other current financial assets and financial liabilities are considered to be equivalent to their carrying values.

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

iv) Security deposits accepted are measured at fair value based on the discounted cash flow method considering the discount rate determined as the average borrowing rate.





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

**48 Segment information**

**Primary segment information**

The primary reportable segment is business segment.

**Business Segment**

The Mindspace Group is organised into the two operating divisions - 'real estate' and 'power distribution', which are determined based on the internal organisation and management structure of the Mindspace Group and its system of internal financial reporting and the nature of its risks and its returns. The Governing Board of the manager has been identified as the chief operating decision maker (CODM). CODM evaluates the Mindspace Group's performance, allocates resources based on analysis of various performance indicators of the Group as disclosed below.

**Real estate**

Real estate comprises development and management of projects under Special Economic Zone (SEZ), Information Technology Parks and other commercial assets. The Group has its project/properties in Mumbai Region, Hyderabad, Pune and Chennai for development and management of commercial SEZ, IT parks and commercial assets including incidental activities.

**Power distribution**

The state power regulator has taken on record the SEZ developer MBPPL, Gigaplex, Sundew and KRC Infra as Deemed Distribution Licensee for Power. The approved SPVs being Deemed Distributor, supplies power to customers within the notified SEZ.

**For the quarter ended 30 September 2022**

Particulars	Real estate	Power distribution	Unallocable	Inter segment elimination	Total
Segment revenue	6,647	209	-	(67)	6,789
Segment result	3,042	(28)	(165)	-	2,849
Less: Finance cost	94	-	736	-	830
Add: Interest income / other income	3	1	69	-	73
Profit / (Loss) before exceptional items and tax	2,951	(27)	(832)	-	2,092
Profit / (loss) before tax	2,951	(27)	(832)	-	2,092
Less: Tax	-	-	1,218	-	1,218
<b>Profit / (Loss) after tax</b>	<b>2,951</b>	<b>(27)</b>	<b>(2,050)</b>	<b>-</b>	<b>874</b>

**For the quarter ended 30 June 2022**

Particulars	Real estate	Power distribution	Unallocable	Inter segment elimination	Total
Segment revenue	4,636	235	-	(64)	4,807
Segment result	2,961	29	(127)	-	2,863
Less: Finance cost	96	-	623	-	719
Add: Interest income / other income	1	-	44	-	45
Profit / (Loss) before exceptional items and tax	2,866	29	(706)	-	2,189
Profit / (loss) before tax	2,866	29	(706)	-	2,189
Less: Tax	-	-	905	-	905
<b>Profit / (Loss) after tax</b>	<b>2,866</b>	<b>29</b>	<b>(1,611)</b>	<b>-</b>	<b>1,284</b>

**For the quarter ended 30 September 2021**

Particulars	Real estate	Power distribution	Unallocable	Inter segment elimination	Total
Segment revenue	4,132	138	-	(35)	4,234
Segment result	2,613	32	(113)	-	2,534
Less: Finance cost	70	1	562	-	633
Add: Interest income / other income	21	1	29	-	50
Profit / (Loss) before exceptional items and tax	2,565	31	(646)	-	1,950
Profit / (loss) before tax	2,565	31	(645)	-	1,951
Less: Tax	-	-	652	-	652
<b>Profit / (Loss) after tax</b>	<b>2,565</b>	<b>31</b>	<b>(1,297)</b>	<b>-</b>	<b>1,299</b>



For the half year ended 30 September 2022

Particulars	Real estate	Power distribution	Unallocable	Inter segment elimination	Total
Segment revenue	11,283	444	-	(131)	11,596
Segment result	6,002	1	(292)	-	5,711
Less: Finance cost	190	-	1,359	-	1,549
Add: Interest income / other income	4	1	113	-	118
Profit / (Loss) before exceptional items and tax	5,816	2	(1,538)	-	4,280
Profit / (loss) before tax	5,816	2	(1,538)	-	4,280
Less: Tax	-	-	2,123	-	2,123
<b>Profit / (Loss) after tax</b>	<b>5,816</b>	<b>2</b>	<b>(3,661)</b>	<b>-</b>	<b>2,157</b>

