



Date: February 10, 2021

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 "960104" (Debentures) and  
"960327" (Debentures)**

**Subject: Outcome of the Meeting of the Governing Board ("Board") of K Raheja Corp Investment Managers LLP ("Manager"), manager to Mindspace Business Parks REIT ("Mindspace REIT") held on Wednesday, February 10, 2021**

Dear Sir/Madam,

We wish to inform you that the Governing Board of the Manager of Mindspace REIT, at its meeting held on Wednesday, February 10, 2021, has, *inter-alia*:

- i. approved the Unaudited Condensed Standalone Interim Financial Statements and Unaudited Condensed Consolidated Interim Financials Statements of Mindspace REIT for the quarter and nine months ended December 31, 2020,
- ii. declared distribution of Rs. 2835 million / Rs. 4.78 per Unit for the quarter ended December 31, 2020.

Further, we have enclosed:-

1. Press Release in connection with the Unaudited Condensed Standalone Interim Financial Statements and Unaudited Condensed Consolidated Interim Financials Statements of Mindspace REIT for the quarter and nine months ended December 31, 2020, as **Annexure 1**,
2. Earnings presentation for quarter and nine months ended December 31, 2020 comprising of the Business and Financial Results of Mindspace REIT for the quarter and nine months ended December 31, 2020 as **Annexure 2**,
3. Unaudited Condensed Standalone Interim Financial Statements and Unaudited Condensed Consolidated Interim Financials Statements of Mindspace REIT for the quarter and nine months ended December 31, 2020 along with the Limited Review Report thereon by the Statutory Auditors as **Annexure 3**.

The details of related party transactions are set out at page nos. 24 to 25 of the Unaudited Condensed Standalone Interim Financial Statement and at page nos. 48 to 49 of the Unaudited Condensed Consolidated Interim Financial Statements of Mindspace REIT, which are enclosed as Annexure 3.

---

**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**



We also wish to inform you that record date for the distribution to unitholders for the quarter ended December 31, 2020, will be February 18, 2021 and the payment of distribution will be made on or before February 25, 2021.

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)**

*Rohit Bhase*

**Authorised Signatory**

**Name: Rohit Bhase**

**Designation: Compliance Officer**

**Place: Mumbai**

**Encl: As above**



## Mindspace Business Parks REIT Announces Results for Q3 & 9M FY21 and Declares Distribution of INR 4.78 per unit

**Mumbai, February 10, 2021:** Mindspace Business Parks REIT (BSE: 543217 | NSE: MINDSPACE) ('MindSpace REIT'), owner and developer of quality Grade A office portfolio located in four key office markets of India, reported results for the quarter, and nine months ended December 2020.

### Distribution

The Governing Board of K Raheja Corp Investment Managers LLP, Manager to Mindspace REIT declared a distribution of **INR 2,835 Mn** or **INR 4.78 p.u.** for Q3 FY2021 at its meeting held earlier today. The record date for the distribution is 18 February 2021, payment of the distribution shall be processed on or before 25 February 2021.

### Performance Update for Q3 FY 2021

- **Gross leasing of 1.0 msf, with an average rent of INR 60 psf/month**
- **Re-leasing spread of 13.3%** on 0.9 msf of area re-leased
- Continued to **collect over 99% of Gross Contracted Rentals**
- **Committed Occupancy of 86.9%**
- **Same Store Committed Occupancy of 89.9%** (Dec 20 vs Dec 19, on 21.1 msf area)

### Financial Update for Q3 FY2021

- Declared distribution of **INR 2,835 Mn / INR 4.78 p.u.**, first distribution post listing
- **Net Operating Income of INR 3,578 Mn**, a **sequential growth of 6.3% vs Q2 FY2021**
- Raised **INR 2,000 Mn** via **NCDs at 6.45% p.a.p.q.** (Rating - CRISIL AAA/Stable)
- Aailed **INR 5,550 Mn** Lease Rental Discounting Loan as **Green Loan** at SPV level
- Weighted average **cost of debt reduced** from 8.1%<sup>(1)</sup> in September 2020 to **7.3%** in December 2020 on p.a.p.m. basis
- Robust balance sheet with **low net debt to market value of 13.8%**<sup>(2)</sup>

### Other Updates for Q3 FY2021

- Included in '**MSCI India Domestic Small Cap Index**' and various other MSCI & FTSE indices
- British Safety Council's '**Sword Of Honour**' awarded to Gera Commerzone, Kharadi & Mindspace, Airoli West Parks
- Received **LEED Gold certification** from **USGBC** for **Commerzone Porur** and **1 building in Mindspace Airoli West**

*Note:*

1. *On p.a.p.m. basis post utilization of Market Linked Debentures (MLDs) proceeds in Oct 20*
2. *For the purpose of LTV calculation, Net Debt is considered post accounting & minority interest adjustment. Net Debt is as of 31 December 2020 and Market Value is as of 30 September 2020*



**Speaking on the results, Mr. Vinod Rohira, Chief Executive Officer, Mindspace Business Parks REIT** said, *“Digitization has changed the way businesses across the world function. India is a frontrunner of intellectual capital, and, as the premier and most effective provider of these solutions, stands to benefit greatly from global demand.*

*The second wave of Covid-19 in several parts of the world, has led to temporarily pausing the demand trajectory. While we expect this to continue for a few more quarters, the global environment is expected to recuperate, and as office occupancies rise, India’s Grade A offices will be the foremost beneficiaries of the surge in demand.”*

### **Investor Communication and Quarterly Investor Call Details**

Mindspace REIT has disclosed following information pertaining to the financial results and business performance (i) interim condensed standalone and consolidated financial statements for the quarter and nine month period ended 31 December 2020 (*The consolidated financial results include financial results of Asset SPVs for a cumulative five month period from 01 August 2020 to 31 December 2020*) and (ii) an earnings presentation covering Q3 and 9M FY2021 results. All these documents are available on Mindspace REIT’s website at <https://www.mindspacereit.com/investor-relations/financial-updates/#ir>

Mindspace REIT is also hosting an earnings conference call on February 11, 2021 at 16:00 hours Indian Standard Time to discuss the Q3 and 9M FY2021 results. The dial in details have are available on our website at [https://www.mindspacereit.com/investor\\_relations/presentations/#ir](https://www.mindspacereit.com/investor_relations/presentations/#ir) and have also been filed with the stock exchanges.

A replay of the call will be available till 10 March 2021 on Mindspace REIT’s website at [https://www.mindspacereit.com/investor\\_relations/presentations/#ir](https://www.mindspacereit.com/investor_relations/presentations/#ir)

### **Disclaimer**

This press release (**“Press Release”**) (a) is for information purpose only without regards to specific objectives, financial situations or needs of any particular person, (b) comprises information given in summary form and neither purports to be complete nor guarantees that such information is true and accurate, (c) should not be considered as a recommendation to any person to purchase / subscribe to any units, debentures, bonds or any other securities / instruments issued or proposed to be issued by Mindspace REIT (d) does not constitute or form part of any offer for sale or subscription of or solicitation or invitation of any offer to buy or subscribe for, or advertisement with respect to, the purchase or sale of any units, debentures, bonds or any other securities / instruments of Mindspace REIT in any jurisdiction.

This Press Release may include statements that are / may deemed to be, ‘forward-looking statements’ which involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. Any projection of future income or performance should be viewed merely as a fair estimate of the management of Mindspace REIT, which may be dependent on several factors and in no manner should be construed as an indication of its reflection in the market price of



units or any other securities / instruments issued or proposed to be issued by Mindspace REIT. No representation, warranty or undertaking, express or implied, is made or assurance given that such statements, views, projections or forecasts, if any, are correct or that any objectives specified herein will be achieved. None of Mindspace REIT, or its manager viz. K Raheja Corp Investment Managers LLP, or any of our affiliates or advisors, as such, (a) make any representation or warranty, express or implied, as to, and/or accept any responsibility or liability with respect to, the fairness, accuracy, completeness or correctness of any information or opinions contained herein, (b) accept any liability whatsoever for any loss, howsoever, arising from any use or reliance on this Press Release or (c) assume responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent development, information or events, or otherwise. The information contained herein is subject to change without notice and past performance is not indicative of future results.

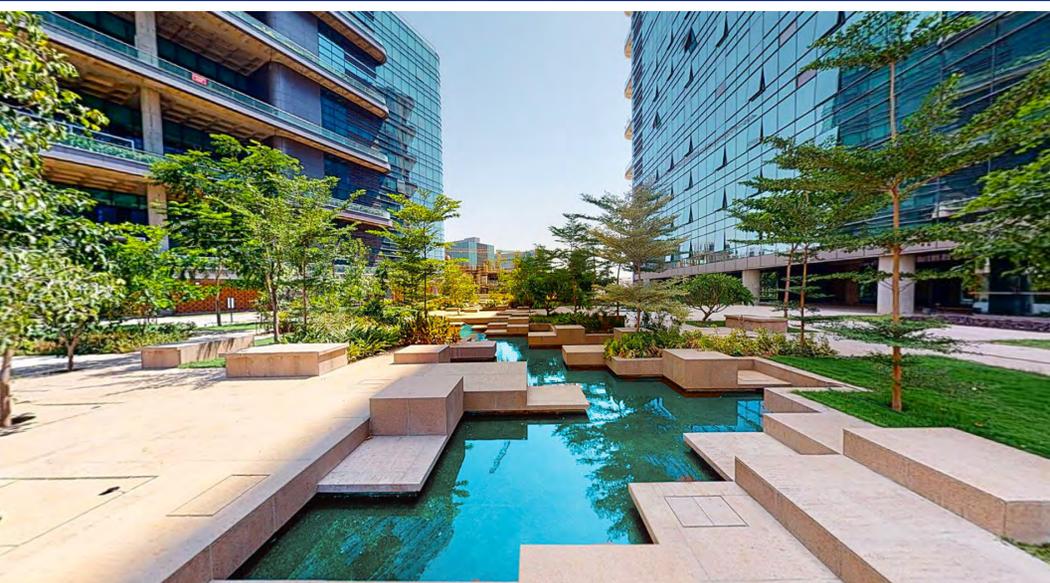
This Press Release has not been and will not be reviewed or approved by a regulatory authority in India or elsewhere or by any stock exchange in India or elsewhere and any prospective investor investing in units/debentures or other securities / instruments of Mindspace REIT should consult its own advisors before taking any decision in relation thereto.

#### ***About Mindspace Business Parks REIT***

*Mindspace Business Parks REIT, sponsored by K Raheja Corp group, listed on the Indian bourses in August 2020. The REIT owns quality office portfolios located in four key office markets of India, namely Mumbai Region, Pune, Hyderabad and Chennai. It has a total leasable area of 29.5 msf, with superior infrastructure and amenities, and is one of the largest Grade-A office portfolios in India. The portfolio consists of 5 integrated business parks and 5 quality independent office assets. It has a diversified and high-quality tenant base, with 165+ tenants as of December 31, 2020. Most of the buildings in the portfolio are either Gold or Platinum Green Building Certified (IGBC/LEED). The assets provide a community-based ecosystem and have been developed to meet the evolving standards of tenants, and the demands of 'new age businesses', making it amongst the preferred options for both multinational and domestic corporations. To know more visit [www.mindspacereit.com](http://www.mindspacereit.com)*

#### **For further details please contact:**

<b>Investor Relations</b>	<b>Corporate Communications</b>
<i>Deepak Aswani</i> <a href="mailto:ir@mindspacereit.com">ir@mindspacereit.com</a>	<i>Cheryl Waldiya</i> <a href="mailto:mediarelations@mindspacereit.com">mediarelations@mindspacereit.com</a> Phone: 9322198940



# MindSpace Business Parks REIT

Q3 FY 2021 Results Presentation

10<sup>th</sup> Feb 21

# Disclaimer

---

By attending the meeting where this presentation (“Presentation”) is made, or by reading the Presentation materials, you agree to be bound by the following limitations:

This Presentation (a) is for information purposes only without regards to specific objectives, financial situations or needs of any particular person, (b) should not be considered as a recommendation to any person to purchase / subscribe to any units, debentures, bonds or any other securities / instruments issued or proposed to be issued by Mindspace Business Parks REIT (“Mindspace REIT”).

This Presentation and the information contained herein does not constitute or form part of any offer for sale or subscription of or solicitation or invitation of any offer to buy or subscribe for, or advertisement with respect to, the purchase or sale of any units, debentures, bonds or any other securities / instruments of Mindspace REIT in any jurisdiction, and no part of it shall form the basis of or be relied upon by any person in connection with any contract or commitment whatsoever.

The material that follows is a presentation of general background information. We don’t assume responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent development, information or events, or otherwise. This Presentation comprises information given in summary form and does not purport to be complete and it cannot be guaranteed that such information is true and accurate. This Presentation includes statements that are, or may be deemed to be, “forward-looking statements”. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance including those relating to general business plans and strategy, future outlook and growth prospects, and future developments in its businesses and its competitive and regulatory environment. Any projection of future income or performance should be viewed merely as a fair estimate of the management of Mindspace REIT, which may be dependent on several factors and in no manner should be construed as an indication of its reflection in the market price of units, debentures, bonds or any other securities / instruments issued or proposed to be issued by Mindspace REIT. No representation, warranty or undertaking, express or implied, is made or assurance given that such statements, views, projections or forecasts, if any, are correct or that any objectives specified herein will be achieved. Neither we, nor any of our affiliates or advisors, as such, make any representation or warranty, express or implied, as to, and do not accept any responsibility or liability with respect to, the fairness, accuracy, completeness or correctness of any information or opinions contained herein and accept no liability whatsoever for any loss, howsoever, arising from any use or reliance on this Presentation or its contents or otherwise arising in connection therewith. Unless otherwise stated in this Presentation, the information contained herein is based on management information and estimates. The information contained herein is subject to change without notice and past performance is not indicative of future results.

The units, debentures, bonds or any other securities / instruments of Mindspace REIT have not been and will not be registered under the U.S. Securities Act, 1933, as amended (“U.S. Securities Act”), or the securities laws of any applicable jurisdiction and these materials do not constitute or form a part of any offer to sell or solicitation of an offer to purchase or subscribe for units, debentures, bonds or any other securities / instruments in the United States of America or elsewhere in which such offer, solicitation or sale would be unlawful prior to registration under the U.S. Securities Act or the securities laws of any such jurisdiction. No units, debentures, bonds or any other securities / instruments of Mindspace REIT may be offered or sold in the United States of America without registration or an applicable exemption from registration requirements under the U.S. Securities Act. By accessing this Presentation, each investor is deemed to represent that it is and any customer it represents are either (a) qualified institutional buyers (within the meaning of Rule 144A under the U.S. Securities Act) or (b) outside the United States of America (within the meaning of Regulation S under the U.S. Securities Act), and is a sophisticated investor who possesses sufficient investment expertise to understand the risks involved in the offering.

This document is just a Presentation and is not intended to be a “prospectus” or “draft offer document” or “offer document” or “final offer document” or “offer letter” or “offering memorandum” (as defined or referred to, as the case may be, under the Companies Act, 2013 and the rules notified thereunder, and the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, or any other applicable law). This Presentation has not been and will not be reviewed or approved by a regulatory authority in India or elsewhere or by any stock exchange in India or elsewhere.

If we should at any time commence an offering of units, debentures, bonds or any other securities / instruments of Mindspace REIT, any decision to invest in any such offer to subscribe for or acquire units, debentures, bonds or any other securities / instruments of Mindspace REIT, must be based wholly on the information contained in an offer document or offering circular (including the risk factors mentioned therein) issued or to be issued in connection with any such offer and not on the contents hereof. Any prospective investor investing in such invitation, offer or sale of securities by Mindspace REIT should consult its own advisors before taking any decision in relation thereto.

This Presentation is not intended to be an offer or placement for the purposes of the Alternative Investment Fund Managers Directive (“AIFMD”), and any “marketing” as defined under AIFMD may only take place in accordance with the national private placement regimes of the applicable European Economic Area jurisdictions.

# Table of Contents

Key Updates	04
Portfolio Overview	09
Projects Update	17
Value Creation via ESG	21
Financial Update	25
Price Performance & Unitholding	29
Market Overview	32
Annexures	37

Note:

1. The consolidated financial results include financial results of Asset SPVs for a cumulative five month period from 01 Aug 20 to 31 Dec 20
2. In the presentation, Revenue from Operations & NOI have been calculated on a pro forma basis beginning 01 Apr 20 for comparison purpose
3. All the financial numbers in the presentation have been rounded off unless otherwise stated
4. Mindspace Business Parks REIT is referred to as Mindspace REIT in the presentation
5. 'The Square Avenue 61 (BKC)' & 'The Square Signatures Business Chambers (Nagar Road - Pune)' are referred as "The Square BKC" and "The Square Nagar Road" respectively in the presentation

# Key Updates



# Key Updates for Q3 FY21

## Operational



- Gross Leasing of **1.0** msf at an average rent of INR **60** psf/month
- Committed Occupancy of **86.9%**<sup>(1)</sup>
- Same Store Committed Occupancy of **89.9%**
- Re-leasing spread of **13.3%**<sup>(2)</sup> on **0.9** msf Re-leased during the quarter
- Collections of more than **99%** of Gross Contracted Rentals<sup>(3)(4)</sup>

## Financial



- Declared first distribution of INR **2,835** Mn / INR **4.78** p.u.
- NOI for Q3 FY21 at INR **3,578** Mn
- Availed Lease Rental Discounting Loan of INR **5,550** Mn as Green Loan at SPV level
- Raised INR **2,000** Mn via Non-convertible debentures at 6.45% p.a.p.q. (CRISIL AAA/Stable)
- Weighted average cost of debt reduced from **8.1%** (Sep 20) to **7.3%** (Dec 20) on p.a.p.m. basis
- Net Debt to Market Value remains low at **13.8%**<sup>(5)(6)</sup>

## Others



- Included in “**MSCI India Domestic Small Cap Index**” and various other MSCI and FTSE indices
- British Safety Council’s “**Sword Of Honour**” awarded for Gera Commerzone Pune & Mindspace Airoli West
- Received **LEED Gold certification from USGBC** for Commerzone Porur and 1 building in Mindspace Airoli West
- “**Environment friendly project of the year**” by Estate Awards for Mindspace Airoli West
- “**Most environment friendly commercial space**” by Realty Conclave for Mindspace Airoli West & Commerzone Porur

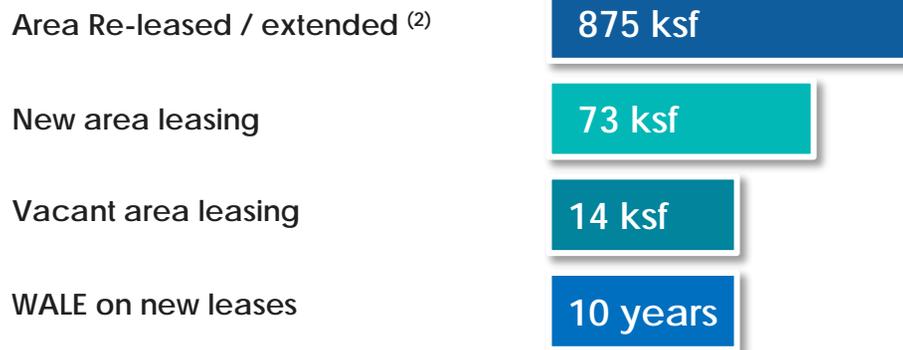
1. Lease contracts expiring on period end date have been assumed to be expired for calculations of Committed Occupancy and Expiry  
2. Re-leasing spread includes spread on extensions and vacant area leasing  
3. Collections are as of 08 Feb 21  
4. Gross Contracted Rentals is the sum of Base Rentals and fit-out rent to be

invoiced for Occupied Area that is expected to be received from the tenants pursuant to the agreements entered with them

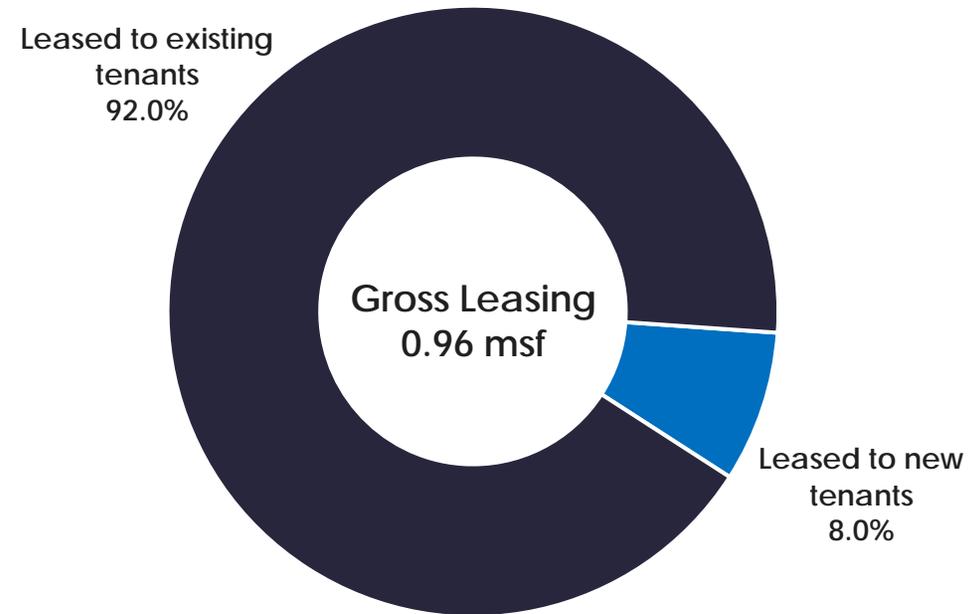
5. Net Debt as of 31 Dec 20 and Market value as of 30 Sep 20  
6. For the purpose of LTV calculation, Net Debt is considered post accounting & minority interest adjustment

# Quality Portfolio with Attractive In-Place Rent Backed by Strong Tenant Base

0.96 msf leases signed across 16 tenants, includes 0.88 msf Re-leased at 13.3%<sup>(1)</sup> Re-leasing spread and 0.07 msf of new leases at market rent

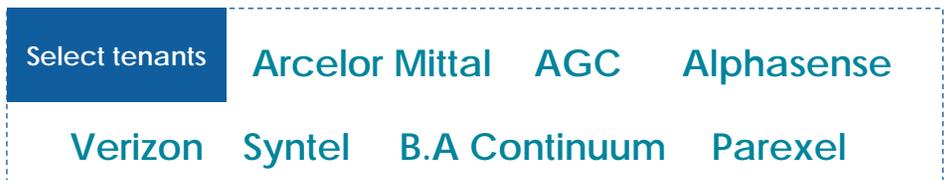


## Q3 FY21 - Split basis type of tenants



## Q3 FY21 - New area & Vacant area leasing

Assets	Location	Tenants	Leased (sf)
Mindspace Airoli (W)	Mumbai	AGC <sup>(3)</sup>	41,398
The Square BKC	Mumbai	Arcelor Mittal	31,500
Mindspace Madhapur	Hyderabad	Cushman	9,000
Mindspace Malad	Mumbai	Alphasense	4,750
<b>Total</b>			<b>86,648</b>



Note: All leasing numbers include LOIs signed

- Includes spread on leasing of vacant area as on 31 Mar 20
- Includes leasing of early termination areas; extensions granted for expiring

- leases; Re-leasing of contractual expiries  
Pre-leased



# Delivered Sustainable Financial Performance

Performance driven by revenue management and cost efficiencies

	Revenue from Operations <sup>(1)</sup> (INR Mn)	NOI (INR Mn)
9M FY21	12,018	10,162
Q3 FY21	4,163	3,578
Q2 FY21	4,010	3,366
FY 2020	15,501	12,257

### Key points:

- NOI growth from Q2 FY21 to Q3 FY21: 6.3%
- NOI growth in 9M FY21 over FY20 on annualized terms<sup>(2)</sup>: 10.5%
- NOI growth driven by healthy collections & cost optimization
- Maintained over 80% NOI margin

Note:

1. Excludes revenue from works contract services in Gera Commerzone Kharadi
2. Annualized FY21 NOI = 4/3 x 9M FY21 NOI

# Mindspace REIT Declares its First Distribution

Q3 Distribution of INR 2,835 Mn, INR 4.78 per unit representing c.100% payout ratio

## Key Dates



Period

Oct 20 to Dec 20

Declaration Date

10 Feb 21

Record Date

18 Feb 21

Payment Date

On or before  
25 Feb 21

## Distribution Details



Distribution Amount

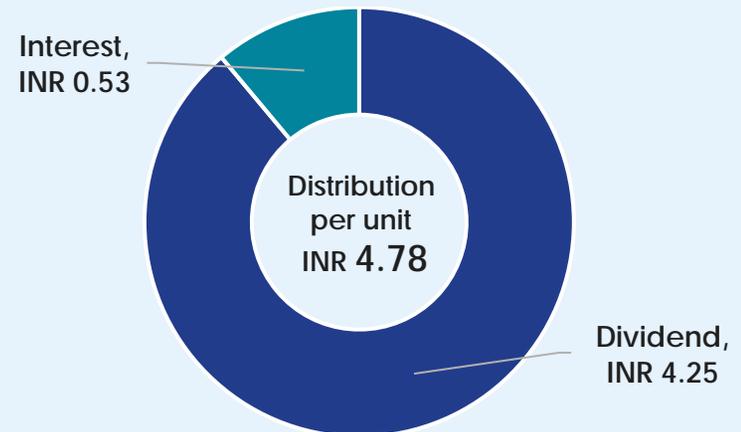
INR 2,835 Mn

Outstanding Units

593,018,182

Distribution per unit

INR 4.78



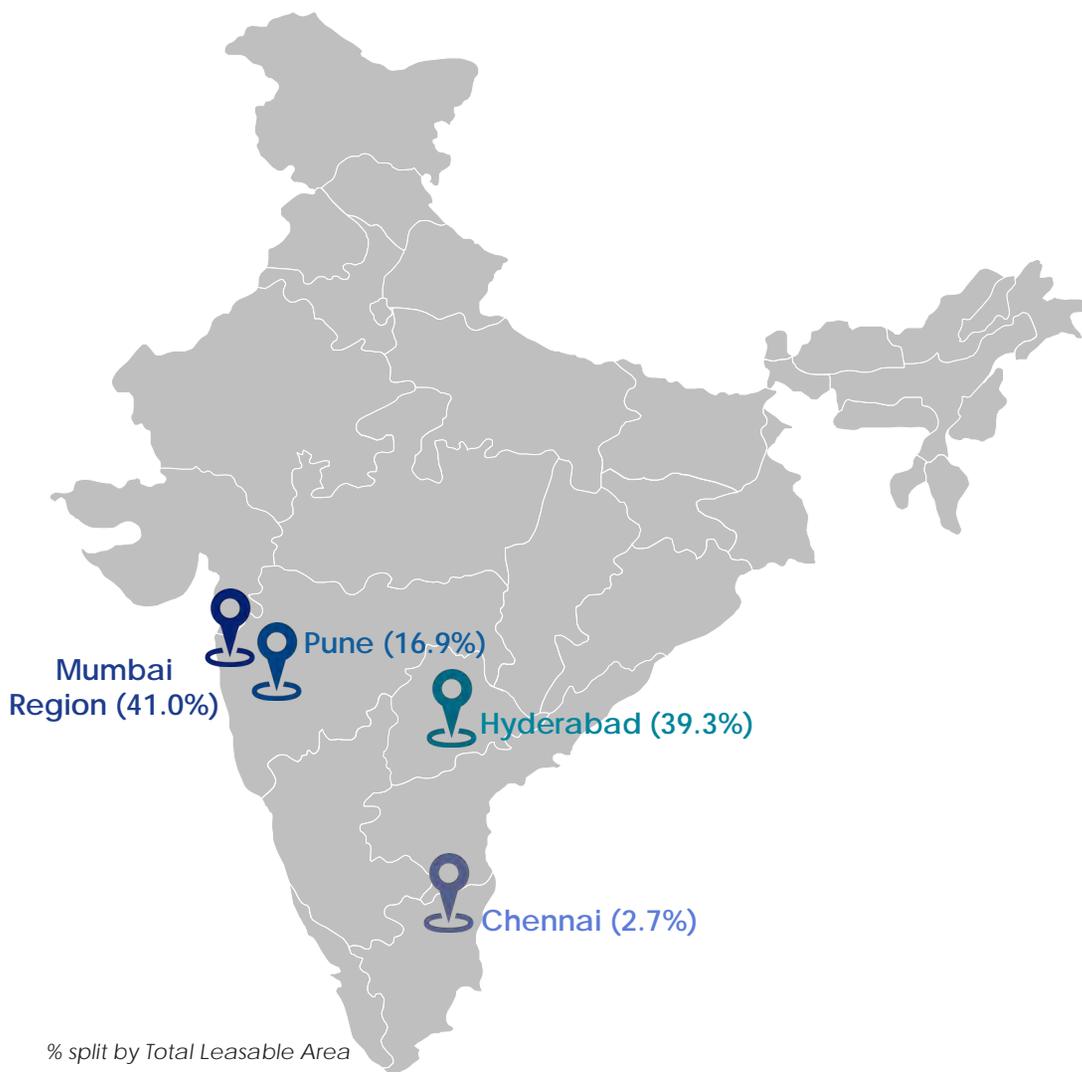
Majority of the distribution is in the form of dividend which is tax-exempt in the hands of Unitholders

# Portfolio Overview



# Portfolio Overview

Mindspace REIT is one of the largest Grade-A office portfolios in India



**29.5** msf  
Total Leasable Area<sup>(1)</sup>

INR **55.2** psf  
In-place Rent

**89.9%**  
Same Store Committed  
Occupancy

**86.9%**  
Committed Occupancy

**15.0%**  
Mark to Market Potential<sup>(2)</sup>

**5.8** years  
WALE

**94.0%**  
Market Value<sup>(3)</sup> of  
Completed Area

**13.8%**  
Net Debt to Market Value<sup>(3)(4)</sup>

1. Comprises of 23.9 msf Completed Area, 2.0 msf of Under-Construction area and 3.6 msf Future Development Area  
2. Market Rent of INR 63.5 psf considered for calculating MTM potential (basis management estimates)

3. Market value as of 30 Sep 20  
4. Net Debt as of 31 Dec 20 and for the purpose of LTV calculation it has been considered post accounting & minority interest adjustment

# Five Integrated Business Parks

Mindspace Madhapur  
Hyderabad | 10.6 msf



Completed Area: 10.0 msf; Committed Occupancy: 95.2%

Mindspace Airoli East  
Mumbai Region | 6.8 msf



Completed Area: 4.7 msf; Committed Occupancy: 93.2%

Mindspace Airoli West  
Mumbai Region | 4.5 msf



Completed Area: 3.5 msf;  
Committed Occupancy: 72.3%

Gera Commerzone Kharadi  
Pune | 2.6 msf <sup>(1)</sup>



Completed Area: 1.3 msf;  
Committed Occupancy: 93.1%

Commerzone Yerwada  
Pune | 1.7 msf <sup>(1)</sup>



Completed Area: 1.7 msf;  
Committed Occupancy: 97.5%

Note: Above areas include Under-Construction Area and Future Development Area  
1. Total Leasable Area for these assets comprises only Asset SPVs' share of the area

# Five Quality Independent Office Assets

Commerzone Porur  
Chennai | 0.8 msf <sup>(1)</sup>



Completed Area: 0.8 msf; Leased: 43 ksf

Paradigm, Mindspace Malad  
Mumbai Region | 0.7 msf



Completed Area: 0.7 msf; Committed Occupancy: 82.4%

The Square, BKC  
Mumbai Region | 0.1 msf



Completed Area: 0.1 msf;  
Refurbishment under process; Leased: 31 ksf

Mindspace Pocharam  
Hyderabad | 1.0 msf



Completed Area: 0.4 msf;  
Committed Occupancy: 71.1%

The Square, Nagar Road  
Pune | 0.7 msf



Completed Area: 0.7 msf;  
Committed Occupancy: 79.8%

Note: Above areas include Under-Construction Area and Future Development Area  
1. Total Leasable Area for these assets comprises only Asset SPVs' share of the area

# Marquee Tenant Base

Leading MNCs and Fortune 500 companies across sectors

## Technology

Accenture Wipro  
Facebook Verizon  
Here Solutions

## Financial Services

Fiserv Barclays  
UBS BNY Mellon  
Bank of America

## Diversified

Amazon Qualcomm  
Worley Parson  
Schlumberger



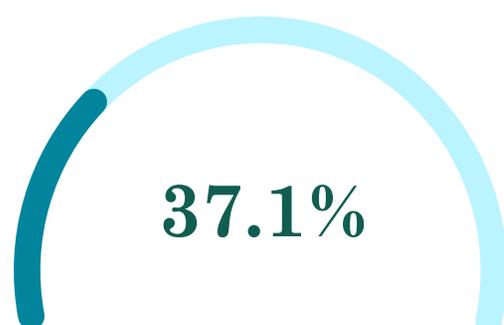
82.9%

Share of foreign MNCs in rentals <sup>(1)</sup>



40.9%

Share of top 10 tenants in rentals <sup>(1)</sup>



37.1%

Share of Fortune 500 companies in rentals <sup>(1)(2)</sup>

Note :