For the half year ended 31 March 2022

Particulars	Real estate	Power distribution	Unallocable	Inter segment elimination	Total
Segment revenue	8,849	307	-	(86)	9,070
Segment result	5,532	49	(252)	-	5,329
Finance cost	202	2	1,208	-	1,412
Interest income / other income	29	1	90	-	120
Profit / (Loss) before exceptional items and tax	5,359	48	(1,370)	-	4,037
Less: Exceptional Items (refer note 55B)	489	-	-	-	489
Profit / (loss) before tax	5,848	48	(1,370)	-	4,526
Tax	-	-	1,733	-	1,733
<b>Profit / (Loss) after tax</b>	<b>5,848</b>	<b>48</b>	<b>(3,103)</b>	<b>-</b>	<b>2,793</b>

For the half year ended 30 September 2021

Particulars	Real estate	Power distribution	Unallocable	Inter segment elimination	Total
Segment revenue	8,212	291	-	(72)	8,431
Segment result	5,269	60	(223)	-	5,106
Less: Finance cost	137	1	1,094	-	1,232
Add: Interest income / other income	35	1	39	-	75
Profit / (Loss) before exceptional items and tax	5,167	60	(1,278)	-	3,949
Less: Exceptional Items (refer note 55)	(1,332)	-	-	-	(1,332)
Profit / (loss) before tax	3,835	60	(1,278)	-	2,617
Less: Tax	-	-	937	-	937
<b>Profit / (Loss) after tax</b>	<b>3,835</b>	<b>60</b>	<b>(2,215)</b>	<b>-</b>	<b>1,680</b>

For the year ended 31 March 2022

Particulars	Real estate	Power distribution	Unallocable	Inter segment elimination	Total
Segment revenue	17,061	598	-	(158)	17,501
Segment result	10,803	108	(476)	-	10,435
Less: Finance cost	338	3	2,303	-	2,644
Add: Interest income / other income	64	2	129	-	195
Profit / (Loss) before exceptional items and tax	10,529	107	(2,650)	-	7,986
Less: Exceptional Items (refer note 55A and 55B)	(843)	-	-	-	(843)
Profit / (loss) before tax	9,686	107	(2,650)	-	7,143
Less: Tax	-	-	2,670	-	2,670
<b>Profit / (Loss) after tax</b>	<b>9,686</b>	<b>107</b>	<b>(5,320)</b>	<b>-</b>	<b>4,473</b>





For the half year ended 30 September 2022

Other Information

Particulars	Real estate	Power distribution	Unallocable	Inter segment elimination	Total
Segment assets	217,951	1,848	6,035	-	225,834
Segment liabilities	11,437	1,664	51,766	-	64,867
Capital expenditure	1,783	3	-	-	1,786
Depreciation & amortisation	1,662	47	-	-	1,709

For the year ended 31 March 2022

Other Information

Particulars	Real estate	Power distribution	Unallocable	Inter segment elimination	Total
Segment assets	215,204	1,897	6,434	-	223,535
Segment liabilities	10,950	1,598	46,275	-	58,823
Capital expenditure	5,243	48	-	-	5,291
Depreciation & amortisation	3,188	101	-	-	3,289

Secondary segment information

Mindspace Group's operations are based in India and therefore the Group has only one geographical segment - India.

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

Segment revenue includes income directly attributable to the segment.

Revenue and expenses directly attributable to segments are reported under respective reportable segment.

Revenue and expenses which are not attributable or allocable to segments have been disclosed under 'Unallocable'.

Borrowings and finance cost of the Group which are not attributable or allocable to segments have been disclosed under 'Unallocable'.