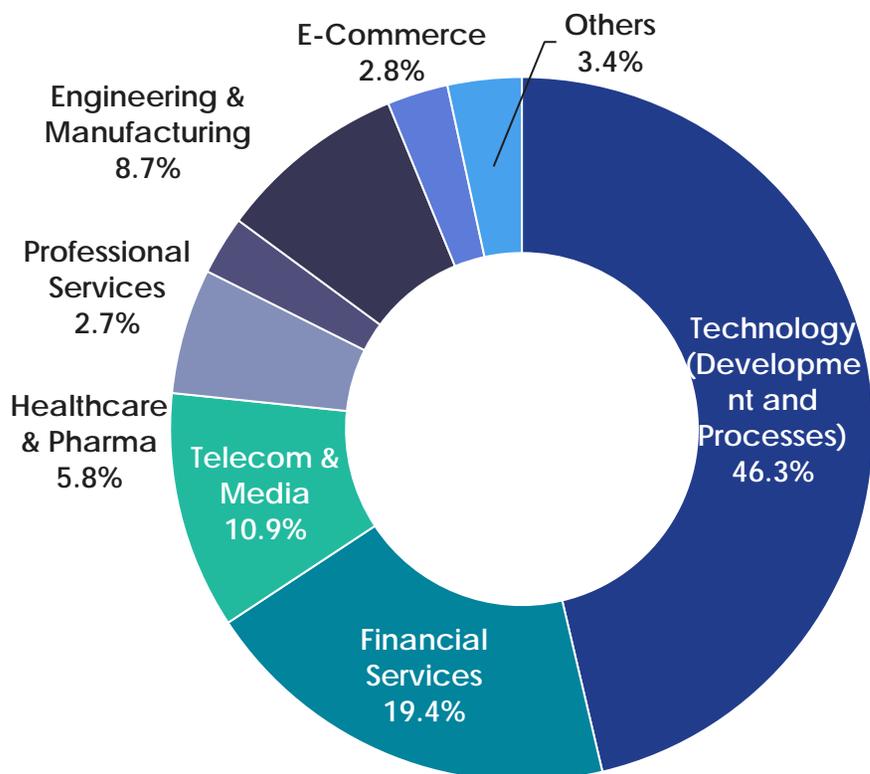
1. Represents % of Gross Contracted Rentals as on 31 Dec 20
2. Fortune 500 Global List of 2020

# Diversified Portfolio of Marquee Tenants

## Top 10 tenants contributing 40.9% of Gross Contracted Rentals

### Diversified tenant mix across sectors

% split by Gross Contracted Rentals<sup>(1)</sup>



0.8% Gross Contracted Rentals from industries severely impacted by Covid 19<sup>(2)</sup>

### Top 10 tenants Gross Contracted Rentals contribution (40.9%)

% of total Gross Contracted Rentals<sup>(1)</sup>



Verizon New entrant to top 10

Note:  
 1. Basis Gross Contracted Rentals as on 31 Dec 20  
 2. Severely impacted industries include education, entertainment and events, food and beverage, co-working and hospitality

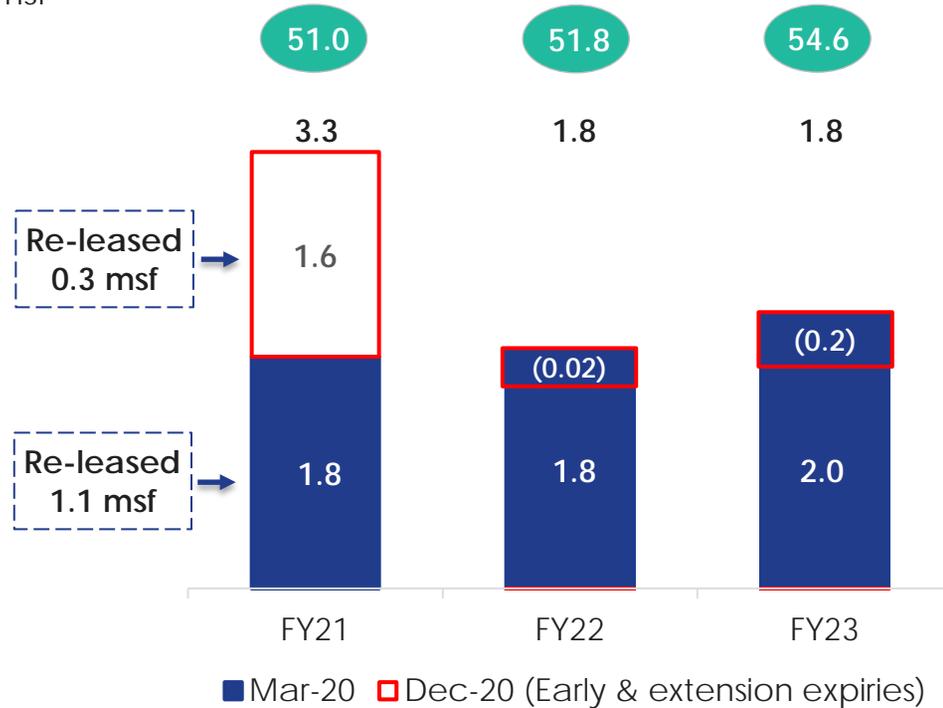
# Lease Expiry Profile

Active discussions on with existing and new tenants for renewal / Re-leasing

Tenant uncertainty over future lease commitments likely to persist for few quarters

Track record of achieving Re-leasing spread across parks

Area expiry – YoY  
msf



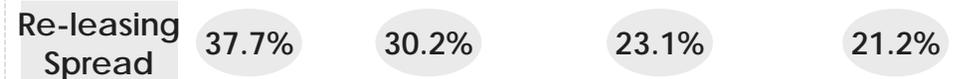
Area Re-leased (since Apr 17)  
msf

Average Re-leasing Spread<sup>(1)</sup>

26.4%



Expiries (%) <sup>(3)</sup>	13.9% <sup>(4)</sup>	7.3%	7.7%
MTM Realized + Opportunity	25.7% <sup>(5)</sup>	18.0%	30.5%



● Rent at expiry (INR psf/month)

Note:

1. Re-leasing spread includes spread on extensions and vacant area
2. Leasing of vacant area as on 31 Mar 20
3. Basis Completed Area as of 31 Dec 20

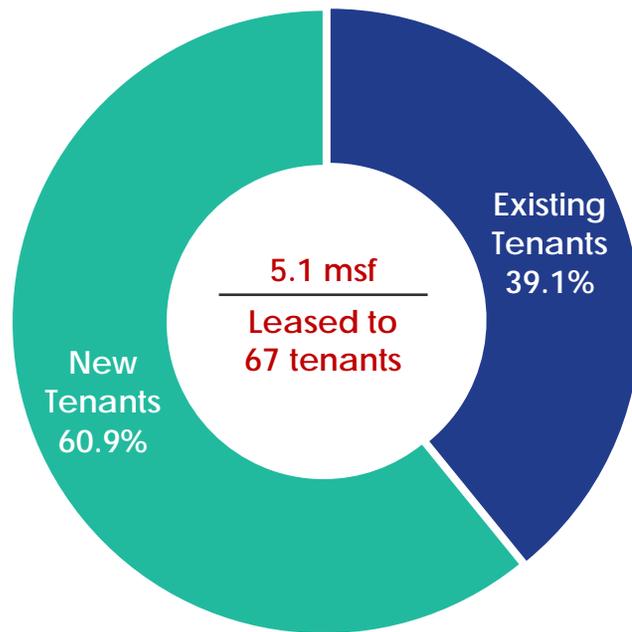
4. Of the 13.9% area expiries, 5.3% area is due for expiry in Q4 FY21
5. MTM opportunity for area coming up for expiry in Q4 FY21 / Expired in 9M FY21 and not leased is 28.7%

# Ability to Attract New Tenants along with Continued Tenant Retention

9.6 msf leased since Apr 17, including 4.4 msf at 26.4% Re-leasing spread

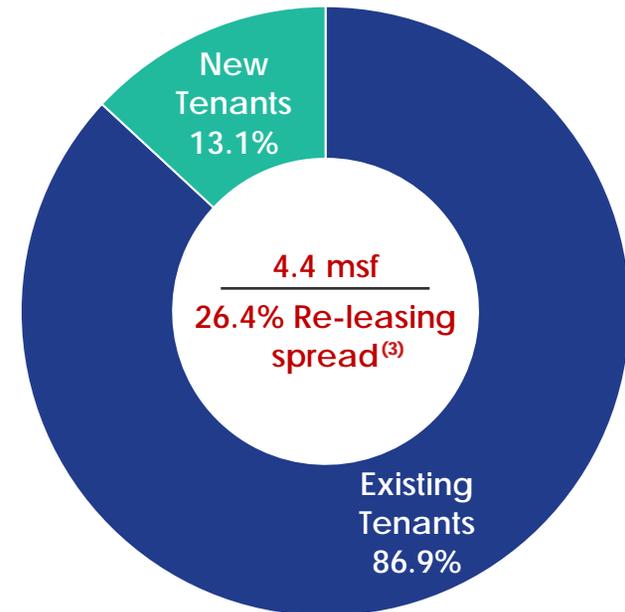
## New Area leased

% split by area <sup>(1)</sup>



## Existing Area Re-leased / Vacant Area leasing

% split by area <sup>(2) (3)</sup>



New Tenants Added	Arcelor Mittal	AGC	Alphasense
BP Global	Model N	NPCI	Mindcrest

Syntel	Paraxel	Travelex	Existing Tenants
J.P Morgan	Qualcomm	Verizon	

*New addition in Q3 FY21*

Note:

1. For the period Apr 17 – Dec 20; Includes Committed and Pre-Leased Area
2. For the period Apr 17 – Dec 20; Includes Committed Area
3. Not inclusive of the area remaining vacant at expiry

# Projects Update



# Development Progress

## Hyderabad



### Mindspace Madhapur (B22)

- Leasable area: 0.1 msf
- Status: RCC completed, Finishes WIP
- Estimated completion : Q4 FY21
- Balance cost: INR 128 Mn
- Pre-leased to Chalet Hotels
- Rent Commencement - 6 months from OC date or 1 Oct 21 whichever is later

## Mumbai Region



### Mindspace Airoli, West (B9)

- Leasable area: 1.0 msf
- Status: Façade WIP
- Estimated completion: Phased completion targeted over FY22 to match with the demand
- Balance cost: INR 1,481 Mn
- SEZ de-notification awaited
- Pre-leased: 87k sf

## Pune



### Commerzone Kharadi (B5)

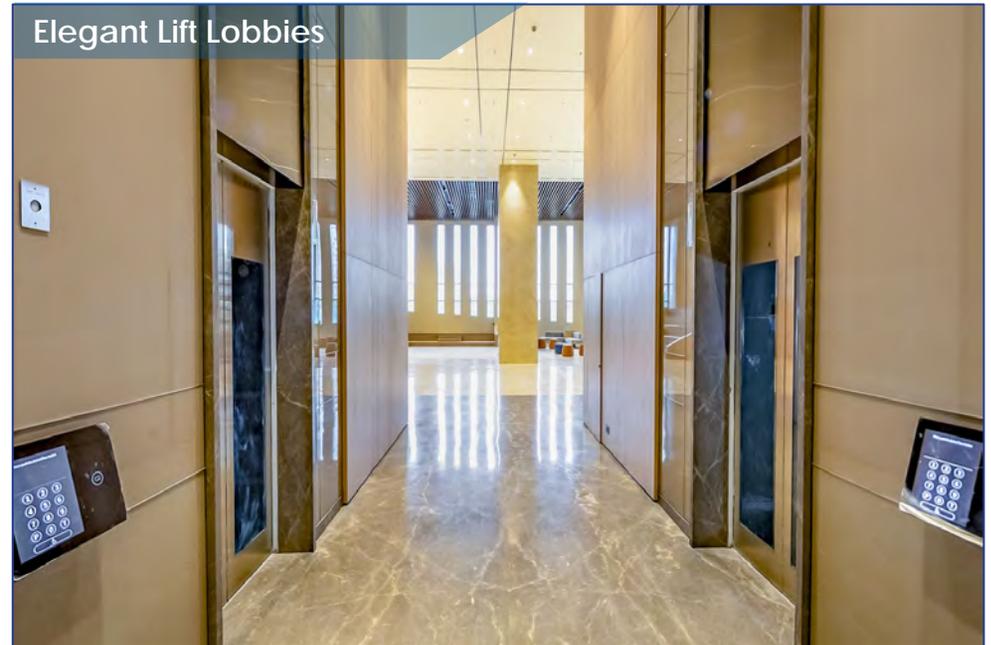
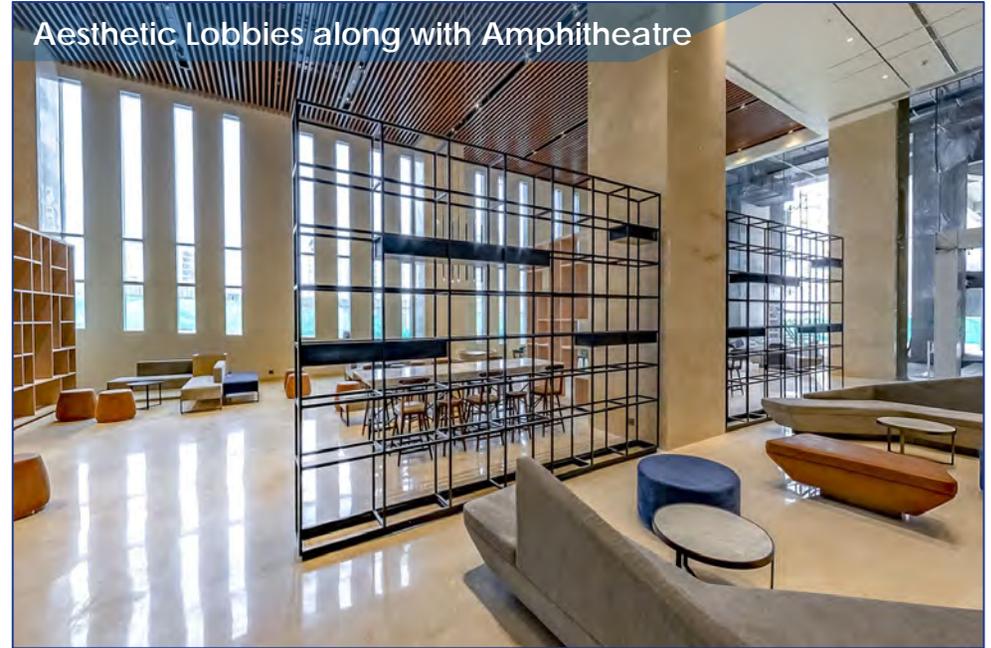
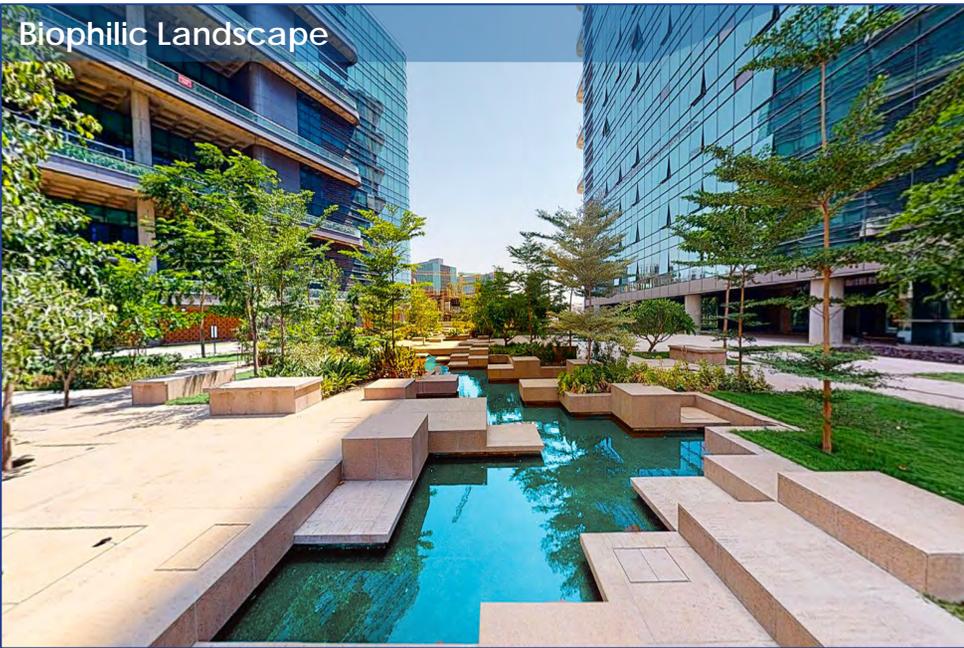
- Leasable area: 0.7 msf
- Status: Structural WIP
- Estimated completion : Q1 FY23
- Balance cost: INR 1,917 Mn
- Awarded IGBC Gold Pre-Certification
- Active on-going discussions on pre-leasing

**Balance Capex – INR 10,611<sup>(1)</sup> Mn (excluding approval cost)**

Note: As of 31 Dec 20

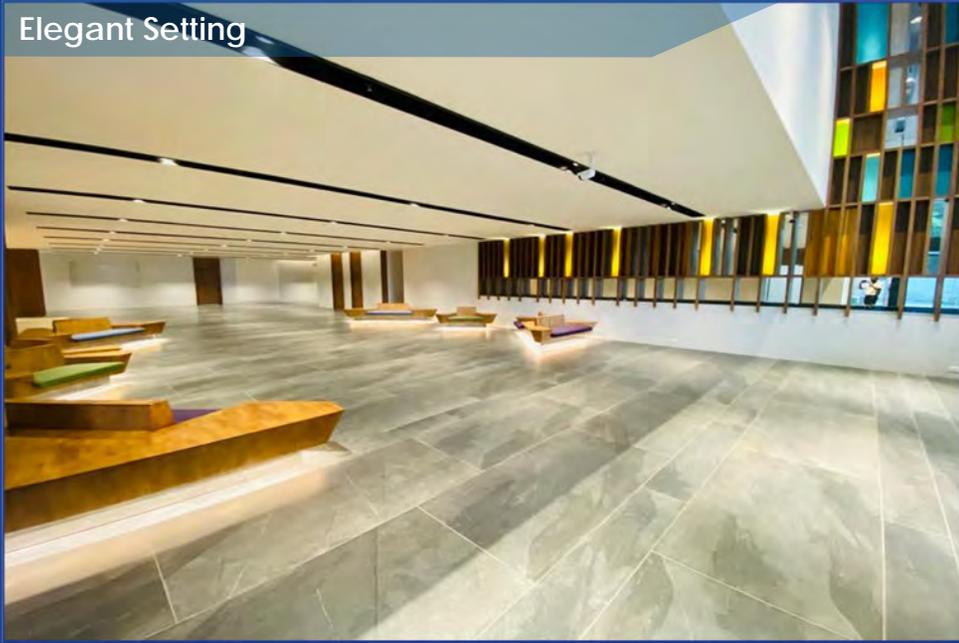
1. Includes ongoing projects INR 5,328 Mn, recently completed projects INR 1,559 Mn, upgrades INR 3,270 Mn and fit-out / general development INR 455 Mn

# Commerzone Kharadi, Pune – Select Images



# Commerzone Porur, Chennai – Select Images

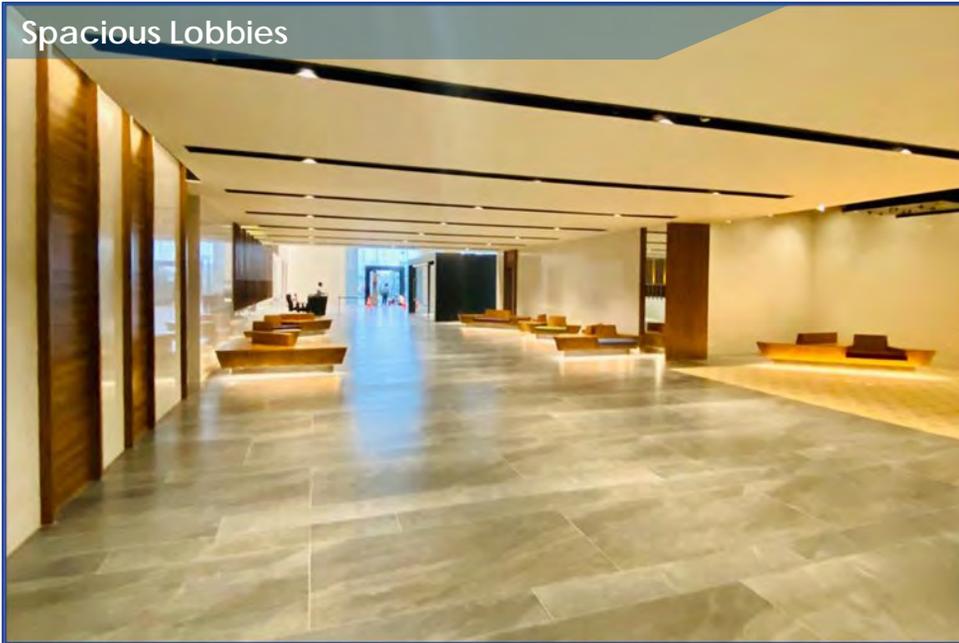
Elegant Setting



Appealing Entry Points



Spacious Lobbies



Vibrant Walkways





# Value Creation via ESG



# Key Achievements and Awards




Awarded  
**Five Star rating across 4 parks**  
**Sword of Honour for 2 parks**  
**COVID 19 Assurance Statement for 6 parks**



**Environment friendly project of the year - By Estate Awards**  
 Mindspace Airoli West



**Most environment friendly commercial space**  
 Mindspace Airoli West  
 Commerzone Porur



**First real estate entity from India to join the EV100 initiative**



**35<sup>(1)</sup>**  
 Green Buildings



**>17.3 msf**  
 Total "Green Building" Footprint



**100%**  
 of the Green Buildings are Gold or Platinum Rated



Note:  
 1. Includes pre-certified buildings

# Our Commitment to Build an ESG Centric Ecosystem



Renewable Energy through Solar PV Panels



Waste Management



Water Efficiency



Preserving Nature



Green Sustainable Development



Sewage Treatment



Electrical charging stations



Employee & Tenant Engagement



Robust Corporate Governance

Integration of sustainability into the fabric of assets, operations and culture

## Key ESG Initiatives

### Durgam Cheruvu Lake Makeover, Hyderabad



- Partnered with TSIC and the GHMC <sup>(1)</sup> for makeover of Durgam Cheruvu Lake
- Undertook extensive cleaning of the stubborn water hyacinth transforming it into a healthy lake
- Laid walking and jogging tracks, curating an open gym and play area

### Workers' Welfare



- Shaping the future of our labourers & their families, especially children
- Setup daycares in partnership with Mumbai Mobile Crèches (MMC) to provide quality education, mid-day meals and healthcare facilities

### Energy Efficiency



- Solar power capacity of 1.6 MW through PV modules on rooftop
- HVAC Systems with water-cooled chillers having high coefficient of performance
- Real time energy monitoring system through integrated Building Management System (iBMS)

# Financial Update



# Stable NOI Growth Driven by Effective Cost and Revenue Management

Assets	Revenue from Operations (INR Mn)			NOI (INR Mn)			% of NOI
	Q2 FY21	Q3 FY21	9M FY21	Q2 FY21	Q3 FY21	9M FY21	Q3 FY21
Mindspace Airoli (E)	887	908	2,695	703	697	2,117	19.5%
Mindspace Airoli (W)	484	506	1,498	374	423	1,217	11.8%
Mindspace Malad	203	192	590	185	174	528	4.9%
<b>Mumbai Region</b>	<b>1,574</b>	<b>1,606</b>	<b>4,783</b>	<b>1,262</b>	<b>1,294</b>	<b>3,862</b>	<b>36.2%</b>
Gera Commerzone Kharadi	252	287	675	225	258	586	7.2%
The Square Nagar Road	177	144	508	152	118	426	3.3%
Commerzone Yerwada	379	391	1,138	315	323	934	9.0%
<b>Pune</b>	<b>808</b>	<b>822</b>	<b>2,321</b>	<b>692</b>	<b>699</b>	<b>1,946</b>	<b>19.5%</b>
Mindspace Madhapur	1,599	1,691	4,815	1,405	1,514	4,258	42.3%
Mindspace Pocharam	29	24	80	24	22	69	0.6%
<b>Hyderabad</b>	<b>1,628</b>	<b>1,715</b>	<b>4,895</b>	<b>1,429</b>	<b>1,536</b>	<b>4,327</b>	<b>42.9%</b>
Facility Management Business <sup>(1)</sup>	-	183	183	-	62	62	1.8%
Others <sup>(2)</sup>	-	12	12	(17)	(13)	(35)	(0.4%)
Inter Company Eliminations	-	(175)	(175)	-	-	-	-
<b>Total</b>	<b>4,010</b>	<b>4,163</b>	<b>12,018</b>	<b>3,366</b>	<b>3,578</b>	<b>10,162</b>	<b>100.0%</b>

## NOI (Q3 vs Q2) - Reasons for variances

- **Mindspace Airoli West** – Higher due to Net CAM Recovery, Re-leasing downtime in Q2 FY21, escalation and straight lining adjustments
- **Mindspace Malad** - Lower due to reduction in Facility rentals on account of exits in Q3 FY21
- **Gera Commerzone Kharadi** - Higher due to increase in Net Power Income and straight lining adjustments
- **The Square Nagar Road** - Reduction in Facility + Fit-out rentals and CAM Income on account of exits in Q3 FY21
- **Mindspace Madhapur** - Rent commencement of new area, Re-leasing, escalation, Net CAM Recovery, other income, straight lining adjustments and IND AS adjustments for security deposits
- **Others**- Straight lining adjustment offset by Net CAM Expenses

Note:

1. KRC Infra has commenced facility management business from 01 Oct 20 under brand name "CAMPLUS"
2. Others include Commerzone Porur completed in June 2020 & The Square BKC

## Q3 FY21: NDCF Build-up

Particulars	Amount (INR Mn)
<b>Revenue from Operations <sup>(1)</sup></b>	<b>4,163</b>
Property Taxes & Insurance	(134 )
Other Direct Operating Expenses <sup>(1)</sup>	(451)
<b>Net Operating Income (NOI)</b>	<b>3,578</b>
Property Management Fees	(105 )
Net Other Expenses	(121)
<b>EBITDA</b>	<b>3,352</b>
Cash Taxes (Net of Refunds)	(378 )
Working Capital changes and other changes	(465)
<b>Cashflow from Operations</b>	<b>2,508</b>
Capex including capitalized Interest	(1,740 )
Net Debt (repayment) / drawdown <sup>(2)</sup>	2,916
Finance Costs paid for the period (excluding interest to REIT)	(477)
Proceeds to shareholders other than Mindspace REIT	(187 )
<b>NDCF (SPV Level)</b>	<b>3,021</b>
Net Distributions from SPV to REIT <sup>(3)</sup>	2,864
Other Inflows / (Outflows) at REIT Level <sup>(4)</sup>	(25)
<b>NDCF (REIT Level)</b>	<b>2,839</b>
<b>Distributions</b>	<b>2,835</b>
Dividend	2,520
Interest	314

Note:

1. Excludes INR 138 Mn of revenue from works contract services in Gera, Commerzone Kharadi
2. Net of investments in fixed deposits

3. After adjustments mainly on account of I) Net of repayment of REIT Debt by SPV which was further reinvested by REIT II) Investment in FDs at SPVs
4. Primarily expenses at REIT level

# Low Leverage Offers Balance Sheet Headroom for Future Growth

Strategy to embed a blend of short term and long-term debt with a mix of instruments

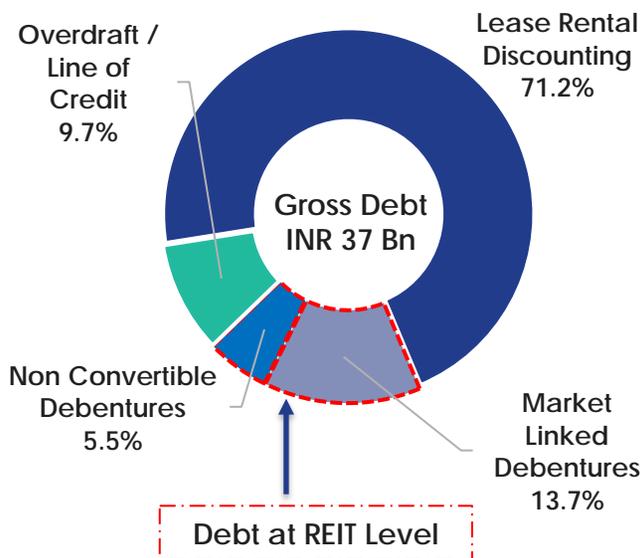
**CRISIL : CCR AAA/Stable<sup>(1)</sup>**  
**ICRA : ICRA AAA (Stable)<sup>(1)</sup>**

**13.8%**  
 Net Debt to  
 Market Value<sup>(2)</sup>

**INR 5.7 Bn**  
 Undrawn Committed  
 Facilities

**INR 33 Bn**  
 Net Debt

## Composition of debt



## Breakup of Debt basis type

% of Fixed Cost Debt

**19.2%**

Fixed Cost Debt – Avg. Cost

**6.5% p.a.p.m.**

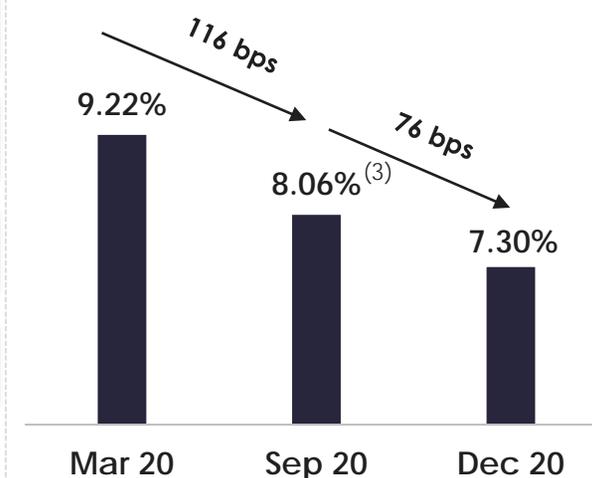
Variable Cost Debt - Avg. Cost

**7.5% p.a.p.m.**

Average Term to Maturity

**8 years**

## Reduction in weighted average cost of debt (p.a.p.m.)



## Debt Issuance during the Quarter

- Non-convertible debentures (CRISIL AAA/Stable) of INR 2.0 Bn at 6.45% p.a.p.q.
- Availed Lease Rental Discounting Loan of INR 5,550 Mn as Green Loan at SPV level

Note:

1. CRISIL rating note Dec 20 & ICRA rating note Aug 20
2. Net Debt as of 31 Dec 20 and Market value as of 30 Sep 20; For

the purpose of LTV calculation, Net Debt is considered post accounting & minority interest adjustment

3. Post utilization of MLD proceeds

# Price Performance and Unitholding

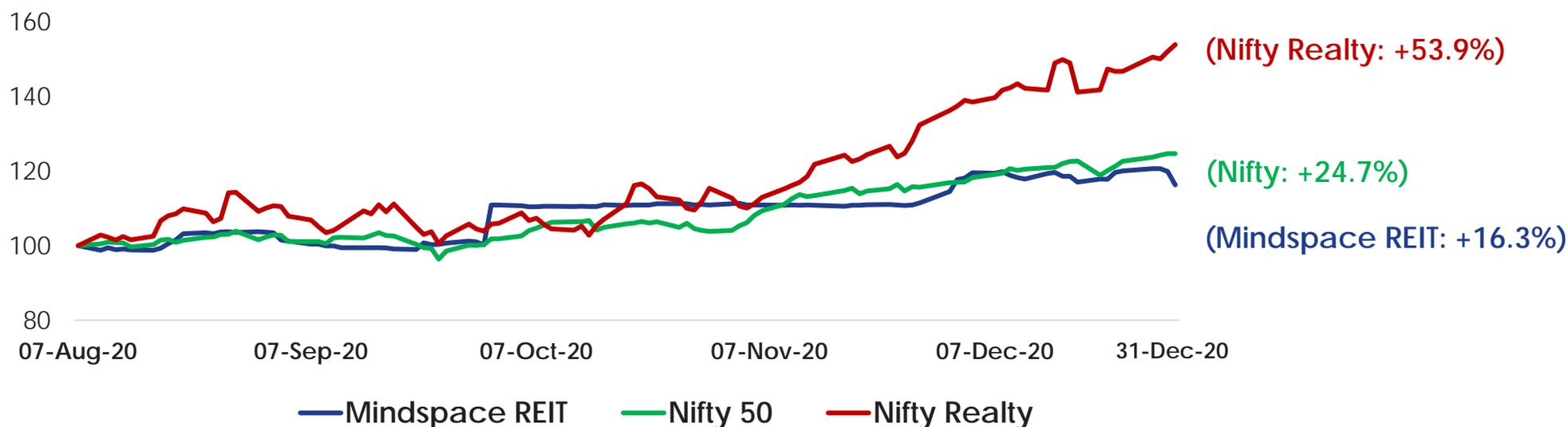


# Stable Price Performance

Included in "MSCI India Domestic Small Cap Index" and various other MSCI and FTSE indices

## Price movement of Mindspace REIT since listing<sup>(1)</sup>

Stock Symbol – NSE : Mindspace; BSE : 543217



Offer Price

INR 275 p.u.

Price at listing date

INR 304 p.u.

As on 31 Dec 20

INR 320 p.u.

High since listing

INR 340 p.u.

Low since listing

INR 299 p.u.

10.5%

Offer price to Day 1

16.3%

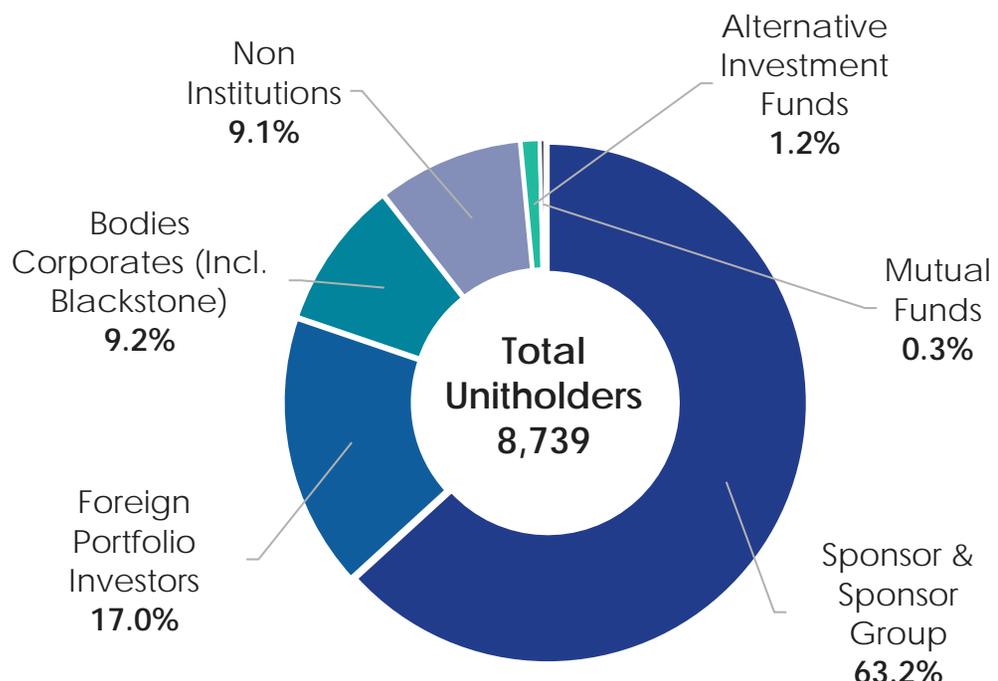
Offer price to 31 Dec 20

Note:

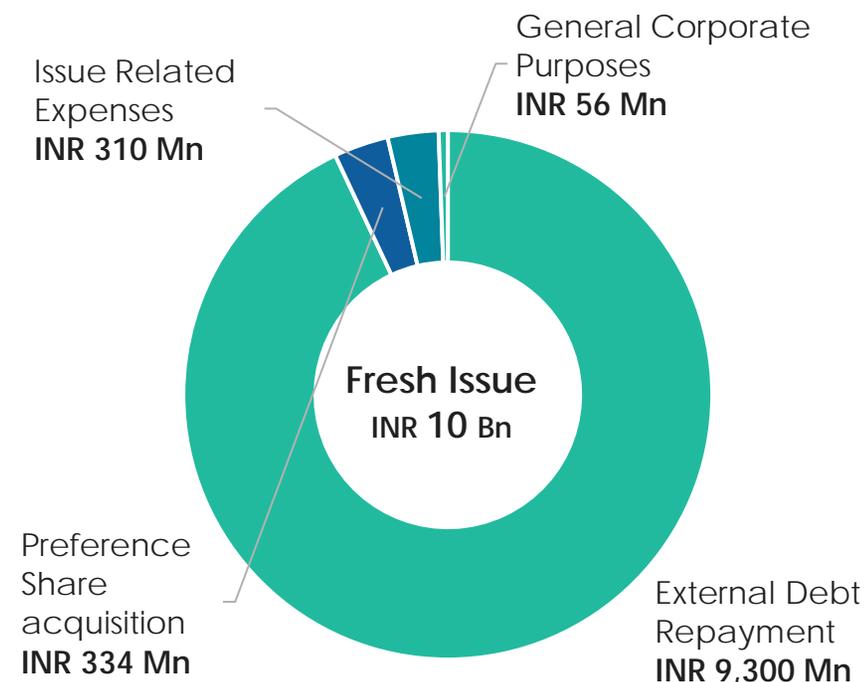
1. Rebased to 100

# Unitholding Summary & Use of Proceeds

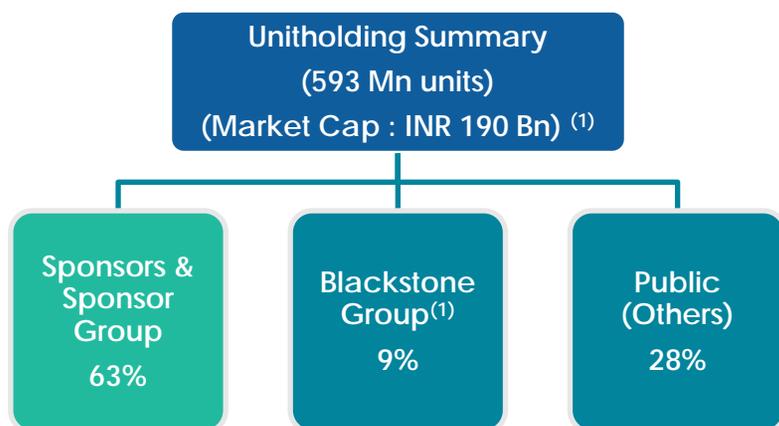
## Unit-holder Pattern as on 31 Dec 20



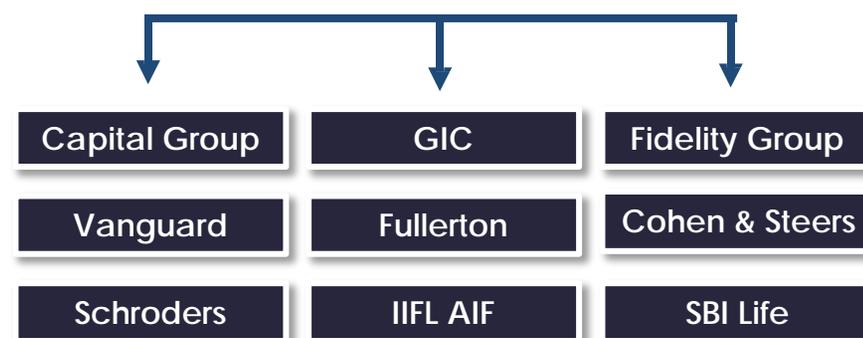
## Use of Proceeds



IPO Proceeds are fully utilized as of 31 Dec 20



## Marquee Investors <sup>(1)</sup>



Note:

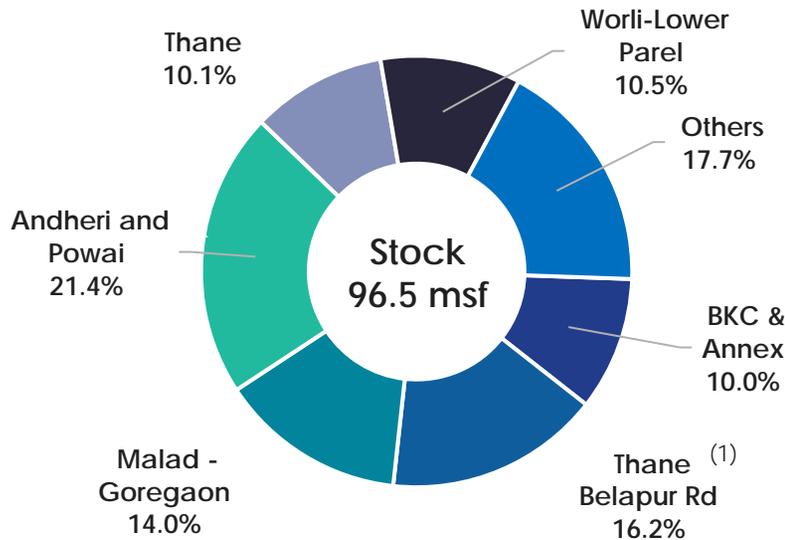
- As of 31 Dec 20
- Blackstone Group has a lock in of 1 year from the date of listing

# Market Overview



# Mumbai Region

## Grade-A Office Stock December 2020



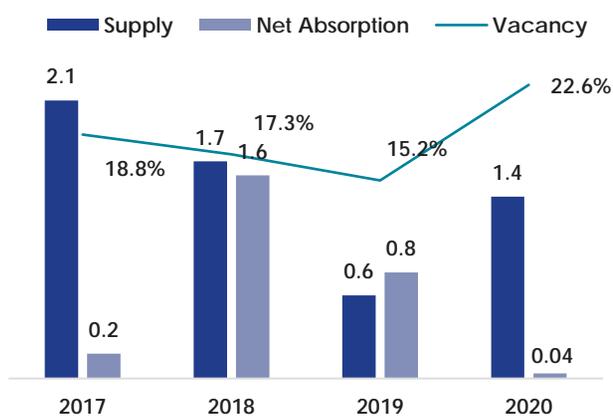
Primarily BFSI and IT-BPM segment tenants

## Key Updates

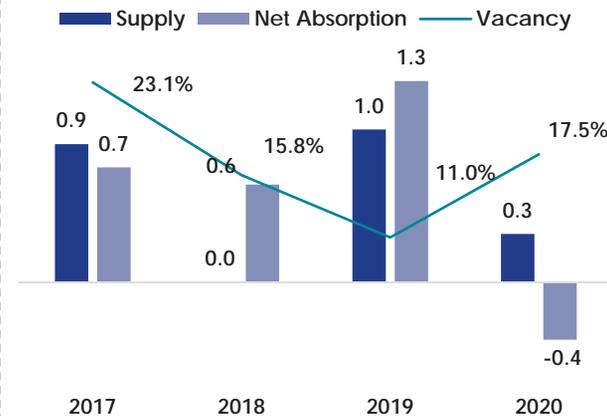
- Leasing to gain momentum in second half of 2021 driven by BFSI, engineering and manufacturing amongst others
- Supply estimated to be delayed by 1-2 quarters
- Trans harbor sea link & new airport expected to shift the demand epicenter
- Rents in our micro-markets have remained stable since 2019

## Supply, net absorption and vacancy trend analysis – Mumbai Region Micro-Markets

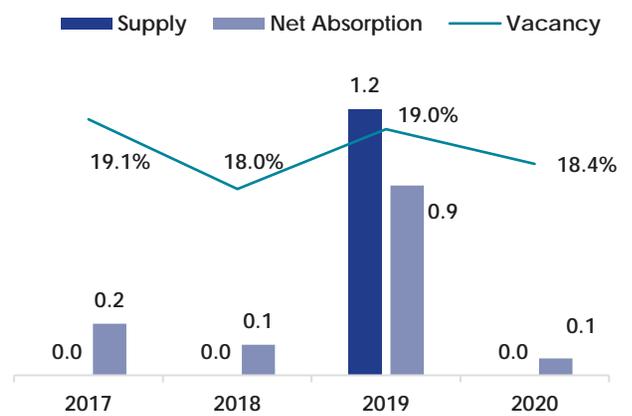
### Thane Belapur Rd



### BKC & Annex



### Malad-Goregaon

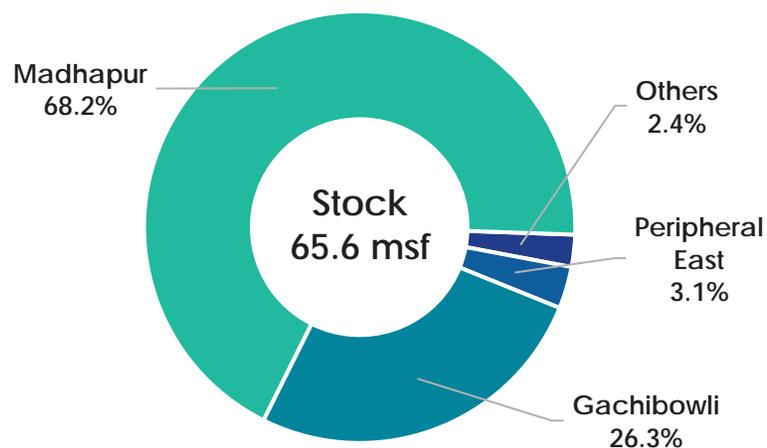


Note – Source: Cushman & Wakefield, supply and net absorption data is in msf

1. Thane Belapur Rd includes Airoli East and Airoli West

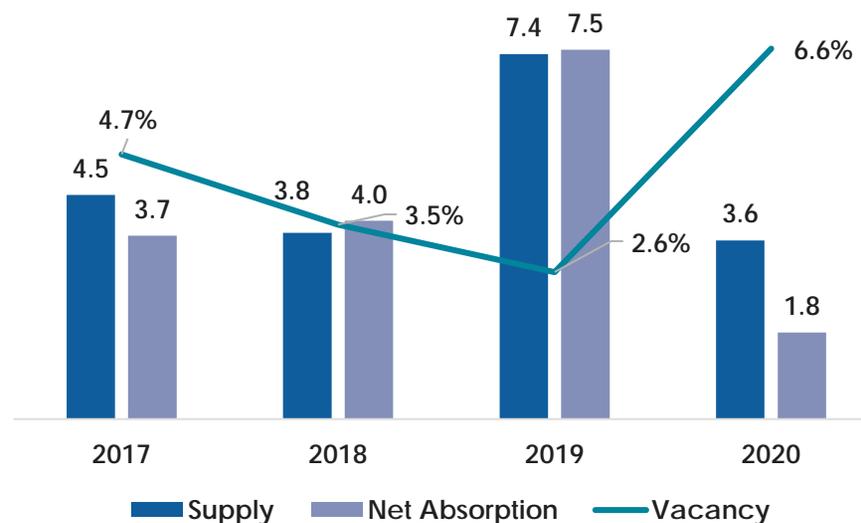
# Hyderabad

## Grade-A Office Stock December 2020



Technology Sector is the Dominant Demand Driver

## Supply, net absorption and vacancy trend analysis Micro-Markets<sup>(1)</sup>: Madhapur



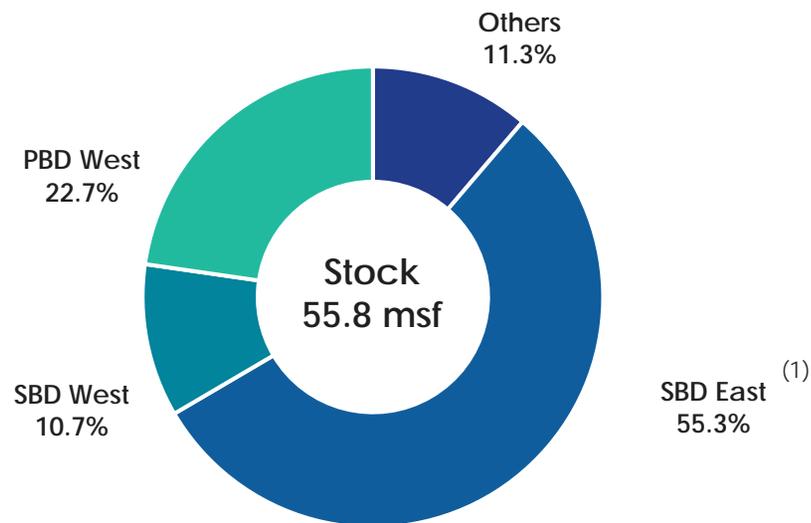
## Key Updates

- Moderation in demand due to COVID -19 led to increased vacancy levels in 2020
- Recovery in office leasing expected over the next 2 to 4 quarters
- Rents expected to remain stable over 2 to 4 quarters
- New supply to take slightly longer to complete across micro markets

Note – Source: Cushman & Wakefield, supply and net absorption data is in msf

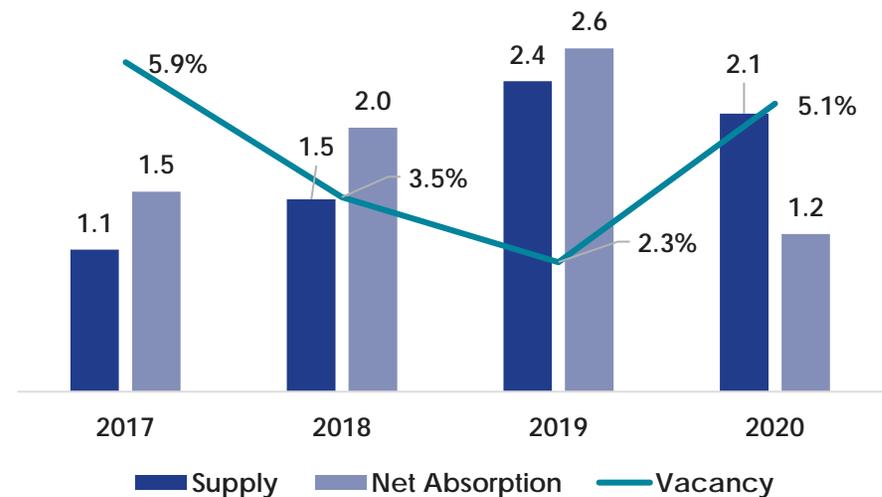
1. Mindspace REIT also owns Mindspace Pocharam - 1.0 msf in the Peripheral East micro-market

## Grade-A Office Stock December 2020



**Technology Sector is the Dominant Demand Driver**

## Supply, net absorption and vacancy trend analysis Micro-Market: SBD East



## Key Updates

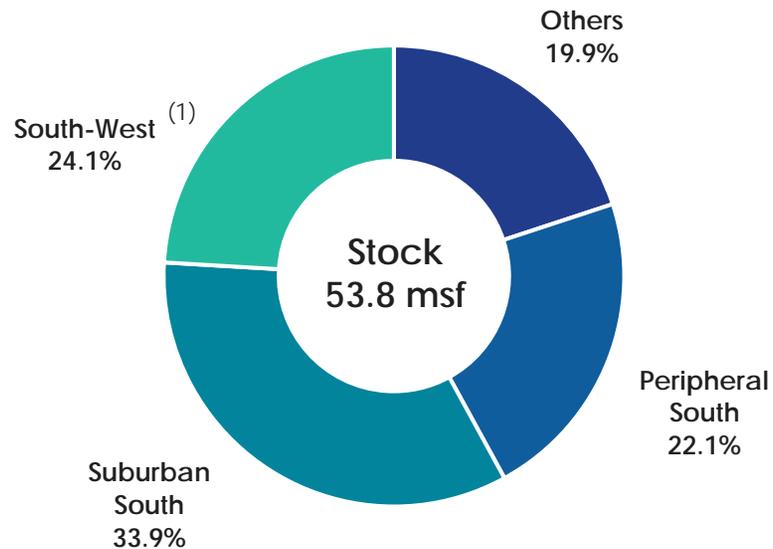
- Fresh leasing activity is expected to be sluggish over the next 2 quarters
- Tech or BFSI / IT-BPM segments to drive demand revival in secondary and peripheral micro markets
- Supply expected to be delayed by 1 to 2 quarters
- Rentals to be range bound in near future as opposed to past outperformance
- Key trends: SBD East micro-market
  - Rents have remained stable in 2020

Note – Source: Cushman & Wakefield, supply and net absorption data is in msf

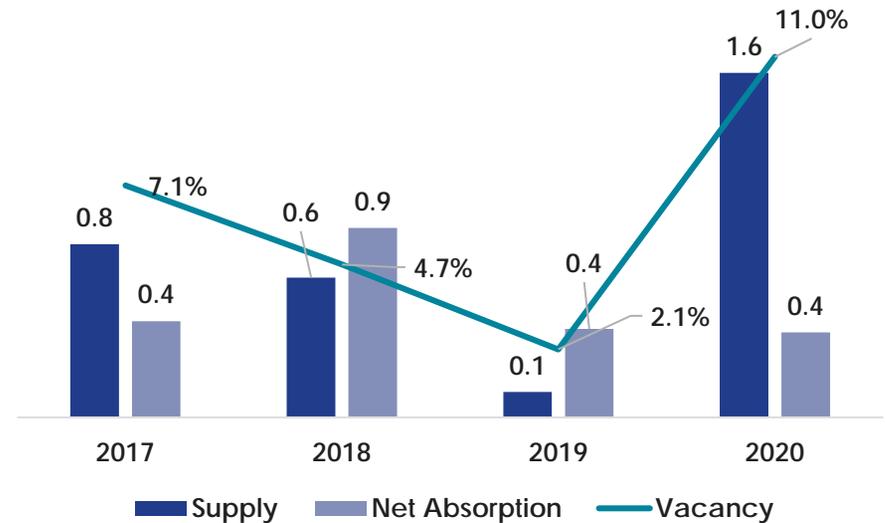
1. SBD East includes Kalyani Nagar, Kharadi, Viman Nagar, Hadapsar

# Chennai

## Grade-A Office Stock December 2020



## Supply, net absorption and vacancy trend analysis Micro-Market: South-West



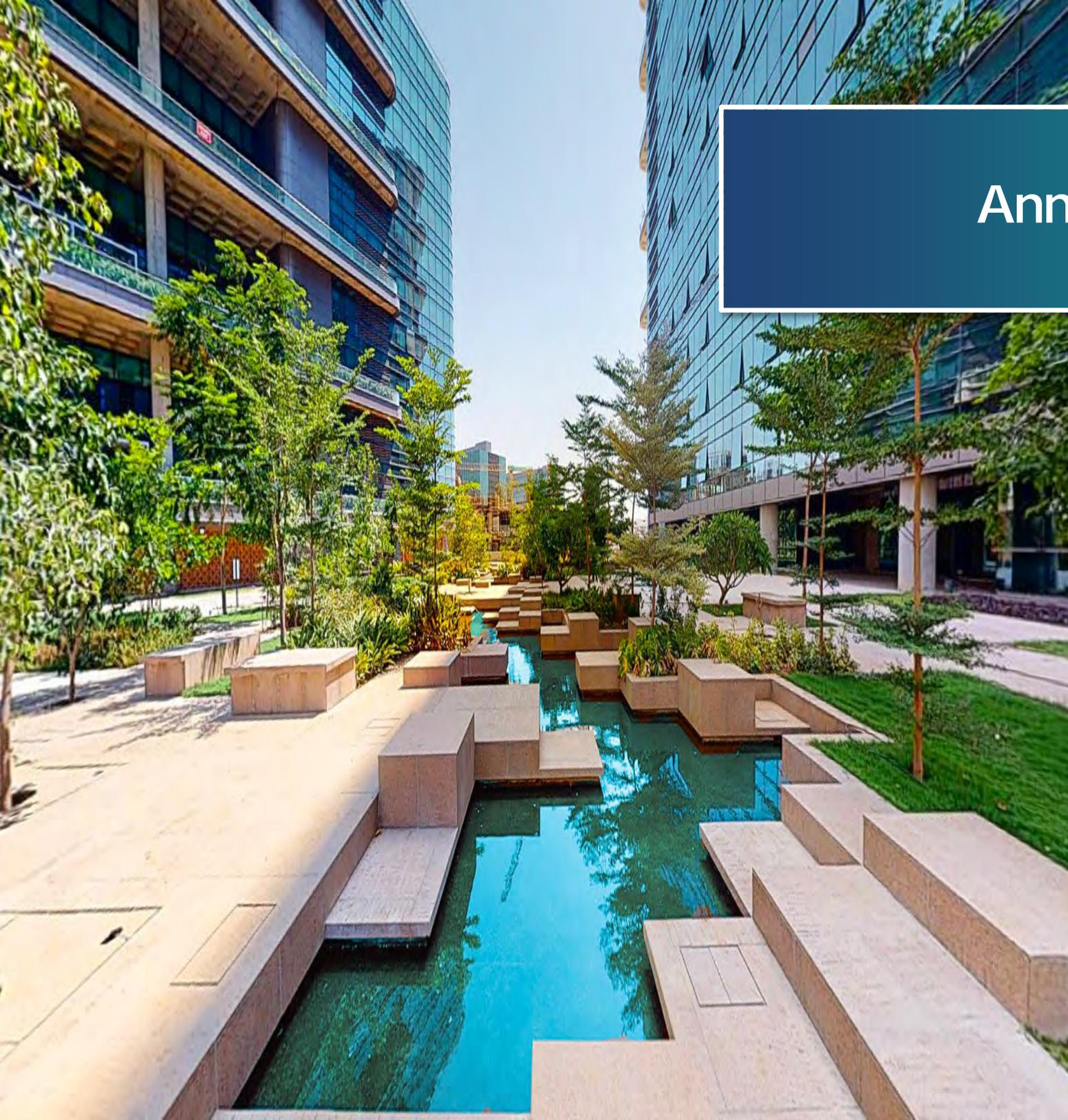
## Key Updates

- Expected growth revival in 2021 to depend on Covid situation
- Rentals to remain range bound aligned with prospective demand
- Demand momentum to be supported by BFSI and Technology segments centered around south west and peripheral south west micro-markets
- Key trends: South-West micro-market
  - Vacancy increased in 2020 due to recent completions and sub-dued demand

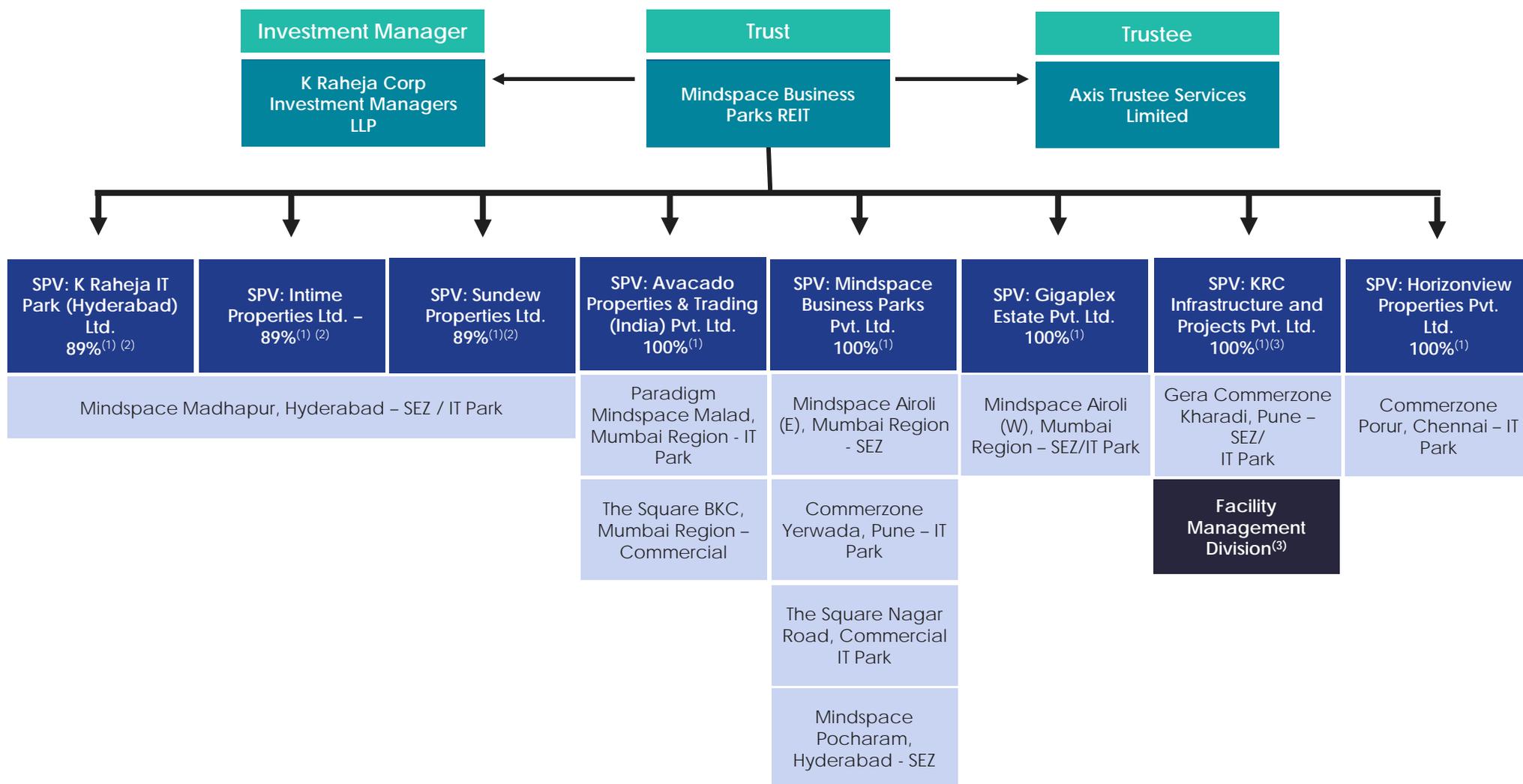
Note – Source: Cushman & Wakefield, supply and net absorption data is in msf

1. South West includes Guindy, Ashok Nagar, Vadapalani, Manapakkam, Ekkaduthangal, Porur

# Annexures



# Mindspace REIT Structure



Note:

1. % indicates Mindspace REIT's shareholding in respective Asset SPVs
2. 11% shareholding in these Asset SPVs is held by Telangana State Industrial Infrastructure Corporation Limited (TSIIC)
3. KRC Infra has commenced facility management division from 01 Oct 20 under brand name "CAMPLUS"

# Portfolio Summary

23.9 msf of Completed area with Committed Occupancy of 86.9% & WALE of 5.8 years

Asset	Total Leasable Area (msf)	Completed Area (msf)	UC/Future Area (msf)	Occupancy (%)	Committed Occupancy (%)	WALE (years)	In-place Rent (INR psf)
Mindspace Airoli East	6.8	4.7	2.1	92.0%	93.2%	4.5	51.8
Mindspace Airoli West	4.5	3.5	1.0	69.7%	72.3%	7.0	55.4
Mindspace Malad	0.7	0.7	-	82.4%	82.4%	3.1	93.0
The Square BKC	0.1	0.1	-	0.0%	27.4%	-	-
<b>Mumbai Region</b>	<b>12.1</b>	<b>9.0</b>	<b>3.1</b>	<b>81.5%</b>	<b>83.4%</b>	<b>5.3</b>	<b>56.2</b>
Gera Commerzone Kharadi	2.6	1.3	1.3	93.1%	93.1%	11.3	70.7
The Square Nagar Road	0.7	0.7	-	79.8%	79.8%	5.1	64.5
Commerzone Yerwada	1.7	1.7	-	97.5%	97.5%	5.1	58.7
<b>Pune</b>	<b>5.0</b>	<b>3.7</b>	<b>1.3</b>	<b>92.4%</b>	<b>92.4%</b>	<b>7.3</b>	<b>63.9</b>
Mindspace Madhapur	10.6	10.0	0.6	93.0%	95.2%	5.8	52.1
Mindspace Pocharam	1.0	0.4	0.6	71.1%	71.1%	2.0	21.3
<b>Hyderabad</b>	<b>11.6</b>	<b>10.4</b>	<b>1.3</b>	<b>92.2%</b>	<b>94.4%</b>	<b>5.7</b>	<b>51.3</b>
Commerzone Porur	0.8	0.8	-	5.3%	5.3%	8.6	64.0
<b>Chennai</b>	<b>0.8</b>	<b>0.8</b>	<b>-</b>	<b>5.3%</b>	<b>5.3%</b>	<b>8.6</b>	<b>64.0</b>
<b>Portfolio Total</b>	<b>29.5</b>	<b>23.9</b>	<b>5.7</b>	<b>85.3%</b>	<b>86.9%</b>	<b>5.8</b>	<b>55.2</b>

Note: As of 31 Dec 20

1. The Market Value of Mindspace Madhapur is with respect to 89.0% ownership of the respective Asset SPVs that own Mindspace Madhapur



## Breakup of Lease Expiry Profile

Asset	Q4 FY21			FY22			FY23		
	Area Expiring (msf)	% of Gross Contracted Rentals	Rent at Expiry (INR psf)	Area Expiring (msf)	% of Gross Contracted Rentals	Rent at Expiry (INR psf)	Area Expiring (msf)	% of Gross Contracted Rentals	Rent at Expiry (INR psf)
Mindspace Airoli East	0.09	2.8%	57.6	0.76	17.2%	54.4	0.40	8.1%	53.3
Mindspace Airoli West	0.13	5.6%	57.7	-	-	-	0.22	8.4%	51.6
Mindspace Malad	0.07	11.2%	89.7	0.01	0.7%	73.9	0.10	17.3%	92.3
The Square BKC	-	-	-	-	-	-	-	-	-
<b>Mumbai Region</b>	<b>0.29</b>	<b>4.8%</b>	<b>65.0</b>	<b>0.76</b>	<b>9.6%</b>	<b>54.5</b>	<b>0.72</b>	<b>9.3%</b>	<b>58.4</b>
Gera Commerzone Kharadi	-	-	-	-	-	-	-	-	-
The Square Nagar Road	0.07	19.0%	100.0	-	-	-	-	-	-
Commerzone Yerwada	0.03	2.2%	56.4	0.14	9.3%	60.4	0.25	10.6%	51.5
<b>Pune</b>	<b>0.10</b>	<b>4.2%</b>	<b>87.9</b>	<b>0.14</b>	<b>4.5%</b>	<b>60.4</b>	<b>0.25</b>	<b>5.0%</b>	<b>51.5</b>
Mindspace Madhapur	0.75	6.7%	40.6	0.71	7.5%	52.6	0.87	8.3%	52.4
Mindspace Pocharam	-	-	-	0.13	52.3%	22.4	-	-	-
<b>Hyderabad</b>	<b>0.75</b>	<b>6.7%</b>	<b>40.6</b>	<b>0.85</b>	<b>8.0%</b>	<b>47.8</b>	<b>0.87</b>	<b>8.2%</b>	<b>52.4</b>
Commerzone Porur	-	-	-	-	-	-	-	-	-
<b>Chennai</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Portfolio Total</b>	<b>1.14</b>	<b>5.5%</b>	<b>50.9</b>	<b>1.75</b>	<b>7.8%</b>	<b>51.8</b>	<b>1.84</b>	<b>7.9%</b>	<b>54.6</b>