Revenue from major customers:

Mindspace Group has no customer that represents more than 10% of the Group's revenue for all the reporting periods (i.e. for the quarter ended 30 September 2022, 30 June 2022, 30 September 2021, for the half year ended 30 September 2022, 31 March 2022, 30 September 2021 and for the year ended 31 March 2022)



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

**Notes to Accounts**

(All amounts in Rs. million unless otherwise stated)

**49 Non-controlling interest**

Name of the entity	As at 30 September 2022		For the quarter ended 30 September 2022	
	Net assets		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated total comprehensive income	Amount
<b>Parent</b>				
Mindspace Business Parks REIT	94.8%	152,627	90.0%	787
<b>SPVs</b>				
Intime Properties Limited	1.1%	1,703	2.9%	25
K. Raheja IT Park (Hyderabad) Limited	1.6%	2,591	1.6%	14
Sundew Properties Limited	2.5%	4,046	5.5%	48
<b>Consolidated net assets/ Total comprehensive income</b>	<b>100%</b>	<b>161,967</b>	<b>100%</b>	<b>874</b>

Name of the entity	As at 30 June 2022		For the quarter ended 30 June 2022	
	Net assets		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated total comprehensive income	Amount
<b>Parent</b>				
Mindspace Business Parks REIT	94.8%	154,653	92.1%	1,182
<b>SPVs</b>				
Intime Properties Limited	1.1%	1,713	1.9%	25
K. Raheja IT Park (Hyderabad) Limited	1.6%	2,666	1.9%	25
Sundew Properties Limited	2.5%	4,053	4.0%	52
<b>Consolidated net assets/ Total comprehensive income</b>	<b>100%</b>	<b>163,085</b>	<b>100%</b>	<b>1,284</b>

Name of the entity	As at 30 September 2021		For the quarter ended 30 September 2021	
	Net assets		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated total comprehensive income	Amount
<b>Parent</b>				
Mindspace Business Parks REIT	94.8%	159,066	92.5%	1,201
<b>SPVs</b>				
Intime Properties Limited	1.1%	1,794	1.8%	23
K. Raheja IT Park (Hyderabad) Limited	1.7%	2,847	1.6%	20
Sundew Properties Limited	2.4%	4,086	4.2%	54
<b>Consolidated net assets/ Total comprehensive income</b>	<b>100%</b>	<b>167,792</b>	<b>100%</b>	<b>1,299</b>



Name of the entity	As at 30 September 2022		For the half year ended 30 September 2022	
	Net assets		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated total comprehensive income	Amount
<b>Parent</b>				
Mindspace Business Parks REIT	94.8%	152,627	91.2%	1,967
<b>SPVs</b>				
Intime Properties Limited	1.1%	1,703	2.3%	50
K. Raheja IT Park (Hyderabad) Limited	1.6%	2,591	1.8%	39
Sundew Properties Limited	2.5%	4,046	4.7%	101
<b>Consolidated net assets/ Total comprehensive income</b>	<b>100%</b>	<b>160,967</b>	<b>100%</b>	<b>2,157</b>

Name of the entity	As at 31 March 2022		For the half year ended 31 March 2022	
	Net assets		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated total comprehensive income	Amount
<b>Parent</b>				
Mindspace Business Parks REIT	94.8%	156,205	94.0%	2,623
<b>SPVs</b>				
Intime Properties Limited	1.1%	1,736	1.6%	46
K. Raheja IT Park (Hyderabad) Limited	1.6%	2,717	1.5%	41
Sundew Properties Limited	2.5%	4,054	2.9%	82
<b>Consolidated net assets/ Total comprehensive income</b>	<b>100%</b>	<b>164,712</b>	<b>100%</b>	<b>2,792</b>

Name of the entity	As at 30 September 2021		For the half year ended 30 September 2021	
	Net assets		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated total comprehensive income	Amount
<b>Parent</b>				
Mindspace Business Parks REIT	94.8%	159,066	95.1%	1,615
<b>SPVs</b>				
Intime Properties Limited	1.1%	1,794	2.8%	47
K. Raheja IT Park (Hyderabad) Limited	1.7%	2,847	(5.4%)	(91)
Sundew Properties Limited	2.4%	4,086	6.5%	109
<b>Consolidated net assets/ Total comprehensive income</b>	<b>100%</b>	<b>167,792</b>	<b>100%</b>	<b>1,680</b>