Note: As of 31 Dec 20

## Balance Sheet as on 31 Dec 20

Balance Sheet (INR Mn)	31 Dec 20
<b>Sources of Funds</b>	
Total Equity <sup>(1)</sup>	1,73,930
Sub-Total	1,73,930
<b>Liabilities</b>	
Debt <sup>(2)</sup>	36,590
Security Deposits	8,084
Other Liabilities <sup>(3)</sup>	4,388
Sub-Total	49,061
<b>Total</b>	<b>2,22,991</b>
<b>Application of Funds</b>	
<b>Assets</b>	
Investment Property / Property Plant Equipment	1,92,768
Investment Property Under Construction / Capital Work In Progress	18,688
Cash and Bank <sup>(4)</sup>	3,847
Other Assets <sup>(5)</sup>	7,688
<b>Total</b>	<b>2,22,991</b>

### Notes

- 1) SPV financials are consolidated starting 01 Aug 20. Acquisition of the shares of Asset SPVs by Mindspace REIT has been accounted as acquisition of group of assets. Requirements in Ind AS 103 for business combination accounting have not been applied to this transaction
- 2) Debt is prior to minority interest adjustment
- 3) Other Liabilities primarily include Trade Payables, Capital Creditors, Retention Money, Advances from customers and Statutory Dues
- 4) Distributions received from SPVs were held in cash at REIT Level as at 31 Dec 20
- 5) Other Assets primarily include Deferred Tax Assets, Advance Tax, Capital Advances, Security Deposits, Unbilled Revenue

## Debt Maturity Schedule as on 31 Dec 20

Description (INR Mn)	Fixed /Free Float	Total Facility	Undrawn Facility	Princi pal O/S	Interest Rate (p.a.p. m.)	Wgt. Avg. Maturity (Years)	Principal Repayment					Total
							Q4 FY21	FY22	FY23	FY24	FY25 & beyo nd	
<b>At REIT Level</b>												
MREIT - MLD	5,000	Fixed	-	5,000	6.60%	1.3	-	-	5,000	-	-	5,000
MREIT - NCD	2,000	Fixed	-	2,000	6.42%	3.0	-	-	-	2,000	-	2,000
<b>At SPV Level</b>												
TL - MBPPL	14,993	Floating	-	13,455	7.39%	9.5	206	926	1,043	1,182	10,095	13,455
TL - Sundew	10,814	Floating	-	7,872	7.35%	10.4	68	304	394	482	6,624	7,872
TL - KRC Infra	5,550	Floating	1,513	4,037	7.20%	9.1	15	198	261	328	3,234	4,037
LAP - Horizonview	1,000	Floating	570	430	7.25%	3.0	-	-	-	430	-	430
OD / LOC	7,138	Floating	3,589	3,549	8.30%	7.3	-	1,200	-	-	2,349	3,549
<b>Total</b>	<b>46,495</b>		<b>5,672</b>	<b>36,344</b>	<b>7.28%</b>	<b>7.9</b>	<b>290</b>	<b>2,628</b>	<b>6,699</b>	<b>4,422</b>	<b>22,305</b>	<b>36,344</b>
<b>%</b>							<b>0.8%</b>	<b>7.2%</b>	<b>18.4%</b>	<b>12.2%</b>	<b>61.4%</b>	

MLD – Market Linked Debentures  
NCD – Non-Convertible Debentures

TL – Term Loan  
LAP – Loan Against Property

# De-risked Portfolio with 94% Completed Assets

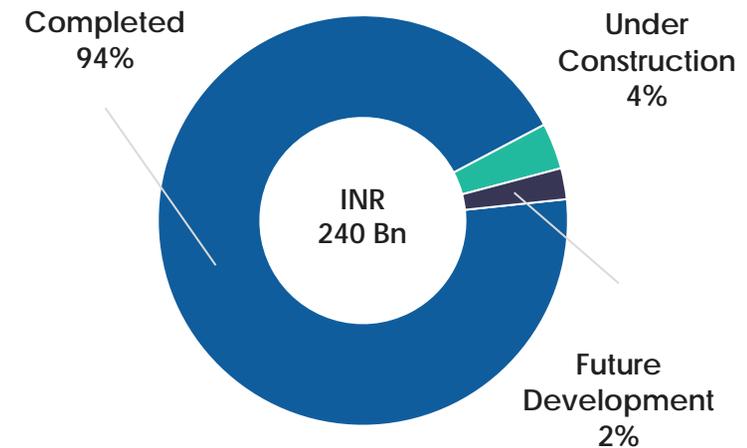
## Project wise Market Value breakup<sup>(1)</sup>

Asset	Completed (INR Mn)	Under Construction (INR Mn)	Total Value (INR Mn)	% of Total (%)
Mindspace Airoli East	40,644	1,781	42,425	19%
Mindspace Airoli West	29,178	5,967	35,145	15%
Mindspace Malad	9,311		9,311	4%
The Square BKC	3,781		3,781	2%
<b>Mumbai Region</b>	<b>82,914</b>	<b>7,748</b>	<b>90,662</b>	<b>38%</b>
Gera Commerzone Kharadi	12,737	3,408	16,416	7%
The Square Nagar Road	8,092		8,092	4%
Commerzone Yerwada	19,050		19,050	8%
<b>Pune</b>	<b>39,879</b>	<b>3,408</b>	<b>43,287</b>	<b>18%</b>
Mindspace Madhapur <sup>(2)</sup>	90,155	1,261	91,417	40%
Mindspace Pocharam	1,199	1,553	2,752	1%
<b>Hyderabad</b>	<b>91,354</b>	<b>2,814</b>	<b>94,169</b>	<b>39%</b>
Commerzone Porur	6,204		6,204	3%
<b>Chennai</b>	<b>6,204</b>		<b>6,204</b>	<b>3%</b>
Facility Management Business	5,758		5,758	2%
<b>Portfolio Total</b>	<b>225,516</b>	<b>14,564</b>	<b>240,080</b>	<b>100%</b>

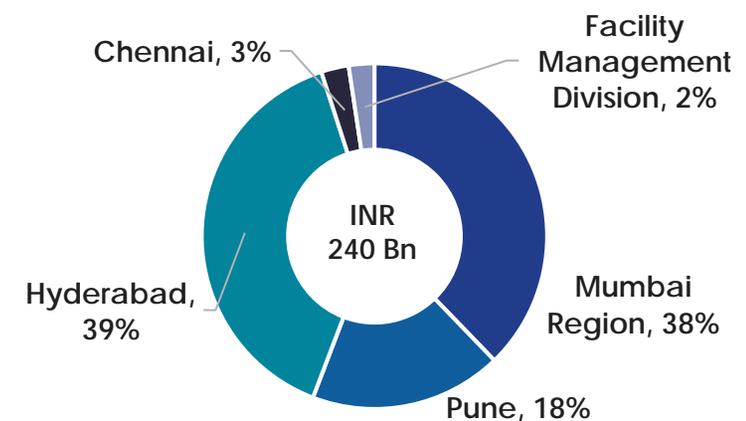
Note: Valuation as on 30 Sep 20

- Includes Real Estate & Facility Management Division
- The Market Value of Mindspace Madhapur is with respect to 89.0% ownership of the respective Asset SPVs that own Mindspace Madhapur

## Completed Assets form 94% of the Market Value<sup>(1)</sup>



## Breakup of Market Value basis geography<sup>(1)</sup>



# ROFO Assets to Add Further Scale And Growth

Strong pipeline spread across Mumbai Region, Chennai and Hyderabad

**3** currently identified assets

**8.6** msf total potential

**4.6** msf by FY23

**10** year ROFO term<sup>(2)</sup>

## Mumbai Region | 5.0 msf Mindspace Juinagar

**Status:**

- Completed: 0.8 msf<sup>(1)</sup>
- UC: 0.2 msf
- Future Development: 4.0 msf



## Chennai | 1.8 msf Commerzone Pallikaranai

**Status:**

- Tower 2: 3rd Floor slab shuttering WIP.
- Expected completion: Block 1 – Yet to commence  
Block 2 – Q1 FY23



## Hyderabad | 1.8 msf Commerzone Madhapur

**Status:**

- 7<sup>th</sup> floor slab WIP
- Expected completion: Phase 1 – Q2 FY22  
Phase 2 – Q4 FY22



Note: Area represent Sponsor Group's share; ROFO Assets comprises only commercial development within the park

1. Committed Occupancy of 55.1%; Completed area as on 31 December 2020

2. Effective from Aug 20

## Research Coverage

Research House	Analyst	Email Id
Ambit Capital	Karan Khanna	<a href="mailto:karan.khanna@ambit.co">karan.khanna@ambit.co</a>
Axis Capital	Aditya Bagul	<a href="mailto:aditya.bagul@axiscap.in">aditya.bagul@axiscap.in</a>
Bank of America	Kunal Tayal	<a href="mailto:kunal.tayal@bofa.com">kunal.tayal@bofa.com</a>
CITI Research	Atul Tiwari	<a href="mailto:atul.tiwari@citi.com">atul.tiwari@citi.com</a>
ICICI Securities	Adhidev Chattopadhyay	<a href="mailto:adhidev.chattopadhyay@icicisecurities.com">adhidev.chattopadhyay@icicisecurities.com</a>
IIFL Securities	Mohit Agrawal	<a href="mailto:mohit.agrawal@iiflcap.com">mohit.agrawal@iiflcap.com</a>
JM Financial	Manish Agrawal	<a href="mailto:manish.agrawal@jmfl.com">manish.agrawal@jmfl.com</a>
Kotak Securities	Murtuza Arsiwalla	<a href="mailto:murtuza.arsiwalla@kotak.com">murtuza.arsiwalla@kotak.com</a>
Morgan Stanley	Sameer Baisiwala	<a href="mailto:sameer.baisiwala@morganstanley.com">sameer.baisiwala@morganstanley.com</a>
Nirmal Bang	Amit Agarwal	<a href="mailto:amit.agarwal@nirmalbang.com">amit.agarwal@nirmalbang.com</a>
UBS Securities	Sourabh Taparia	<a href="mailto:sourabh.taparia@ubs.com">sourabh.taparia@ubs.com</a>

## Key Definitions

<b>Asset SPVs</b>	Collectively, Avacado, Gigaplex, Horizonview, Intime, KRIT, KRC Infra, MBPPL and Sundew
<b>Committed Occupancy (%)</b>	$\frac{\text{Occupied Area} + \text{Committed Area}}{\text{Completed Area}}$
<b>Committed Area</b>	Completed Area which is unoccupied but for which letter of intent/ agreement to lease have been signed
<b>Completed Area</b>	Leasable Area for which occupancy certificate has been received; Completed Area comprises Occupied Area, Committed Area and Vacant Area
<b>Future Development Area</b>	Leasable Area of an asset that is planned for future development, as may be permissible under the relevant rules and regulations, subject to requisite approvals as may be required, and for which internal development plans are yet to be finalized and applications for requisite approvals required under law for commencement of construction are yet to be received
<b>Gross Contracted Rentals (INR)</b>	Gross Contracted Rentals is the sum of Base Rentals and fit-out rent invoiced from Occupied Area that is expected to be received from the tenants pursuant to the agreements entered into with them
<b>In-place Rent (psf per month)</b>	Base Rent ( $\frac{\text{Base Rentals for the specified period}}{\text{Occupied Area} \times \text{monthly factor}}$ ) for a specified month
<b>Market Rent (psf per month)</b>	Manager's estimate of Base Rent that can be expected from leasing of the assets to potential tenants
<b>Market Value</b>	Market value (adjusted for non-controlling interest) as determined by Valuer as of 30 Sep 20
<b>Msf</b>	Million square feet
<b>Net Operating Income (NOI)</b>	Net Operating Income calculated as Revenue from operations less: direct operating expenses (which includes Maintenance services expense, property tax, insurance expense, cost of material sold and cost of power purchased)
<b>Occupied Area</b>	Completed Area for which lease agreements / leave and license agreements have been signed with tenants
<b>Pre-Leased Area</b>	Under Construction Area for which letter of intent / agreement to lease/ lease deed/ leave and license agreement has been entered into with prospective tenants
<b>Portfolio</b>	Assets which will be directly or indirectly owned by Mindspace REIT prior to listing in terms of the REIT Regulations
<b>Re-leasing spread</b>	Refers to the change in Base Rent between new and expiring leases, expressed as a percentage
<b>Same Store Committed Occupancy (%)</b>	Represents Committed Occupancy for the Portfolio for areas where occupancy certificate was received on or before 31 Dec 19
<b>Total Leasable Area</b>	Total Leasable Area is the sum of Completed Area, Under Construction Area and Future Development Area
<b>Under Construction Area</b>	Leasable Area where construction is ongoing and / or the occupancy certificate is yet to be obtained
<b>Vacant Area</b>	Completed Area which is unoccupied and for which no letter of intent / lease agreement / leave and license agreement has been signed
<b>WALE</b>	Weighted Average Lease Expiry based on area. Calculated assuming tenants exercise all their renewal options post expiry of their initial commitment period



# Thank You

Investor Relations Enquiries:  
Deepak Aswani  
(Head of Corporate Finance & Investor Relations)  
Email id: [ir@mindspacereit.com](mailto:ir@mindspacereit.com)



## INDEPENDENT AUDITOR'S REVIEW 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)

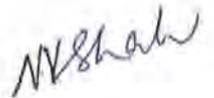
1. We have reviewed the accompanying unaudited Condensed Standalone Interim Financial Statements of **MINDSPACE BUSINESS PARKS REIT** (the "REIT"), which comprise the unaudited Condensed Balance Sheet as at December 31, 2020, the unaudited Condensed Statement of Profit and Loss, including other comprehensive income, the unaudited Condensed Statement of Cash Flow for quarter and nine months ended December 31, 2020, the unaudited Condensed Statement of changes in Unitholders' Equity for the nine months ended December 31, 2020, and the Statement of Net Distributable Cash Flow for the quarter ended December 31, 2020 as an additional disclosure in accordance with paragraph 6 of Annexure A to the 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"). These Condensed Standalone Interim Financial Statements have been prepared by Management as per the requirements that would have been followed for half yearly reporting as per Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended including any guidelines and circulars issued thereunder (the "SEBI REIT Regulations").
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 recognition and measurement principles laid down in the 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 that would have been followed for half yearly reporting as per the SEBI REIT Regulations. Our responsibility is to issue a report on the Condensed Standalone Interim Financial Statements based on our 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 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



**Deloitte  
Haskins & Sells LLP**

4. 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 the recognition and measurement principles laid down in 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 that would have been followed for half yearly reporting as per the SEBI REIT Regulations or that it contains any material misstatement.
5. The Management has prepared these Condensed Standalone Interim Financial Statements in addition to the half yearly reporting that is required under SEBI REIT Regulations to be able to report net distributable cash flow for the quarter ended December 31, 2020.

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



**Nilesh Shah**  
Partner

Membership No. 49660  
UDIN: 21049660AAAAA08011

Mumbai, February 10, 2021

**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 31 December 2020 (Unaudited)	As at 31 March 2020 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Financial assets			
- Investments	4	1,53,103	-
- Loans	5	16,708	-
- Other financial assets	6	102	-
Other non-current assets	7	3	-
<b>Total non-current assets</b>		<b>1,69,916</b>	<b>-</b>
<b>Current assets</b>			
Financial assets			
- Other financial assets	8	6	-
- Cash and cash equivalents	9	2,908	0
Other current assets	10	8	-
<b>Total current assets</b>		<b>2,922</b>	<b>0</b>
<b>Total assets</b>		<b>1,72,838</b>	<b>0</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Corpus	11	0	0
Unit capital	12	1,62,839	-
Other equity	13	2,911	(49)
<b>Total equity</b>		<b>1,65,750</b>	<b>(49)</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Borrowings	14	6,953	-
- Other financial liabilities	15	97	-
<b>Total non-current liabilities</b>		<b>7,050</b>	<b>-</b>
<b>Current liabilities</b>			
Financial liabilities			
- Trade payables	16	-	-
- total outstanding dues of micro and small enterprises; and			
- total outstanding dues of Creditors other than micro and small enterprises.		5	-
- Other financial liabilities	17	30	49
Current tax liabilities (net)	18	1	-
Other current liabilities	19	2	-
<b>Total current liabilities</b>		<b>38</b>	<b>49</b>
<b>Total equity and liabilities</b>		<b>1,72,838</b>	<b>0</b>

See the accompanying notes to the Condensed Standalone Financial Statements 1 - 35

As per our report of even date attached.

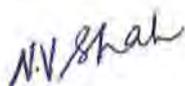
for Deloitte Haskins &amp; Sells LLP

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)



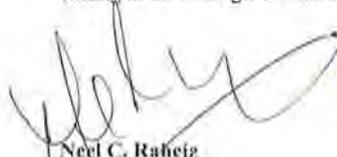
Nilesh Shah

Partner

Membership number: 49660

Place: Mumbai

Date: 10 Feb 2021



Neel C. Raheja

Member

DIN: 00029010

Place: Mumbai

Date: 10 Feb 2021



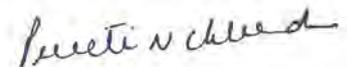
Vinod N. Rohira

Chief Executive Officer

DIN: 00460667

Place: Mumbai

Date: 10 Feb 2021



Preeti N. Chheda

Chief Financial Officer

DIN: 08066703

Place: Mumbai

Date: 10 Feb 2021

**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 31 December 2020 (Unaudited)	For the quarter ended 30 September 2020 (Unaudited)	For the nine months ended 31 December 2020 (Unaudited)	From 18 November 2019 to 31 December 2019 (Audited)*	From 18 November 2019 to 31 March 2020 (Audited)*
<b>Income and gains</b>						
Interest	20	309	125	434	-	-
Dividend	21	2,663	-	2,663	-	-
Other Income	22	1	4	5	-	-
<b>Total Income</b>		<b>2,973</b>	<b>129</b>	<b>3,102</b>	-	-
<b>Expenses</b>						
Valuation expenses		0	6	6	-	-
Audit fees		1	1	4	-	1
Insurance expenses		0	0	0	-	-
Management fees		17	-	17	-	-
Trustee fees		1	1	2	-	-
Legal and professional fees		6	(1)	7	12	25
Other expenses	23	5	(1)	5	20	23
<b>Total Expenses</b>		<b>30</b>	<b>6</b>	<b>41</b>	<b>32</b>	<b>49</b>
<b>Earnings/ (loss) before finance costs, depreciation, amortisation and tax</b>						
Finance costs	24	97	2	99	(32)	(49)
Depreciation and amortisation expense		-	-	-	-	-
<b>Profit/ (loss) before tax</b>		<b>2,846</b>	<b>121</b>	<b>2,962</b>	<b>(32)</b>	<b>(49)</b>
<b>Tax expense:</b>						
Current tax	25	0	2	2	-	-
Deferred tax		-	-	-	-	-
<b>Profit/ (loss) for the period</b>		<b>2,846</b>	<b>119</b>	<b>2,960</b>	<b>(32)</b>	<b>(49)</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</b>		<b>2,846</b>	<b>119</b>	<b>2,960</b>	<b>(32)</b>	<b>(49)</b>
<b>Earning per unit</b>						
Basic	26	4.80	0.29	8.87	Not Applicable	Not Applicable
Diluted		4.80	0.29	8.87	Not Applicable	Not Applicable

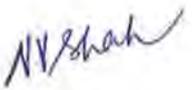
See the accompanying notes to the Condensed Standalone Financial Statements. | - 35

\*Since Mindspace REIT was registered pursuant to a trust deed dated 18 November 2019, the management has provided the information in Condensed Standalone Statement of Profit and Loss with effect from said period i.e. 18 November 2019 for the period ended 31 December 2019 and 31 March 2020.

As per our report of even date attached.

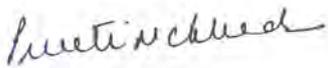
for **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
Firm's registration number: 117366W/W-100018

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

  
**Nilesh Shah**  
Partner  
Membership number: 49660

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

  
**Vinod N. Rohira**  
Chief Executive Officer  
DIN: 00460667

  
**Preeti N. Chheda**  
Chief Financial Officer  
DIN: 08066703

Place: Mumbai  
Date: 10 Feb 2021

**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 31 December 2020 (Unaudited)	For the quarter ended 30 September 2020 (Unaudited)	For the nine months ended 31 December 2020 (Unaudited)	From 18 November 2019 to 31 December 2019 (Audited)*	From 18 November 2019 to 31 March 2020 (Audited)*
<b>Cash flows from operating activities</b>					
Profit/ (loss) before tax	2,846	121	2,962	(31)	(49)
Adjustments:					
Interest income	(309)	(125)	(434)	-	-
Dividend income	(2,663)	-	(2,663)	-	-
Net gains/(losses) on financial assets at fair value through profit or loss	-	(3)	(3)	-	-
Gain on redemption of mutual fund units	(1)	(1)	(2)	-	-
Finance costs	97	2	99	-	-
<b>Operating cash flows before working capital changes</b>	<b>(30)</b>	<b>(6)</b>	<b>(41)</b>	<b>(31)</b>	<b>(49)</b>
Changes in:					
(Increase) / Decrease in financial and other assets	(4)	(7)	(11)	(1)	-
Increase / (Decrease) in financial and other liabilities	11	(37)	(23)	32	49
Increase / (Decrease) in Trade payables	(5)	6	3	-	-
<b>Cash (used in)/ generated from operation</b>	<b>(28)</b>	<b>(44)</b>	<b>(72)</b>	<b>(0)</b>	<b>0</b>
Income taxes paid, net	(2)	-	(2)	-	-
<b>Net cash generated / (used in) from operating activities</b>	<b>(30)</b>	<b>(44)</b>	<b>(74)</b>	<b>(0)</b>	<b>0</b>
<b>Cash flow from investing activities</b>					
Loans given to SPVs	(8,360)	(10,292)	(18,652)	-	-
Loans repaid by SPV	1,760	184	1,944	-	-
Purchase of Investments (Preference shares)	-	(334)	(334)	-	-
Investment in mutual fund	(1,670)	(4,600)	(6,270)	-	-
Proceeds from Redemption of mutual fund	1,671	4,601	6,271	-	-
Proceeds from Redemption of Preference shares	-	337	337	-	-
Investment in fixed deposits	(205)	(100)	(305)	-	-
Maturity proceeds of fixed deposits	205	100	305	-	-
Dividend received	2,663	-	2,663	-	-
Interest received	201	125	327	-	-
<b>Net cash (used in) investing activities</b>	<b>(3,735)</b>	<b>(9,979)</b>	<b>(13,714)</b>	<b>-</b>	<b>-</b>
<b>Cash flow from financing activities</b>					
Proceeds received as initial corpus	-	-	-	0	0
Proceeds from issue of units	-	10,000	10,000	-	-
Loans taken from SPV	150	-	150	-	-
Loans repaid to SPV	(150)	-	(150)	-	-
Collection towards Offer For Sale	-	35,000	35,000	-	-
Payment to Sponsor Group and Blackstone entities in respect of Offer For Sale	(27)	(34,973)	-	-	-
Expenses incurred towards Initial Public Offering	(10)	(254)	(264)	-	-
Proceeds from issue of debentures	2,000	5,000	7,000	-	-
Interest paid	(2)	-	(2)	-	-
Debentures issue expenses	(34)	(4)	(38)	-	-
<b>Net cash generated from financing activities</b>	<b>1,927</b>	<b>14,769</b>	<b>16,696</b>	<b>0</b>	<b>0</b>
<b>Net increase in cash and cash equivalents</b>	<b>(1,838)</b>	<b>4,746</b>	<b>2,908</b>	<b>0</b>	<b>0</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>4,746</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>2,908</b>	<b>4,746</b>	<b>2,908</b>	<b>0</b>	<b>0</b>



**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 31 December 2020 (Unaudited)	For the quarter ended 30 September 2020 (Unaudited)	For the nine months ended 31 December 2020 (Unaudited)	From 18 November 2019 to 31 December 2019 (Audited)*	From 18 November 2019 to 31 March 2020 (Audited)*
Cash on hand	-	-	-	-	-
Balances with banks					
- in current accounts**	2,860	4,617	2,860	0	0
- in escrow accounts	-	34	-	-	-
Fixed deposits with original maturity less than 3 months	48	95	48	-	-
<b>Cash and cash equivalents at the end of the period</b> (refer note 9)	<b>2,908</b>	<b>4,746</b>	<b>2,908</b>	<b>0</b>	<b>0</b>

**Cash and cash equivalents comprise:**

Cash on hand

Balances with banks

- in current accounts\*\*

- in escrow accounts

Fixed deposits with original maturity less than 3 months

**Cash and cash equivalents at the end of the period**

(refer note 9)

**Note:** The Trust has issued Units in exchange for investments in SPVs during the quarter ended 30 September 2020. The same has not been reflected in Standalone Statement of Cash Flows since these were non-cash transactions. (refer note 12(iii))

See the accompanying notes to the Condensed Standalone Financial Statements. 1-35

\*Since Mindspace REIT was registered pursuant to a trust deed dated 18 November 2019, the management has provided the information in Condensed Standalone Statement of Cash Flows with effect from said period i.e. 18 November 2019 for the period ended 31 December 2019 and 31 March 2020.

\*\* Rs. 4,600 million were invested in Axis Overnight Fund by Mindspace REIT on 29 September 2020, redeemed on 30 September 2020 and proceeds were received on 1 October 2020.

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 : 10 Feb 2021

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 : 10 Feb 2021

**Vinod N. Rohira**

Chief Executive Officer

DIN: 00460667

Place: Mumbai

Date : 10 Feb 2021

**Preeti N. Chheda**

Chief Financial Officer

DIN: 08066703

Place: Mumbai

Date : 10 Feb 2021

**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 18 November 2019*	-
Corpus received during the period**	0
Balance as on 31 March 2020	0
<b>Balance as on 1 April 2020</b>	<b>0</b>
Additions during the period	-
<b>Closing balance as at 31 December 2020</b>	<b>0</b>

\*\* Corpus received during the period Rs. 10,000 (Rupees Ten Thousand only)

B. Unit Capital	Amount
Balance as on 18 November 2019*	-
Units issued during the year	-
Balance as on 31 March 2020	-
<b>Balance as on 1 April 2020</b>	<b>-</b>
Add : Units issued during the period	1,63,080
Less : Issue expenses	(241)
<b>Closing balance as at 31 December 2020</b>	<b>1,62,839</b>

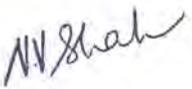
C. Other equity	Retained Earnings
Balance as on 18 November 2019*	-
Loss for the period	(49)
Other comprehensive income for the period	-
<b>Balance at 31 March 2020</b>	<b>(49)</b>
<b>Balance as at 1 April 2020</b>	<b>(49)</b>
Profit for the nine months ended 31 December 2020	2,960
Other comprehensive income for the period	-
<b>Closing balance as at 31 December 2020</b>	<b>2,911</b>

\*Since Mindspace REIT was registered pursuant to a trust deed dated 18 November 2019, the management has provided the information in Condensed Standalone Statement of changes in Unit holder's equity with effect from said period i.e. 18 November 2019 for the period ended 31 March 2020.

As per our report of even date attached.

for **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
Firm's registration number: 117566W/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)

  
**Nilesh Shah**  
Partner  
Membership number: 49660

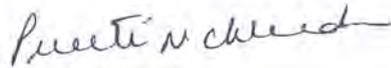
Place: Mumbai  
Date: 10 Feb 2021

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

Place: Mumbai  
Date: 10 Feb 2021

  
**Vinod N. Rohira**  
Chief Executive Officer  
DIN: 00460667

Place: Mumbai  
Date: 10 Feb 2021

  
**Preeti N. Chheda**  
Chief Financial Officer  
DIN: 08066703

Place: Mumbai  
Date: 10 Feb 2021

**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

Sl No	Particulars	For the quarter ended 31 December 2020
1	Cash flows received from Asset SPVs including but not limited to:	
	interest	201
	dividends (net of applicable taxes)	2,663
	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:	2,420
	applicable capital gains and other taxes, if any	-
	debts settled or due to be settled from sale proceeds	-
	transaction costs	(20)
	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	(2,400)
	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	1
5	Less: Any other expenses paid by Mindspace REIT not captured herein	(33)
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	-
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	7
9	Less: Interest paid on external debt borrowing at Mindspace REIT level	-
10	Less: Income tax and other taxes (if applicable) at the standalone Mindspace REIT level	-
	<b>Net Distributable Cash Flows (NDCF)</b>	<b>2,839</b>

**Notes:**

- The Governing Board of the Manager to the Trust, in their meeting held on 10 February 2021, has declared distribution to unitholders of Rs 4.78 per unit which aggregates to Rs 2,835 million for the quarter ended 31 December 2020. The distributions of Rs 4.78 per unit comprises Rs. 4.25 per unit in the form of dividend and Rs 0.53 per unit in the form of interest payment.
- Statement of Net Distributable Cash Flows has not been disclosed for comparative periods since the first distribution of the REIT as stated in the Final Offer Document is being made upon completion of the first full quarter i.e. quarter ended 31 December 2020 after the listing of the Units on the Stock Exchanges.
- Lending to SPVs from fund raised at REIT level in previous quarter has been excluded for the purpose of NDCF calculation
- 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 quarter has been adjusted under "Other Adjustments"
- Borrowing from and repayment to SPVs within the same quarter has been adjusted under "Other Adjustments"

As per our report of even date attached:

for Deloitte Haskins &amp; 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)

Nilesh Shah

Partner

Membership number: 49660

Place: Mumbai

Date: 10 Feb 2021

Neel C. Raheja

Member

DIN: 00029010

Place: Mumbai

Date: 10 Feb 2021

Vinod N. Rohira

Chief Executive Officer

DIN: 00460667

Place: Mumbai

Date: 10 Feb 2021

Preeti N. Chheda

Chief Financial Officer

DIN: 08066703

Place: Mumbai

Date: 10 Feb 2021

**1 Mindspace REIT background**

Mindspace Business Parks REIT ('Mindspace REIT') was settled on 18 November 2019 at Mumbai, Maharashtra, India as a contributory determinate 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.

Mindspace REIT acquired the Special Purpose Vehicles ('SPVs') by acquiring all the equity interest held by the Sponsor Group and Blackstone entities in the SPVs on 30 July 2020. In exchange for these equity interests, the above shareholders have been allotted 55,66,54,582 units of Mindspace REIT on 30 July 2020 which were issued at Rs. 275 each.

Mindspace REIT went public as per its plan for Initial Public Offer of Units after obtaining the required approvals from the relevant authorities. The units were allotted to the successful applicants on 4 August 2020.

All these units were subsequently listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) on 7 August 2020.