Name of the entity	As at 31 March 2022		For the year ended 31 March 2022	
	As a % of consolidated net assets	Amount	Share in total comprehensive income As a % of consolidated total comprehensive income	Amount
Parent	94.8%	156,205	94.7%	4,235
Mindspace Business Parks REIT				
SPV's				
Intime Properties Limited	1.1%	1,736	2.1%	93
K. Raheja IT Park (Hyderabad) Limited	1.6%	2,717	(1.1%)	(50)
Sundew Properties Limited	2.5%	4,054	4.3%	191
<b>Consolidated net assets/ Total comprehensive income</b>	<b>100%</b>	<b>164,712</b>	<b>100%</b>	<b>4,470</b>

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

(i) Intime Properties Limited

Summarised balance sheet

Particulars	As at 30 September 2022	As at 31 March 2022
Non-current assets	16,068	16,410
Current assets	168	143
Non-current liabilities	(183)	(177)
Current liabilities	(573)	(593)
Net assets	15,480	15,783
NCI holdings	11.0%	11.0%
Carrying amount of Non-controlling interests	1,703	1,736

Summarised statement of profit & loss and Cash flow

Particulars	For the quarter ended 30 September 2022 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)	For the quarter ended 30 September 2021 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Audited)	For the year ended 31 March 2022 (Audited)
Total comprehensive income for the period	230	223	211	453	427	849
Attributable to Non-controlling interest	25	25	23	50	47	93
Total comprehensive income for the period						
Cash flows from/ (used in) :						
Operating activities	29	21	24	50	41	86
Investing activities	2	32	29	34	79	137
Financing activities	(35)	(48)	(55)	(84)	(118)	(222)
Net increase/ (decrease) in cash and cash equivalents	(4)	5	(2)	0	2	0

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

Summarised balance sheet

Particulars	As at 30 September 2022	As at 31 March 2022
Non-current assets	25,979	26,229
Current assets	225	232
Non-current liabilities	(1,616)	(702)
Current liabilities	(1,035)	(1,062)
Net assets	23,553	24,697
NCI holdings	11.0%	11.0%
Carrying amount of Non-controlling interests	2,591	2,717



**Summarised statement of profit & loss and Cash flow**

**Particulars**

	For the quarter ended 30 September 2022 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)	For the quarter ended 30 September 2021 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Audited)	For the half year ended 30 September 2021 (Unaudited)	For the year ended 31 March 2022 (Audited)
Total comprehensive income for the period	129	228	189	357	368	(825)	(457)
<b>Attributable to Non-controlling interest</b>							
Total comprehensive income for the period	14	25	20	39	41	(91)	(50)
<b>Cash flows from:</b>							
Operating activities	25	22	7	47	26	24	50
Investing activities	46	(35)	62	12	145	104	249
Financing activities	(69)	(13)	(56)	(82)	(155)	(141)	(296)
<b>Net increase in cash and cash equivalents</b>	<b>2</b>	<b>(26)</b>	<b>13</b>	<b>(23)</b>	<b>16</b>	<b>(13)</b>	<b>3</b>

**(iii) Sundew Properties Limited**

**Summarised balance sheet**

Particulars	As at 30 September 2022	As at 31 March 2022
Non-current assets	47,653	48,092
Current assets	531	464
Non-current liabilities	(9,129)	(9,398)
Current liabilities	(2,271)	(2,306)
Net assets	36,784	36,852
NCI holdings	11.0%	11.0%
Carrying amount of Non-controlling interests	4,046	4,054

**Summarised statement of profit & loss and Cash flow**

**Particulars**

	For the quarter ended 30 September 2022 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)	For the quarter ended 30 September 2021 (Unaudited)	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Audited)	For the half year ended 30 September 2021 (Unaudited)	For the year ended 31 March 2022 (Audited)
Total comprehensive income for the period	437	478	491	915	746	995	1,741
<b>Attributable to Non-controlling interest</b>							
Total comprehensive income for the period	48	52	54	101	82	109	191
<b>Cash flows from/ (used in) :</b>							
Operating activities	102	90	94	193	203	139	342
Investing activities	(7)	(7)	(4)	(13)	(28)	\$	(24)
Financing activities	(90)	(113)	(94)	(204)	(164)	(190)	(355)
<b>Net increase in cash and cash equivalents</b>	<b>5</b>	<b>(30)</b>	<b>(4)</b>	<b>(24)</b>	<b>11</b>	<b>(46)</b>	<b>(37)</b>
<b>Total carrying amount of NCI</b>	<b>8,340</b>	<b>8,432</b>	<b>8,727</b>	<b>8,340</b>	<b>8,507</b>	<b>8,727</b>	<b>8,507</b>



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

**50 Related party disclosures**

**A Parties to Mindspace REIT as at 30 September 2022 (Refer Note 1)**

Sl. No.	Particulars	Name of Entities	Promoters/Partners*	Directors
1	Trustee	Axis Trustee Services Limited	-	-
2	Manager	K Raheja Corp Investment Managers LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja	-
3	Sponsors	Anbee Constructions LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja Ms. Sumati Raheja (w.e.f. 1 October 2021)	-
4		Cape Trading LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
5	Sponsors Group	Mr. Chandru L. Raheja	-	-
6		Mr. Ravi C. Raheja	-	-
7		Mr. Neel C. Raheja	-	-
8		Mrs. Jyoti C. Raheja	-	-
9		Ms. Sumati Raheja (w.e.f. 30 September 2021)	-	-
10		Capstan Trading LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
11		Casa Maria Properties LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
12		Raghukool Estate Development LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
13		Palm Shelter Estate Development LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
14		K. Raheja Corp Pvt. Ltd.	Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja  Mrs. Jyoti C. Raheja Jointly with Mr. Chandru L. Raheja  Mr. Ravi C. Raheja Jointly with Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja  Mr. Neel C. Raheja Jointly with Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja  Anbee Constructions LLP Cape Trading LLP Capstan Trading LLP Casa Maria Properties LLP Raghukool Estate Development LLP Palm Shelter Estate Development LLP Mr. Neel C. Raheja Jointly with Mr. Ramesh M. Valecha	Ravi C. Raheja Neel C. Raheja Ramesh Valecha Ramesh Ranganathan(Appointed w.e.f. 7th July, 2021) Sunil Hingorani(Appointed w.e.f. 7th July, 2021) Vinod N. Rohira (Cessation w.e.f 7th July, 2021)





15	Sponsors Group	Ivory Property Trust	Chandru L. Raheja Jyoti C. Raheja Ivory Properties & Hotels Pvt Ltd Ravi C. Raheja Neel C. Raheja (all are trustees)	
16		Genext Hardware & Parks Pvt. Ltd.	Mr. Ravi C. Raheja Jointly with Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja  Mr. Neel C. Raheja Jointly with Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja Chandru L. Raheja jointly with Jyoti C. Raheja, on behalf of the beneficiaries of Ivory Property Trust,	Ravi C. Raheja Neel C. Raheja Ramesh Valecha Ramesh Ranganthan(w.e.f. 20th April, 2021)
17	Names of SPVs/subsidiaries	1. Avacado Properties and Trading (India) Private Limited 2. Gigaplex Estate Private Limited 3. Horizonview Properties Private Limited 4. KRC Infrastructure and Projects Private Limited 5. Intime Properties Limited 6. Sundew Properties Limited 7. K. Raheja IT Park (Hyderabad) Limited 8. Mindspace Business Parks Private Limited.		
18	Governing Board and Key Managerial Personnel of the Manager (K Raheja Corp Investment Managers LLP)	<u>Governing Board</u> Mr. Deepak Ghaisas Ms. Manisha Girotra Mr. Bobby Parikh Mr. Alan Miyasaki (resigned w.e.f. 27 December 2021) Mr. Manish Kejriwal (appointed w.e.f. 2 February 2022) Mr. Ravi C. Raheja Mr. Neel C. Raheja  <u>Key Managerial Personnel</u> Mr. Vinod Rohira (Chief Executive Officer of K Raheja Corp Investment Managers LLP) Ms. Preeti Chheda (Chief Financial Officer of K Raheja Corp Investment Managers LLP)		
19	Entities controlled/jointly controlled by members of Governing Board/Key Managerial Personnel of the manager	Brookfields Agro & Development Private Limited Cavalcade Properties Private Limited (till 24 December 2021) Grange Hotels And Properties Private Limited Immense Properties Private Limited Novel Properties Private Limited Pact Real Estate Private Limited Paradigm Logistics & Distribution Private Limited Sustain Properties Private Limited Aqualine Real Estate Private Limited Feat Properties Private Limited Carin Properties Private Limited Asterope Properties Private Limited Content Properties Private Limited Grandwell Properties And Leasing Private Limited (till 12 November 2021) Sundew Real Estate Private Limited Gencoval Strategic Services Private Limited Stemade Biotech Private Limited Hariom Infracilities Services Private Limited M/s Bobby Parikh & Associates		