Accordingly, the equity interest in each of the below SPVs have been transferred from the respective shareholders to Mindspace REIT:

1. Mindspace Business Parks Private Limited (MBPPL)
2. Gigaplex Estate Private Limited (Gigaplex)
3. Sundew Properties Limited (Sundew)\*
4. Intime Properties Limited (Intime)\*
5. K. Raheja IT Park (Hyderabad) Limited (KRIT)\*
6. KRC Infrastructure and Projects Private Limited (KRC Infra)
7. Horizonview Properties Private Limited (Horizonview)
8. Avacado Properties and Trading (India) Private Limited (Avacado)

\* Remaining 11% of ownership interest in Intime Properties Limited, K. Raheja IT Park (Hyderabad) Limited and Sundew Properties Limited is owned by Andhra Pradesh Industrial Infrastructure Corporation ('APIIC')

The brief activities and shareholding pattern of the SPVs are provided below:

Name of the SPV	Activities	Shareholding (in percentage) upto 30 July 2020	Shareholding (in percentage) as at 31 December 2020
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.	BREP ASIA SG Pearl Holding (NQ) Pte. Ltd (14.95%) Mr. Chandru L. Raheja jointly with Mrs. Jyoti C. Raheja (10.58%) Mrs. Jyoti C. Raheja jointly with Mr. Chandru L. Raheja (8.01%) Capstan Trading LLP (8.01%) Casa Maria Properties LLP (8.01%) Palm Shelter Estate Development LLP (8.01%) K. Raheja Corp Private Limited (6.47%) Mr. Ravi C. Raheja jointly with Mr. Chandru L. Raheja and Mrs. Jyoti C. Raheja (7.37%) Mr. Neel C. Raheja jointly with Mr. Chandru L. Raheja and Mrs. Jyoti C. Raheja (7.37%) Anbee Constructions LLP (6.37%) Cape Trading LLP (6.37%) Raghukool Estate Development LLP (5.26%) BREP VIII SBS Pearl Holding (NQ) Ltd (0.02%) BREP ASIA SBS Pearl Holding (NQ) Ltd. (0.03%) Others (3.17%)	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.	K Raheja Corp Private Limited (58.90%) Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja (37.50%) BREP ASIA SG Pearl Holding (NQ) Pte. Ltd. (3.59%) Others (0.01%)	Mindspace REIT : 100%



Sundew	The SPV is engaged in development and leasing/licensing of IT park, SEZ to different customers in Hyderabad.	Genext Hardware & Parks Private Limited (19.20%) BREP ASIA SG Pearl Holding (NQ) Pte. Ltd (14.95%) Andhra Pradesh Industrial Infrastructure Corporation Limited (11%) Mr. Chandru L. Raheja jointly with Mrs. Jyoti C. Raheja (9.97%) Casa Maria Properties LLP (5.85%) Raghukool Estate Development LLP (5.85%) Capstan Trading LLP (5.85%) Palm Shelter Estate Development LLP (5.85%) Anbee Constructions LLP (5.23%) Cape Trading LLP (5.23%) Others (11.02%)	Mindspace REIT : 89% Andhra Pradesh Industrial Infrastructure Corporation Limited (11%)
Intime	The SPV is engaged in development and leasing/licensing of IT park to different customers in Hyderabad.	Chandru Raheja jointly with Jyoti Raheja (23.98%) BREP Asia SG Pearl Holding (NQ) Pte. Ltd. (14.95%) Andhra Pradesh Industrial Infrastructure Corporation Limited (11%) Casa Maria Properties LLP (6.12%) Raghukool Estate Development LLP (6.12%) Capstan Trading LLP (6.12%) Palm Shelter Estate Development LLP (6.12%) Anbee Constructions LLP (5.47%) Cape Trading LLP (5.47%) Others (14.65%)	Mindspace REIT : 89% Andhra Pradesh Industrial Infrastructure Corporation Limited (11%)
KRIT	The SPV is engaged in development and leasing/licensing of IT park to different customers in Hyderabad.	BREP ASIA SG Pearl Holding (NQ) Pte. Ltd. Andhra Pradesh Industrial Infrastructure Corporation Limited (11%) Palm Shelter Estate Development LLP (9.50%) Casa Maria Properties LLP (9.50%) Raghukool Estate Development LLP (9.50%) Capstan Trading LLP (9.50%) Anbee Constructions LLP (8.50%) Cape Trading LLP (8.50%) Ivory Properties And Hotels Private Limited Chandru L Raheja jointly with Jyoti C. Raheja Others (4.83%)	Mindspace REIT : 89% Andhra Pradesh 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.	K Raheja Private Limited (42.50%) K Raheja Corp Private Limited (42.50%) BREP ASIA SG Pearl Holding (NQ) Pte. Ltd (14.95%) BREP VIII SBS Pearl Holding (NQ) Ltd (0.02%) BREP ASIA SBS Pearl Holding (NQ) Ltd. (0.03%)	Mindspace REIT : 100%
Horizonview	The SPV is engaged in development and leasing/licensing of IT park to different customers in Chennai.	Mr. Neel C. Raheja jointly with Mr. Chandru L. Raheja and Mrs. Jyoti C. Raheja (42.50%) Mr. Ravi C. Raheja jointly with Mr. Chandru L. Raheja and Mrs. Jyoti C. Raheja (42.50%) BREP ASIA SG Pearl Holding (NQ) Pte. Ltd. (14.95%) Others (0.05%)	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.	Anbee Constructions LLP (13.18%) Cape Trading LLP (13.18%) Capstan Trading LLP (14.53%) Raghukool Estate Development LLP (14.53%) Casa Maria Properties LLP (14.53%) Palm Shelter Estate Development LLP (14.53%) BREP ASIA SG Pearl Holding (NQ) Pte. Ltd (14.95%) Others (0.57%)	Mindspace REIT : 100%



## 2 Basis of Preparation

The Interim Condensed Standalone Financial Statements ('Condensed Standalone Financial statements') of MindSpace REIT comprises the Condensed Standalone Balance Sheet as at 31 December 2020; the Condensed Standalone Statement of Profit and Loss, including other comprehensive income, the Condensed Standalone Statement of Cash Flow for the quarter and nine months ended 31 December 2020, the Condensed Standalone Statement of Changes in Unit Holder's Equity for the quarter and nine months ended 31 December 2020, the Statement of Net Distributable Cash flows for the quarter ended 31 December 2020 and a summary of significant accounting policies and select explanatory information.

The Condensed Standalone Financial Statements have been prepared in accordance with the requirements of SEBI (Real Estate Investment Trusts) Regulations, 2014 (SEBI Regulations) as amended from time to time read with SEBI Regulations read with Circular No. CIR/IMD/DF/146/2016 dated 29 December 2016 (the "REIT regulations"); recognition and measurement principles laid down in the Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, to the extent not inconsistent with the REIT regulations.

The Condensed Standalone Financial Statements were authorised for issue in accordance with resolution passed by the Governing Board of the Manager on behalf of the Trust on 10 February 2021.

The Condensed Standalone Financial Statements are presented in Indian Rupees in Million, except when otherwise indicated.

### Statement of compliance to Ind-AS

These Condensed Standalone Financial Statements for the period ended 31 December 2020 are the financial statements of MindSpace REIT and have been prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" read with in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 (as amended and other accounting principles generally accepted in India), to the extent not inconsistent with SEBI Regulations read with circulars referred above.

## 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 including Ind AS and SEBI regulations requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates.

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

Information about assumptions and estimation uncertainties that have a significant risk resulting in a material adjustment are included in Note 3.8 on Investment in SPVs.

### d) Current versus non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

MindSpace REIT classifies all other liabilities as non-current.

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

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

### e) Measurement of fair values

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 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 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 Condensed Statement of Profit and Loss or against revaluation surplus, where applicable.

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

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the end of the period and not covered by forward contracts, are translated at the end of the period at the closing exchange rate and the resultant exchange differences are recognised in the Condensed 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.

### 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 charge

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.

#### 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.

**3.11 Financial guarantee contracts**

Mindspace REIT on a case to case basis elects to account for financial guarantee contracts as a financial instruments or as an insurance contracts as specified in Ind AS 109 on Financial Instruments and Ind AS 104 on Insurance contracts. Mindspace REIT has regarded all its financial guarantee contracts and shortfall undertaking contracts as insurance contracts. At the end of each reporting period, Mindspace REIT performs a liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cash flows), and any deficiency is recognised in statement of profit and loss.

**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, depreciation, amortisation and income tax

Mindspace REIT has elected to present earnings before finance cost, depreciation, amortisation 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, depreciation, amortisation and income tax on the basis of profit/ (loss) from continuing operations. In its measurement, Mindspace REIT does not include depreciation and amortisation expense, finance costs and tax expense.

### 3.20 Errors and estimates

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

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

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

### 3.21 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.



**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**

Particulars	As at	
	31 December 2020	31 March 2020
<b>Unquoted Investments in SPVs (at cost)</b> <b>(refer note below)</b>		
- 39,75,000 (31 March 2020: Nil) equity shares of Avacado Properties and Trading Private Limited of Rs.10 each, fully paid up	9,482	-
- 11,765 (31 March 2020: Nil) equity shares of Horizonview Properties Private Limited of Rs.10 each, fully paid up	0	-
- 5,88,235 (31 March 2020: Nil) equity shares of KRC Infrastructure And Projects Private Limited of Rs.10 each, fully paid up	6,868	-
- 1,96,01,403 (31 March 2020: Nil) equity shares of Gigaplex Estate Private Limited of Rs.1 each, fully paid up	13,121	-
- 2,50,71,875 (31 March 2020: Nil) equity shares of Sundew Properties Limited of Rs.10 each, fully paid up	33,722	-
- 12,03,033 (31 March 2020: Nil) equity shares of Intime Properties Limited of Rs.10 each, fully paid up	15,478	-
-1,78,00,000 (31 March 2020: Nil) equity shares of K. Raheja IT Park (Hyderabad) Limited of Rs.10 each, fully paid up	25,618	-
- 81,513 (31 March 2020: Nil) equity shares of Mindspace Business Parks Private Limited of Rs.10 each, fully paid up	48,814	-
<b>Total</b>	<b>1,53,103</b>	<b>-</b>

Note: The Trust has issued units as consideration to acquire these investments wherein the tradable REIT Unit has been issued at Rs 275 each

Details of % shareholding in the SPVs, held by Mindspace REIT is as under:

Name of SPVs	Ownership Interest	
	31 December 2020	31 March 2020
Avacado Properties and Trading (India) Private Limited	100%	-
Horizonview Properties Private Limited	100%	-
KRC Infrastructure and Projects Private Limited	100%	-
Gigaplex Estate Private Limited	100%	-
Intime Properties Limited*	89%	-
K. Raheja IT Park (Hyderabad) Limited*	89%	-
Sundew Properties Limited*	89%	-
Mindspace Business Parks Private Limited	100%	-

\* Remaining 11% of ownership interest in Intime Properties Limited, K. Raheja IT Park (Hyderabad) Limited and Sundew Properties Limited is owned by Andhra Pradesh Industrial Infrastructure Corporation (APIIC)



**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**

Particulars	As at	As at
	31 December 2020	31 March 2020
<i>Unsecured, considered good</i>		
Loan to SPVs- refer Note 29	16,708	-
	<b>16,708</b>	-

Note : Mindspace REIT has given loan amounting Rs.18,652 million during the period ended 31 December 2020 (31 March 2020 Rs. Nil) to Gigaplex, Avacado , Horizonview, KRC Infra, MBPPL and Sundew and the outstanding balance as at end of 31 December 2020 is Rs.16,708 million (31 March 2020 Rs.Nil).

Security: Unsecured

Interest : 8.05% per annum for the quarter ending 31 December 2020 in accordance with interest rate policy as adopted by Mindspace REIT.

Terms of repayment:

a) Bullet repayment of Rs.9,728 million on date falling 15 years from the first disbursement date i.e. from 6 August 2020 or such other date as may be mutually agreed between the Lender and the Borrower in writing.

b) Bullet repayment of Rs.5,000 million is due on 29 April 2022.

c) Bullet repayment Rs.1,980 million is due on 16 December 2023.

d) At any time prior to the repayment date, the Borrower may on any date, prepay the whole or any part of the loan outstanding.

e) Mindspace REIT may notify the Borrower requiring prepayment of the Loans disbursed (except Rs. 5,000 million and Rs. 1,980 million repayable on 29 April 2022 and 16 December 2023 respectively) by serving atleast 30 days notice before the scheduled date of repayment or such other time period as may be mutually agreed.

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

Particulars	As at	As at
	31 December 2020	31 March 2020
Interest receivable on loan to SPVs	102	-
	<b>102</b>	-

**7 Other Non-current assets**

Particulars	As at	As at
	31 December 2020	31 March 2020
Prepaid Expenses	3	-
	<b>3</b>	-

**8 Other current financial assets**

Particulars	As at	As at
	31 December 2020	31 March 2020
Interest receivable on loan to SPVs	6	-
	<b>6</b>	-

**9 Cash and cash equivalents**

Particulars	As at	As at
	31 December 2020	31 March 2020
Cash on hand	-	-
Balances with banks		
- in current accounts	2,860	0
- fixed deposits with original maturity less than 3 months	48	-
	<b>2,908</b>	<b>0</b>

**10 Other current assets**

Particulars	As at	As at
	31 December 2020	31 March 2020
<i>Unsecured, considered good</i>		
Advance for supply of goods and rendering of services	6	-
Prepaid Expenses	2	-
Balances with government authorities	0	-
	<b>8</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)

11	Corpus	Amount
	Corpus	
	As at 18 November 2019	-
	Corpus received during the period *	0
	As at 31 March 2020	0
	As at 1 April 2020	0
	Additions during the period	-
	<b>Closing Balance as at 31 December 2020</b>	<b>0</b>

\* Corpus received during the period Rs.10,000 (Rupees Ten Thousand only)

12	Unit Capital	No.	Amount
	Unit Capital		
	As at 18 November 2019	-	-
	Units issued during the period	-	-
	As at 31 March 2020	-	-
	As at 1 April 2020	-	-
	Units issued during the period		
	- pursuant to the initial public offer, issued, subscribed and fully paid-up in cash	363,63,600	10,000
	(refer note a(ii) below)		
	- in exchange for equity interest in SPVs (refer note a(iii) below)	5566,54,582	1,53,080
	Less: Issue expenses (refer note below)	-	(241)
	<b>Closing Balance as at 31 December 2020</b>	<b>5930,18,182</b>	<b>1,62,839</b>

Note: Issue expenses pertaining to the Initial Public Offering (IPO) and listing of the units on the NSE and BSE have been reduced from the Unitholders capital in accordance with Ind AS 32 Financial Instruments: Presentation.

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

- (i) 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 Mindspace REIT at least once in every six months in each financial year in accordance with the REIT Regulations. The Governing Board 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 dividends in Indian Rupees.

Under the provisions of the REIT Regulations, Mindspace REIT is required to distribute to unitholders not less than ninety percent of the net distributable cash flows of Mindspace REIT for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of Mindspace REIT to pay to its unitholders cash distributions. The unitholders' funds could have been classified as compound financial instrument which contain both 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 classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI circular CIR/IMD/DF/141/2016 dated 26 December 2016 dealing with the minimum disclosures for key financial statements. In line with the above, the dividend payable to unit holders is recognised as liability when the same is approved by the Governing Board of the Manager.

- (ii) Initial Public Offering of 3,63,63,600 units for cash at price of Rs. 275 per unit aggregating to Rs. 10,000 million.
- (iii) Mindspace REIT has acquired the SPVs by acquiring all the equity interest held by the Sponsor Group and Blackstone Entities in the SPVs. The acquisition of equity interest in the SPVs has been done by issue of 55,66,54,582 units of Rs. 275 each as per the table below.

Name of the SPV	Number of Units allotted for acquiring equity interest held by Sponsor Group and Blackstone entities in SPVs		
	Sponsor Group	Blackstone Entities	Total
Avacado	293,04,371	51,71,359	344,75,730
Horizonview	364	64	428
KRC Infra	212,24,693	37,45,522	249,70,215
Gigaplex	473,34,745	3,72,113	477,06,858
Intime	467,89,935	94,84,426	562,74,361
Sundew	1019,43,753	206,64,275	1226,08,028
KRIT	774,43,859	156,98,080	931,41,939
Mindspace	1508,55,361	266,21,662	1774,77,023
<b>Total number of Units issued</b>	<b>4748,97,081</b>	<b>817,57,501</b>	<b>5566,54,582</b>

**(b) Unitholders holding more than 5 percent Units in Mindspace REIT**

Name of the unitholder	As at 31 December 2020	
	No of Units	% holding
BREP ASIA SG PEARL HOLDING (NQ) PTE LTD	542,91,425	9.16%

- (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 incorporation 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)

**13 Other Equity\***

Particulars	As at	As at
	31 December 2020	31 March 2020
<b>Reserves and Surplus</b>		
Retained earnings		
Opening balance	(49)	-
Profit / (loss) for the period	2,960	(49)
Other comprehensive income for the period	-	-
	<b>2,911</b>	<b>(49)</b>

\*Refer 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.

**14 Borrowings**

Particulars	As at	As at
	31 December 2020	31 March 2020
<b>Secured</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") (net of issue expenses, at amortised cost) (31 March 2020 : Nil) (refer Note 1)	4,974	-
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 1) (net of issue expenses, at amortised cost) (31 March 2020 : Nil) (refer Note 2)	1,979	-
	<b>6,953</b>	<b>-</b>

**Note 1 :** During the nine months ended 31 December 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") 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 is 577 days from 29 September 2020, being date of allotment of the Market Linked Debentures 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 these MLDs, 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 was listed on BSE Limited on 13 October 2020.

**Security terms**

The Market Linked Debentures are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the Debenture Holders):

- First and exclusive charge is 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")
- A charge is registered on the escrow account in which receivables of the Mortgaged Properties of MBPPL shall be received.
- Corporate guarantee executed by MBPPL.

**Redemption terms:**

- These debentures are redeemable by way of bullet payment at the end of 577 days from the date of allotment, i.e. 29 April 2022.
- 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 if the rating is downgraded to A+.
- 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 (or as the case may be, in part), all the Debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each Debenture.

d) Details of disclosure required as per SEBI circular SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated 13 April 2018 are as follows:

Particulars	Secured / Unsecured	Previous due date		Next due date	
		Principal	Interest	Principal	Interest
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")	Secured by way of a charge in the nature of registered simple mortgage on the identified properties of Mindspace Business Parks Private Limited, being one of the SPVs of the Issuer and charge on the escrow account in which receivables of the Mortgaged Properties shall be received.	Not Applicable	Not Applicable	On Maturity	On Maturity

Rating agency CRISIL has assigned a rating of "CRISIL PP-MLD AAA/Stable" to the Market Linked Debentures of the issuer.



**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 2 :** During the quarter ended 31 December 2020, Mindspace Business Parks REIT ("Trust") issued 2,000 secured, listed, senior, taxable, non-cumulative, rated, redeemable, non-convertible debentures ("NCD") 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 is 36 months from 17 December 2020, being date of allotment. This NCD was listed on BSE Limited on 18 December 2020.

**Security terms**

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

- First and exclusive charge being registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 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 18,264.86 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 ("Mortgaged Properties")
- 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 shall be registered.
- Corporate guarantee executed by MBPPL.

**Redemption terms:**

- These debentures are redeemable by way of bullet repayment at the end of 36 months from the date of allotment, i.e. 16 December 2023.
- Interest is payable on the last day of each financial quarter in a year (starting from 31 March, 2021) until the scheduled redemption date.
- The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.
- Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the Issuer to redeem in full (or as the case may be, in part), all the NCDs then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each NCD.
- Details of disclosure required as per SEBI circular SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated 13 April 2018 are as follows:

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 by way of a charge in the nature of registered simple mortgage on the identified properties of MBPPL, being one of the SPVs of the Issuer and charge on the escrow account in which cashflows and receivables (except any common area maintenance charges) of the Mortgaged Properties shall be received.	Not Applicable	Not Applicable	On Maturity	31 March 2021

i) Rating agency CRISIL has assigned a rating of "CRISIL AAA/Stable" to the NCDs.

**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).**

Particulars	As at and for the nine months ended 31 December 2020
Security / Asset cover (MLDs)(refer a below)	2.28
Security / Asset cover (NCDs)(refer b below)	2.29
Debt-equity ratio (refer c below)	0.04
Debt-service coverage ratio (refer d below)	30.97
Interest-service coverage ratio (refer e below)	30.97
Net worth (Rs. in million) (refer f below)	1,65,750

Formulae for computation of ratios are as follows basis Condensed Standalone Financial Statements:-

- Security / Asset cover ratio (MLDs) = Fair value of the secured assets as on 31 August 2020 as computed by independent valuer / (Outstanding principal amount of MLDs + Interest accrued thereon)
- Security / Asset cover ratio (NCDs) = Lower of Fair value of the secured assets as on 30 November 2020 as computed by two independent valuers / (Outstanding principal amount of NCDs + Interest accrued thereon)
- Debt equity ratio = Borrowings / Total Equity
- Debt Service Coverage Ratio = Earnings before interest, depreciation and tax/ (Interest expenses + Principal repayments made during the period)
- Interest Service Coverage Ratio = Earnings before interest, depreciation and tax/ Interest expenses
- Net worth = Corpus + Unit capital + Other equity
- Borrowings = Non current borrowings + Current borrowings + Current maturities of long-term borrowings + Interest accrued



**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)

15 Other financial liabilities		As at	As at
Particulars		31 December 2020	31 March 2020
Interest accrued but not due on debentures		89	-
Other payables to related party		8	-
		97	0
<b>Current liabilities</b>			
16 Trade payables		As at	As at
Particulars		31 December 2020	31 March 2020
Trade payable			
- Total outstanding dues to micro and small enterprises		-	-
-Total outstanding dues other than micro and small enterprises		5	-
		5	-
<b>Other financial liabilities</b>			
17 Particulars		As at	As at
		31 December 2020	31 March 2020
Interest accrued but not due on debentures		6	-
Other liabilities			
- to related party*		24	49
- to others		-	-
		30	49
* Expenses of Rs.24 million are incurred by the Manager on behalf of Mindspace REIT.			
<b>Current tax liabilities</b>			
18 Particulars		As at	As at
		31 December 2020	31 March 2020
Provision for Income Tax (Net of Advance Tax)		1	-
		1	-
<b>Other current liabilities</b>			
19 Particulars		As at	As at
		31 December 2020	31 March 2020
Statutory dues		2	-
		2	-



**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)

**20 Interest Income**

Particulars	For the quarter ended 31 December 2020 (Unaudited)	For the quarter ended 30 September 2020 (Unaudited)	For the nine months ended 31 December 2020 (Unaudited)	From 18 November 2019 to 31 December 2019 (Audited)	From 18 November 2019 to 31 March 2020 (Audited)
Interest income					
- on fixed deposits	0	0	0	-	-
- on loans given to SPVs (refer note 29)	309	125	434	-	-
	<b>309</b>	<b>125</b>	<b>434</b>	<b>-</b>	<b>-</b>

**21 Dividend Income**

Particulars	For the quarter ended 31 December 2020 (Unaudited)	For the quarter ended 30 September 2020 (Unaudited)	For the nine months ended 31 December 2020 (Unaudited)	From 18 November 2019 to 31 December 2019 (Audited)	From 18 November 2019 to 31 March 2020 (Audited)
Dividend Income	2,663	-	2,663	-	-
	<b>2,663</b>	<b>-</b>	<b>2,663</b>	<b>-</b>	<b>-</b>

**22 Other Income**

Particulars	For the quarter ended 31 December 2020 (Unaudited)	For the quarter ended 30 September 2020 (Unaudited)	For the nine months ended 31 December 2020 (Unaudited)	From 18 November 2019 to 31 December 2019 (Audited)	From 18 November 2019 to 31 March 2020 (Audited)
Net gains/(losses) on financial assets at fair value through profit or loss*	-	3	3	-	-
Gain on redemption of mutual fund units	1	1	2	-	-
	<b>1</b>	<b>4</b>	<b>5</b>	<b>-</b>	<b>-</b>

\* Gain on redemption of investment in preference shares invested in SPV.

**23 Other expenses**

Particulars	For the quarter ended 31 December 2020 (Unaudited)	For the quarter ended 30 September 2020 (Unaudited)	For the nine months ended 31 December 2020 (Unaudited)	From 18 November 2019 to 31 December 2019 (Audited)	From 18 November 2019 to 31 March 2020 (Audited)
Bank charges	1	-	1	-	-
Filing and stamping fees	3	(1)	2	13	15
Royalty Charges	-	-	1	7	8
Marketing and advertisement expenses	0	-	0	-	-
Brokerage Expenses	1	-	1	-	-
Miscellaneous expenses	0	-	0	-	-
	<b>5</b>	<b>(1)</b>	<b>5</b>	<b>20</b>	<b>23</b>

**24 Finance costs**

Particulars	For the quarter ended 31 December 2020 (Unaudited)	For the quarter ended 30 September 2020 (Unaudited)	For the nine months ended 31 December 2020 (Unaudited)	From 18 November 2019 to 31 December 2019 (Audited)	From 18 November 2019 to 31 March 2020 (Audited)
Interest expense on debentures	95	2	97	-	-
Interest expense on loans taken from SPV (refer Note 29)	2	-	2	-	-
	<b>97</b>	<b>2</b>	<b>99</b>	<b>-</b>	<b>-</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)

**25 Tax expense**

Particulars	For the quarter ended 31 December 2020 (Unaudited)	For the quarter ended 30 September 2020 (Unaudited)	For the nine months ended 31 December 2020 (Unaudited)	From 18 November 2019 to 31 December 2019 (Audited)	From 18 November 2019 to 31 March 2020 (Audited)
Current tax	0	2	2	-	-
Deferred tax charge	-	-	-	-	-
	<b>0</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>-</b>

**26 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 31 December 2020 (Unaudited)	For the quarter ended 30 September 2020 (Unaudited)	For the nine months ended 31 December 2020 (Unaudited)	From 18 November 2019 to 31 December 2019 (Audited)	From 18 November 2019 to 31 March 2020 (Audited)
Profit / (loss) after tax for calculating basic and diluted EPU	2,846	119	2,960	(32)	(49)
Weighted average number of Units (Nos)	5930,18,182	4041,12,255	3335,85,455	Not Applicable	Not Applicable
Earnings Per Unit					
- Basic (Rupees/unit)	4.80	0.29	8.87	Not Applicable	Not Applicable
- Diluted (Rupees/unit)	4.80	0.29	8.87	Not Applicable	Not Applicable

**27 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 ended 31 December 2020 are Rs 17 million. There are no changes during the period in the methodology for computation of fees paid to the Manager.

**28 Assessment of possible impact resulting from Covid-19 pandemic**

MindSpace REIT has considered the possible effects that may result from the pandemic relating to COVID-19 on the operations of MindSpace REIT and carrying amounts of investments, loans given and other assets. MindSpace REIT as at the date of approval of these financial statements, has used internal and external sources of information to determine the expected future impact of COVID-19 pandemic on the performance of MindSpace REIT. MindSpace REIT based on current estimates expects the carrying amount of the assets to be recovered. However, due to the evolving nature of the pandemic and its response by various government authorities, the Governing Board will continue to monitor developments to identify significant impacts, if any, on the MindSpace REIT's operations.



**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 31 December 2020**

Sl. No.	Particulars	Name of Entities	Promoters/Partners*	Directors
1	Trustee	Axis Trustee Services Limited	-	-
2	Sponsors	Anbee Constructions LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
3		Cape Trading LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
4	Manager	K Raheja Corp Investment Managers LLP	Mr. Ravi C. Raheja Mr. Neel 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		Capstan Trading LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
10		Casa Maria Properties LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
11		Raghukool Estate Development LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
12		Palm Shelter Estate Development LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
13		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 Vinod Rohira



**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 31 December 2020**

Sl. No.	Particulars	Name of Entities	Promoters/Partners*	Directors
14		Ivory Property Trust	Chandru L. Raheja Jyoti C. Raheja Ivory Properties & Hotels Pvt Ltd Ravi C. Raheja Neel C. Raheja (all are trustees)	
15		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 Ivory Property Trust	Ravi C. Raheja Neel C. Raheja Ramesh Valecha
16	Names of SPVs and their 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. 9. Dices Realcon Private Limited. 10. Educator Protech Private Limited 11. Happy Eastcon Private Limited 12. Sampada Eastpro Private Limited		
17	Governing Board and Key Managerial Personnel of the Manager (K Raheja Corp Investment Managers LLP)	<b>Governing Board</b> Mr. Deepak Ghaisas Ms. Manisha Girotra Mr. Bobby Parikh Mr. Alan Miyasaki Mr. Ravi C. Raheja Mr. Neel C. Raheja  <b>Key Managerial Personnel</b> Mr. Vinod Rohira Ms. Preeti Chheda		
18	Entities controlled/jointly controlled by members of Governing Board.	Brookfields Agro & Development Private Limited Cavalcade Properties Private Limited 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  Sundew Real Estate 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 31 December 2020 (Unaudited)	For the quarter ended 30 September 2020 (Unaudited)	For the nine months ended 31 December 2020 (Unaudited)	From 18 November 2019 to 31 December 2019 (Audited)	From 18 November 2019 to 31 March 2020 (Audited)
<b>Unsecured loans given to</b>					
Avacado Properties and Trading Pvt. Ltd.	2,170	2,328	4,498	-	-
Gigaplex Properties Private Limited	2,430	3,294	5,724	-	-
Horizonview Properties Pvt. Ltd.	20	4,270	4,290	-	-
Sundew Properties Limited	650	-	650	-	-
KRC Infrastructure and Projects Private Limited	730	-	730	-	-
Mindspace Business Parks Private Limited	2,360	400	2,760	-	-
<b>Unsecured loans taken from</b>					
Intime Properties Limited	150	-	150	-	-
<b>Investment in preference shares</b>					
Mindspace Business Parks Private Limited	-	334	334	-	-
<b>Redemption of investment in preference shares</b>					
Mindspace Business Parks Private Limited	-	337	337	-	-
<b>Unsecured loans repaid by</b>					
Gigaplex Estate Private Limited	420	184	604	-	-
Mindspace Business Parks Private Limited	740	-	740	-	-
Sundew Properties Limited	230	-	230	-	-
KRC Infrastructure and Projects Private Limited	370	-	370	-	-
<b>Unsecured loans repaid to</b>					
Intime Properties Limited	150	-	150	-	-
<b>Investment in equity share 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>Trustee fee expenses</b>					
Axis Trustee Services Limited	1	1	2	-	-
<b>Dividend Income</b>					
Intime Properties Limited	418	-	418	-	-
Sundew Properties Limited	561	-	561	-	-
K. Raheja IT Park (Hyderabad) Limited	534	-	534	-	-
Mindspace Business Parks Private Limited	1,150	-	1,150	-	-
<b>Interest Income</b>					
Avacado Properties and Trading (India) Private Limited	91	31	122	-	-
Gigaplex Estate Private Limited	111	39	150	-	-
Horizonview Properties Private Limited	87	55	142	-	-
KRC Infrastructure and Projects Private Limited	2	-	2	-	-
Sundew Properties Limited	2	-	2	-	-
Mindspace Business Parks Private Limited	16	0	16	-	-
<b>Interest Expense</b>					
Intime Properties Limited	2	-	2	-	-
<b>Gain on Redemption of Preference Shares</b>					
Mindspace Business Parks Private Limited	-	3	3	-	-
<b>Royalty Charges</b>					
Newfound Properties and Leasing Private Limited	-	-	1	-	-
Anbee Constructions LLP	-	-	-	1	1
Cape Trading LLP	-	-	-	1	1
Mindspace Business Parks Pvt Ltd	-	-	-	1	1
Ivory Properties & Hotels Pvt Ltd	-	-	-	1	1
K. Raheja Pvt Ltd	-	-	-	1	1
K. Raheja Corp Pvt Ltd	-	-	-	1	2
<b>Reimbursement of Expenses</b>					
K Raheja Corp Investment Managers LLP*	12	48	-	25	41

\*Includes fees paid to M/s Bobby Parikh & Associates amounting to Rs. 0.48 million for nine months ended 31 December 2020 and Rs 1 million for the period ended 31 March 2020.



**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 31 December 2020 (Unaudited)	For the quarter ended 30 September 2020 (Unaudited)	For the nine months ended 31 December 2020 (Unaudited)	From 18 November 2019 to 31 December 2019 (Audited)	From 18 November 2019 to 31 March 2020 (Audited)
<b>Investment Management Fees</b>					
K Raheja Corp Investment Managers LLP	17	-	17	-	-
<b>Payment to Sponsor Group in relation to Offer for Sale</b>					
Chandru L Raheja	0	10	10	-	-
Jyoti C Raheja	1	1,139	1,139	-	-
Ravi C Raheja	1	1,179	1,180	-	-
Neel C Raheja	1	1,179	1,180	-	-
Genext Hardware & Parks Private Limited	1	957	958	-	-
Inorbit Malls (India) Private Limited	1	1,505	1,506	-	-
Ivory Properties And Hotels Private Limited	2	3,385	3,387	-	-
Ivory Property Trust	6	10,352	10,357	-	-
K Raheja Corp Private Limited	2	4,301	4,304	-	-
K Raheja Private Limited	2	2,851	2,852	-	-
<b>Corporate Guarantee Fees to SPV</b>					
Mindspace Business Parks Pvt Ltd	1	8	9	-	-
<b>Initial receipt from Co-sponsor - received</b>					
Anbee Constructions LLP	-	-	-	0	0
Cape Trading LLP	-	-	-	0	0
<b>Issue of Unit capital</b>					
Anbee Constructions LLP	-	9,736	9,736	-	-
Cape Trading LLP	-	9,736	9,736	-	-
Capstan Trading LLP	-	11,301	11,301	-	-
Casa Maria Properties LLP	-	11,301	11,301	-	-
Chandru L. Raheja	-	8,974	8,974	-	-
Genext Hardware & Parks Private Limited	-	6,294	6,294	-	-
Ivory Property Trust	-	2,410	2,410	-	-
Jyoti C. Raheja	-	2,745	2,745	-	-
K Raheja Corp Private Limited	-	10,064	10,064	-	-
Neel C. Raheja	-	4,637	4,637	-	-
Palm Shelter Estate Development LLP	-	11,301	11,301	-	-
Raghukool Estate Development LLP	-	9,958	9,958	-	-
Ravi C. Raheja	-	4,637	4,637	-	-



**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**

Particulars	As at	As at
	31 December 2020	31 March 2020
<b>Unsecured loan receivable (non-current)</b>		
Mindspace Business Parks Private Limited	2,020	-
Avacado Properties and Trading (India) Private Limited	4,498	-
Gigaplex Estate Private Limited	5,120	-
KRC Infrastructure and Projects Private Limited	360	-
Sundew Properties Limited	420	-
Horizonview Properties Private Limited	4,290	-
<b>Investment in equity shares of SPVs</b>		
Avacado Properties and Trading (India) Private Limited	9,482	-
Gigaplex Estate Private Limited	13,121	-
Horizonview Properties Private Limited	0	-
KRC Infrastructure and Projects Private Limited	6,868	-
Intime Properties Limited	15,478	-
Sundew Properties Limited	33,722	-
K. Raheja IT Park (Hyderabad) Limited	25,618	-
Mindspace Business Parks Private Limited	48,814	-
<b>Interest receivable (non current)</b>		
Mindspace Business Parks Private Limited	8	-
Gigaplex Estate Private Limited	50	-
Avacado Properties and Trading (India) Private Limited	44	-
<b>Interest receivable (current)</b>		
Mindspace Business Parks Private Limited	5	-
KRC Infrastructure and Projects Private Limited	1	-
<b>Other Financial Liabilities (non current)</b>		
Mindspace Business Parks Private Limited	8	-
<b>Other Financial Liabilities (current)</b>		
K Raheja Corp Investment Managers LLP	24	49
<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	430	-

Note : Mindspace REIT is in process of executing corporate guarantees amounting to Rs. 13,090 million given for the loan facilities availed by the SPVs.



**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 IPO are as follows:**

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation upto 31 December 2020	Unutilised amount as at 31 December 2020
Partial or full pre-payment or scheduled repayment of certain debt facilities of the Asset SPVs availed from banks/financial institutions (including any accrued interest and any applicable penalties/ premium)	9,000	9,300	Refer note
Purchase of Non Convertible Redeemable Preference Shares of MBPPL	334	334	-
General Corporate Purposes and REIT Issue Expenses	666	366	Refer note
<b>Total</b>	<b>10,000</b>	<b>10,000</b>	-

Note: Rs. 300 million is used in excess for providing loans to Asset SPVs for the purpose of repayment of debt facilities of the SPVs.

**31 Details of utilisation of proceeds of Debentures are as follows:**

Objects of the issue as per the Issue memorandum	Proposed utilisation	Actual utilisation upto 31 December 2020	Unutilised amount as at 31 December 2020
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.	7,000	6,996	4
<b>Total</b>	<b>7,000</b>	<b>6,996</b>	<b>4</b>

**32 Contingent liabilities**

Mindspace REIT has provided corporate guarantees for loans availed by Horizonview and the outstanding amount is Rs.430 million.

Mindspace REIT is in process of executing corporate guarantees for loans availed by SPVs amounting to Rs 13,090 million

**33 Financial instruments :**

The carrying value and fair value of financial instruments by categories are as below:

Particulars	Carrying value	Fair Value	Carrying value	Fair Value
	31 December 2020 (Unaudited)	31 December 2020 (Unaudited)	31 March 2020 (Audited)	31 March 2020 (Audited)
<b>Financial assets</b>				
Fair value through profit and loss	-	-	-	-
Fair value through other comprehensive income	-	-	-	-
<b>Amortised cost</b>				
Loans	16,708	16,708	-	-
Cash and cash equivalents	2,908	2,908	0	-
Other financial assets	108	108	-	-
<b>Total assets</b>	<b>19,724</b>	<b>19,724</b>	<b>0</b>	<b>-</b>
<b>Financial liabilities</b>				
Fair value through profit and loss	-	-	-	-
Fair value through other comprehensive income	-	-	-	-
<b>Amortised cost</b>				
Borrowings	6,953	6,953	-	-
Other financial liabilities	127	127	49	-
Trade payables	5	5	-	-
<b>Total liabilities</b>	<b>7,085</b>	<b>7,085</b>	<b>49</b>	<b>-</b>

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



**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)

**(a) 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).

**(b) Financial Instruments**

Quantitative disclosures fair value measurement hierarchy for assets as at 31 December 2020:

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 2020:

Particulars	Total	Level 1	Level 2	Level 3
Financial assets & liabilities measured at fair value	-	-	-	-

**(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 31 December 2020 and 31 March 2020.

**(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.

**34 Distributions**

The Governing Board of the Manager to the Trust, in their meeting held on 10 February 2021, have declared distribution to unitholders of Rs 4.78 per unit which aggregates to Rs 2,835 million for the nine months ended 31 December 2020. The distributions of Rs 4.78 per unit comprises Rs. 4.25 per unit in the form of dividend and balance Rs 0.53 per unit in the form of interest payment.

35 "0" represents value less than Rs. 0.5 million



**INDEPENDENT AUDITOR'S REVIEW 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)

1. We have reviewed the accompanying unaudited Condensed Consolidated Interim Financial Statements of **MINDSPACE BUSINESS PARKS REIT** ("the REIT") and its subsidiaries (the "Special Purpose Vehicles") (together referred as the "Mindspace Group"), which comprise the unaudited Condensed Consolidated Balance Sheet as at December 31, 2020, the unaudited Condensed Consolidated Statement of Profit and Loss, including other comprehensive income, the unaudited Condensed Consolidated Statement of Cash Flow for quarter and nine months ended December 31, 2020, the unaudited Condensed Consolidated Statement of changes in Unitholders' Equity for the nine months ended December 31, 2020 and the Statement of Net Distributable Cash Flow of the REIT and each of its special purpose vehicles for quarter ended December 31, 2020 as an additional disclosure in accordance with paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 along with summary of the significant accounting policies and select explanatory notes (together hereinafter referred as the "Condensed Consolidated Interim Financial Statements"). These Condensed Consolidated Interim Financial Statements have been prepared by Management as per the requirements that would have been followed for half yearly reporting as per Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, including any guidelines and circulars issued thereunder (the "SEBI REIT Regulations").
2. The Condensed Consolidated 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 recognition and measurement principles laid down in the 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 that would have been followed for half yearly reporting as per the SEBI REIT Regulations. Our responsibility is to issue a report on the Condensed Consolidated Interim Financial Statements based on our 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 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.

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



**Deloitte  
Haskins & Sells LLP**

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 Consolidated Interim Financial Statements have not been prepared in accordance with the recognition and measurement principles laid down in 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 that would have been followed for half yearly reporting as per the SEBI REIT Regulations or that it contains any material misstatement.
5. We draw attention to Note 46 to the Condensed Consolidated Interim Financial Statements regarding freehold land and building thereon (Paradigm, Malad) held by Avacado Properties and Trading (India) Private Limited 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 nine months ended December 31, 2020. Our conclusion is not modified in respect of this matter.
6. The Management has prepared these Condensed Consolidated Interim Financial Statements in addition to the half yearly reporting that is required under SEBI REIT Regulations to be able to report net distributable cash flow for the quarter ended December 31, 2020.

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



**Nilesh Shah**  
Partner

Membership No. 49660  
UDIN: 21049660AAAAAP9065

Mumbai, February 10, 2021

# **Deloitte Haskins & Sells LLP**

Annexure "A"

List of entities included in the Condensed Consolidated Interim Financial Statements

## **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



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

	Note	As at 31 December 2020 (Unaudited)	As at 31 March 2020 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	1,560	-
Capital work-in-progress		22	-
Investment property	6	191,208	-
Investment property under construction	7	18,666	-
Intangible assets	8	1	-
Financial assets			
- Investments	9	18	-
- Other financial assets	10	1,669	-
Deferred tax assets (net)	11	1,709	-
Non-current tax assets (net)	12	1,359	-
Other non-current assets	13	1,046	-
<b>Total non-current assets</b>		<b>217,258</b>	<b>-</b>
<b>Current assets</b>			
Inventories	14	44	-
Financial assets			
- Trade receivables	15	242	-
- Cash and cash equivalents	16 A	3,637	0
- Other bank balances	16 B	210	-
- Other financial assets	17	809	-
Other current assets	18	627	-
<b>Total current assets</b>		<b>5,569</b>	<b>0</b>
<b>Total assets before regulatory deferral account</b>		<b>222,827</b>	<b>0</b>
Regulatory deferral account - assets	19	164	-
<b>Total assets</b>		<b>222,991</b>	<b>0</b>



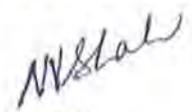
**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Consolidated Financial Statements**  
**Consolidated Balance Sheet**  
**(All amounts are in Rs. million unless otherwise stated)**

	Note	As at 31 December 2020 (Unaudited)	As at 31 March 2020 (Audited)
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Corpus	20	0	0
Unit Capital	21	162,839	-
Other equity	22	1,878	(49)
<b>Equity attributable to controlling interest of Mindspace REIT</b>		<b>164,717</b>	<b>(49)</b>
<b>Non-controlling interest</b>	54	<b>9,213</b>	-
<b>Total equity</b>		<b>173,930</b>	<b>(49)</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Borrowings	23	31,325	-
- Other financial liabilities	24	2,474	-
Provisions	25	35	-
Deferred tax liabilities (net)	26	166	-
Other non-current liabilities	27	415	-
<b>Total non-current liabilities</b>		<b>34,415</b>	-
<b>Current liabilities</b>			
Financial liabilities			
- Borrowings	28	2,483	-
- Trade payables	29	-	-
- total outstanding dues of micro enterprises and small enterprises		57	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		786	-
- Other financial liabilities	30	10,338	49
Provisions	31	16	-
Other current liabilities	32	934	-
<b>Total current liabilities</b>		<b>14,614</b>	<b>49</b>
<b>Total equity and liabilities before regulatory deferral account</b>		<b>222,959</b>	<b>0</b>
Regulatory deferral account - liabilities	19	32	-
<b>Total equity and liabilities</b>		<b>222,991</b>	<b>0</b>
<b>Significant accounting policies</b>			
See the accompanying notes to the Condensed Consolidated Financial Statements	4-56		

As per our report of even date attached:

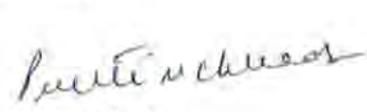
for **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
Firm's registration number: 117366W/W-100018

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

  
**Nilesh Shah**  
Partner  
Membership number: 49660

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

  
**Vinod N. Kohira**  
Chief Executive Officer  
DIN: 00460667

  
**Preeti N. Chheda**  
Chief Financial Officer  
DIN: 08066703

Place: Mumbai  
Date: 10 Feb 2021

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

	Note	For the quarter ended 31 December 2020 (Unaudited)	For the quarter ended 30 September 2020 (Unaudited)	For the nine months ended 31 December 2020 (Unaudited)	From 18 November 2019 to 31 December 2019 (Unaudited)*	From 18 November 2019 to 31 March 2020 (Audited)*
<b>Income and gains</b>						
Revenue from operations	33	4,301	2,739	7,040	-	-
Interest	34	14	37	51	-	-
Other income	35	1	4	5	-	-
<b>Total Income</b>		<b>4,316</b>	<b>2,780</b>	<b>7,096</b>	-	-
<b>Expenses and losses</b>						
Cost of work contract services	36	137	68	205	-	-
Cost of materials sold	37	-	2	2	-	-
Cost of power purchased	38	137	59	196	-	-
Employee benefits expense	39	51	8	59	-	-
Cost of property management services		79	-	79	-	-
Trustee fees		1	1	2	-	-
Valuation fees		0	6	6	-	-
Insurance expense		19	17	36	-	-
Audit fees		6	6	13	-	-
Management fees		122	68	190	-	-
Repairs and maintenance	40	115	180	295	-	-
Legal & professional fees		30	69	102	12	25
Other expenses	41	297	244	542	20	23
<b>Total Expenses</b>		<b>994</b>	<b>728</b>	<b>1,727</b>	<b>32</b>	<b>49</b>
<b>Earnings/(loss) before finance costs, depreciation and amortisation, regulatory income / expense and tax</b>		<b>3,323</b>	<b>2,052</b>	<b>5,369</b>	<b>(32)</b>	<b>(49)</b>
Finance costs	42	599	501	1,100	-	-
Depreciation and amortisation expense	43	811	496	1,307	-	-
<b>Profit/(loss) before rate regulated activities and tax</b>		<b>1,912</b>	<b>1,055</b>	<b>2,962</b>	<b>(32)</b>	<b>(49)</b>
Add Regulatory income/ (expense) (net)		21	(6)	15	-	-
Add Regulatory income/(expense) (net) in respect of earlier years		(13)	(7)	(20)	-	-
<b>Profit/(loss) before tax</b>		<b>1,920</b>	<b>1,042</b>	<b>2,957</b>	<b>(32)</b>	<b>(49)</b>
Current tax	44	456	268	724	-	-
Deferred tax charge	44	221	158	379	-	-
MAF credit entitlement	44	(157)	(68)	(225)	-	-
<b>Tax expense</b>		<b>520</b>	<b>358</b>	<b>878</b>	-	-
<b>Profit/(Loss) for the period</b>		<b>1,400</b>	<b>684</b>	<b>2,079</b>	<b>(32)</b>	<b>(49)</b>
<b>Profit for the period/year attributable to Mindspace REIT</b>		<b>1,306</b>	<b>626</b>	<b>1,927</b>	<b>(32)</b>	<b>(49)</b>
<b>Profit for the period/year attributable to non-controlling interests</b>		<b>94</b>	<b>58</b>	<b>152</b>	-	-



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

Note	For the quarter ended 31 December 2020 (Unaudited)	For the quarter ended 30 September 2020 (Unaudited)	For the nine months ended 31 December 2020 (Unaudited)	From 18 November 2019 to 31 December 2019 (Unaudited)*	From 18 November 2019 to 31 March 2020 (Audited)*
<b>Other comprehensive income</b>					
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	-	-	-	-	-
<b>Other comprehensive income attributable to Mindspace REIT</b>					
<b>Other comprehensive income attributable to non controlling interests</b>					
Total comprehensive income for the period	1,400	684	2,079	(32)	(49)
Total comprehensive income/(loss) for the period attributable to Mindspace REIT	1,306	626	1,927	(32)	(49)
Total comprehensive income for the period attributable to non controlling interests	94	58	152	-	-
Earnings per unit	51				
Basic	2.20	1.55	3.06	Not Applicable	Not Applicable
Diluted	2.20	1.55	3.06	Not Applicable	Not Applicable

**Significant accounting policies**

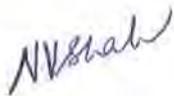
See the accompanying notes to the Condensed Consolidated Financial Statements 4-56

\* Since Mindspace REIT was registered pursuant to a trust deed dated 18 November 2019, the management has provided the information in Condensed Consolidated Statement of Profit and Loss with effect from said period i.e. 18 November 2019 for the period ended 31 December 2019 and 31 March 2020

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)



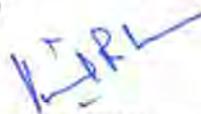
**Nilesh Shah**  
Partner  
Membership number: 49660

Place: Mumbai  
Date: 10 Feb 2021



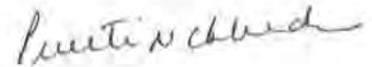
**Neel C. Raheja**  
Member  
DIN: 00029010

Place: Mumbai  
Date: 10 Feb 2021



**Vinod N. Rohira**  
Chief Executive Officer  
DIN: 00460667

Place: Mumbai  
Date: 10 Feb 2021



**Preeti N. Chheda**  
Chief Financial Officer  
DIN: 08066703

Place: Mumbai  
Date: 10 Feb 2021

**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**

Condensed Consolidated Financial Statements  
 Consolidated Statement of Cash Flow  
 (All amounts are in Rs. million unless otherwise stated)

	For the quarter ended 31 December 2020 (Unaudited)	For the quarter ended 30 September 2020 (Unaudited)	For the nine months ended 31 December 2020 (Unaudited)	From 18 November 2019 to 31 December 2019 (Unaudited)*	From 18 November 2019 to 31 March 2020 (Audited)*
<b>A Cash flows from operating activities</b>					
Profit before tax	1,920	1,042	2,957	(32)	(49)
<b>Adjustments for:</b>					
Depreciation and amortisation expense	811	496	1,307	-	-
Finance costs	599	501	1,100	-	-
Interest income	(8)	(33)	(41)	-	-
Provision for doubtful debts (net)	-	23	23	-	-
Net gains/(losses) on financial assets at fair value through profit or loss	-	(3)	(3)	-	-
Gain on redemption of mutual fund units	(1)	(1)	(2)	-	-
Lease Rent	13	(5)	8	-	-
Foreign exchange fluctuation loss (net)	(9)	9	-	-	-
<b>Operating profit/(loss) before working capital changes</b>	<b>3,325</b>	<b>2,029</b>	<b>5,349</b>	<b>(32)</b>	<b>(49)</b>
<b>Movement in working capital</b>					
Decrease in inventories	17	(2)	15	-	-
Decrease in trade receivables	(45)	155	110	-	-
Decrease in other non-current financial assets	5	22	27	-	-
(Increase) / decrease in other current financial assets	(572)	(61)	(633)	-	-
Decrease / (increase) in other non-current assets	(4)	(60)	(64)	-	-
Decrease / (increase) in other current assets	(96)	14	(82)	-	-
Increase / (decrease) in other non-current financial liabilities	(65)	30	(35)	-	-
Increase in other current financial liabilities	125	(256)	(128)	32	49
(Decrease) / increase in other non-current liabilities and provisions	(17)	17	-	-	-
(Decrease) / increase in other current liabilities and provisions	(36)	274	238	-	-
(Decrease) / increase in regulatory deferral account (assets / liabilities)	(10)	15	5	-	-
(Decrease) / increase in trade payables	232	1	233	-	-
<b>Cash generated/(used in) from operations</b>	<b>2,858</b>	<b>2,178</b>	<b>5,037</b>		<b>0</b>
Direct taxes paid net of refund received	(180)	(223)	(603)	-	-
<b>Net cash generated/(used in) from operating activities (A)</b>	<b>2,478</b>	<b>1,955</b>	<b>4,433</b>		<b>0</b>
<b>II Cash flows from investing activities</b>					
Expenditure incurred on investment property and investment property under construction including capital advances, net of capital creditors	(1,604)	(1,211)	(2,815)	-	-
Purchase of property, plant and equipment and intangible assets	(21)	(1)	(22)	-	-
Investment in mutual fund	(1,670)	(4,600)	(6,270)	-	-
Proceeds from redemption of investment in mutual fund	1,670	4,601	6,271	-	-
Movement in fixed deposits with maturity more than three months	(229)	119	(110)	-	-
Loans repayment received from body corporates	-	12,382	12,382	-	-
Purchase of Investments (Preference shares)	-	(334)	(334)	-	-
Interest received	(1)	1,488	1,487	-	-
<b>Net cash generated from investing activities ( B )</b>	<b>(1,854)</b>	<b>12,444</b>	<b>10,590</b>		



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

Condensed Consolidated Financial Statements

Consolidated Statement of Cash Flow

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

	For the quarter ended 31 December 2020 (Unaudited)	For the quarter ended 30 September 2020 (Unaudited)	For the nine months ended 31 December 2020 (Unaudited)	From 18 November 2019 to 31 December 2019 (Unaudited)*	From 18 November 2019 to 31 March 2020 (Audited)*
<b>C Cash flows from financing activities</b>					
Proceeds from external borrowings	1,787	150	1,937	-	-
Repayment of external borrowings	(6,303)	(23,990)	(30,293)	-	-
Proceeds from issue of units	-	10,000	10,000	-	-
Collection towards Offer For Sale	-	35,000	35,000	-	-
Payment to Sponsor Group and Blackstone entities in respect of Offer For Sale	(27)	(34,973)	(35,000)	-	-
Proceeds from issue of non-convertible debentures	2,000	3,000	7,000	-	-
Expenses incurred towards Initial Public Offering	(10)	(254)	(264)	-	-
Non-convertible debentures issue expenses	(34)	(4)	(38)	-	-
Payment towards lease liabilities	1	(3)	(2)	-	-
Dividend paid (including tax)	(187)	-	(187)	-	-
Finance costs paid	(592)	(548)	(1,140)	-	-
<b>Net cash generated/used in financing activities (C)</b>	<b>(3,363)</b>	<b>(9,623)</b>	<b>(12,986)</b>	-	-
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(2,739)</b>	<b>4,776</b>	<b>2,037</b>	-	0
Cash and cash equivalents at the beginning of the period	3,893	0	0	-	-
Cash and cash equivalents acquired due to asset acquisition (refer note 45)	-	(883)	(883)	-	-
Cash and cash equivalents at the end of the period	1,154	3,893	1,154	-	0
<b>Cash and cash equivalents comprises (refer note no. 16A &amp; 28)</b>					
Cash on hand	2	2.00	2	-	-
Balance with banks	-	-	-	-	-
- on current accounts	3,051	5,071.00	3,051	-	0
- in escrow accounts **	-	34.00	-	-	-
Deposit accounts with less than or equal to three months maturity	584	248.00	584	-	-
Cheques on hand	-	-	-	-	-
Less : Bank overdraft	(2,483)	(1,462)	(2,483)	-	-
Cash and cash equivalents at the end of the period	1,154	3,893	1,154	-	0

Significant accounting policies - refer note 3

**Note:**

- The Trust has issued units in exchange for acquisition of assets during the period ended 30 September 2020. The same has not been reflected in Consolidated Statement of Cash Flows for the quarter ended 30 September, 2020 and nine months ended 31 December, 2020 since these were non-cash transactions (refer note 45)
- During the quarter ended 31st December 2020, a total amount of Rs 134 million (including a sum of Rs 50 million incurred during the quarter and Rs 111 million incurred for the period from 01 August to 31 December 2020) has been transferred from investment property under construction to Finance Lease receivable pursuant to lease commencement of fit outs.

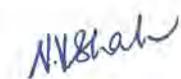
See the accompanying notes to the Condensed Consolidated Financial Statements - refer note 4-56

\* Since Mindspace REIT was registered pursuant to a trust deed dated 18 November 2019, the management has provided the information in Condensed Consolidated Statement of Cash Flow with effect from said period i.e. 18 November 2019 for the period ended 31 December 2019 and 31 March 2020.

\*\* Rs. 4,600 million were invested in Axis Overnight Fund by Mindspace REIT on 29 September 2020, redeemed on 30 September 2020 and proceeds were received on 1 October 2020.

As per our report of even date attached:

for Deloitte Haskins & Sells LLP  
Chartered Accountants  
Firm's registration number: 117366W/W-100018



Nilesh Singh  
Partner  
Membership number: 49660

Place: Mumbai  
Date: 10 Feb 2021

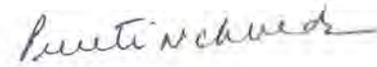
for and on behalf of the Governing Board of  
K Raheja Corp Investment Managers LLP  
(acting as the Manager to Mindspace Business Parks REIT)



Neil C. Raheja  
Member  
DIN: 00029010

Vinod N. Roldfa  
Chief Executive Officer  
DIN: 00460667

Place: Mumbai  
Date: 10 Feb 2021



Preeti N. Chheda  
Chief Financial Officer  
DIN: 08066703

Place: Mumbai  
Date: 10 Feb 2021

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

A. Corpus	Amount
Balance as on 18 November 2019*	-
Corpus received during the period**	0
Balance as on 31 March 2020	0
Balance as on 1 April 2020	0
Additions during the period	-
Closing balance as at 31 December 2020	0

\*\* Corpus received during the period Rs. 10,000 (Rupees Ten Thousand only)

B. Unit Capital	Amount
Balance as on 18 November 2019*	-
Units issued during the period	-
Balance as at 31 March 2020	-
Balance as at 1 April 2020	-
Add: Units issued during the period (refer note 21)	163,080
Less: Issue expenses	(241)
Balance as at 31 December 2020	162,839

C. Other equity	Amount
Retained Earnings	
Balance as on 18 November 2019*	-
Loss for the period	(49)
Balance as at 31 March 2020	(49)
Balance as at 1 April 2020	(49)
Add: Profit / (loss) for the period	1,927
Add: Other comprehensive income	-
Balance as at 31 December 2020	1,878

Significant accounting policies - refer note 3

See the accompanying notes to the Condensed Consolidated Financial Statements - refer note 4-56

\* Since Mindspace REIT was registered pursuant to a trust deed dated 18 November 2019, the management has provided the information in Condensed Consolidated Statement of changes in Unit holder's Equity with effect from said period ie 18 November 2019 for the period ended 31 March 2020.

As per our report of even date attached:

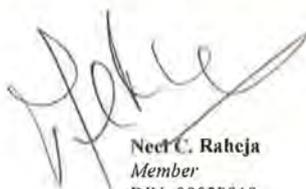
for Deloitte Haskins & Sells LLP  
 Chartered Accountants  
 Firm's registration number: 117366W/W-100018

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



Nilesh Shah  
 Partner  
 Membership number: 49660

Place: Mumbai  
 Date : 10 Feb 2021



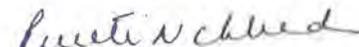
Neel C. Raheja  
 Member  
 DIN: 00029010

Place: Mumbai  
 Date : 10 Feb 2021



Vinod N. Rohira  
 Chief Executive Officer  
 DIN: 00460667

Place: Mumbai  
 Date : 10 Feb 2021



Preeti N. Chheda  
 Chief Financial Officer  
 DIN: 08066703

Place: Mumbai  
 Date : 10 Feb 2021

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)

Net Distributable Cash Flows (NDCF) pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016  
(i) Mindspace REIT Standalone

Sr. no.	Description	For the quarter ended 31 December 2020
1.	Cash flows received from Asset SPVs including but not limited to:	
	interest	201
	dividends (net of applicable taxes)	2,663
	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:	2,420
	applicable capital gains and other taxes, if any	-
	debts settled or due to be settled from sale proceeds	-
	transaction costs	(20)
	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	(2,400)
	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	1
5.	Less: Any other expenses paid by Mindspace REIT not captured herein	(33)
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	-
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	7
9.	Less: Interest paid on external debt borrowing at Mindspace REIT level	-
10.	Less: Income tax and other taxes (if applicable) at the standalone Mindspace REIT level	-
	<b>Net Distributable Cash Flows (NDCF)</b>	<b>2,839</b>

Notes:

- The Governing Board of the Manager to the Trust, in their meeting held on 10 February 2021, has declared distribution to unitholders of Rs 4.78 per unit which aggregates to Rs 2,835 million for the quarter ended 31 December 2020. The distributions of Rs 4.78 per unit comprises Rs 4.25 per unit in the form of dividend and Rs 0.53 per unit in the form of interest payment.
- Statement of Net Distributable Cash Flows has not been disclosed for comparative periods since the first distribution of the REIT as stated in the Final Offer Document is being made upon completion of the first full quarter i.e. quarter ended 31 December 2020 after the listing of the Units on the Stock Exchanges.
- Lending to SPVs from fund raised at REIT level in previous quarter has been excluded for the purpose of NDCF calculation.
- 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 quarter has been adjusted under "Other Adjustments"
- Borrowing from and repayment to SPVs within the same quarter has been adjusted under "Other Adjustments"

Significant accounting policies - refer note 3

See the accompanying notes to the Condensed Consolidated Financial Statements - refer note 4-56

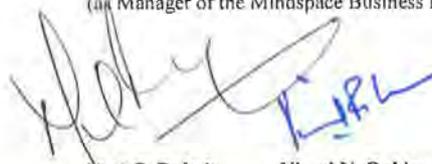
As per our report of even date attached:

for Deloitte Haskins & Sells LLP  
Chartered Accountants  
Firm's registration number: 117366W/W-100018

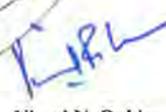
for and on behalf of the Governing Board of  
**K Raheja Corp Investment Managers LLP**  
(as Manager of the Mindspace Business Parks REIT)

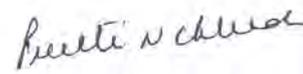


**Nilesh Shah**  
Partner  
Membership number: 49660  
Place: Mumbai  
Date: 10 Feb 2021



**Neel C. Raheja**  
Member  
DIN: 00029010  
Place: Mumbai  
Date: 10 Feb 2021

  
**Vinod N. Rohira**  
Chief Executive Officer  
DIN: 00460667  
Place: Mumbai  
Date: 10 Feb 2021



**Preeti N. Chheda**  
Chief Financial Officer  
DIN: 08066703  
Place: Mumbai  
Date: 10 Feb 2021

**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)**

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 31 December 2020 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Sr. no.	Description	Avanéo	MBPPL	Horizonview	Gigaplex	KRC Infra	Intime	KRIT	Sundew
1	Profit after tax as per Statement of profit and loss/income and expenditure (standalone) (A)	49	708	(210)	30	52	296	351	431
2	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	19	111	29	85	35	8	9	77
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:	2,170	1,620	20	2,430	360	-	-	420
	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. 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.	24	(15)	47	57	11	(15)	(22)	11
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	47	3	87	62	1	-	-	2
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 (refer below Note 2 and 3)	51	(91)	(33)	(25)	(353)	-45	317	90
10	Less: Any expense in the nature of capital expenditure including capitalized interest thereon (to the parties other than Mindspace REIT), overheads, etc.	(37)	1	(116)	(316)	(897)	-	(111)	(286)
11	Less: Net debt (payment / drawdown) / redemption of preference shares / debentures / any other such instrument / premiums / accrued interest / any other obligations / liabilities etc., to the parties other than Mindspace REIT, as may be deemed necessary by the Manager	(2,277)	(1,220)	253	(1,856)	743	-	(0)	(115)
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 (refer below Note 4)	-	-	-	-	-	(52)	(66)	(69)
	Total Adjustments (B)	0	411	287	437	(101)	114	157	135
	Net Distributable Cash Flows (C) = (A+B)	49	1,119	77	467	(48)	282	508	567

Note 1: Statement of Net Distributable Cash Flows have not been disclosed for comparative periods since the first distribution of the REIT as stated in the Final Offer Document will be made upon completion of the first full quarter after the listing of the Units on the Stock Exchanges i.e. 31 December, 2020.

Note 2: Lending to and repayment from REIT within the same quarter has been adjusted under "Other Adjustments".

Note 3: Borrowing from and repayment to REIT within the same quarter has been adjusted under "Other Adjustments".

Note 4: 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 5: During the quarter ended 31st December 2020, a total amount of Rs 134 million (including a sum of Rs 50 million incurred during the quarter) has been transferred from capital expenditure to other adjustments pursuant to lease commencement of fit outs.

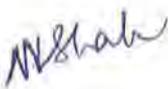
Significant accounting policies - refer note 3

See the accompanying notes to the Condensed Consolidated Financial Statements - refer note 4-56

As per our report of even date attached:

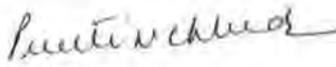
for Deloitte Haskins & Sells LLP  
Chartered Accountants  
Firm's registration number: 117366W/W-100018

for and on behalf of the Governing Board of  
K Raheja Corp Investment Managers LLP  
(as Manager of the Mindspace Business Parks REIT)

  
**Nitesh Shah**  
Partner  
Membership number: 49660  
Place: Mumbai  
Date: 10 Feb 2021

  
**Neel C. Raheja**  
Managing Director  
DIN: 00029010  
Place: Mumbai  
Date: 10 Feb 2021

  
**Vinod N. Rathi**  
Chief Executive Officer  
DIN: 00460667  
Place: Mumbai  
Date: 10 Feb 2021

  
**Preeti N. Chheda**  
Chief Financial Officer  
DIN: 08066703  
Place: Mumbai  
Date: 10 Feb 2021

**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

Condensed Consolidated Financial Statements

Notes to Accounts

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

**1 Organisation Structure**

The interim 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'), 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' 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.

Mindspace REIT acquired the SPVs by acquiring all the equity interest held by the Sponsor Group and Blackstone entities in the SPVs on 30 July 2020. In exchange for these equity interests, the above shareholders have been allotted 55,66,54,582 Units of Mindspace Parks REIT issued at Rs. 275 each.

Mindspace REIT went public as per its plan for Initial Public Offer of Units after obtaining the required approvals from the relevant authorities. The Units were allotted to the successful applicants on 4 August 2020.