\* only when acting collectively



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

**Notes to Accounts**

(All amounts in Rs. million unless otherwise stated)

**50 Related party disclosures**

**B. Related parties with whom the transactions have taken place during the period / year**

Particulars	For the quarter ended 30 September 2022 (Unaudited)	For the quarter ended 30 June 2022 (Unaudited)	For the quarter ended 30 September 2021 (Unaudited)	For the half year ended 31 March 2022 (Audited)	For the half year ended 30 September 2021 (Unaudited)	For year ended 31 March 2022 (Audited)
<b>Project Management Fees and Support Services Fee</b>						
K Raheja Corp Investment Managers LLP	119	118	108	237	212	436
<b>Investment Management Fees</b>						
K Raheja Corp Investment Managers LLP	17	17	16	34	32	64
<b>Trustee fee expenses</b>						
Axis Trustee Services Limited	1	-	0	1	1	2
<b>Legal &amp; professional fees</b>						
M/s Bobby Parikh and Associates	0	0	0	0	1	1
<b>Rent expense</b>						
Genext Hardware & Parks Pvt. Ltd.	-	-	2	-	5	5
<b>Purchase of assets</b>						
Genext Hardware & Parks Pvt. Ltd.	-	-	44	-	44	44
<b>Sitting Fees</b>						
Neel C Raheja	0	-	0	0	0	0
Ravi C Raheja	0	0	0	0	0	0
Vinod N. Rohira	0	0	0	0	0	0
Preeti Chheda	0	0	0	0	0	1
<b>Reimbursement of Expenses</b>						
K Raheja Corp Investment Managers LLP*	13	5	1	18	4	10
<b>Sale of Land</b>						
K Raheja Corp Pvt. Ltd.	-	-	-	-	-	1,200
<b>Repayment of Security Deposits</b>						
K Raheja Corp Pvt. Ltd.	1	-	-	1	-	1

\* Includes fees paid to M/s Bobby Parikh & Associates amounting to Rs. 0 Million for the for the half year ended 30 September 2022 and Rs. 3 million for the year ended 31 March 2022.



**MINDSPACE BUSINESS PARKS REIT****RN:IN/REIT/19-20/003****Condensed Consolidated Financial Statements****Notes to Accounts****(All amounts in Rs. million unless otherwise stated)****50 Related party disclosures****C. Balances as at the period end**

Particulars	As on 30 September 2022	As on 31 March 2022
<b>Other Receivable</b>		
Vinod N Rohira	0	0
K Raheja Corp Investment Managers LLP	0	-
<b>Trade Payables</b>		
K Raheja Corp Investment Managers LLP	0	34
M/s Bobby Parikh and Associates	0	0
<b>Sitting Fees Payable</b>		
Neel C.Raheja	0	0
Ravi C.Raheja	0	0
Preeti Chheda	0	0
Vinod N Rohira	-	0
<b>Other Financial Liabilities</b>		
K Raheja Corp Investment Managers LLP	24	28
<b>Security Deposit</b>		
K. Raheja Corp Pvt. Ltd.	-	1
<b>Co-Sponsor Initial Corpus</b>		
Anbee Constructions LLP	0	0
Cape Trading LLP	0	0



51 In accordance with SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2021 and Other requirements as per SEBI circular (No. SEBI/HO/DDHS/CIR/P/2018/71 dated 13 April 2018) for issuance of debt securities by Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs), REIT has disclosed the following ratios:

Ratios	Quarter ended		Half year ended		Year ended	
	30-Sep-22	30-Jun-22	30-Sep-21	30-Sep-22	31-Mar-22	31-Mar-22
a Security / Asset cover (MLD Series 1) (refer note a(i))	NA	NA	2.17	NA	2.13	2.17
b Security / Asset cover (NCD Series 1) (refer note a(ii))	2.51	2.50	2.38	2.51	2.49	2.38
c Security / Asset cover (MLD Series 2) (refer note a(iii))	2.34	2.36	2.37	2.34	2.36	2.37
d Security / Asset cover (NCD Series 2) (refer note a(iv))	2.41	2.48	2.48	2.41	2.45	2.48
e Security / Asset cover (NCD Series 3) (refer note a(v))	2.18	2.16	NA	2.18	2.16	0.00
f Security / Asset cover (Sundew 1) (refer note a(vi))	2.47	2.45	NA	2.47	2.42	NA
g Security / Asset cover (MBPPL 1) (refer note a(vii))	2.56	2.35	NA	2.56	NA	NA
h Security / Asset cover (NCD Series 4) (refer note a(viii))	2.37	NA	NA	2.37	NA	NA
i Debt-equity ratio (in times) (refer note b)	0.31	0.29	0.26	0.31	0.28	0.26
j Debt service coverage ratio (in times) (refer note c)	0.88	0.68	1.57	0.78	3.55	2.25
k Interest service coverage ratio (in times) (refer note d)	5.01	5.87	5.80	5.41	5.78	6.08
l Outstanding redeemable preference shares (quantity and value)	NA	NA	NA	NA	NA	NA
m(i) Capital redemption reserve	NA	NA	NA	NA	NA	NA
m(ii) Debenture redemption reserve (Amount in Rs. millions)	358	170	36	358	109	36
n Net worth (Amount in Rs. millions)	160,967	163,085	167,792	160,967	164,712	167,792
o Net profit after tax (Amount in Rs. millions)	874	1,284	1,299	2,157	2,793	1,680
p(i) Earnings per unit- Basic (Rupees/unit)	1.33	1.99	2.02	3.32	4.43	2.72
p(ii) Earnings per unit- Diluted (Rupees/unit)	1.33	1.99	2.02	3.32	4.43	2.72
q Current Ratio (in times) (refer note f)	0.60	0.44	0.29	0.60	0.32	0.29
r Long term debt to working capital (in times) (refer note h)	(8.67)	(5.70)	(1.84)	(8.67)	(2.94)	(1.84)
s Bad debts to account receivable ratio (in times) (refer note i)	0.02	0.04	0.01	0.03	0.02	0.01
t Current liability ratio (in times) (refer note l)	0.20	0.22	0.41	0.20	0.30	0.41
u Total debt to total assets (in times) (refer note j)	0.22	0.21	0.19	0.22	0.20	0.19
v Debtors Turnover (in times) (refer note k)	25.49	68.65	18.21	23.31	91.40	84.17
w Inventory Turnover*	NA	NA	NA	NA	NA	NA
x Operating Margin (in %) (refer note m)	53%	75%	75%	62%	75%	76%
y Net Profit Margin (in %) (refer note n)	13%	26%	30%	18%	30%	20%
z Sector Specific equivalent ratio*	NA	NA	NA	NA	NA	NA

\*Not Applicable (NA)