All these units were subsequently 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) upto 30 July 20	Shareholding (in percentage) as at 31 December 20
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.	BREP ASIA SG Pearl Holding (NQ) Pte Ltd. (14.95%) Mr. Chandru L. Raheja jointly with Mrs. Jyoti C. Raheja (10.58%) Mrs. Jyoti C. Raheja jointly with Mr. Chandru L. Raheja (8.01%) Capstan Trading LLP (8.01%) Casa Maria Properties LLP (8.01%) Palm Shelter Estate Development LLP (8.01%) K. Raheja Corp Private Limited (6.47%) Mr. Ravi C. Raheja jointly with Mr. Chandru L. Raheja and Mrs. Jyoti C. Raheja (7.37%) Mr. Neel C. Raheja jointly with Mr. Chandru L. Raheja and Mrs. Jyoti C. Raheja (7.37%) Anbee Constructions LLP (6.37%) Cape Trading LLP (6.37%) Raghukool Estate Development LLP (5.26%) BREP VIII SBS Pearl Holding (NQ) Ltd (0.02%) BREP ASIA SBS Pearl Holding (NQ) Ltd (0.03%) Others (3.17%)	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.	K Raheja Corp Private Limited (58.90%) Mr. Chandru L. Raheja Jointly with Mrs. Jyoti C. Raheja (37.50%) BREP ASIA SG Pearl Holding (NQ) Pte Ltd. (3.59%) Others (0.01%)	Mindspace Business Parks REIT - 100%
Sundew	The SPV is engaged in development and leasing/licensing of IT park, SEZ to different customers in Hyderabad.	GHEENT Hardware & Parks Private Limited (19.20%) BREP ASIA SG Pearl Holding (NQ) Pte Ltd (14.95%) Andhra Pradesh Industrial Infrastructure Corporation Limited (11.00%) Mr. Chandru L. Raheja jointly with Mrs. Jyoti C. Raheja (9.97%) Casa Maria Properties LLP (5.85%) Raghukool Estate Development LLP (5.85%) Capstan Trading LLP (5.85%) Palm Shelter Estate Development LLP (5.85%) Anbee Constructions LLP (5.23%) Cape Trading LLP (5.23%) Others (11.02%)	Mindspace Business Parks REIT - 89% Andhra Pradesh Industrial Infrastructure Corporation Limited (11%)



MINDSPACE BUSINESS PARKS REIT  
RN:IN/REIT/19-20/003  
Condensed Consolidated Financial Statements  
Notes to Accounts  
(All amounts are in Rs. million unless otherwise stated)

Intune	The SPV is engaged in development and leasing/licensing of IT park to different customers in Hyderabad	Chandru Raheja jointly with Jyoti Raheja (23.98%) BREP Asia SG Pearl Holding (NQ) Pte Ltd (14.95%) Andhra Pradesh Industrial Infrastructure Corporation Limited (11.00%) Casa Maria Properties LLP (6.12%) Raghukool Estate Development LLP (6.12%) Capstan Trading LLP (6.12%) Palm Shelter Estate Development LLP (6.12%) Anbee Constructions LLP (5.47%) Cape Trading LLP (5.47%) Others (14.65%)	Mindspace Business Parks REIT : 89% Andhra Pradesh Industrial Infrastructure Corporation Limited (11%)
KRIT	The SPV is engaged in development and leasing/licensing of IT park to different customers in Hyderabad	BREP ASIA SG Pearl Holding (NQ) Pte. Ltd (14.95%) Andhra Pradesh Industrial Infrastructure Corporation Limited (11.00%) Palm Shelter Estate Development LLP (9.50%) Casa Maria Properties LLP (9.50%) Raghukool Estate Development LLP (9.50%) Capstan Trading LLP (9.50%) Anbee Constructions LLP (8.50%) Cape Trading LLP (8.50%) Ivory Properties And Hotels Private Limited (8.22%) Chandru L. Raheja jointly with Jyoti C. Raheja (6.00%) Others (4.83%)	Mindspace Business Parks REIT : 89% Andhra Pradesh 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.	K Raheja Private Limited (42.50%) K Raheja Corp Private Limited (42.50%) BREP Asia SG Pearl Holding (NQ) Pte. Ltd (14.95%) BREP VIII SBS Pearl Holding (NQ) Ltd (0.02%) BREP ASIA SBS Pearl Holding (NQ) Ltd (0.03%)	Mindspace Business Parks REIT : 100%
Horizonview	The SPV is engaged in development and leasing/licensing of IT park to different customers in Chennai.	Mr. Neel C. Raheja jointly with Mr. Chandru L. Raheja and Mrs. Jyoti C. Raheja (42.50%) Mr. Ravi C. Raheja jointly with Mr. Chandru L. Raheja and Mrs. Jyoti C. Raheja (42.50%) BREP ASIA SG Pearl Holding (NQ) Pte. Ltd (14.95%) Others (0.05%)	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.	Anbee Constructions LLP (13.18%) Cape Trading LLP (13.18%) Capstan Trading LLP (14.53%) Raghukool Estate Development LLP Casa Maria Properties LLP (14.53%) Palm Shelter Estate Development LLP BREP Asia SG Pearl Holding (NQ) Pte. Ltd (14.95%) Others (0.57%)	Mindspace Business Parks REIT : 100%



**MINDSPACE BUSINESS PARKS REIT**

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

**Condensed Consolidated Financial Statements**

**Notes to Accounts**

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

**2 Basis of preparation**

The Condensed Consolidated Financial Statements of Mindspace Business Parks REIT comprise the Condensed Consolidated Balance Sheet as at 31 December 2020, the Condensed Consolidated Statement of Profit and Loss, including other comprehensive income, the Condensed Consolidated Statement of Cash Flow for quarter and nine months ended 31 December 2020, the Condensed Statement of Changes in Unitholders Equity for the nine months ended 31 December 2020, the Statement of Net Distributable Cashflows of Mindspace Business Parks REIT and each of the SPVs for the quarter ended 31 December 2020 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 SEBI (Real Estate Investment Trusts Regulations, 2014, as amended from time to time read including any guidelines and circulars issued thereunder read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 ("the REIT regulations"); Recognition and measurement principles laid down under Indian Accounting Standard (IndAS) 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.

The Condensed Consolidated Financial Statements were authorised for issue in accordance with the resolution passed by the Governing Board of the Manager on 10 February 2021.

**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:

a) 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.

b) Andhra Pradesh Industrial Infrastructure Corporation Limited, which is a shareholder in Intime, KRIT and Sundew have 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.

c) 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.

d) MBPPL has four wholly owned subsidiaries namely Sampada Eastpro Private Ltd, Educator Protect Private Ltd, Dices Realcon Private Ltd and Happy Eastcon Private Ltd ('four subsidiaries'). As on 31 December 2020, the carrying value of these investments in the books of MBPPL is Nil. Moreover, MBPPL has applied to Registrar of Companies (ROC) for 'striking off the names of these subsidiaries from the Registrar of Companies. Since these subsidiaries are not part of Mindspace Business Parks Group's real estate investment trust structure, these subsidiaries have not been Consolidated in these Condensed Consolidated Financial Statements.

e) 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. Estimated 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:

- \* 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
  - \* Interest capitalised to investment property under construction
  - \* Applying the concentration test for acquisition made during the period
- Mindspace Group has applied judgment in determining whether the acquisition of SPVs during the period are considered to be asset acquisitions or business combinations. Mindspace Group has also applied the optional concentration test available under Ind AS 103. Significant judgement involved in allocating the cost of the acquisition to the assets and liabilities acquired based upon their relative fair values determined by independent valuers at the acquisition date, and no goodwill is recognized. - refer note 45 on Asset acquisition.



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

**Notes to Accounts**

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

**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**

The Group on a case to case basis elects to account for financial guarantee contracts as a financial instruments or as an insurance contracts as specified in Ind AS 109 on Financial Instruments and Ind AS 104 on Insurance contracts. The Group has regarded all its financial guarantee contracts as insurance contracts. At the end of each reporting period, the Group performs a liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cash flows), and any deficiency is recognised in Ind AS Consolidated statement of profit and loss.

**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 Condensed Consolidated Statement of Profit and Loss during the reporting period in which they are incurred.

**(c) Depreciation / Amortisation**

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 year is provided on pro-rata basis from / to the date of such addition / deletion.

The assets and estimated useful life are as under:

Asset group	Estimated Useful Life (in years)	
	Power assets	Other assets
Right 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 is estimated to be 5% of the original cost of those respective assets.

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

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



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

Condensed Consolidated Financial Statements

Notes to Accounts

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

**(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 Condensed 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 / Amortisation**

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 year 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
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.

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

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

The estimated useful lives, residual values and depreciation method are reviewed at the end of the reporting 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 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 Condensed Consolidated Statement of Profit and Loss or against revaluation surplus, where applicable.

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

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

(c) **Revenue from power supply**

Revenue from power supply is accounted for on the basis of billings to consumers and includes unbilled revenues accrued up to the end of the accounting year. 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.

(d) **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.

(e) **Sale of surplus construction material and scrap**

Revenue from sale of surplus construction material is recognised on transfer of risk and rewards of ownership which is generally on dispatch of material.



**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 Condensed 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 recognised 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 recognised 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 Condensed Consolidated Statement of Profit and Loss and shown as MAT credit entitlement under deferred tax assets. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

**3.11 Earnings per unit (EPU):**

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

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

**3.12 Provisions, contingent liabilities and contingent assets**

Provisions are recognised when Mindspace Business Parks Group has a present legal or constructive obligation as a result of a past event, it is probable that Mindspace Business Parks Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration 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 Condensed Consolidated Statement of Profit and Loss of the year.

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



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

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

Amounts due from lessees under finance leases are recognised as receivables at the amount of 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 as a separate line in the condensed Consolidated balance sheet as Lease Liability.

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

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 3.4.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the Condensed Consolidated Statement of Profit and Loss.

**3.15 Financial instruments**

**1 Initial recognition and measurement**

Financial assets and/or financial liabilities are recognised when Mindspace Business Parks Group becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities are initially measured at fair value. 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:**

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



(b) Subsequent Measurement

(i) Debt Instruments:

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

**Financial assets at amortised cost**

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

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

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

**Financial assets at fair value through the Condensed 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 Condensed 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 Condensed 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 Condensed Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of Mindspace Business Parks Group's own equity instruments.

(c) Compound financial instruments

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

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

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

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



(d) Financial Liabilities

\* Recognition, measurement and classification

Financial liabilities are classified as either held at a) fair value through the Condensed 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 Condensed Consolidated Statement of Profit and Loss or at amortized cost. All changes in fair value of financial liabilities classified as FVTPL are recognized in the Condensed 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 year in which the employee rendered the related services. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the year.

(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 Condensed 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 Statement of net assets at fair value

The disclosure of Statement of Net Assets at Fair Value comprises of the fair values of the real estate assets and facility management business as well as book values of the total liabilities and other assets of all SPVs consolidated. The fair value of the real estate assets and facility management business are reviewed regularly by the independent property valuer taking into consideration market conditions existing at the reporting date, using generally accepted market practices. The independent valuer is leading independent appraiser with a recognised and relevant professional qualification and experience. Such independent appraisals are carried out on half yearly basis.



**3.20 Earnings before finance costs, depreciation and amortisation, regulatory income / expense and tax**  
 Mindspace Business Parks Group has elected to present earnings before interest, depreciation and amortisation, regulatory income / expense 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 and tax on the basis of profit / (loss) from continuing operations.

**3.21 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 Condensed 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.

**3.22 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.

**3.23 Non-controlling interests**  
 Non-controlling interests represent the share of reserves and capital attributable to the shareholders of the SPVs who have not agreed to exchange their shares in the SPVs for units of Mindspace REIT and will not become the unitholders of Mindspace REIT. Below is the list of shareholders of the SPVs for whom non-controlling interest has been recognised. Non-controlling interests in the results and equity of subsidiaries are shown separately in the Condensed Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Balance Sheet respectively.

SPV	Shareholder	% Holding in SPV (As on reporting date)
KRIT	Andhra Pradesh Industrial Infrastructure Corporation Limited	11.0%
Intime	Andhra Pradesh Industrial Infrastructure Corporation Limited	11.0%
Sundew	Andhra Pradesh Industrial Infrastructure Corporation Limited	11.0%

Ind AS 110 requires entities to attribute the profit or loss and each component of other comprehensive income to the owners of Mindspace REIT and to the non-controlling interests. This requirement needs to be followed even if this results in the non-controlling interests having a deficit balance.

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

**3.25 Distribution Policy**  
 The Net Distributable Cash Flows of Mindspace REIT are based on the cash flows generated from Mindspace REIT's assets and investments.

In terms of the Distribution Policy 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.



MINDSPACE BUSINESS PARKS REIT

RN:IN/REIT/19-20/003

Condensed Consolidated Financial Statements

Notes to Accounts

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

- 4 Pursuant to the share acquisition agreements entered between Mindspace REIT, Sponsor Group and Blackstone Entities for acquisition of the shares of the Asset SPVs held by the Sponsor Group and Blackstone Entities, the acquisition was effected on 30 July 2020. However, consolidation of the financials of these Assets SPVs has been done effective 1 August 2020 considering the impact of 1 day operation on the financial results is immaterial

5 Property, plant and equipment

Particulars	Power assets				Other assets						Total
	Right of use - Leasehold Land	Buildings	Plant and machinery	Electrical Installation	Temporary Structure	Plant and machinery	Electrical Installation	Office equipment	Computers	Furniture and fixtures	
<b>Gross block (cost)</b>											
At 18 November 2019	-	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2020	-	-	-	-	-	-	-	-	-	-	-
At 1 April 2020	-	-	-	-	-	-	-	-	-	-	-
Additions due to Asset acquisition	1	467	711	150	-	301	32	5	1	15	1,683
Additions during the period	-	-	-	-	-	19	1	-	0	0	20
Disposals	-	-	-	-	-	-	-	-	-	-	-
At 31 December 2020	1	467	711	150	-	320	33	5	1	15	1,703
<b>Accumulated depreciation</b>											
At 18 November 2019	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2020	-	-	-	-	-	-	-	-	-	-	-
At 1 April 2020	-	-	-	-	-	-	-	-	-	-	-
Charge for the period	-	3	27	5	-	92	1	4	0	11	143
Disposals	-	-	-	-	-	-	-	-	-	-	-
At 31 December 2020	-	3	27	5	-	92	1	4	0	11	143
<b>Carrying amount (net)</b>											
At 31 March 2020	-	-	-	-	-	-	-	-	-	-	-
At 31 December 2020	1	464	684	145	-	228	32	1	1	4	1,560

Note - refer note 45 for Asset acquisition



MINDSPACE BUSINESS PARKS REIT  
RN:IN/REIT/19-20/003  
Condensed Consolidated Financial Statements  
Notes to Accounts  
(All amounts are in Rs. million unless otherwise stated)

6 Investment property

Particulars	Freehold Land	Right of use - Leasehold Land	Buildings	Infrastructure and development	Roadwork	Plant and machinery	Furniture and fixtures	Electrical installation	Total
<b>Gross block (cost or deemed cost)</b>									
At 18 November 2019	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2020	-	-	-	-	-	-	-	-	-
As at 1 April 2020	-	-	-	-	-	-	-	-	-
Additions due to Asset acquisition*	72,204	21,264	88,099	3,421	29	5,214	70	888	191,189
Additions during the period	-	-	679	64	-	322	11	106	1,182
Disposals	-	-	-	-	-	-	-	-	-
At 31 December 2020	72,204	21,264	88,778	3,485	29	5,536	81	994	192,371
<b>Accumulated amortisation</b>									
At 18 November 2019	-	-	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2020	-	-	-	-	-	-	-	-	-
As at 1 April 2020	-	-	-	-	-	-	-	-	-
Charge for the period	-	201	519	123	0	274	12	34	1,163
Disposals	-	-	-	-	-	-	-	-	-
At 31 December 2020	-	201	519	123	0	274	12	34	1,163
<b>Carrying amount (net)</b>									
At 31 March 2020	-	-	-	-	-	-	-	-	-
At 31 December 2020	72,204	21,063	88,259	3,362	29	5,262	69	960	191,208

\*Reclassified leasehold land of MBPPL (Airoli) amounting to Rs. 2,124 million from Freehold land during the quarter.

7 Investment property under construction

The breakup of investment property under construction comprises upcoming buildings in various parks. The SPV wise details are as follows:

Particulars	As at 31 December 2020
MBPPL	3,787
Gigaplex	8,293
Sundew	806
KRIT	875
KRC Infra	4,768
Avacado	125
Horizonview	12
<b>Total</b>	<b>18,666</b>

Note - refer note 45 for Asset acquisition



MINDSPACE BUSINESS PARKS REIT  
 RN:IN/REIT/19-20/003  
 Condensed Consolidated Financial Statements  
 Notes to Accounts  
 (All amounts are in Rs. million unless otherwise stated)

8 Intangible assets

Particulars	Trademarks
<b>Gross block</b>	
At 18 November 2019	-
Additions	-
Disposals	-
<b>As at 31 March 2020</b>	-
As at 1 April 2020	-
Additions due to Asset acquisition *	1
Disposals	-
<b>At 31 December 2020</b>	<b>1</b>
<b>Accumulated amortisation</b>	
At 18 November 2019	-
Charge for the year	-
Disposals	-
<b>As at 31 March 2020</b>	-
As at 1 April 2020	-
Charge for the period	0
Disposals	-
<b>At 31 December 2020</b>	<b>0</b>
<b>Carrying amount (net)</b>	
At 31 March 2020	-
At 31 December 2020	1

\* includes trademark and computer softwares (less than Rs 0.5 million)

Note - refer note 45 for Asset acquisition



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

**9 Investment**

Particulars	As at	As at
	31 December 2020	31 March 2020
<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 2020 : Nil)	0	-
<b>Investment in Government Securities at amortised cost</b>		
25,000 7.61% Central Government Loan (Face value Rs 100), (31 March 2020: Nil)	3	-
25,000 8.24% GOI 2027 Bond (Face value Rs 100), (31 March 2020: Nil)	3	-
25,000 7.17% Central Government Loan (Face value Rs 100), (31 March 2020: Nil)	2	-
22,000 7.26% Central Government Loan (Face value Rs 100), (31 March 2020: Nil)	2	-
22,000 7.06% Central Government Loan (Face value Rs 100), (31 March 2020: Nil)	2	-
10,000 7.72% GOI 2055 Bond (Face value Rs 100), (31 March 2020: Nil)	1	-
18,000 7.26% GOI 2029 Bond (Face value Rs 100), (31 March 2020: Nil)	2	-
28,700 7.40% GOI 2055 Bond (Face value Rs 100), (31 March 2020: Nil)	3	-
	<b>18</b>	
<b>Investments measured at cost (gross)</b>	-	-
<b>Investments measured at fair value through profit or loss</b>	-	-
<b>Investments measured at fair value through other comprehensive income</b>	0	-
<b>Investments measured at amortised cost</b>	<b>18</b>	
<b>Aggregate amount of impairment recognised</b>	-	-



MINDSPACE BUSINESS PARKS REIT  
RN:IN/REIT/19-20/003  
Condensed Consolidated Financial Statements  
Notes to Accounts  
(All amounts are in Rs. million unless otherwise stated)

10 Other financial assets (Non current)		
Particulars	As at 31 December 2020	As at 31 March 2020
<i>Unsecured, considered good</i>		
Fixed deposits with banks	320	-
Unbilled revenue	478	-
Finance lease receivable	347	-
Security deposits for development rights	6	-
Security deposits	504	-
Other receivables	14	-
	<b>1,669</b>	<b>-</b>
11 Deferred tax assets (net)		
Particulars	As at 31 December 2020	As at 31 March 2020
Deferred tax assets (net)	1,709	-
	<b>1,709</b>	<b>-</b>
12 Non-current tax assets (net)		
Particulars	As at 31 December 2020	As at 31 March 2020
Advance tax (net of provision for tax)	1,359	-
	<b>1,359</b>	<b>-</b>
13 Other non-current assets		
Particulars	As at 31 December 2020	As at 31 March 2020
<i>Unsecured, considered good</i>		
Capital advances	695	-
Balances with government authorities	29	-
Prepaid expenses	322	-
	<b>1,046</b>	<b>-</b>
14 Inventories (valued at lower of cost and net realisable value)		
Particulars	As at 31 December 2020	As at 31 March 2020
Building materials and components	44	-
	<b>44</b>	<b>-</b>
15 Trade receivables		
Particulars	As at 31 December 2020	As at 31 March 2020
<i>Unsecured</i>		
Considered good	242	-
Credit impaired	69	-
Less: loss allowance	(69)	-
	<b>242</b>	<b>-</b>



MINDSPACE BUSINESS PARKS REIT  
RN:IN/REIT/19-20/003  
Condensed Consolidated Financial Statements  
Notes to Accounts  
(All amounts are in Rs. million unless otherwise stated)

16 A Cash and cash equivalents

Particulars	As at	As at
	31 December 2020	31 March 2020
Cash on hand	2	-
Balances with banks		
- in current accounts	3,051	0
- in deposit accounts with original maturity of less than three months	584	-
	<b>3,637</b>	<b>0</b>

16 B Other bank balances

Particulars	As at	As at
	31 December 2020	31 March 2020
Fixed deposits with maturity remaining upto twelve months*	210	-
	<b>210</b>	<b>-</b>

\*Includes fixed deposits with banks held as lien against loan availed to support debt servicing and bank guarantees

17 Other financial assets

Particulars	As at	As at
	31 December 2020	31 March 2020
<i>Unsecured, considered good</i>		
Interest receivable		
- on fixed deposits	1	-
Interest accrued but not due		
- on other deposits	7	-
- from others	34	-
Security deposit for development rights	60	-
Security deposits	22	-
Unbilled revenue	485	-
Finance lease receivable	132	-
Other receivables		
- Considered good	68	-
- Credit impaired	1	-
Less: loss allowance	(1)	-
	<b>809</b>	<b>-</b>

18 Other current financial assets

Particulars	As at	As at
	31 December 2020	31 March 2020
<i>Unsecured, considered good</i>		
Deposit / advance for supply of goods and rendering of services	101	-
Balances with government authorities	214	-
Prepaid expenses	312	-
	<b>627</b>	<b>-</b>

19 Regulatory deferral accounts

Particulars	As at	As at
	31 December 2020	31 March 2020
Regulatory assets	164	-
	<b>164</b>	<b>-</b>
Regulatory liabilities	32	-
	<b>32</b>	<b>-</b>



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

**20 Corpus**

Corpus	Amount
As at 18 November 2020	-
Corpus received during the period*	0
As at 31 March 2020	0
As at 1 April 2020	0
Additions during the period	-
<b>Closing balance as at 31 December 2020</b>	<b>0</b>

\* Corpus received during the period Rs. 10,000 (Rupees Ten Thousand only)

**21 Unit Capital**

A. Unit Capital	No.	Amount
As at 18 November 2020	-	-
Units issued during the year	-	-
As at 31 March 2020	-	-
As at 1 April 2020	-	-
Units issued during the year		
- pursuant to the initial public offer, issued, subscribed and fully paid-up in cash (refer note a (ii) below)	36,363,600	10,000
- in exchange for equity interest in SPVs (refer note a (iii) below)	556,654,582	153,080
Less: Issue expenses	-	(241)
<b>Closing balance as at 31 December 2020</b>	<b>593,018,182</b>	<b>162,839</b>

Note: Issue expenses pertaining to the Initial Public Offering (IPO) and listing of the units on the National Stock Exchange and Bombay Stock Exchange have been reduced from the Unitholders capital in accordance with Ind AS 32 Financial Instruments: Presentation.

**(a) Terms/rights attached to Units**

- (i) 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 Mindspace REIT at least once in every six months in each financial year in accordance with the REIT Regulations. The Governing Board of the Manager approves dividend distributions. The distribution will be in proportion to the number of units held by the unitholders. Mindspace REIT declares and pays dividends in Indian Rupees.

Under the provisions of the REIT Regulations, Mindspace REIT is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of Mindspace REIT for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of Mindspace REIT to pay to its unitholders cash distributions. The Unitholders' funds could have been classified as compound financial instrument which contain both 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 classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI circular CIR/IMD/DF/141/2016 dated 26 December 2016 dealing with the minimum disclosures for key financial statements. In line with the above, the dividend payable to unit holders is recognised as liability when the same is approved by the Governing Board of the Manager.

- (ii) Initial Public Offering of 3,63,63,600 Units for cash at price of Rs. 275 per Unit aggregating to Rs. 10,000 million.
- (iii) Mindspace REIT has acquired the SPVs by acquiring all the equity interest held by the Sponsor Group and Blackstone Entities in the SPVs. The acquisition of equity interest in the SPVs has been done by issue of 55,66,54,582 Units of Rs. 275 each as per the table below.

Name of the SPV	Number of Units allotted for acquiring equity interest held by Sponsor Group and Blackstone entities in SPVs		
	Sponsor group	Blackstone Entities	Total
Avacado	29,304,371	5,171,359	34,475,730
Horizonview	364	64	428
KRC Infra	21,224,693	3,745,522	24,970,215
Gigaplex	47,334,745	372,113	47,706,858
Intime	46,789,935	9,484,426	56,274,361
Sundew	101,943,753	20,664,275	122,608,028
KRIT	77,443,859	15,698,080	93,141,939
Mindspace	150,855,361	26,621,662	177,477,023
<b>Total number of Units issued</b>	<b>474,897,081</b>	<b>81,757,501</b>	<b>556,654,582</b>

**(b) Unitholders holding more than 5 percent Units in the Trust**

Name of the unitholder	As at 31 December 2020	
	No of Units	% holding
BREP ASIA SG PEARL HOLDING (NQ) PTE LTD	54,291,425	9.16%

- (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.



22 Other Equity\*

Particulars	As at	As at
	31 December 2020	31 March 2020
<b>Reserves and Surplus</b>		
Retained earnings	1,878	(49)
	<b>1,878</b>	<b>(49)</b>

\*Refer 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 after tax is transferred from the statement of profit and loss to the retained earnings account.

23 Borrowings

Particulars	As at	As at
	31 December 2020	31 March 2020
<b>Secured</b>		
Terms loans		
- from banks / financial institutions	24,372	-
Debentures	4,974	-
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") (net of issue expenses, at amortised cost) (31 March 2020 : Nil) (refer Note i)		
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 1) (net of issue expenses, at amortised cost) (31 March 2020 : Nil) (refer Note ii)	1,979	
	<b>31,325</b>	<b>-</b>

- (i) During the nine months ended 31 December 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") 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 is 577 days from 29 September 2020, being date of allotment of the Market Linked Debentures 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 these MLDs, 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 was listed on BSE Limited on 13 October 2020.

**Security terms**

The Market Linked Debentures are secured by each of the following security in favour of the Debenture Trustee (holding for the benefit of the Debenture Holders):

- First and exclusive charge is 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 Havli, District Pune ("Mortgaged Properties")
- A charge is registered on the escrow account in which receivables of the Mortgaged Properties of MBPPL shall be received.
- Corporate guarantee executed by MBPPL.

**Redemption terms:**

- These debentures are redeemable by way of bullet payment at the end of 577 days from the date of allotment, i.e. 29 April 2022.
- 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 if the rating is downgraded to A+.
- 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 (or as the case may be, in part), all the Debentures then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each Debenture.

- (ii) During the quarter ended 31 December 2020, Mindspace Business Parks REIT ("Trust") issued 2,000 secured, listed, senior, taxable, non-cumulative, rated, redeemable, non-convertible debentures ("NCD") 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 is 36 months from 17 December 2020, being date of allotment. This NCD was listed on BSE Limited on 18 December 2020.



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements**

**Notes to Accounts**

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

**Security terms**

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

- First and exclusive charge being registered by way of simple mortgage (including receivables arising therefrom) on the aggregate leasable area of approximately 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 18,264.86 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").
- 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 shall be registered.
- Corporate guarantee executed by MBPPL.

**Redemption terms:**

- These debentures are redeemable by way of bullet repayment at the end of 36 months from the date of allotment, i.e. 16 December 2023.
- Interest is payable on the last day of each financial quarter in a year (starting from 31 March, 2021) until the scheduled redemption date.
- The Coupon shall be increased by 25 bps for every notch downgrade in the rating by the Credit Rating Agency. In case rating is upgraded after any rating downgrade, the Coupon shall be decreased by 25 bps for each upgrade.
- Upon occurrence of a mandatory redemption event, the Debenture Trustee may, by issuing not less than 30 (thirty) business days' notice to the Issuer require the issuer to redeem in full (or as the case may be, in part), all the NCDs then outstanding by paying an amount equal to the total mandatory redemption amount in respect of each NCD.

e) Details of disclosure required as per SEBI circular SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated 13 April 2018 are as follows:

Particulars	Secured/Unsecured	Previous due date	Next due date
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")	Secured by way of a charge in the nature of registered simple mortgage on the identified properties of Mindspace Business Parks Private Limited, being one of the SPVs of the Issuer and charge on the escrow account in which receivables of the Mortgaged Properties shall be received.	Principle - Not Applicable Interest - Not Applicable	Principle - On Maturity Interest - On Maturity
Secured, listed, senior, taxable, non-cumulative, rated, redeemable non-convertible debentures (NCD Series 1)	Secured by way of a charge in the nature of registered simple mortgage on the identified properties of MBPPL, being one of the SPVs of the Issuer and charge on the escrow account in which cashflows and receivables (except any common area maintenance charges) of the Mortgaged Properties shall be received.	Principle - Not Applicable Interest - Not Applicable	Principle - Not Applicable Interest - 31 March, 2021

5. Rating agency CRISIL has assigned a rating of "AAA/Stable" and "CRISIL PP-MLD AAA/Stable" to the NCDs and Market Linked Debentures of the issuer / Mindspace REIT.

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).

Particulars	For the nine months ended 31 December 2020
Security / Asset cover (MLDs) (refer a below)	2.28 times
Security / Asset cover (NCDs) (refer b below)	2.29 times
Debt-equity ratio (refer c below)	0.21
Debt-service coverage ratio (refer d below)	1.66
Interest-service coverage ratio (refer e below)	4.88
Net worth (refer f below)	1,73,930

Formulae for computation of ratios are as follows basis condensed consolidated financial statements (including non-controlling interest) :-

- Security / Asset cover ratio (MLDs) = Fair value of the secured assets as on 31 August 2020 as computed by independent valuers / (Outstanding principal amount of MLDs + Interest accrued thereon)
- Security / Asset cover ratio (NCDs) = Lower of Fair value of the secured assets as on 30 November 2020 as computed by two independent valuers / (Outstanding principal amount of NCDs + Interest accrued thereon)
- Debt equity ratio = Borrowings / Total equity
- Debt Service Coverage Ratio = Earnings before interest, depreciation and tax / (Interest expenses + Principal repayments made during the period\*)

e) Interest Service Coverage Ratio = Earnings before interest, depreciation and tax / (Interest expenses)

f) Net worth = Total equity

Borrowings = Non current borrowings + Current borrowings + Current maturities of long-term borrowings + Interest accrued

\* Excludes bullet and full repayment of external borrowings.



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

<b>24 Other financial liabilities</b>		
<b>Particulars</b>	<b>As at 31 December 2020</b>	<b>As at 31 March 2020</b>
Security deposits	2,032	-
Retention money Payable		
- due to micro and small enterprises	66	-
- others	106	-
Interest Accrued but not due on debentures	89	-
Lease liabilities	181	-
	<b>2,474</b>	<b>-</b>
<b>25 Provisions</b>		
<b>Particulars</b>	<b>As at 31 December 2020</b>	<b>As at 31 March 2020</b>
<b>Provision for employee benefits</b>		
- gratuity	21	-
- compensated absences	14	-
	<b>35</b>	<b>-</b>
<b>26 Deferred tax liabilities (net)</b>		
<b>Particulars</b>	<b>As at 31 December 2020</b>	<b>As at 31 March 2020</b>
Deferred tax liabilities (net)	166	-
	<b>166</b>	<b>-</b>
<b>27 Other non-current liabilities</b>		
<b>Particulars</b>	<b>As at 31 December 2020</b>	<b>As at 31 March 2020</b>
Unearned rent	406	-
Other advance	9	-
	<b>415</b>	<b>-</b>
<b>28 Borrowings (Current)</b>		
<b>Particulars</b>	<b>As at 31 December 2020</b>	<b>As at 31 March 2020</b>
<b>Secured:</b>		
<b>Loans repayable on demand</b>		
- overdraft from banks	2,483	-
	<b>2,483</b>	<b>-</b>



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

<b>29 Trade payables</b>		
Particulars	As at	As at
	31 December 2020	31 March 2020
Trade Payables		
- total outstanding dues of micro enterprises and small enterprises	57	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	786	-
	<b>843</b>	-

<b>30 Other financial liabilities (Current)</b>		
Particulars	As at	As at
	31 December 2020	31 March 2020
Current maturities of long-term debt		
- from banks / financial institutions / non convertible debentures	2,572	-
Employees dues payable	0	-
Interest accrued but not due on loans from		
- banks / financial institutions	62	-
- debenture	6	-
- others	20	-
Interest accrued and due	53	-
Security deposits	5,414	-
Retention dues payable		
- due to micro and small enterprises	107	-
- others	123	-
Book overdraft	3	-
Capital creditors		
Other than body corporates		
- Due to micro and small enterprises	407	-
- Others	1,424	-
Lease liabilities	19	-
Other liabilities*	128	49
Liability towards derivatives contract	-	-
	<b>10,338</b>	<b>49</b>

\* Includes expenses of Rs.24 millions incurred by the Manager on behalf of Mindspace REIT.

<b>31 Provisions (Current)</b>		
Particulars	As at	As at
	31 December 2020	31 March 2020
Provision for employee benefits (refer note 25 above)		
- gratuity	2	-
- compensated absences	-	-
Provision for tax (net of advance tax & tax deducted at source)	14	-
	<b>16</b>	-

<b>32 Other current liabilities</b>		
Particulars	As at	As at
	31 December 2020	31 March 2020
Unearned rent	231	-
Advances received from customers	375	-
Statutory dues	279	-
Other advances	5	-
Other payable	44	-
	<b>934</b>	-



33 Revenue from operations

Particulars	For the quarter ended 31 December 2020	For the quarter ended 30 September 2020	For the nine months ended 31 December 2020	From 18 November 2019 to 31 December 2020	From 18 November 2019 to 31 March 2020
Sale of services					
Facility rentals	3,415	2,190	5,605	-	-
Maintenance services	601	400	1,001	-	-
Revenue from works contract services	138	68	206	-	-
Revenue from power supply	123	64	187	-	-
Other operating income					
Interest income from finance lease	24	14	38	-	-
Sale of surplus construction material and scrap	1	1	2	-	-
Service connection and other charges	0	1	1	-	-
Other operating income	(1)	1	-	-	-
	4,301	2,739	7,040	-	-

34 Interest

Particulars	For the quarter ended 31 December 2020	For the quarter ended 30 September 2020	For the nine months ended 31 December 2020	From 18 November 2019 to 31 December 2020	From 18 November 2019 to 31 March 2020
Interest income					
- loans given to body corporates	-	22	22	-	-
- on fixed deposits	7	5	12	-	-
- on electricity deposits	6	3	9	-	-
- on Income-tax refunds	-	6	6	-	-
- others	1	1	2	-	-
	14	37	51	-	-

35 Other Income

Particulars	For the quarter ended 31 December 2020	For the quarter ended 30 September 2020	For the nine months ended 31 December 2020	From 18 November 2019 to 31 December 2020	From 18 November 2019 to 31 March 2020
Gain on redemption of preference shares	-	3	3	-	-
Gain on redemption of mutual fund units	1	1	2	-	-
Miscellaneous income	0	0	0	-	-
	1	4	5	-	-

36 Cost of work contract services

Particulars	For the quarter ended 31 December 2020	For the quarter ended 30 September 2020	For the nine months ended 31 December 2020	From 18 November 2019 to 31 December 2020	From 18 November 2019 to 31 March 2020
Cost of work contract services	137	68	205	-	-
	137	68	205	-	-

37 Cost of materials sold

Particulars	For the quarter ended 31 December 2020	For the quarter ended 30 September 2020	For the nine months ended 31 December 2020	From 18 November 2019 to 31 December 2020	From 18 November 2019 to 31 March 2020
Cost of materials sold	-	2	2	-	-
	-	2	2	-	-



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

**38 Cost of power purchased**

Particulars	For the quarter ended 31 December 2020	For the quarter ended 30 September 2020	For the nine months ended 31 December 2020	From 18 November 2019 to 31 December 2020	From 18 November 2019 to 31 March 2020
Cost of power purchased	137	59	196	-	-
	137	59	196	-	-

**39 Employee benefits expense**

Particulars	For the quarter ended 31 December 2020	For the quarter ended 30 September 2020	For the nine months ended 31 December 2020	From 18 November 2019 to 31 December 2020	From 18 November 2019 to 31 March 2020
Salaries and wages	43	7	50	-	-
Contribution to provident and other funds	2	1	3	-	-
Gratuity expenses	3	0	3	-	-
Compensated absences	3	(0)	3	-	-
	51	8	59	-	-

**40 Repairs and maintenance**

Particulars	For the quarter ended 31 December 2020	For the quarter ended 30 September 2020	For the nine months ended 31 December 2020	From 18 November 2019 to 31 December 2020	From 18 November 2019 to 31 March 2020
Repairs and maintenance:					
- building	51	124	175	-	-
- plant and machinery	58	51	109	-	-
- computers	1	0	1	-	-
- electrical installation	5	5	10	-	-
	115	180	295	-	-

**41 Other expenses**

Particulars	For the quarter ended 31 December 2020	For the quarter ended 30 September 2020	For the nine months ended 31 December 2020	From 18 November 2019 to 31 December 2020	From 18 November 2019 to 31 March 2020
Rent	3	0	3	-	-
Property tax	115	78	193	-	-
Royalty	0	-	1	7	8
Electricity, water and diesel charges	69	63	132	-	-
Travelling and conveyance	3	1	4	-	0
Rates and taxes	7	1	8	-	-
Business support fees	13	9	22	-	-
Brokerage and commission	48	28	76	-	-
Filing fees and stamping charges	9	(1)	8	13	15
Business promotion expenses/advertising expense	11	9	20	-	-
Bank Charges	2	3	5	-	-
Bad debts written off	(3)	3	0	-	-
Corporate Social Responsibility expenses	18	9	27	-	-
Provision for Doubtful Debts (expected credit loss allowance)	3	20	23	-	-
Foreign exchange loss (net)	(9)	9	(0)	-	-
Directors' sitting fees	1	0	1	-	-
Miscellaneous expenses	7	12	19	-	-
	297	244	542	20	23



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

**42 Finance costs (net of capitalisation)**

Particulars	For the quarter ended 31 December 2020	For the quarter ended 30 September 2020	For the nine months ended 31 December 2020	From 18 November 2019 to 31 December 2020	From 18 November 2019 to 31 March 2020
Interest expense					
- on borrowings from banks and financial institutions	555	530	1,085	-	-
- on loans from body corporates	-	49	49	-	-
- debentures	94	2	96	-	-
- on lease liability	5	4	9	-	-
- on others	3	5	8	-	-
Accretion of interest on 0.001% non-cumulative redeemable preference shares	-	4	4	-	-
Unwinding of interest expenses on security deposits	56	43	99	-	-
Other finance charges	1	8	9	-	-
Less: Finance costs capitalised to investment property under construction	(115)	(144)	(259)	-	-
	<b>599</b>	<b>501</b>	<b>1,100</b>	-	-

**43 Depreciation and amortisation**

Particulars	For the quarter ended 31 December 2020	For the quarter ended 30 September 2020	For the nine months ended 31 December 2020	From 18 November 2019 to 31 December 2020	From 18 November 2019 to 31 March 2020
Depreciation / amortisation of property, plant and equipment	101	43	144	-	-
Depreciation / amortisation of investment property	710	453	1,163	-	-
Amortisation of intangible assets	0	0	0	-	-
Less: depreciation cost transferred to investment properties under construction	(0)	(0)	(0)	-	-
	<b>811</b>	<b>496</b>	<b>1,307</b>	-	-

**44 Tax expense**

Particulars	For the quarter ended 31 December 2020	For the quarter ended 30 September 2020	For the nine months ended 31 December 2020	From 18 November 2019 to 31 December 2020	From 18 November 2019 to 31 March 2020
Current tax	456	268	724	-	-
Deferred tax charge	221	158	379	-	-
MAT credit entitlement	(157)	(68)	(225)	-	-
	<b>520</b>	<b>358</b>	<b>878</b>	-	-



**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Consolidated Financial Statements**

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

**45 Asset Acquisition**

The Mindspace REIT entered into share acquisition agreements with shareholders of 8 Asset SPVs (refer note 1 under accounting policies for list of these SPVs) for acquisition of shares of the Asset SPVs in exchange for the units of Mindspace REIT. The acquisition was effected on 30th July 2020 ("Acquisition Date")

Requirements of Ind AS 103 apply to a transaction in which assets acquired and liabilities assumed constitute a business. However, para B7A and B7B of Ind AS 103 allow an optional concentration test to perform simplified assessment of whether acquired set of activities and assets is not a business. The consequence of the test is that if the concentration test is met, the set of activities and assets is determined not to be a business and no further assessment is needed.

REIT has opted to apply optional concentration test in respect of acquisition of these SPVs. Acquired SPVs are engaged in the business of real estate development and leasing. Major asset pool of these SPVs comprise of investment property and investment property under construction. Based on the assessment performed, management has determined that substantially all of the fair value of the gross assets acquired is concentrated in investment property and investment property under construction (including other assets which meet the definition of group of similar identifiable assets as per definition provided in para B7B of Ind AS 103 such as investment property, property, plant and equipment attached to these investment properties which cannot be physically removed and used separately from these investment properties, without incurring significant cost, or significant diminution in utility or fair value to either asset).

Accordingly, acquisition of these SPVs has been accounted as acquisition of group of assets not constituting a business and requirements in Ind AS 103 for business combination accounting has not been applied to this transaction. The REIT has accounted for the transaction as follows:

- a. Identified asset or liability initially measured at an amount other than cost and applied applicable standards for initial measurement of these assets and liabilities
- b. Plant and Machinery recognised at fair value as determined by an independent valuer
- c. Deducted from the gross transaction price of the group acquired, amount recognised in respect of items listed in point (a) and (b) above
- d. Allocated the residual transaction price to the remaining identifiable assets (i.e. Land and Buildings which are then being classified as Investment Property and Investment property under construction) based on their relative fair values at the date of acquisition, arrived at by an independent valuer.

The transaction has not resulted in recognition of goodwill or bargain gain in the books of the REIT. Non-controlling interests in these subsidiaries have a present ownership interest and is entitled to a proportionate share of net assets upon liquidation. These non-controlling interests have been accounted at their fair value on the date of acquisition of the SPVs. For this purpose, fair value has been determined in accordance with Ind AS 113.

As consideration for the assets acquired, Mindspace REIT issued 556,654,582 units at unit price of Rs. 275 per unit totalling to Rs. 153,080 million. Mindspace REIT has also incurred directly attributable expenses in relation to the asset acquisition, amounting to Rs. 23 million, resulting in the total transaction price of Rs. 153,103 million. The following tables summarize the total transaction price, gross transaction price and the allocation of the transaction price.



**MINDSPACE BUSINESS PARKS REIT**  
**RN:IN/REIT/19-20/003**  
**Condensed Consolidated Financial Statements**

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

Particulars	Amount (in million)
Purchase consideration	153,080
Acquisition costs	23
<b>Total transaction price</b>	<b>153,103</b>
Issue price per unit	275

Based on the above total transaction price and adjusted for the other assets and liabilities assumed, the gross transaction price is as follows:

Particulars	Amount (in million)
<b>Total Transaction Price</b>	<b>153,103</b>
Less: Other Assets	44,344
Add: Other Liabilities	91,570
Add: Non-Controlling Interest	9,247
<b>Gross Transaction Price</b>	<b>209,576</b>

Based on the above total transaction price and adjusting for the other assets and liabilities assumed, the gross transaction price is allocated as follows on the basis of the allocation explained above :

Particulars	Amount (in million)
Land – freehold and leasehold as part of Investment property	93,469
Building as part of Investment property	88,099
Investment property under construction	16,680
Property, plant and equipment and other assets	11,327
<b>Total</b>	<b>209,575</b>

Depreciation on leasehold land, building, plant & machinery and other assets has been calculated on the above allocated amounts based on the balance useful lives of these assets as per the accounting policy.



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

**46 Contingent liabilities and Capital commitments**

Particulars	As at 31 December 2020	As at 31 March 2020
<b>Contingent liabilities</b>		
Claims not acknowledged as debt in respect of		
- Income-Tax matters (Refer note 1 below) excluding interest	936	-
- Service-Tax matters (Refer note 2 below)	332	-
- Customs duty matters (Refer note 3 below)	25	-
- Stamp duty	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)	4,765	-

For the purpose of above disclosure only those contingent liabilities that existed as of 31 December 2020 have been considered.

**Notes:**

- i) 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. The company has paid 20% (Rs.0.6 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 related to AY 2012-13 to AY 2018-19 for which company 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. The company is hopeful of a favourable outcome for these Assessment Years. In case of unfavourable decisions in appeal for AY 2012-13 and AY 2018-19, the tax would be payable under normal tax and hence, MAT credit currently available with the Company will no longer be available. As a result, in addition to above contingent liability, the Company 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 the Company has utilised the MAT credit availed during AY 2012-13 to AY 2018-19.
- For AY 2009-10 and AY 2010-11, Income tax cases on 80IA disallowances are pending with Hon'ble HC of Telangana based on appeal filed by the department against the ITAT - Hyderabad order, which were in favour of the Company. Future Cash outflow in respect of above, if any, is determinable only on receipt of judgements / decisions pending with relevant authorities.

SPVs	As at 31 December 2020	As at 31 March 2020
MBPPL	92	-
Sundew	2	-
Intime	41	-
KRIT	189	-
Avacado	8	-
	<b>332</b>	<b>-</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. 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.2 Million and Demand for Interest and Penalty on account of wrong availment of credit of service tax paid on input services Rs.0 mn. 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.21 million and Demand for Service tax on electricity and water and irregular availment of credit of service tax paid on input services Rs.20 million. SPV has filed an appeals with CESTAT and matter is pending.

**KRIT** : Demand for Non Payment of service tax on renting of fitouts and equipments Rs.96 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. SPV has filed an appeals with CESTAT and matter is pending.

**Avacado** : 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. The Company has filed an Appeal before the Customs, Central Excise & Service Tax Appellate Tribunal. The matter is pending adjudication.

For the subsequent period April 2011 to September 2011, the Company has 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. The Company has filed its detailed reply on 24 December 2012. No further correspondence has been received in this case.

For both the above matters, the Company has filed applications in Form SVLDRS-1 under the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019. The Company has received SVLDRS-3 with service tax demand in respect of above matters. The Company has not accepted the demand and is evaluating the further course of action.

- i) 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. 9 million
- 4 The SPV wise details of capital commitments are as follows:

SPVs	As at 31 December 2020	As at 31 March 2020
MBPPL	480	-
Gigaplex	1,062	-
Sundew	549	-
KRC Infra	1,978	-
Horizonview	208	-
KRIT	381	-
Avacado	106	-
	<b>4,765</b>	<b>-</b>



**5 Avacado**

- a) A Suit has been filed in the year 2008 by Nusrat Neville Wadia (Plaintiff) against Ivory Properties and Hotels Private Limited (Ivory) & Others which includes the Company as one of the Defendants inter alia in respect of the land and the 'Paradigm' Industrial Park building of the Company. The Plaintiff has prayed against the Company 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 the Company 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. The Company has filed its reply to the said Suit denying the allegations and praying that no interim relief be granted to the Plaintiff. The Company 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 an 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 17/10/2013. 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 w/s 9A CPC (Maharashtra) question of limitation cannot be decided as a preliminary issue as to jurisdiction. The SLP, application for interim relief and the High court Suit are pending for the final hearing.

Based on an advice obtained from an independent legal counsel, the management is confident that the Company 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 the company 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 KRCPL, 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 the Company 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 the Company, 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 the Company in respect of interest payable on account of the delayed payment of service tax, which amount would be recoverable from the respective lessees by the Company.

**6 KRC Infra**

In respect of the Company's project at Village Kharadi, Pune, a special civil suit is filed. The suit filed by Ashok Phulchand Bhandari against Balasahab 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 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.

**MBPPL**

- a) Pursuant to the demerger and vesting of the Commercezone Undertaking of K Raheja Corp Pvt Ltd. (KRCPL), in the Company MBPPL, the company MBPPL is the owner to the extent of 88.10 % undivided right title and interest in the land bearing S. No 144, 145 Yerawada, Pune which is comprised in the said Undertaking. "Shrimant Chhatrapati Udayan Raje Bhosale" (the Plaintiff) has filed a Special Civil Suit bearing No.133 of 2009 in the Court of Civil Judge, Senior Division Pune against the erstwhile land Owner Shri Mukund Bhavan Trust (who had entrusted development rights to MBPPL) and the State of Maharashtra, claiming to be the owner of the said land. The Hon'ble Court was pleased to reject the Application for amendment of plaint filed by the Plaintiff and allow the Third Party Applications on 14.11.2016. The Plaintiff has filed two writ petitions bearing Nos. 4415/2017 and 4268/2017 in the Bombay High Court challenging the aforesaid orders passed on 14.11.2016. The matter was transferred to another Court for administrative reasons and adjourned on several occasions for compliance of the order by the Plaintiff. On 5th March 2018 the Advocate for the Plaintiff filed a purnish 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 purnish 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 is further adjourned till 24.02.21. 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. 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) Maharashtra State Electricity Distribution SPV Limited (MSEDCL) had sent a letter and subsequently, a show cause notice as to why the K. Raheja Corp Pvt. Ltd. (KRCPL) (of which the Commercezone Undertaking is demerged in the SPV MBPPL) should not be penalised for alleged laying of cable without obtaining proper permission from the Pune Municipal Corporation (PMC) and levied a penalty of Rs. 23 million on MBPPL. MBPPL has adequately responded to such allegations. Pune Municipal Corporation has issued to MSEDCL (with a copy to MBPPL and Panchashil Corporate Park Pvt. Ltd. (Panchashil) stating that the penalty has been waived however, since there has been a violation of PMC approved trenching policy the penalty of Rs.5 million is to be paid by Panchashil and MBPPL. MBPPL has received letter from MSEDCL addressed to MBPPL and Panchashil to pay penalty charges of Rs. 5 millions and complete the balance cable laying work on priority by observing rules and regulations of MSEDCL with due permission from PMC. MSEDCL sent a letter to Panchashil and MBPPL providing the bifurcation of penalty of Rs. 5 millions and requesting Panchashil and MBPPL to make the payment at the earliest. MBPPL has sent a reply letter informing MSEDCL that MBPPL is not liable to pay penalty of Rs. 3 million and in respect of the penalty of Rs. 2 millions, MBPPL and Panchashil are both jointly liable to pay the same. MBPPL has further requested MSEDCL to confirm on the same to enable MBPPL and Panchashil to discuss/negotiate on the same. It is learnt that Panchashil made the payment of Rs. 5 million as penalty charges to MSEDCL and completed the work of laying cable. No provision is considered necessary at this stage.



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Condensed Consolidated Financial Statements****Notes to Accounts**

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

- c) The Company is subject to other legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial condition.
- d) MBPPL received a communication (alleged reminder) from Pune Municipal Corporation (PMC) demanding an amount of Rs.157 million allegedly due from MBPPL based on objections by internal audit report of Pune Municipal Corporation. MBPPL, has submitted a letter denying all allegation of PMC, as MBPPL has not been served with any document referred to the said PMC letter. Subsequently MBPPL addressed one more communication stating that MBPPL would be in a position to submit their reply upon receipt of the details of amount demanded as per their reply submitted which states that if any principal outstanding is due/recoverable, MBPPL agrees to make the said payment and sought detailed clarification on the interest amount.
- 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.  
The Company had acquired the land at Madhapur, Hyderabad as part of the demerger scheme from KRIT. The said land is in lieu of the employment opportunities to be generated by KRIT and others.  
The liability, if any, arising due to the obligation to create the job opportunities for the entire larger land of which the above property is a part, continues to be retained by KRIT as at 31 December 2020.  
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**  
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. The Company 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 on 15.01.21. In management view, the estimate of liability arising out of the same is remote, no provision has been taken.
- 10 KRIT**  
A Writ petition has been filed against the Company 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 upon the triangular piece of 2 acres 40 cents of land earlier identified at the time of allotment as 'Common Facility Centre' in the software layout, until further orders of the Court. IALA and APIIC have filed affidavits opposing the writ petition, confirming the allotment and rights of KRIT in the Suit Land, and for vacating the Stay Order. The matter is pending before the Court. Greater Hyderabad Municipal Corporation ("GHMC") had filed an application in the Court for clarification that the Stay Order does not preclude GHMC from acquiring a portion of 0.14 acres (approximately 567 square meters) for road widening. Subsequently, GHMC has acquired the portion of land and constructed the road. The matter is 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 RPL 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.
- 47 Assessment of possible impact resulting from Covid-19**  
The Mindspace Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the operations of the Mindspace Group and carrying amounts of property, plant and equipment, Investment Property, Inventories, receivables and other assets. The Mindspace Group, as at the date of approval of these financial statements, has used internal and external sources of information to determine the expected future impact of COVID-19 pandemic on the performance of the Mindspace Group. The Mindspace Group based on current estimates expects the carrying amount of the assets to be recovered. However, due to the evolving nature of the pandemic and its response by various government authorities the Management will continue to monitor developments to identify significant impacts, if any, on the Mindspace Group's operations.
- 48 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, administration 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 nine months ended 31 December 2020 amounts to Rs 90 million and Rs 148 million (31 March 2020: Rs Nil). 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 operations, maintenance, administration 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.  
Support Management fees for the quarter and nine months ended 31 December 2020 amounts to Rs 15 million and Rs 25 million (31 March 2020: Rs Nil). 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 nine months ended 31 December 2020 are Rs 17 million. There are no changes during the period in the methodology for computation of fees paid to the Investment Manager.



49 Details of utilisation of proceeds of IPO are as follows:

Particulars	Proposed utilisation	Actual utilisation upto 31 December 2020	Unutilised amount as at 31 December 2020
Partial or full pre-payment or scheduled repayment of certain debt facilities of the Asset SPVs availed from banks/financial institutions (including any accrued interest and any applicable penalties/ premium)	9,000	9,300	Refer Note
Purchase of Non Convertible Redeemable Preference Shares of MBPPL	334	334	-
General Corporate Purposes and REIT Issue Expenses	666	366	Refer Note
<b>Total</b>	<b>10,000</b>	<b>10,000</b>	<b>-</b>

Note: Rs. 300 million is used in excess for providing loans to Asset SPVs for the purpose of repayment of debt facilities of the SPVs.

50 Details of utilisation of proceeds of Debentures are as follows:

Particulars	Proposed utilisation	Actual utilisation upto 31 December 2020	Unutilised amount as at 31 December 2020
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.	7,000	6,996	-

51 Earnings Per Unit (EPU)

Basic EPU amounts are calculated by dividing the profit 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. 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.

Particulars	For the quarter ended 31 December, 2020	For the quarter ended 30 September, 2020	For the nine months ended 31 December, 2020	From 18 November 2019 to 31 December 2020	From 18 November 2019 to 31 March 2020
Profit/ (loss) after tax for calculating basic and diluted EPU attributable to Mindspace REIT	1,306	626	1,927	(32)	(49)
Weighted average number of units (no. in million)	593	404	334	-	-
<b>Earnings Per Unit</b>					
- Basic (Rupees/unit)	2.20	1.55	3.06	Not Applicable	Not Applicable
- Diluted (Rupees/unit)	2.20	1.55	3.06	Not Applicable	Not Applicable



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

**52 Net Operating Income (NOI)**

The Mindspace REIT entered into share purchase agreement with Sponsor group and Blackstone entities of Asset SPVs for acquisition of the shares of the SPVs held by such shareholders in exchange for the units of Mindspace REIT (refer note 45). Acquisition of these SPVs has been accounted as acquisition of group of assets based on the concertation test permitted as per Companies (Indian Accounting Standards) Amendment Rules, 2020 and accordingly, requirements in Ind AS 103 for business combination accounting are not applicable to this transaction.

The revenue and expenses pertaining to these SPVs have been consolidated from 1 August 2020 and therefore these condensed consolidated financial statements include results of these SPVs from 1 August 2020 to 31 December 2020 only. As the transaction is being accounted as asset acquisition and not a business combination, the pro forma information is not required to be disclosed per Indian Accounting Standards applicable to the transaction. However, considering these proforma information to be relevant to the investors, the Governing Board has decided to provide following additional 'pro-forma' information to represent an approximate measure of the performance of the Mindspace REIT group for the quarter ended 30 June 2020 and 30 September 2020, quarter and nine months ended 31 December 2020 and year ended 31 March 2020, as if the acquisition had occurred on 1 April 2019 following the analogy from disclosures required in Ind AS 103 for 'Business Combinations'.

The following pro forma financial information has been prepared by combining the historical results of all the SPVs for the respective periods after making adjustment for intra group transactions and unrealised profits, if any. The pro forma financial information is presented solely for informational purposes and is not indicative of the results of operations that would have been achieved if the acquisition of SPVs had taken place on 1 April 2019 or of results that may occur in the future.

Particulars	Quarter ended	Quarter ended	Quarter ended	Nine months ended	Year ended
	30 June 2020 (Unaudited)	30 September 2020 (Unaudited)	31 December 2020 (Unaudited)	31 December 2020 (Unaudited)	31 March 2020 (Unaudited)
Proforma Revenue from operations	3,959	4,079	4,301	12,339	17,660
Proforma direct operating expenses *	741	713	723	2,177	5,403
<b>Net operating income</b>	<b>3,218</b>	<b>3,366</b>	<b>3,578</b>	<b>10,162</b>	<b>12,257</b>

\* direct operating expenses are repairs and maintenance - buildings, repairs and maintenance plant and machinery, repairs and maintenance electrical installation, property tax, insurance expense, cost of material sold, cost of power purchased and power operation & maintenance expenses)



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

**53 Financial instruments**

**A** The carrying value and fair value of financial instruments by categories are as below:

Financial assets	As at 31 December 2020	As at 31 March 2020
<b>Fair value through other comprehensive income ('FVTOCI')</b>		
Investments - non-current	0	-
<b>Fair value through profit and loss ('FVTPL')</b>		
Investment in mutual funds - current investments	-	-
<b>Amortised cost</b>		
Investments - non-current	18	-
Trade receivables	242	-
Cash and cash equivalents	3,637	0
Other bank balances	210	-
Other financial assets	2,478	-
<b>Total assets</b>	<b>6,585</b>	<b>0</b>
<b>Financial liabilities</b>		
Borrowings (including current maturities of long-term debt)	36,380	-
Security deposits	7,446	-
Trade payables	844	-
Other financial liabilities	2,794	49
<b>Total liabilities</b>	<b>47,464</b>	<b>49</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:

- recognised and measured at fair value
- measured at amortised cost and for which fair values are disclosed in the financial statements.

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

**Fair value hierarchy**

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The following table presents the fair value measurement hierarchy of assets and liabilities measured at fair value on recurring basis as at 31 December 2020.

**Financial instruments**

Quantitative disclosures fair value measurement hierarchy for assets as at 31 December 2020:

Particulars	Date of valuation	Total	Level 1	Level 2	Level 3
<b>Financial assets measured at fair value:</b>					
FVTOCI financial investments:		0	-	-	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 the period.

**d) Determination of fair values**

Fair values of financial assets and liabilities have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

- The fair value of mutual funds are based on price quotations at reporting date.
- The fair values of other current financial assets and financial liabilities are considered to be equivalent to their carrying values.



MINDSPACE BUSINESS PARKS REIT  
RN:IN/REIT/19-20/003  
Condensed Consolidated Financial Statements  
Notes to Accounts  
(All amounts are in Rs. million unless otherwise stated)

54 Non-controlling interest

Name of the entity	For the nine months ended 31 December 2020			
	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	94.7%	164,716	92.7%	1,927
<b>Subsidiaries</b>				
Intime Properties Limited	1.1%	1,904	2.0%	41
K. Raheja IT Park (Hyderabad) Limited	1.8%	3,146	2.4%	49
Sundew Properties Limited	2.4%	4,163	3.0%	63
<b>Consolidated net assets/ Total comprehensive income</b>	<b>100%</b>	<b>173,930</b>	<b>100%</b>	<b>2,080</b>



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

**54 Non-controlling interest (continued)**

The following table summarises the financial information relating to subsidiaries which have material Non-controlling interest.

**(i) Intime Properties Limited**

Particulars	As at 31 December 2020
Non-current assets	14,698
Current assets	3,412
Non-current liabilities	(118)
Current liabilities	(684)
<b>Net assets</b>	<b>17,308</b>
NCI	11.0%
Carrying amount of Non-controlling interests	1,904

Particulars	As at 31 December 2020
Total comprehensive income for the period	369
<b>Attributable to Non-controlling interest</b>	
Total comprehensive income for the period	41
<b>Cash flows from/ (used in) :</b>	
Operating activities	20
Investing activities	23
Financing activities	(52)
Net increase/ (decrease) in cash and cash equivalents	(9)

**(ii) K. Raheja IT Park (Hyderabad) Limited**

Particulars	As at 31 December 2020
Non-current assets	23,322
Current assets	6,325
Non-current liabilities	(259)
Current liabilities	(780)
<b>Net assets</b>	<b>28,608</b>
NCI	11.0%
Carrying amount of Non-controlling interests	3,146

Particulars	As at 31 December 2020
Total comprehensive income for the period	445
<b>Attributable to Non-controlling interest</b>	
Total comprehensive income for the year	49
<b>Cash flows from:</b>	
Operating activities	40
Investing activities	35
Financing activities	(68)
Net increase in cash and cash equivalents	7



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

**(iii Sundew Properties Limited**

<b>Particulars</b>	<b>As at 31 December 2020</b>
Non-current assets	47,416
Current assets	1,447
Non-current liabilities	(8,192)
Current liabilities	(2,823)
<b>Net assets</b>	<b>37,848</b>
<b>NCI</b>	<b>11.0%</b>
<b>Carrying amount of Non-controlling interests</b>	<b>4,163</b>
<b>Particulars</b>	<b>As at 31 December 2020</b>
Total comprehensive income for the period	572
<b>Attributable to Non-controlling interest</b>	
Total comprehensive income for the year	63
<b>Cash flows from/ (used in) :</b>	
Operating activities	115
Investing activities	612
Financing activities	(732)
<b>Net increase in cash and cash equivalents</b>	<b>(5)</b>
<b>Total carrying amount of NCI</b>	<b>9,213</b>



**MINDSPACE BUSINESS PARKS REIT**

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

**Notes to the Condensed Consolidated Financial Statements**

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

**55 Related Party Disclosures**

**A. Parties to Mindspace REIT as at 31 December, 2020 (Refer Note 1)**

Sl. No.	Particulars	Name of Entities	Promoters/Partners *	Directors
1	Trustee	Axis Trustee Services Limited	-	-
2	Sponsors	Anbee Constructions LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
3		Cape Trading LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
4	Manager	K Raheja Corp Investment Managers LLP	Mr. Ravi C. Raheja Mr. Neel 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		Capstan Trading LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
10		Casa Maria Properties LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
11		Raghukool Estate Development LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
12		Palm Shelter Estate Development LLP	Mr. Ravi C. Raheja Mr. Neel C. Raheja Mr. Chandru L. Raheja Mrs. Jyoti C. Raheja	-
13		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 Vinod Rohira
14		Ivory Property Trust	Chandru L. Raheja Jyoti C. Raheja Ivory Properties & Hotels Pvt Ltd Ravi C. Raheja Neel C. Raheja (all are trustees)	-
15		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, behalf of Ivory Property Trust	Ravi C. Raheja Neel C. Raheja Ramesh Valecha



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Notes to the Condensed Consolidated Financial Statements**

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

**55 Related Party Disclosures****A. Parties to Mindspace REIT as at 31 December, 2020 (Refer Note 1)**

Sl. No.	Particulars	Name of Entities	Promoters/Partners *	Directors
16	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 Mr. Ravi C. Raheja Mr. Neel C. Raheja  <u>Key Managerial Personnel</u> Mr. Vinod Rohira Ms. Preeti Chheda		
18	Entities controlled/jointly controlled by members of Governing Board.	Brookfields Agro & Development Private Limited Cavalcade Properties Private Limited 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 Sundew Real Estate Private Limited M/s Bobby Parikh and Associates		

\* only when acting collectively



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Notes to the Condensed Consolidated Financial Statements**

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

**55 Related party disclosures****B. Related parties with whom the transactions have taken place during the period**

Particulars	Quarter ended		For nine months ended 31 December 2020	From 18 November 2019 to 31 December 2020	From 18 November 2019 to 31 March 2020
	31 December 2020	30 September 2020			
<b>Project Management Fees</b>					
K Raheja Corp Investment Managers LLP	104	68	173	-	-
<b>Investment Management Fees</b>					
K Raheja Corp Investment Managers LLP	17	-	17	-	-
<b>Trustee fee expenses</b>					
Axis Trustee Services Limited	1	1	2	-	-
<b>Legal &amp; professional fees</b>					
M/s Bobby Parikh and Associates	0	6	6	-	-
<b>Interest income</b>					
Ivory Property Trust	-	19	19	-	-
<b>Rent expense</b>					
Genext Hardware & Parks Pvt. Ltd.	3	2	5	-	-
<b>Royalty Charges</b>					
Anbee Constructions LLP	-	-	-	1	1
Cape Trading LLP	-	-	-	1	1
Ivory Properties & Hotels Private Limited	-	-	-	1	1
K. Raheja Private Limited	-	-	-	1	1
K. Raheja Corp Private Limited	-	-	-	1	2
<b>Sitting Fees</b>					
Neel C Raheja	0	0	0	-	-
Ravi C Raheja	0	0	0	-	-
Vinod N. Rohira	0	0	0	-	-
Preeti Chheda	-	0	0	-	-
<b>Loan repaid</b>					
Ivory Property Trust	-	3150	3150	-	-
<b>Reimbursement of Expenses</b>					
K Raheja Corp Investment Managers LLP*	13	48	61	25	41

\*Includes fees paid to M/s Bobby Parikh & Associates amounting to Rs. 0.48 million for the quarter ended 30 June 2020 and nine months ended 31 December 2020 and Rs 1 million for the period ended 31 March 2020.



**MINDSPACE BUSINESS PARKS REIT**

RN:IN/REIT/19-20/003

**Notes to the Condensed Consolidated Financial Statements**

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

**55 Related party disclosures****B. Related parties with whom the transactions have taken place during the period**

Particulars	Quarter ended		For nine months ended 31 December 2020	From 18 November 2019 to 31 December 2020	From 18 November 2019 to 31 March 2020
	31 December 2020	30 September 2020			
<b>Payment to Sponsor Group companies in relation to Offer for Sale</b>					
Chandru L. Raheja	-	10	10	-	-
Jyoti C Raheja	-	1,139	1,139	-	-
Ravi C Raheja	-	1,179	1,179	-	-
Neel C Raheja	-	1,179	1,179	-	-
Genext Hardware & Parks Private Limited	-	957	957	-	-
Inorbit Malls (India) Private Limited	-	1,505	1,505	-	-
Ivory Properties And Hotels Private Limited	-	3,385	3,385	-	-
Ivory Property Trust	-	10,352	10,352	-	-
K. Raheja Corp Private Limited	-	4,301	4,301	-	-
K. Raheja Private Limited	-	2,851	2,851	-	-
<b>Initial receipt from Co-sponsor - received</b>					
Anbee Constructions LLP	-	-	-	0	0
Cape Trading LLP	-	-	-	0	0
<b>Issue of Unit capital</b>					
Anbee Constructions LLP	-	9,736	9,736	-	-
Cape Trading LLP	-	9,736	9,736	-	-
Capstan Trading LLP	-	11,301	11,301	-	-
Casa Maria Properties LLP	-	11,301	11,301	-	-
Chandru L. Raheja	-	8,974	8,974	-	-
Genext Hardware & Parks Private Limited	-	6,294	6,294	-	-
Ivory Property Trust	-	2,410	2,410	-	-
Jyoti C. Raheja	-	2,745	2,745	-	-
K Raheja Corp Private Limited	-	10,064	10,064	-	-
Neel C. Raheja	-	4,637	4,637	-	-
Palm Shelter Estate Development LLP	-	11,301	11,301	-	-
Raghukool Estate Development LLP	-	9,958	9,958	-	-
Ravi C Raheja	-	4,637	4,637	-	-



**MINDSPACE BUSINESS PARKS REIT**

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

**Notes to the Condensed Consolidated Financial Statements**

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

**55 Related party disclosures**

**C. Balances**

<b>Particulars</b>	<b>As on 31 December 2020</b>	<b>As on 31 March 2020</b>
<b>Trade Receivables</b>		
Carin Properties Private Limited	0	-
<b>Other Receivable</b>		
Vinod N Rohira	0	-
<b>Trade Payables</b>		
K Raheja Corp Investment Managers LLP	38	-
M/s Bobby Parikh and Associates	0	-
<b>Sitting Fees Payable</b>		
Neel C.Raheja	0	-
Ravi C.Raheja	0	-
Vinod N. Rohira	0	-
Preeti Chheda	0	-
<b>Other Financial Liabilities</b>		
K Raheja Corp Investment Managers LLP	24	49
<b>Security Deposit</b>		
K. Raheja Corp Pvt. Ltd.	2	-
<b>Co-Sponsor Initial Corpus</b>		
Anbee Constructions LLP	0	0
Cape Trading LLP	0	0

56 "0" represents value less than Rs. 0.5 million.