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

- a(i) Security / Asset cover ratio (MLD Series 1) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of MLD Series 1 + Interest accrued thereon)
- a(ii) Security / Asset cover ratio (NCD Series 1) = Lower of Fair value of the secured assets as computed by two independent valuers / (Outstanding principal amount of NCD Series 1 + Interest accrued thereon)
- a(iii) Security / Asset cover ratio (MLD Series 2) = Fair value of the secured assets as computed by independent valuer / (Outstanding principal amount of MLD Series 2 + Interest accrued thereon)
- a(iv) Security / Asset cover ratio (NCD Series 2) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Series 2 + Interest accrued thereon)
- a(v) Security / Asset cover ratio (NCD Series 3) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Series 3 + Interest accrued thereon)
- a(vi) Security / Asset cover ratio (NCD Sundew 1) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Sundew 1 + Interest accrued thereon)
- a(vii) Security / Asset cover ratio (NCD MBPPL 1) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD MBPPL 1 + Interest accrued thereon)
- a(viii) Security / Asset cover ratio (NCD Series 4) = Fair value of the secured assets as computed by independent valuers / (Outstanding principal amount of NCD Series 4 + Interest accrued thereon)
- b(i) Total Debt = Long term borrowings (Non-current) + Short term borrowings (current) + Lease liabilities (current and non-current) + Interest accrued on debts (current and non-current)
- b(ii) Debt Equity Ratio = Total Debt/Total Equity (including non-controlling interest)
- c) Debt Service Coverage Ratio = Earnings before interest {net of
- d) Interest Service Coverage Ratio = Earnings before interest {net of
- e) Net worth = Corpus + Unit capital + Other equity (including non-controlling interest)
- f) Current ratio = Current assets/ Current liabilities
- g) Long term Debt = Long term borrowings (excluding current maturities of long term debt) + Lease liabilities (Non-current) + Interest accrued on debts (Non-current)
- h) Long term debt to working capital ratio = Long term debt (Non-current) /
- i) Current liability ratio = Current liabilities/ Total liabilities including
- j) Total debt to total assets = Total debt/ Total assets including regulatory
- k) Debtors Turnover = Revenue from operations (Annualised)/ Average trade
- l) Bad debts to account receivable ratio = Bad debts (including provision for depreciation, exceptional items and tax – Other income – Interest income) / Revenue from operations
- m) Operating margin = (Earnings before interest {net of capitalization}, depreciation, exceptional items and tax – Other income – Interest income) / Revenue from operations
- n) Net profit margin = Profit after exceptional items and tax/ Total Income





**MINDSPACE BUSINESS PARKS REIT**

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

**Condensed Consolidated Financial Statements**

**Notes to Accounts**

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

- 52 a) The figures for the quarter ended 30 September 2022 are the derived figures between the figures in respect of the half year ended 30 September 2022 and the figures for the quarter ended 30 June 2022, which are subjected to limited review.
- b) The figures for the quarter ended 30 September 2021 are the derived figures between the figures in respect of the half year ended 30 September 2021 and the figures for the quarter ended 30 June 2021, which were subjected to limited review.
- c) The figures for the half year ended 31 March 2022 are the derived figures between the audited figures in respect of the year ended 31 March 2022 and the published year-to-date figures upto period ended 30 September 2021, which were subjected to limited review.
- 53A During the FY 2021-22, KRIT had proposed to redevelop Buildings 1A and 1B at Mindspace, Madhapur, Hyderabad. Vacation of these buildings by the tenant, provided the SPV an opportunity to evaluate the possibility of redevelopment which would potentially increase the area of the building, help incorporating new upgraded facilities, enhance the marketability of the buildings and also offer future consolidation opportunities to existing tenants in the Park with continuity and growth. Basis the assessment by the SPV of the opportunity and concurrence from the Telangana State Industrial Infrastructure Corporation Ltd. (TSIIC) vide its letter dated June 23, 2021, the SPV proposed to redevelop the said buildings subject to the receipt of statutory approvals & clearances as may be required for the proposed redevelopment. Accordingly, the Mindspace Group had charged the written down value of the said buildings, plant and machinery and other assets in relation to the buildings aggregating to Rs.1,332 million to the Condensed Consolidated Statement of Profit and Loss and considered the same as an Exceptional Item for the year ended March 31, 2022.
- 53B During the FY 2021-22, 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 Consolidated financial statements, forming part of 'Real estate' segment. The said land had been sold vide agreement dated 30 March 2022 for the consideration of Rs. 1200 million, which had been determined as per the mutual agreement considering latest ready reckoner rate, resulting into profit of Rs. 489 million. The same had been considered as an Exceptional Item in the statement of Profit and Loss for the year ended March 31, 2022.
- 54 Previous period figures have been regrouped, as considered necessary, to conform with current period presentation.
- 55 "0" represents value less than Rs. 0.5 million.

